



Request for Proposal #0017933

for

Beverage Sponsorship

June 30, 2011

RFP 0017933  
GENERAL INFORMATION FORM

1. **QUESTIONS:** All inquiries for information regarding this solicitation should be directed to: Tom Kaloupek, Phone: (540) 231-6221; e-mail: kals@vt.edu.
2. **DUE DATE:** Sealed Proposals will be received until September 1, 2011, at 3:00 PM. Failure to submit proposals to the correct location by the designated date and hour will result in disqualification.
3. **ADDRESS:** Proposals should be mailed or hand delivered to: Virginia Polytechnic Institute and State University (Virginia Tech), Purchasing Department, 270 Southgate Center (0333), Blacksburg, Virginia 24061. Reference the Opening Date and Hour, and RFP Number in the lower left corner of the return envelope or package.
4. **TYPE OF BUSINESS:** (Please check all applicable classifications). If your classification is certified by the Virginia Department of Minority Business Enterprise, provide your certification number: \_\_\_\_\_. For certification assistance, please visit: <http://www.dmbc.state.va.us/swamcert.html>.

\_\_\_\_\_ **Large**

\_\_\_\_\_ **Small business** – An independently owned and operated business which, together with affiliates, has 250 or fewer employees or average annual gross receipts of \$10 million or less averaged over the previous three years. Department of Minority Business Enterprise (DMBE) certified women-owned and minority-owned business shall also be considered small business when they have received DMBE small business certification.

\_\_\_\_\_ **Women-owned business** – A business concern that is at least 51% owned by one or more women who are U. S. citizens or legal resident aliens, or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest is owned by one or more women who are citizens of the United States or non-citizens who are in full compliance with the United States immigration law, and both the management and daily business operations are controlled by one or more women who are U. S. citizens or legal resident aliens.

\_\_\_\_\_ **Minority-owned business** – A business concern that is at least 51% owned by one or more minority individuals (see Section 2.2-1401, Code of Virginia) or in the case of a corporation, partnership, or limited liability company or other entity, at least 51% of the equity ownership interest in the corporation, partnership, or limited liability company or other entity is owned by one or more minority individuals and both the management and daily business operations are controlled by one or more minority individuals.

5. **COMPANY INFORMATION/SIGNATURE:** In compliance with this Request for Proposal and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal and as mutually agreed upon by subsequent negotiation.

|                                                                                           |                  |                                                          |                                            |
|-------------------------------------------------------------------------------------------|------------------|----------------------------------------------------------|--------------------------------------------|
| FULL LEGAL NAME (PRINT)<br>(Company name as it appears with your Federal Taxpayer Number) |                  | FEDERAL TAXPAYER NUMBER (ID#)                            |                                            |
| BUSINESS NAME/DBA NAME/TA NAME<br>(If different than the Full Legal Name)                 |                  | FEDERAL TAXPAYER NUMBER<br>(If different than ID# above) |                                            |
| BILLING NAME<br>(Company name as it appears on your invoice)                              |                  | FEDERAL TAXPAYER NUMBER<br>(If different than ID# above) |                                            |
| PURCHASE ORDER ADDRESS                                                                    |                  | PAYMENT ADDRESS                                          |                                            |
| CONTACT NAME/TITLE (PRINT)                                                                |                  | SIGNATURE (IN INK)                                       | DATE                                       |
| E-MAIL ADDRESS                                                                            | TELEPHONE NUMBER | TOLL FREE TELEPHONE NUMBER                               | FAX NUMBER TO RECEIVE E-PROCUREMENT ORDERS |

I. PURPOSE:

The purpose of this Request for Proposal (RFP) is to solicit sealed proposals to establish a contract through competitive negotiations for a beverage sponsorship agreement by Virginia Polytechnic Institute and State University (Virginia Tech), an agency of the Commonwealth of Virginia.

II. CONTRACT PERIOD:

The term of this contract is for ten years, or as negotiated. There will be an option for one five-year renewal, or as negotiated.

III. OVERVIEW:

**1.1 RFP Scope and Objectives:**

Virginia Polytechnic Institute and State University (Virginia Tech) is seeking a contract with a beverage supplier that is committed to providing leadership in the unparalleled growth of Virginia Tech's cold beverage operation. Virginia Tech is seeking a supplier that is capable of and committed to providing the innovation, creativity, and resources necessary to develop a cold beverage operation that maximizes existing program elements while embracing a marketing and operation vision for a future program that supports Virginia Tech's overall objectives.

In support of this objective, Virginia Tech, under this Request for Proposal (RFP), seeks to grant comprehensive rights to the successful cold beverage supplier for a period of ten (10) years. The Contract will provide for the sale and distribution of specific cold beverages on the main campus in Blacksburg, including the Inn at Virginia Tech and all dining centers, and vending locations on the campus. This contract does not include concession sales rights to Athletics Department conducted events. However, this contract will provide exclusive rights to supply a Virginia Tech selected concessionaire with cold beverage products for Athletics Department conducted events. Product categories will be negotiated.

Product categories included in this exclusive right may include:

- **Carbonated Soft Drinks (CSD)**
- **Non-Carbonated Soft Drinks**
- **Juice & Juice Drinks**
- **Ready To Drink (RTD) Tea**
- **Isotonic Sports Drinks**
- **Bottled Water**

The Contract additionally grants opportunities for on-campus promotional marketing, the use of university marks and the right for the cold beverage supplier to sell and distribute any introductory products on the Virginia Tech campus throughout the term of the agreement. The contract granting such rights will not include the right to sell, distribute, or promote beer (including non-alcoholic), milk, public water, hot coffee, hot tea, or fresh squeezed juice.

**Exclusive rights:** Virginia Tech defines "exclusive" as the distribution, promotion, selling or sampling of a single manufacturer's line of cold beverage products throughout all related university venues on the Blacksburg campus and in connection with all university teams / events. However, in an effort to meet the needs of all students, faculty, and staff, Virginia Tech reserves the right to distribute competitive bottle and can products through fifty percent (50%) of the university convenience store cold beverage shelf space, and fifteen percent (15%) of Dining Services retail cold beverage shelf space. Vending and Dining Services fountain will be 100% exclusive.

Exclusive rights will also include on-campus promotional signage and marketing, product sampling, and the use of university marks in the context that the university will not allow another beverage company to use our marks during the term of the contract.

## **1.2 Statement of Intent:**

Dedicated to its motto, Ut Prosim (That I May Serve), Virginia Tech takes a hands-on, engaging approach to education, preparing scholars to be leaders in their fields and communities. This service extends across the Commonwealth, the Nation and beyond.

Virginia Tech is equally committed to supporting and assisting its suppliers in reaching overall business objectives.

In the spirit of this mutually beneficial commitment, Virginia Tech is requesting Offerors to provide economic support in addressing immediate and long-term objectives relative to serving students and the community. With the understanding that this takes significant on-going financial resources, the university desires that each Offeror identify, within its proposal, the economic resources specifically allocated to assist Virginia Tech in fulfilling its mission. This financial contribution will be used at Virginia Tech's discretion, throughout the term of the contract.

The university further desires that Offerors identify student internships that may be made available as a result of this contract.

The primary goal of this RFP is the implementation of a beverage contract for a national-brand product with the intent to maximize revenue, promote and increase market share of beverage products, control costs and provide exceptional service to university students, faculty, staff, and visitors. The university desires to develop a model relationship that substantially advances beverage-related opportunities at the university and capitalizes on the immediate and long-term priorities of the institution and its vendor.

## **1.3 The University and Community:**

Founded in 1872 as a land-grant institution named Virginia Agricultural and Mechanical College, Virginia Tech is now a comprehensive, innovative research university with the largest number of degree offerings in Virginia. Virginia Tech's main campus is located on 2,600 acres in Blacksburg with 125 buildings and a 1,700-acre research farm in Montgomery County. The 2010 fall semester demonstrated an on-campus enrollment of 28,687 students and 5,935 faculty and staff. Total student enrollment, on and off campus, is currently 31,006. The undergraduate population comprises approximately 82% of total enrollment, with an estimated 32% of the total enrolled students living on campus. Virginia Tech boasts eight colleges and graduate schools with 65 bachelor's degree programs and 150 master's and doctoral programs.

Education is more than a classroom experience at Virginia Tech. As part of its public service mission, Virginia Tech is involved in a multitude of outreach projects. For example, it spawns economic development, helps global marketing efforts, investigates better uses for strip-mined land, and helps clean the Chesapeake Bay and other state waterways. Outreach efforts also focus on education and the dissemination of knowledge. Virginia Tech has a long history of providing innovative distance learning techniques such as videoconferencing, multimedia, interactive video, interactive computer conferencing and web-based courses to meet the various needs of working adults and other nontraditional students. The Cooperative Extension Service, operated jointly in the Commonwealth by Virginia Tech and Virginia State University, is a dynamic organization that stimulates positive personal and societal change leading to more productive lives, family farms and forests, as well as a better environment for more than 95 years. With offices, professionals, and volunteers positioned around the Commonwealth, Extension's non-formal education benefits more than 1 million participants annually. Extension has touched virtually every life in the state in some way.

Partnerships and alliances with public agencies, the private sector and other educational institutions have been a longstanding tradition at Virginia Tech. Virginia Tech understands that it cannot rely on traditional, long-standing ways of doing things if it is to survive and prosper in a world that is increasingly becoming global, diverse, sophisticated and competitive.

To position itself for the future, Virginia Tech is committed to long-range development and growth strategies that speak directly to the new challenges and opportunities that will emerge. Although not representing the full extent

of Virginia Tech's academic enterprise and strengths, the university has identified six goals in its Campus Master Plan that will focus on supporting the Strategic Plan. The goals speak to the Strategic Plan by providing for development of physical resources which accommodate the strategic vision and program directions articulated in the plan, preserving the core qualities while nurturing growth, planning for the long range highest and best use of the university's significant land assets, planning for transportation and infrastructure systems to anticipate growth rather than react to demand, allow for future changes within its framework and celebrate the unique Virginia Tech campus as a place. This aggressive and comprehensive plan will allow Virginia Tech to increase its stature as a world-class research institution, increase the quality and enrollment of graduate programs, and respond to societal needs by expanding professional education and creating new strategic partnerships with the private sector.

It is this type of commitment, community leadership and forward thinking that makes Virginia Tech an outstanding business partner. Virginia Tech is seeking a partner, which can and will be equally strategic in developing a beverage partnership, that will not only meet the necessary marketing goals but will create and support other Virginia Tech initiatives.

### **1.3.1 Student Life:**

Virginia Tech's Division of Student Affairs strives to provide a wide range of campus services and activities to enhance student life. Its mission is to promote student learning, life skills, and personal growth. Consistent with the university's goal of "educating the whole person," the Division supports students' ethical, social, civic, leadership and career development. In addition, the Division offers programs and services that contribute to a just and caring university community that offers educational and developmental opportunities to a diverse student body, encouraging the development of productive, healthy lifestyles. There are 16 departments within the Division of Student Affairs.

Below is a description of four key areas of the Division of Student Affairs:

**Dining Services:** Virginia Tech's dining program is one of the best in the country—its students have ranked it in the nation's top three for the past five years, according to The Princeton Review. Dining Services has received many awards for events and programs designed to engage and educate students. Its 11 dining facilities mix original venues and some of the top-selling national brand franchises in the country. A new 36,000 square-foot dining facility will open in Fall 2012, bringing even more opportunities to provide innovative and exceptional service to the Virginia Tech campus.

**Residential Communities:** Virginia Tech has the 14<sup>th</sup> largest residence hall program in the country, with 9,100 students living in 46 residence halls offering a variety of different living styles including single-sex, coeducational, traditional, suite, hotel-style, cadet, Greek, graduate, and living-learning communities. Residence halls represent a significant portion of the vending operation.

**Recreational Sports:** The Department of Recreational Sports provides credit and non-credit instruction, fitness facilities, and programs tailored to suit Virginia Tech student and faculty interests and needs. This unit operates athletic facilities in both War Memorial Hall and McComas Hall, as well as the campus golf course and outdoor playing fields for recreational, club, and varsity sports. It has one of the most active intramural sports programs in the country, serving more than 7,000 participants per year. Both recreational and competitive leagues are offered for men, women, and co-recreational divisions.

The above represents an important element of the Virginia Tech community and an excellent marketing opportunity for its Supplier to develop an immediate, positive relationship with the community.

### **1.3.2 Athletics:**

Consistent with Virginia Tech's mission, the Virginia Tech Department of Athletics, a Division I-Atlantic Coast Conference competitor provides programs based on excellence, integrity, and honesty. Athletics develops successful teams that support the intellectual, athletic, and personal endeavors of student-athletes. Additionally, the department operates the athletics program and manages its resources in a manner having the most beneficial impact on student-athletes, coaches, staff and the university community, within the parameters set by the Operating Principles of the NCAA.

The Athletics Department at Virginia Tech is committed to:

- Developing student-athletes academically, athletically, and socially, with the intent of aiding the efforts of each to graduate with a high-quality college education, advance toward a career, and contribute to society.
- Supporting equitable opportunities for all student-athletes, administrators and staff, including women and minorities.
- Modeling the principles of teamwork, sportsmanship, ethical conduct and leadership, and instilling these principles within each student-athlete.

Presently, Virginia Tech fields 21 intercollegiate sport teams, 11 men's and 10 women's. The Athletics Department annually hosts 6-7 home football games. Combined, the men's and women's basketball programs annually play over 30 contests at Cassell Coliseum.

The success of Virginia Tech's intercollegiate athletics programs in recent years has been monumental. The football program has won four ACC titles in its first six years in the league, has won 71 conference games since joining the league (the most among the 12 league members in that span), is the only FBS school to win 10 or more games in each of the past seven seasons, and is ranked 17<sup>th</sup> all-time football wins among Division I-A teams (668), the second-most among ACC teams.

The results on the playing field have led to tremendous results at the turnstile. Tech has sold out all of its home football games since 1999, averaging over 66,230 fans per game at Lane Stadium since the last stadium expansion in 2005. The annual spring football intra-squad game draws in excess of 25,000 fans. During the course of a calendar year, it is foreseeable that Lane Stadium will draw upwards of 475,000 spectators for scheduled football events.

When it was announced in 2003 that Virginia Tech would be joining the ACC, men's basketball season tickets sales soared. Season tickets have been sold out since 2003. The Hokies have made it a habit of competing in post-season play participating in six of the last seven post-season tournaments. Since the 2004-05 season, the men's basketball team has averaged over 150,000 tickets sold per season.

Both the baseball and softball programs play in modern facilities. English Field features 1,033 permanent chair-back seats in concrete stands and a two-story press box with a concession stand and restroom facilities erected in 1997. In the summer of 2008, the terracing of the hill along the third base/left field line was completed to provide fans with a new, unique and comfortable way to take in the action. When added to the permanent seats in the grandstand, the new terracing allows for approximately 4,000 fans to be accommodated at any given time. The Tech Softball Park is a great complex that just keeps getting better. In 2008, the park was given an overhaul that fans instantly noticed and appreciated. In May of 2007, six poles featuring permanent lights were installed. Starting in January of 2008, an additional 746 permanent seats were installed, bringing the capacity up from 336 to 1,082. The bleachers match the ones that were already in place and now extend down to the end of both dugouts.

The men's and women's track programs compete in Rector Field House (indoor) and at the Johnson-Miller Outdoor Track, where they have enjoyed much success including having won eight individual national championships. Tech wrestling finished its season with a #6 ranking at the NCAA's. Earlier this season the wrestlers drew over 2,500 fans for a meet at Cassell Coliseum.

In the fall of 2000, the Athletics Department committed \$2 million dollars to purchase new scoreboards, upgraded sound systems, a 21x28 L.E.D. video display screen at Lane Stadium and two 9 X 12 wall mount L.E.D. video screens in Cassell Coliseum. Since then both venues have had their video boards replaced. A state of the art television control studio provides in-house production and operations for the video screens. The video screens and new sound systems have noticeably heightened game entertainment and the overall fan experience at Lane Stadium and Cassell Coliseum.

The Athletics Department has a sideline-advertising program with Gatorade, which expires in 2013 and is excluded from this contract. This side-line advertising contract will not affect Isotonic beverage distribution in other areas of campus.

### 1.3.3 Key Facilities:

**Lane Stadium:** Billed as the toughest place in college football for opponents to play by Rivals.com, the Hokies play on not only one of the best playing surfaces in the nation, but with the south end zone and west side additions, the Hokies compete in one of the best stadiums in the nation. Now entering its 46th season as an arena of collegiate football competition, Lane Stadium/Worsham Field has a seating capacity of 66,233.

**Cassell Coliseum:** For a half a century, Cassell Coliseum has provided Virginia Tech with one of the greatest home courts in all of college basketball. Winning has been the norm in the facility since its opening in 1961. Cassell is perhaps even more exciting today than ever in its history. The 2009-10 season saw a record 176,159 fans pack the building. A facility long known for one of the great home-court advantages in college basketball, “The Cassell” now gives Tech opponents one of the most difficult environments in the Atlantic Coast Conference. The four millionth fan witnessed a Hokie victory in the 2007-08 season.

**Squires Student Center:** This 252,000 square foot facility represents the main campus facility for student programs and many university-wide programs. The building contains a 12,000 and a 4,000 sq. ft. ballroom, a 650-seat forum hall, a 500-seat theater, a teaching theatre, a music recital hall, and 29 meeting rooms. It accommodates credit instruction, films, concerts, lectures commencement and other university ceremonies. Branded concepts include Sbarro and Au Bon Pan. Annual traffic is approximately 4,615,819.

**Johnston Student Center:** This facility spans approximately 24,100 gross square feet. Facilities include three classrooms used for both credit instruction and student organization meetings, food court / eating space and lounge space. Branded concepts include Subway and a Seattle’s Best branded coffee shop. Estimated annual traffic is approximately 800,000.

**Donaldson Brown Graduate Life Center:** This 106,424 square foot facility provides housing for 100 graduate students, lounge, meeting rooms and offices for graduate student organizations. Also contained in this building are an auditorium and a computer lab. Dining Services operates an Au Bon Pan branded concept restaurant and coffee kiosk in the Graduate Life Center. 2010 revenue was \$492,187 and customer head count was 112,838.

**War Memorial Hall / McComas Hall:** These facilities represent the two recreation centers on the Virginia Tech campus. War Memorial Hall provides students, faculty, staff, and alumni an area to pursue many different sport and recreational activities. McComas Hall has become one of the most popular student areas on campus.

**The Inn at Virginia Tech and Skelton Conference Center:** This first-class hotel and conference center opened in July 2005. The facility features 147 luxury guest rooms and suites, Preston’s Restaurant, the Continental Divide Lounge, an 8,832 square foot ballroom and 12 flexible conference rooms, including a 135-seat amphitheater. With a total of nearly 24,000 square feet of meeting, conference and banquet facilities, this is one of the premier hospitality venues in the mid-Atlantic region.

The Inn will have approximately 35,000 lodging rooms occupied through the 2010-2011 fiscal year and will serve approximately 150,000 meals over the same time period.

The Inn is located at the northern entrance to the Virginia Tech campus and it is connected directly to the **Holtzman Alumni Center**. These facilities host thousands of Virginia Tech faculty, staff, alumni, parents, students, and other guests on an annual basis. The Inn is the venue of choice for major university events, weddings and prestigious community social and fund-raising activities.

### 1.3.4 Key Facility Developments:

**Academic and Student Affairs Building:** This facility is under construction and is scheduled to open in August, 2012. This three story, 60,000 square foot building is centrally located in the academic heart of the campus. The top floor of this multipurpose building will house classroom and student affairs offices. The ground floor and first floors (36,000-40,000 sq ft) will house a state of the art dining facility with three national brands and five self-branded restaurants, operated and managed by VT Dining Services. The first major dining facility on the academic side of the campus will seat 800-900.

### 1.3.5 Sustainability:

The Virginia Tech Climate Action Commitment Resolution was approved by our Board of Visitors on June 1, 2009, and is now university policy. This 14 point resolution states that Virginia Tech is committed to be a leader in Campus Sustainability and that the Virginia Tech Climate Action Commitment and Sustainability Plan (VTCAC&SP) will be represented in the Virginia Tech Strategic Plan.

To view the VTCAC&SP please see: <http://www.facilities.vt.edu/sustainability/sustPlan.pdf>.

### **1.3.6 Signage and Marketing Opportunities:**

Virginia Tech offers a variety of effective signage and marketing vehicles to reach the surrounding community. Virginia Tech's athletic / all-purpose facilities provide an opportunity for the Supplier to maintain and enhance their branding efforts within the community.

Below is a listing of the major Virginia Tech signage / marketing vehicles which may be available to the beverage partner(s) during the course of the Contract:

#### **Lane Stadium:**

- One panel on tri-rotational panel sign on north end zone video/scoreboard.
- Full stadium LED (5 minutes)
- Replay sponsorship on video board (10)

#### **Cassell Coliseum:**

- Tri-rotational panels on each new wall mounted video/scoreboard. Total of four panels.
- One static-panel, press row level.

#### **Radio:**

- Football Play-by-Play Broadcast (2- :30 spots)
- Basketball Play-by-Play Broadcasts (2- :30 spots)

#### **Program Ad:**

- One full-page, four-color advertisement in Virginia Tech football game program
- One full-page, four-color advertisement in the men's basketball game program
- One full-page, four-color advertisement in the woman's basketball game program

#### **Other:**

Logo (1) stadium cups served by athletics department concessionaire  
1 exit sampling opportunity for 1 home football game  
1 exit sampling opportunity for 1 home men's basketball game

### **1.4 Current Beverage Operations:**

The following provides an overview of the existing beverage operations on the Virginia Tech campus.

#### **1.4.1 Vending:**

All campus vending and University Bookstores sales are operated by Virginia Tech Services, Inc., a 501 (c) (3) non-profit corporation affiliated with Virginia Tech. In fiscal year 2009-2010, Virginia Tech Services, Inc.'s vending operation moved 24,506 cases of product through approximately 219 vending machines on the Blacksburg campus. The current combined student / vendor ratio is 114 / 1. Of the approximately 219 cold beverage vending machines on the Blacksburg campus, approximately 40% of these machines distribute 12 oz. CSD cans and 60% distribute 20oz bottles. Virginia Tech approximate vended product mix is as follows: 23% 12 oz CSD, 55% 20oz CSD, 12% 20oz water, 3% 20oz Isotonic, and 7% Juice/Tea/Other. Virginia Tech Services, Inc. is confident that there is an opportunity to enhance current vending revenue through product mix and accessibility. Virginia Tech Services, Inc. believes new categories could represent significant growth opportunity. Currently, Virginia Tech Services, Inc. operates on a full-service vending agreement, which is based

on a guarantee commission or gross commission, whichever is higher. It is Virginia Tech Services, Inc.'s expectation that the proposed agreement will financially exceed the current vending agreement that includes a guarantee commission or gross commission, whichever is higher. While Virginia Tech Services, Inc. has identified a desire for possible growth areas, it encourages each Offeror not to limit their creativity and innovation in proposing a strategy, which will meet Virginia Tech Services, Inc.'s goal of increased economic growth.

Because Virginia Tech Services, Inc. is a separate business entity from Virginia Tech, it is envisioned that the final agreement will be formulated through two contracts: one addressing Virginia Tech's portion and the other addressing the portion operated by Virginia Tech Services, Inc.

#### **Virginia Tech Debit Card Technology:**

Virginia Tech currently uses debit card technology. Virginia Tech is aware of the tremendous value that this technology provides in the support of cold beverage sales. Virginia Tech will require the Supplier to equip all vending machines with card readers compatible with the Hokie Passport Card System, and also be responsible for paying all discount fees associated with the Hokie Passport Card System. Offerors should additionally address in their proposal any strategies or incentive programs designed to enhance card usage related to cold beverage purchases.

#### **1.4.2 Dining Services:**

Virginia Tech's nationally acclaimed, trend setting, award winning dining program is one of the largest in the country with 64.5% (18,510) of the student body enjoying their meal plans and over 6.4 million meals served in 2010-11. This self-managed and operated department has been ranked in the top three (#1 twice) of university food services over the past five years, according to Princeton Review. Notable awards include the prestigious Ivy Award, numerous Gold Awards for special meal programs from the National Association of College and University Food Services (NACUFS), and top ranked business service and production for national brand venues.

Virginia Tech prides itself on the vast variety of dining options it offers students, faculty, and staff. Dining Services' key dining areas include:

- D2/ DXpress
- Shultz Dining Center / Shultz Express (Closing 5/12)
- Deets' Place
- West End Market
- Owens Dining Area (Food Court, Hokie Grill)
- Squires Food Court
- Academic and Student Affairs Building (Opening 8/12)
- Vet Med café
- Graduate Life Center restaurant and coffee kiosk
- Food service to in-door concessions and suites at Lane Stadium

During 2009-2010, Dining Services moved approximately 163,140 finished gallons and 40,430 cases of bottle/can product. Dining Services purchases approximated \$825, 000 in cold beverage product.

#### **1.4.3 Branded Concepts:**

Virginia Tech incorporates several branded food service Suppliers as a complement to its overall dining program. These Suppliers include:

##### **SQUIRES STUDENT CENTER**

- SBARRO
- AU BON PAN

##### **HOKIE GRILL**

- CHICK-FIL-A
- FRENSEN'S YOGURT
- PIZZA HUT
- CINNABON
- CARVEL

### **GRADUATE LIFE CENTER**

- AU BON PAN

### **ACADEMIC AND STUDENT AFFAIRS BUILDING (Opening 8/12)**

- QDOBA (Franchise finalized)
- JAMBA JUICE (License pending)
- BRUEGGER'S BAGELS (License pending)

The food service outlets above are operated by Dining Services under licensing agreements and in one case a franchise agreement. Those in current operation serve beverage products from the current holder of the beverage sponsorship agreement. Those planned for the new Academic and Student Affairs Building will have licensing and franchise agreements in place that allow for beverages to be served in accordance with the beverage sponsorship agreement in place at the time.

#### **1.4.4 Other Food Service Locations:**

The following food service locations are managed by campus organizations other than Dining Services.

**Greenberry's Coffee Company:** is Virginia Tech's newest coffee shop that opened in March 2011, at the Carol M. Newman Library. Greenberry's serves hand-roasted artisan coffees, espresso drinks, loose-leaf teas and healthy food options prepared on-site and includes sandwiches, salads, and pastries.

**Johnston Student Center:** facility is managed by University Unions and Student Activities and contains a Subway and a Seattle's Best Coffee shop. Both are operated under a concession contract and serve beverage products from the current holder of the beverage sponsorship agreement.

**Athletics Venues:** The Athletics Department has a concessions contract with Centerplate to handle concessions at athletic events. In 2010-11, Centerplate poured approximately 9,900 finished gallons of finished product and sold approximately 6,000 cases of 20-ounce bottles of soda/water.

#### **1.4.5 Retail:**

Virginia Tech's non-vending, cold beverage retail channel (operated by Virginia Tech Services, Inc.) operates mainly through Dietrick General Store, University Bookstore, Squires BreakZone, Stadium Store, and Volume Two Bookstore. It is estimated that the non-vending cold beverage operation moved 315 gallons of finished product and 7,985 cases of cold beverage products in 2009-2010.

#### **IV. EVA BUSINESS-TO-GOVERNMENT ELECTRONIC PROCUREMENT SYSTEM:**

The eVA Internet electronic procurement solution streamlines and automates government purchasing activities within the Commonwealth of Virginia. Virginia Tech, and other state agencies and institutions, have been directed by the Governor to maximize the use of this system in the procurement of goods and services. *We are, therefore, requesting that your firm register as a trading partner within the eVA system.*

There are registration fees and transaction fees involved with the use of eVA. These fees must be considered in the provision of quotes, bids, and price proposals offered to Virginia Tech. Failure to register within the eVA system may result in the quote, bid, or proposal from your firm being rejected and the award made to another vendor who is registered in the eVA system.

Registration in the eVA system is accomplished on-line. Your firm must provide the necessary information. Please visit the eVA website portal at <http://www.eva.virginia.gov/register/vendorreg.htm> and **register both with eVA and Ariba**. *This process needs to be completed before Virginia Tech can issue your firm a Purchase Order or contract.* If your firm conducts business from multiple geographic locations, please register these locations in your initial registration.

For registration and technical assistance, reference the eVA website at: [eVACustomerCare@dgs.virginia.gov](mailto:eVACustomerCare@dgs.virginia.gov), or call 866-289-7367 or 804-371-2525.

V. STATEMENT OF NEEDS:

**2.1 Vending Operations:**

Virginia Tech views the campus vending operation as a critical component in the economic success of this agreement. Virginia Tech encourages all Offerors not to limit their creativity and innovation in developing this portion of their proposals. Virginia Tech is interested in a cold beverage supplier that can maximize the vending operation through such components as product mix, pricing, marketing, and service. Virginia Tech requires that all Offerors address, at a minimum, the following proposal requirements.

**2.1.1 Vending Equipment:**

Currently, Virginia Tech Services, Inc.'s vending operation includes approximately 219 cold beverage vending machines on the main Blacksburg campus. It is Virginia Tech's expectation that its exclusive cold beverage supplier will provide a full-service cold beverage-vending program, which includes, at no cost to Virginia Tech, new, state-of-the-art cold beverage vending equipment. Virginia Tech is also interested in having provided custom machine fronts that depict university events and scenes. Offeror(s) should be prepared to install, service and upgrade all cold beverage equipment throughout the term of the Contract to ensure its state-of-the-art condition. All vendors shall be equipped with debit card readers, as determined by the current Hokie Passport Card System. Additionally, all vending machines shall be ENERGY STAR qualified (Tier II or better) and be equipped with energy saving devices (VendingMiser or equal) designed to automatically manage the power consumption through the use of electronic sensors that monitor ambient temperatures and occupancy levels in the areas around the vending machines. The Offeror will provide a detailed vendor placement plan designed to optimize accessibility and sales of vended cold beverages, without over-saturating or exploiting the Virginia Tech environment. Each proposal should identify a detailed strategy for expanding the vending operation, including the placement of additional vendors and provision for communications wiring. Please include a detailed execution timeline for this plan. All equipment will remain the property of the Offeror throughout the term of the Contract.

Virginia Tech encourages Offerors to develop a plan, which incorporates Virginia Tech's plan for campus facility development and expansion, and consider these projects for potential cold beverage distribution. Virginia Tech reserves the right, in its sole discretion, to accept, modify or reject any proposed strategies for the relocation or addition of cold beverage vendors through the term of the Contract.

**2.1.2 Vending Product Specifications and Product Mix:**

Offerors are required to identify and detail all proposed product specifications in the following manner:

- Product category (CSD, Juice / Juice Drinks, Water, Isotonic, etc.)
- Product flavor(s)
- Product package sizes (12 oz, 20 oz, 1 Lt., etc.)
- Packaging material
- Product manufacturer / distributor

Additionally, Offerors are required to provide a projected product sales mix for all products for the term of the Contract. Offerors may provide any additional information, which would be considered relevant in evaluating this portion of their proposal.

It is specifically understood that Virginia Tech reserves the right to make additions, deletions or other modifications relative to product offerings provided that these modifications do not violate the exclusive nature of the Contract.

**2.1.3 Vending Pricing:**

Virginia Tech requires Offerors to provide a vending price structure which maximizes revenue to Virginia Tech. The supplier should provide a pricing analysis, which demonstrates the optimal pricing structure within Virginia Tech's environment based on demand and alternative purchasing options outside of Virginia Tech's environment. Offerors should address the formula under which they will share revenue derived from future vending price increases.

Virginia Tech reserves the right, in its sole discretion, to determine all selling prices throughout the term of the contract.

#### **2.1.4 Vending Volume Growth Assumptions:**

Virginia Tech requires each Offeror to provide a projection of annual volume / sales growth assumptions based on its annual projected product mix.

#### **2.1.5 Vending Sales Commissions:**

Each Offeror is required to propose commission rates for each product category proposed. Commission rates should be proposed based on a percentage of gross sales and should reflect the Offeror's assumed vending price.

#### **2.1.6 Vending Commissions Guarantees:**

Virginia Tech requires each Offeror to identify a minimum annual revenue / income guarantee to be paid to Virginia Tech. This revenue / income guarantee shall be unconditional and independent of the performance of the cold beverage operation and will be paid to Virginia Tech annually.

### **2.2 Non-Vending Operation:**

Virginia Tech's non-vending operation is comprised of food service, concessions, and retail. Offeror is required to provide a strategy for the continued development and unparalleled growth of this business. As with the vending operations, Virginia Tech encourages each Offeror not to limit its creativity and innovation in developing this portion of its proposal. Virginia Tech requires that each Offeror address, at a minimum, the following proposal requirements, with special consideration to key factors such as product cost and delivery.

#### **2.2.1 Fountain Equipment:**

Offerors are required to identify and detail all specifications of the fountain equipment proposed. Supplier will be required to provide, install, and service new, state-of-the-art cold beverage equipment throughout the term of the Contract at no cost or risk to Virginia Tech. A current listing of fountain equipment is contained in Attachments (B) and (C).

Supplier will also be required to upgrade equipment, as necessary, throughout the term of the Contract to maintain state-of-the-art levels, at no cost or risk to Virginia Tech. All equipment will remain the property of the supplier throughout the term of the Contract.

Offeror's plan should assume the following minimum specification requirements relative to fountain equipment:

- Provision and installation of liquid CO2 gas lines and tanks (No charge to Virginia Tech for rental of the liquid CO2 tanks or product CO2)
- Dispenser(s) filtered with stainless steel backflow preventor
- Dispenser(s) equipped with locks / shut-off valves
- Dispenser(s) equipped with water supply shut-off
- Dispenser(s) equipped with ice dispensers
- Dispenser(s) equipped with ice machine
- Dispenser(s) equipped with push button activation

#### **2.2.2 Retail Equipment:**

Offerors are required to identify and detail all specifications of retail cold beverage equipment which are being proposed. Supplier will be required to provide, install, and service all equipment relative to the promotion and sale of cold beverages in the retail outlets throughout the term of the Contract, at no cost or risk to Virginia Tech. All equipment should be ENERGY STAR qualified, if available. Supplier will also be required to upgrade equipment, as necessary, throughout the term of the Contract to maintain state-of-the-art levels, at no cost or risk to Virginia Tech. All equipment will remain the property of the Supplier throughout the term of the Contract. Offerors are encouraged to provide a plan, which optimizes cold beverage retail sales at Virginia Tech.

#### **2.2.3 Product Specifications:**

Offerors are required to identify and detail all product lines, which are being proposed in the following manner:

- Product category (CSD, Juice/Juice Drinks, etc)
- Product Flavors
- Product Size / form (2.5 / 5 gallon: Pre / Post mix, mix ratios, etc)
- Product manufacturer / distributor
- Availability of compostable cups and lids is specifically requested

It is specifically understood that Virginia Tech reserves the right to make additions, deletions, or other modifications relative to product specifications or conditions, based solely upon the needs of Virginia Tech.

#### **2.2.4 Product Costs:**

Virginia Tech requires that Offerors provide a constant cost structure (across all Virginia Tech non-vending business channels), which details product cost and incentives by product type, size, and packaging configurations. Virginia Tech requires a three (3) year moratorium on cost increases of all cold beverage products purchased by Virginia Tech, with a projected annual rate of increase for the balance of the Contract. First year cost shall not exceed current year cost, but may be less than current year. Offeror's cost structure should reflect, at a minimum, an F.O.B. destination, commitment by the Offeror to assist Virginia Tech in realizing significant purchasing efficiencies through a long-term cold beverage agreement. Future year cost increases should be implemented on August 1<sup>st</sup> of each year, with advance notification provided to Virginia Tech by April 1<sup>st</sup>.

#### **2.2.5 Volume Growth Assumptions:**

Virginia Tech requires that Offerors provide a projection of annual volume / sales growth assumptions based on the annual projected product mix.

#### **2.2.6 Product Delivery:**

Offerors are required to provide a plan for the scheduled, timely delivery of product to Virginia Tech, including management and handling instructions to reduce risk of breakage and spoilage. Please review ***Appendix VI – Contract Service and Maintenance Requirements***.

#### **2.2.7 Marketing Support:**

Virginia Tech requires all Offerors to identify the financial / programmatic support committed to this component. Additionally, please specifically identify marketing support relative to generating increased volume (e.g. Twist and Win vending promotions). Virginia Tech requires all Offerors to match or exceed current total marketing support as listed in Appendix V.

#### **2.2.8 Service and Maintenance:**

Virginia Tech views the servicing plan of the cold beverage operation as critical to its success. Offerors should provide their plan for servicing and maintaining equipment.

### **2.3 Offeror Expectations:**

Virginia Tech requires Offerors to provide their specific expectations relative to the nature and scope of this exclusive Contract. Expectations could include:

- Drafting of agreement
- First right of refusal
- Use / Purchase of trademark cups
- Advertising rights
- Use of Virginia Tech logo

### **2.4 Experience and Business References:**

Virginia Tech requires each Offeror to identify and describe the management and staff who will be dedicated to the execution of this potential contract. Please submit a management / support personnel staffing chart that details positions, titles, phone numbers and provides a brief job profile and description. Additionally, please provide a description of the corporate structure and chain of ownership of company to the parent corporation and all subsidiaries.

Virginia Tech requires all Offerors to submit a list of at least four (4) similar university clients for which the Offeror has managed the cold beverage operation. Offeror should include all relevant information including, but not limited to, scope and duration of Contract, relationship with client, financial arrangement and any other relevant information. By submission of a proposal, Offerors agree that Virginia Tech may contact references to confirm Offerors experience and capability to perform satisfactorily.

## **2.5 Contract Management:**

Virginia Tech requires each Offeror to provide a proposed plan for communication, planning and performance review. Include procedures for daily operational issues such as service and equipment, as well as recommended schedule for operational performance reviews.

Additionally, Virginia Tech requires each Offeror to provide proposed procedures and reports to be used in monitoring the performance of the beverage operation on an ongoing basis. These procedures and reports could include, but are not limited to:

- Recording, verifying and reporting revenue
- Sales activity
- Marketing / promotion activity
- Product storage and delivery systems

## **2.6 Offeror's Sample Contract:**

Virginia Tech requires the offeror to submit any contract terms which they desire to be incorporated into the final contracts. Offeror should describe how they will work with the university to allocate the value of any proposed sponsorship fees to the rights and benefits granted to the sponsor by the university, as described in the RFP or in the offeror's response to the RFP.

## **VI. PROPOSAL PREPARATION AND SUBMISSION:**

### **A. General Requirements:**

1. RFP Response: In order to be considered for selection, Offerors must submit a complete response to this RFP. One **original and five copies** of each proposal must be submitted to:

Virginia Tech  
Purchasing Department (0333)  
270 Southgate Center  
Blacksburg, VA 24061

**Reference the Opening Date and Hour, and RFP Number in the lower left hand corner of the return envelope or package.**

No other distribution of the proposals shall be made by the Offeror.

2. Proposal Preparation:

- a. Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in Virginia Tech requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by Virginia Tech at its discretion. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.

- b. Proposals should be prepared simply and economically providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
  - c. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and subletter should be repeated at the top of the next page. The proposal should contain a table of contents which cross references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
  - d. Each copy of the proposal should be bound in a single volume where practical. All documentation submitted with the proposal should be bound in that single volume.
  - e. Ownership of all data, material and documentation originated and prepared for Virginia Tech pursuant to the RFP shall belong exclusively to Virginia Tech and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act. However, to prevent disclosure the Offeror must invoke the protections of Section 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other materials is submitted. The written request must specifically identify the data or other materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and may result in rejection of the proposal.
3. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to Virginia Tech. This will provide an opportunity for the Offeror to clarify or elaborate on the proposal but will in no way change the original proposal. Virginia Tech will schedule the time and location of these presentations. Oral presentations are an option of Virginia Tech and may not be conducted. Therefore, proposals should be complete.

## **B. Evaluation Criteria:**

Virginia Tech's decision to select a Supplier to successfully negotiate a long-term cold beverage Contract will be based upon the following evaluation criteria:

### **1. Financial Commitment:**

Virginia Tech has outlined in this RFP several minimum economic expectations, relative to an exclusive cold beverage contract. The expectation is that the total annual value of financial commitment will rise from an initial base of at least \$1.5 million.

- Financial support of Virginia Tech
- Financial commitment to structure vending commission in a "partnership nature" including commitment to provide up-front payment(s) and annual guarantees
- Marketing support
- Case sales incentive programs
- Purchasing incentive programs
- Product Costs

## **2. Operations Plan:**

Virginia Tech will place significant emphasis on the Offeror's ability to present a strategic, innovative cold beverage operation plan which, at a minimum, includes the following:

- Detailed plan for the expansion of Virginia Tech 's cold beverage operation
- Detailed marketing plan for the enhancement of cold beverage sales at Virginia Tech
- Detailed plan for the operational transition of Virginia Tech 's cold beverage operation, including an estimated timeline of events
- Detailed plan for Virginia Tech 's cold beverage program administrative guidelines and procedures including, but not limited to the Offeror's organizational structure, key account contacts, operational and financial reporting procedures and performance measurement tools
- Proposed price structure to purchases of cold beverages
- Contract Management and communications plan

## **3. Expectations and Requirements:**

Because Virginia Tech is interested in developing a mutually beneficial relationship, Virginia Tech will consider the expectations and requirements that the offeror proposes to levy upon Virginia Tech in the performance of this contract.

## **4. Experience and Qualifications:**

Virginia Tech requires that each Offeror possess and document substantial experience relative to developing, implementing and managing university cold beverage operations comparable in **scope** to Virginia Tech's.

## **C. Specific Requirements:**

Proposals should be as thorough and detailed as possible so that Virginia Tech may properly evaluate your capabilities to provide the required services. Offerors are required to submit the following information/items as a complete proposal:

1. Detailed information to support the evaluation criteria outlined in Section VI-B. above.
2. Comments regarding other items addressed in the RFP such as support for the Campus Sustainability Program and willingness to participate in the payment card program for invoices.
3. Four (4) recent references, either educational or governmental, for whom you have provided the type of services described herein. Include the date(s) the services were furnished, the client name, address and the name and phone number of the individual that Virginia Tech has your permission to contact.
4. Small, Women-owned and Minority-owned Business (SWAM) Utilization:

If your business cannot be classified as SWAM, describe your plan for utilizing SWAM subcontractors if awarded a contract. Describe your ability to provide reporting on SWAM subcontracting spend when requested. If your firm or any business that you plan to subcontract with can be classified as SWAM, but has not been certified by the Virginia Department of Minority Business Enterprise (DMBE), it is expected that the certification process will be initiated no later than the time of the award. If your firm is currently certified, you agree to maintain your certification for the life of the contract. For assistance with SWAM certification, visit the DMBE website at [www.dmbv.virginia.gov](http://www.dmbv.virginia.gov). Any questions relating to SWAM businesses or SWAM subcontracting opportunities can be directed to Mark Cartwright, the University's Assistant Director for Supplier Diversity, at 540-231-3333 or [mcartwri@vt.edu](mailto:mcartwri@vt.edu).

5. The return of the General Information Form and addenda, if any, signed and filled out as required.

VII. SELECTION CRITERIA AND AWARD:

A. Selection Criteria:

Proposals will be evaluated by Virginia Tech using the following:

| <u>Criteria</u>                  | <u>Maximum Point Value</u> |
|----------------------------------|----------------------------|
| 1. Financial commitment          | 50                         |
| 2. Operations Plan               | 20                         |
| 3. Expectations and Requirements | 10                         |
| 4. Experience and Qualifications | 10                         |
| 5. Swam Utilization              | 10                         |
| Total                            | 100                        |

B. Award:

Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposal, including price, if so stated in the Request for Proposal. Negotiations shall then be conducted with the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, Virginia Tech shall select the Offeror which, in its opinion, has made the best proposal, and shall award the contract to that Offeror. Virginia Tech may cancel this Request for Proposal or reject proposals at any time prior to an award. Should Virginia Tech determine in writing and in its sole discretion that only one offeror has made the best proposal, a contract may be negotiated and awarded to that offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of this solicitation and the Contractor's proposal as negotiated.

VIII. INVOICES:

Invoices for goods or services provided under any contract resulting from this solicitation shall be submitted to:

Virginia Polytechnic Institute and State University  
Accounts Payable (0361)  
201 Southgate Center  
Blacksburg, VA 24061

IX. METHOD OF PAYMENT:

Virginia Tech will authorize payment to the contractor as negotiated in any resulting contract from the aforementioned Request for Proposal.

Payment can be expedited through the use of a ghost card payment system. For more information on this program please refer to Virginia Tech's Purchasing website: <http://www.purch.vt.edu/Department/WellsOne.html>

X. ADDENDUM:

Any **ADDENDUM** issued for this solicitation may be accessed at <http://www.purch.vt.edu/html.docs/bids.php>. Since a paper copy of the addendum will not be mailed to you, we encourage you to check the website regularly.

XI. CONTRACT ADMINISTRATION:

The following people at Virginia Tech or their designee shall be identified as the Contract Administrators and shall use all powers under the contract to enforce its faithful performance:

- A. Mr. Tim East, Associate Director of Athletics, shall administer all matters related to the Athletics Department.
- B. Ms. Donna Ratcliffe, Interim Director of Dining Services, shall administer all matters related to on-campus food service and student-related activities.
- C. Mr. Don Williams, Executive Director, Virginia Tech Services, shall administer all matters related to vending service and convenience stores.
- D. The Contract Administrator, or his/her designee, shall determine the amount, quantity, acceptability, fitness of all aspects of the services and shall decide all other questions in connection with the services. The Contract Administrator, or his/her designee, shall not have authority to approve changes in the services which alter the concept or which call for an extension of time for this contract. Any modifications made must be authorized by the Virginia Tech Purchasing Department through a written amendment to the contract.

XII. TERMS AND CONDITIONS:

This solicitation and any resulting contract/purchase order shall be governed by the attached terms and conditions.

XIII. ATTACHMENTS:

Attachment A - Terms and Conditions

Attachment B - Dining Services Fountain Equipment Inventory

Attachment C - Virginia Tech Services, Inc. Fountain Equipment Inventory

## ATTACHMENT A

### TERMS AND CONDITIONS

#### **RFP General Terms and Conditions**

[http://www.purch.vt.edu/html.docs/terms/GTC\\_RFP\\_100110.pdf](http://www.purch.vt.edu/html.docs/terms/GTC_RFP_100110.pdf)

#### **Special Terms and Conditions**

1. **AUDIT:** The Contractor hereby agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. Virginia Tech, its authorized agents, and/or the State auditors shall have full access and the right to examine any of said materials during said period.
2. **CANCELLATION OF CONTRACT:** Virginia Tech reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
3. **CONTRACT DOCUMENTS:** The contract entered into by the parties shall consist of the Request for Proposal including all modifications thereof, the proposal submitted by the Contractor, the written results of negotiations, the Commonwealth Standard Contract Form, all of which shall be referred to collectively as the Contract Documents.
4. **IDENTIFICATION OF PROPOSAL ENVELOPE:** If a special envelope is not furnished, or if return in the special envelope is not possible, the signed proposal should be returned in a separate envelope or package, sealed and addressed as follows:

VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

Purchasing Department (0333)

270 Southgate Center

Blacksburg, VA 24061

Reference the opening date and hour, and RFP Number in the lower left corner of the envelope or package.

If a proposal not contained in the special envelope is mailed, the Offeror takes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised which may cause the proposal to be disqualified. No other correspondence or other proposals should be placed in the envelope. Proposals may be hand delivered to the Virginia Tech Purchasing Department.

5. **INDEPENDENT CONTRACTOR:** The contractor shall not be an employee of Virginia Tech, but shall be an independent contractor. Nothing in this agreement shall be construed as authority for the contractor to make commitments which shall bind Virginia Tech, or to otherwise act on behalf of Virginia Tech, except as Virginia Tech may expressly authorize in writing.
6. **INSURANCE:**

By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the following insurance coverages at the time the work commences. Additionally, it will maintain these during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

During the period of the contract, Virginia Tech reserves the right to require the Contractor to furnish certificates of insurance for the coverage required.

#### **INSURANCE COVERAGES AND LIMITS REQUIRED:**

A. Worker's Compensation - Statutory requirements and benefits.

B. Employers Liability - \$100,000.00

C. General Liability - \$500,000.00 combined single limit. Virginia Tech and the Commonwealth of Virginia shall be named as an additional insured with respect to goods/services being procured. This coverage is to include Premises/Operations Liability, Products and Completed Operations Coverage, Independent Contractor's Liability, Owner's and Contractor's Protective Liability and Personal Injury Liability.

D. Automobile Liability - \$500,000.00

E. Builders Risk – For all renovation and new construction projects under \$100,000 Virginia Tech will provide All Risk – Builders Risk Insurance. For all renovation contracts, and new construction from \$100,000 up to \$500,000 the contractor will be required to provide All Risk – Builders Risk Insurance in the amount of the contract and name Virginia Tech as additional insured. All insurance verifications of insurance will be through a valid insurance certificate.

The contractor agrees to be responsible for, indemnify, defend and hold harmless Virginia Tech, its officers, agents and employees from the payment of all sums of money by reason of any claim against them arising out of any and all occurrences resulting in bodily or mental injury or property damage that may happen to occur in connection with and during the performance of the contract, including but not limited to claims under the Worker's Compensation Act. The contractor agrees that it will, at all times, after the completion of the work, be responsible for, indemnify, defend and hold harmless Virginia Tech, its officers, agents and employees from all liabilities resulting from bodily or mental injury or property damage directly or indirectly arising out of the performance or nonperformance of the contract.

7. **NOTICES:** Any notices to be given by either party to the other pursuant to any contract resulting from this solicitation shall be in writing, hand delivered or mailed to the address of the respective party at the following address

If to Contractor:           Address Shown On RFP Cover Page  
Attention:                   Name Of Person Signing RFP

If to Virginia Tech:

Virginia Polytechnic Institute and State University  
Attn: Kim Dulaney  
Purchasing Department (0333)  
270 Southgate Center  
Blacksburg, VA 24061

8. **SAFETY:** The Contractor bears sole responsibility for the safety of its employees. The Contractor shall take all steps necessary to establish, administer, and enforce safety rules that meet the regulatory requirements of the Virginia Department of Labor and Industry (VDLI) and the Occupational Safety and Health Administration (OSHA). The contractor shall take steps as necessary to protect the safety and health of university employees, students, and visitors during the performance of their work. In addition, the contractor must also provide the university with a written safety program that it intends to follow in pursuing work under this contract. By entering into a contract with Virginia Tech, the contractor and its subcontractors agree to abide by the requirements described in Safety Requirements for Contractors and Subcontractors located on Virginia Tech's Environmental, Health and Safety Services (EHSS) web site at this URL [http://www.ehss.vt.edu/programs/contractor\\_safety.php](http://www.ehss.vt.edu/programs/contractor_safety.php). A copy of the publication may also be obtained by contacting EHSS at 540/231- 5985. No work under this contract will be permitted until the university is assured that the contractor has an adequate safety program in effect.
9. **SEVERAL LIABILITY:** Virginia Tech will be severally liable to the extent of its purchases made against any contract resulting from this solicitation. Applicable entities described herein will be severally liable to the extent of their purchases made against any contract resulting from this solicitation.
10. **WORK SITE DAMAGES:** Any damage to existing utilities, equipment or finished surfaces resulting from the performance of this contract shall be repaired to the Owner's satisfaction at the Contractor's expense.

## ATTACHMENT B

### Dining Services Fountain Equipment Inventory

| Location                                                   | Dining Services Equipment                          |                                                 |                               |                   |                               |                                                   |                           |                                    |
|------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------|-------------------------------|-------------------|-------------------------------|---------------------------------------------------|---------------------------|------------------------------------|
|                                                            | 8-Head Fountain Dispenser w/ 250 lb. Ice Dispenser | 8-Head Fountain Dispenser w/ Ice Machine on Top | Bottled Beverage Merchandiser | Mini Merchandiser | 3-Head Frozen Juice Dispenser | Bottled Beverage View through Token Merchandisers | Bar Well w/ Gun Dispenser | Drop In Ice/Soda Dispenser/Maker** |
| West End Market                                            | 5                                                  | -                                               | 2                             | -                 | -                             | -                                                 | -                         | -                                  |
| Deet's Place                                               | -                                                  | -                                               | -                             | -                 | -                             | -                                                 | 1                         | -                                  |
| D2                                                         | 6                                                  | -                                               | -                             | -                 | 2                             | -                                                 | -                         | -                                  |
| Dxpress                                                    | 1                                                  | -                                               | -                             | -                 | -                             | 3                                                 | -                         | -                                  |
| Shultz***                                                  | 2                                                  | -                                               | -                             | -                 | -                             | -                                                 | -                         | -                                  |
| Shultz Express***                                          | 1                                                  | -                                               | 2                             | 1                 | -                             | -                                                 | -                         | -                                  |
| Vet Med Snack Bar                                          | -                                                  | 1                                               | 1                             | -                 | -                             | -                                                 | -                         | -                                  |
| Owens Food Court                                           | 4                                                  | -                                               | 1                             | -                 | -                             | -                                                 | -                         | -                                  |
| Hokie Grill                                                | 2                                                  | -                                               | 2                             | -                 | -                             | -                                                 | -                         | -                                  |
| Squires                                                    | 3                                                  | -                                               | -                             | -                 | -                             | -                                                 | -                         | -                                  |
| Donaldson Brown                                            | -                                                  | -                                               | 2                             | -                 | -                             | -                                                 | -                         | -                                  |
| ASA Building*                                              | -                                                  | -                                               | -                             | -                 | -                             | -                                                 | -                         | 11                                 |
|                                                            |                                                    |                                                 |                               |                   |                               |                                                   |                           |                                    |
| <b>Total</b>                                               | <b>24</b>                                          | <b>1</b>                                        | <b>10</b>                     | <b>1</b>          | <b>2</b>                      | <b>3</b>                                          | <b>1</b>                  | <b>11</b>                          |
|                                                            |                                                    |                                                 |                               |                   |                               |                                                   |                           |                                    |
| *Academic and Student Services Building (ASA) - Opens 8/12 |                                                    |                                                 |                               |                   |                               |                                                   |                           |                                    |
| **Follet System or equivalent                              |                                                    |                                                 |                               |                   |                               |                                                   |                           |                                    |
| ***Closes 5/12                                             |                                                    |                                                 |                               |                   |                               |                                                   |                           |                                    |

## ATTACHMENT C

### Virginia Tech Services, Inc. Fountain Equipment Inventory

| <u>Location</u>                   | <u>8-Head Fountain Dispenser w/ 250 lb. Ice Dispenser</u> | <u>8-Head Fountain Dispenser w/ Ice Machine on Top</u> | <u>Bottled Beverage Merchandiser</u> | <u>Mini Merchandiser</u> | <u>3-Head Frozen Juice Dispenser</u> | <u>Bottled Beverage View through Token Merchandisers</u> | <u>Bar Well w/ Gun Dispenser</u> | <u>Drop In Ice/Soda Dispenser/Maker**</u> |
|-----------------------------------|-----------------------------------------------------------|--------------------------------------------------------|--------------------------------------|--------------------------|--------------------------------------|----------------------------------------------------------|----------------------------------|-------------------------------------------|
| <u>Dietrick Convenience Store</u> | <u>1</u>                                                  | =                                                      | =                                    | =                        | =                                    | =                                                        | =                                | =                                         |