CALL FOR OFFERS (CFO)
BEVERAGE RIGHTS AND BEVERAGE CONCESSIONS
FOR
LEEWARD COMMUNITY COLLEGE

1. INTRODUCTION

Leeward Community College (LCC) is soliciting a Call for Offers (CFO) to vendors interested in obtaining limited exclusive rights to provide beverage services for its main campus located at 96-045 Ala 'Ike, Pearl City, HI 96782-3393.

A. Process Overview - LCC will issue this CFO to all interested vendors. The LCC administration will review and evaluate all proposals submitted. Vendors will be asked to submit a formal response in writing, as well as present their proposal in person to the LCC administrative evaluation team.

B. LCC is a public, two-year institution serving over 7,000 undergraduate students and nearly 4,000 continuing education students. Additionally, the Pearl City campus is home to the University of Hawaii-West Oahu (UHWO) with approximately 1,300 undergraduate and graduate students. More than 500 full-time and part-time employees are employed by the two campuses. The UHWO campus, located adjacent to the LCC main campus, will not be part of this solicitation.

LCC has experienced a more than thirty percent increase in student enrollment over the past three years. This unprecedented growth has resulted in record student enrollment levels for the campus. The enrollment growth trend is expected to continue as the campus, 1) expands academic programs, 2) adds new facilities, and 3) will be undergoing significant infrastructure and facility changes as a result of construction of the LCC transit rail station and roadway realignment plans.

2. GENERAL ADMINISTRATIVE INSTRUCTIONS

A. All vendor questions and requests for information should be addressed to:

   Mark Lane, Vice Chancellor of Administrative Services
   Telephone: (808) 455-0213
   Fax: (808) 455-0471
   Email: marklane@hawaii.edu

B. CFO Schedule - Vendors must submit one original copy of their formal written proposal no later than 5:00 p.m. on Friday, June 4, 2010 to:

   Vice Chancellor of Administrative Services
Proposals may be mailed to the above address or hand-delivered during normal business hours (Monday-Friday from 8:00 a.m. to 5:00 p.m.). Proposals that are not received by the deadline will not be considered.

C. Pre-Proposal Conference – There will be no formal pre-proposal conference scheduled for this CFO. Vendors requiring a site visit, which is recommended, and/or clarification of the information contained in this CFO, are encouraged to contact Leeward Community College (see item 2A for point-of-contact information).

3. VENDOR INSTRUCTIONS AND EVALUATION

A. All vendors who submit an offer to provide services are asked to include the following documents:

1) Transmittal Letter - The letter must be on the vendor’s letterhead and signed by a person authorized to make obligations committing the vendor to the proposal. Information for the primary contact person for this proposal must also be included.

2) Overview and Executive Summary - Provide an executive summary of your proposal which includes the following:
   a. A statement of professional experience that illustrates an ability to manage a successful beverage pour/vending operation.
   b. A summary of the history and growth of your company in Hawaii, specific to college/educational campus operations.
   c. A discussion regarding the distinguishing characteristics of your products and services with a description of your company’s entire product line that you may wish to consider offering at the LCC campus.
   d. Include as much information as you feel is appropriate to describe your concept and why you should be selected as the CONTRACTOR for this CFO.
   e. Your company’s proposed annual rights fee, based on the terms and conditions that follow, for Beverage Rights and the Rights to Operate Beverage Vending Concessions for Leeward Community College’s main campus.

3) Contractual Terms and Conditions
   a. Each vendor responding to this CFO must include a positive statement that they understand and accept the contractual terms and conditions listed below (Sections
b. Any exceptions to these clauses must be submitted with the vendor’s proposal. Vendors must specifically cite each clause at issue and suggest alternative language acceptable to them. Any clauses not so indicated will be considered as acceptable to the vendor.

c. The CFO and all of its specifications and the vendor’s responses to them will automatically be incorporated into any CONTRACT resulting from this solicitation. All representations made in the proposal will be binding upon the vendor.

B. Review of Offers and Evaluation Schedule - All Offers to provide services received by the submission deadline and that meet the minimum terms and conditions set forth in this CFO will be reviewed by an evaluation team from LCC. Evaluation of each proposal will be based upon the quality of the written proposal, qualifications and experience of the vendor, and an assessment of the financial proposal submitted. Vendors, whose proposals are found to be acceptable to the evaluation team, will be asked to present and discuss their proposals in person.

A final decision regarding the acceptance of a vendor proposal will be made no-later-than June 30, 2010. All vendors who submit proposals will be contacted.

4. MISCELLANEOUS

A. Cancellation - LCC reserves the right to cancel the CFO process or awarding of a CONTRACT at any time prior to the execution of the CONTRACT by both parties if the cancellation is deemed to be in the best interest of LCC. In no event, shall LCC have any liability for the cancellation of the CFO or awarding of the CONTRACT. The vendor assumes the sole risk and responsibility for all expenses connected with the preparation of their proposal.

B. Rejection of Proposals - LCC reserves the right to reject any or all responses to this CFO.

C. Negotiation of Modifications - LCC reserves the right to negotiate modifications to any proposal with the selected vendor without obligation to communicate, negotiate, or review similar modifications with other vendors.

5. SCOPE OF BEVERAGE RIGHTS AND BEVERAGE VENDING SERVICES TO BE PROVIDED

LCC includes the following information as a means to assist interested vendors in assessing the minimum scope of services being requested upon which to base their decision for best pricing and any additional services that may be rendered. Interested vendors shall submit a best offer price, and outline any additional services that can be provided, based on meeting or exceeding the following terms and conditions of which may be made a part of a binding CONTRACT between the parties in its entirety.

A. LCC shall grant to the successful CONTRACTOR for services beverage rights, as provided herein, for its campus. LCC shall designate locations for such operations throughout the
B. LCC shall grant to the successful CONTRACTOR for services beverage vending concession rights, as provided herein, for its main campus. Current designated locations are identified in ATTACHMENT B. The CONTRACTOR, by and through its representatives, agents, subcontractors, or independent CONTRACTORs, will be responsible for all product, equipment, service and revenue capture for the beverage vending concession operations.

C. LCC shall grant to the successful CONTRACTOR the exclusive use of the designation “Beverage Provider to Leeward Community College” and/or “Beverage Provider to the University of Hawai‘i – Leeward Community College.”

D. Beverage Rights

1) The successful CONTRACTOR shall be granted the exclusive right to have its fountain beverages sold at all food service outlets. LCC and the CONTRACTOR agree that beverage products manufactured, sold and distributed by the CONTRACTOR shall be the exclusive beverages sold, dispensed, served, distributed as free samples, advertised, or promoted anywhere, anytime on campus unless the distribution as free samples, advertisement, or promotion is connected to a sponsorship agreement for campus special events.

2) The CONTRACTOR may be provided advertising and promotional opportunities. These advertising and promotional opportunities will be for an additional fee negotiated between the CONTRACTOR and LCC. Neither party is obligated to participate in an advertising or promotional program. At a date to be determined by the execution of a formal CONTRACT, the CONTRACTOR shall be the exclusive company in the soft drink category to receive advertising and promotional opportunities related to LCC.

3) The CONTRACTOR shall be provided first right of refusal for sponsorship of events in the soft drink category being held by LCC. This shall include advertising and promotional opportunities. LCC shall have the opportunity to negotiate with all soft drink companies including the CONTRACTOR. Upon reaching an agreement and the CONTRACTOR receiving written notification of the terms of the agreement, the CONTRACTOR shall be given sufficient time to match or exceed the offer by any other company. If the CONTRACTOR has not matched or exceeded the offer within one (1) week of notification, LCC shall be free to accept the offer from the other company and enter into agreement with that company.

4) Permitted Exceptions to Beverage Rights

   a. Bottled and canned beverage sold in retail outlets and convenience stores on LCC premises provided that the beverages not produced by the CONTRACTOR do not exceed TWENTY PERCENT (20%) of the beverage shelf space at all food service outlets and are not stored within coolers supplied by the CONTRACTOR.
b. Specialty drinks that are not manufactured, sold, and distributed by the CONTRACTOR or the CONTRACTOR’s main competitor.

c. Alcoholic beverages, non-alcoholic beers, non-alcoholic wines and non-alcoholic mixers associated with alcoholic drinks such as but not limited to sweet sour mix, grenadine, margarita mix, pina colada mix, and mai tai mix.

d. Fresh milk.

e. Fresh squeezed juices.

f. Freshly brewed coffee and beverages (e.g., espresso, latte, and cappuccino), freshly brewed tea and freshly brewed tea products, hot chocolate.

g. Any contracted branded concept of hot beverages and freshly made smoothie drinks that are part of a specific company branded concept.

h. Beverages associated with national branded restaurant concepts that have a specialty drink associated with their concept that will be permitted, and other branded concepts that specialize in specialty drinks. National branded restaurant concepts may also advertise their specialty drinks on menu boards.

i. Permitted exceptions, to the extent served or sold in cups, shall not be served or sold in cups supplied by the CONTRACTOR.

j. Nothing in an agreement for services shall prevent:

   i. On campus consumption of competitive products purchased by individuals outside of the main campus for individual consumption.

   ii. Print and broadcast advertising for competitive products in campus publications and in LCC programming on radio or television stations.

   iii. Sponsorships received by student groups and organizations from an entity (such as a branded restaurant concept) that includes the logo of a product as part of the advertising/publicity material.

   iv. The consumption of competitive products by persons not affiliated with LCC and sponsoring, promoting, or performing in touring attractions or engaged as speakers or persons affiliated with the manufacturer or supplier of a competitive product, who are utilizing LCC facilities on a limited basis provided that no advertising is allowed with respect to such competitive products.

E. Beverage Vending Concessions
1) The CONTRACTOR shall have the exclusive right to operate Beverage Vending Concessions on the campus, which shall include, but not be limited to, bottle and can beverages.

2) The current location and number of vending machines are outlined in ATTACHMENT B and may be altered or changed at the sole discretion of LCC in consultation with the CONTRACTOR for services.

3) The scope of services to be provided shall not include vending machines located off the main campus.

6. **SCOPE OF BEVERAGE RIGHTS AND BEVERAGE VENDING SERVICES TO BE PROVIDED RIGHTS FEES AND VENDING COMMISSION**

Interested vendors shall determine and submit to LCC for consideration an annual rights fee amount their company would be willing to pay LCC each and every year during the term of a contract based on the information and conditional rights to be assigned, as explained in this document, as the exclusive provider of services to the LCC campus. In addition, the selected CONTRACTOR shall pay LCC a commission of FORTY PERCENT (40%) of net sales from all beverage vending machines through the term of the CONTRACT.

7. **PAYMENT**

A. The selected CONTRACTOR shall submit its initial annual payment to LCC no later than July 1, 2010.

B. Payment for commissions earned in the amount of FORTY PERCENT (40%) of net sales from all beverage vending machines shall be paid to LCC at the end of each month. Net sales shall be calculated as gross sales collected ("cash in bag" or "CIB") minus the Hawai'i redemption value. All payments shall be made out to the "University of Hawai'i" and submitted to the Leeward Community College Business Office, ATTN: Administrative Officer, at 96-045 Ala 'Ike, Pearl City, HI 96782-3393. The termination of a subsequently negotiated CONTRACT by default or otherwise shall not relieve the CONTRACTOR of its obligations under the CONTRACT or for changes accrued while the CONTRACT was in effect but remaining unpaid at the time of termination.

C. CONTRACT pricing shall appear on each invoice. The CONTRACTOR shall be responsible for assuring that all LCC entities receive proper and consistent pricing. The method of invoicing is subject to approval by LCC prior to the aware of a subsequently negotiated CONTRACT as a result of this CFO. The chosen method of invoicing shall be uniformly applied to all LCC invoices.

D. Any amounts owing by the CONTRACTOR under the terms of a subsequently negotiated CONTRACT shall bear interest from the date such amounts become due until paid. The rate of such interest shall be either (a) at the specific maximum rate, if any, then allowed by the appropriate statutes of the State of Hawai'i, or any successor law or statute, or (b) if there is no
such maximum rate, Two (2) percentage points above the large business prime rate of interest then being charged by the bank principally used by the University of Hawai‘i.

8. **TERM**

A subsequently negotiated CONTRACT shall be in effect from **July 1, 2010 until June 30, 2017**, provided that the beverage prices stated in ATTACHMENT C shall remain the same until June 30, 2011.

9. **ANNUAL SUPPLY OF PRODUCTS FOR INSTITUTIONAL SUPPORT**

A. CONTRACTOR shall supply LCC annually with no less than 150 cases (24 units each) of products to be shared among the Chancellor’s Office for use in support of institutional special events and Student Life programs.

B. The annual period for the supply of product shall start on July 1st and run through June 30th. Product shall be delivered by the CONTRACTOR to the campus at the request of the Chancellor. Delivery shall be of reasonable size.

10. **CONTRACTOR’S RESPONSIBILITIES**

A. CONTRACTOR shall ensure correct functioning of the equipment by working with the various vendors and institutional employees to train staff on appropriate use. In no event shall LCC’s failure to act cause LCC to be liable for costs associated with maintenance or failure of the equipment.

B. CONTRACTOR shall be responsible for preventive maintenance and remedial service for all CONTRACTOR-supplied equipment in accordance with the manufacturer’s recommendations and guidelines.

C. CONTRACTOR shall be responsible for supplying technical service personnel at least once a year to calibrate the fountain equipment to ensure the proper ratio of syrup to soda water. Additional request for technical service personnel shall be granted to LCC if the quality of product is unsatisfactory.

D. The CONTRACTOR shall be required, at the inception and throughout the term of the CONTRACT, to furnish, supply, install, service, and maintain all LCC specified coolers, fountain units, vending machines, CO2, displays and other such equipment used to sell, dispense or display beverages at NO CHARGE to LCC.

1) All equipment used to sell, dispense or display beverages shall be new or “like new,” state of the art, and remain state of the art for the entire term of the CONTRACT and fountain beverage dispenses shall include ice dispensing capabilities. Vending machines shall be considered new if they have been used for less than SIX (6) months without any service calls, are technologically current, and ENERGY STAR rated.

2) CONTRACTOR shall supply, install, fill, service and maintain all vending equipment.
a. CONTRACTOR shall keep full service machines stocked at appropriate serving temperature so as to provide, under normal conditions, sufficient amounts of products, dispensed in conformity with all applicable Federal, State, and local laws. LCC shall have the final authority to require increased stocking levels to deal with unacceptable frequencies of product “outages.”

b. CONTRACTOR shall establish a recurring inspection and preventative maintenance program to insure machines remain in sound operating condition. Throughout the term of the CONTRACT, the CONTRACTOR shall make periodic inspection visits with an LCC representative to evaluate machines for replacement and/or repair.

3) All cartons or packaging materials left over from stocking the machines shall be removed from the premises.

4) In a manner acceptable to LCC, the CONTRACTOR shall be responsible to ensure each beverage vending machine is clearly labeled near eye level in the vicinity of the coin/bill acceptor with the campus telephone number and beverage vending machine number to report malfunctions, and LCC location to receive refunds when money is accepted and no product or an unsatisfactory product is vended.

5) Refunds to the customer will be available through an on-site LCC location. CONTRACTOR shall reimburse LCC for money lost in the beverage vending machines. Reconciliation of refunds from LCC and reimbursement to the refund account by the CONTRACTOR shall be on a weekly basis for the prior week. Details regarding refund location and processing of refunds are to be worked out with the campus Business Office.

6) The beverage vending machines shall operate on 110-115 volts and by UL listed.

7) The beverage vending machines shall include coin mechanisms and bill acceptors that accept U.S. coin and currency, and shall be promptly updated as needed to accept future U.S. coin and currency.

8) All beverage vending machines shall be equipped with non-resettable cash metering devices, and/or sales metering devices. The required capacity of each machine shall depend on the needs and requirements of each location.

9) All beverage vending machines shall meet current American with Disabilities Act (ADA) standards. All selection buttons, coin mechanisms, and bill acceptors shall be no higher than 54 inches.

10) All equipment shall be kept clean and in a sanitary condition. Any parts of the machine that are broken, scratched, or dented are to be repaired or replaced to maintain a clean appearance and prevent vandalism.
11) All equipment shall be ENERGY STAR® products or be certified by the Federal Energy Management Program as energy efficient in all categories available. CONTRACTOR shall submit evidence of the ENERGY STAR® status or certification for the beverage equipment that is being provided.

12) The CONTRACTOR shall furnish/deliver applicable loaner equipment in the case of a major breakdown, at no charge to LCC. A major breakdown is defined as equipment that cannot be repaired in the time frames outlined in Item E of this section.

13) The CONTRACTOR shall furnish equipment and advertising material to properly merchandise its products. The requirement to provide necessary equipment to LCC shall continue through the CONTRACT term and shall include, but not be limited to, equipment upgrades as necessary and additional vending machines and dispenser locations as appropriate. The CONTRACTOR shall change the dispensing equipment as mutually agreed upon with LCC.

14) The CONTRACTOR shall furnish new racks, CO2 handling components and any other equipment as deemed reasonably necessary by LCC at no charge to LCC.

15) Some areas shall require self-contained refrigeration dispensers and stands. The selection of products to be dispensed and versatility of equipment required shall be determined by LCC based upon reasonable customer needs. Specific equipment to be provided shall be agreed upon by the CONTRACTOR and LCC.

16) Dispensing equipment shall have a secured locking mechanism.

17) The dispensers shall be filtered with a stainless steel, vented, double check backflow valve.

18) All dispensers shall be equipped with separate water supply shut off.

19) Equipment provided shall be compatible with the existing equipment or be an acceptable replacement agreed to by LCC.

20) CONTRACTOR shall supply and install necessary syrup lines for the equipment in a manner that will not detract from décor of location. CONTRACTOR must coordinate and have the approval of LCC for placement.

21) CONTRACTOR shall be responsible for installing any CO2 gas lines for CO2 tanks to dispensing equipment where such installation is necessary. LCC shall be responsible for providing passage through walls, ceilings, etc., if required at installation sites. LCC reserves the right to withhold approval of dispensing equipment installation depending upon the total cost required.

22) All equipment shall remain the property of the CONTRACTOR and shall be removed by the CONTRACTOR upon expiration or termination of the CONTRACT.
E. Technical service personnel shall be available and shall respond to requests to replace or repair malfunctioning equipment.

1) With respect to all retail locations, an appropriate trained technician shall be on-site and working diligently to return malfunctioning equipment to normal operation within FOUR (4) hours of the service call for a given incident and shall have the equipment back in service within TWENTY-FOUR (24) hours of the time the service call was placed.

2) With respect to all LCC dining areas, the CONTRACTOR shall make every effort to repair fountain equipment before the next scheduled meal service. The CONTRACTOR shall have the equipment operational or replaced within THREE (3) hours of the service call.

3) At its discretion, LCC may require replacement or upgrade of equipment that frequently malfunctions or exhibits excessive downtime. An equipment change, except replacement with like models, shall require written approval from LCC.

4) Should the CONTRACTOR not perform the necessary repairs in the time frame stated above, LCC reserves the right to hire a company of its choice, from a list provided by the CONTRACTOR, to complete the necessary repairs. LCC shall forward all invoices for related expenses to the CONTRACTOR for payment, and shall be reimbursed by the CONTRACTOR for any product substitutions to provide the level of service required for these venues.

5) With respect to vending machines, technical service personnel shall have the machine repaired, restocked or replaced within SIXTEEN (16) working hours of being notified of a malfunctioning machine or insufficiently stocked machine. If a vending machine is not repaired, restocked or replaced within SIXTEEN (16) working hours of notification, LCC reserves the right to charge the CONTRACTOR a FIFTY DOLLAR ($50.00) fee for each day that the machine is in an unacceptable condition.

F. The CONTRACTOR shall provide all vehicles for restocking and servicing the vending machines. All vehicles shall be the property of the CONTRACTOR/Subcontractor and shall be identified with the CONTRACTOR's/Subcontractor's logo. All vehicles shall be maintained in accordance with State of Hawai‘i Department of Health standards for transporting food and beverages.

G. The CONTRACTOR agrees to keep a sufficient variety and quantity of post mix syrup, CO2 and prepackaged beverages in stock at the CONTRACTOR’s warehouse to enable the CONTRACTOR to continue the beverage service operations for at least SEVEN (7) days in case of cessation of beverage deliveries to the State of Hawai‘i.

H. The CONTRACTOR shall provide health and tuberculosis (TB) examinations for all employees required under the law.

I. The CONTRACTOR shall be responsible for control of keys obtained from LCC and for the security of the assigned areas.
1) The CONTRACTOR shall immediately report the loss of any LCC key and all facts relating to losses incurred as a result of break-ins to the Vice Chancellor for Administrative Services.

2) The CONTRACTOR shall be responsible for the costs or rekeying facility door locks if key security is compromised due to an act or omission of the CONTRACTOR, its employees, or its agents.

J. The CONTRACTOR shall provide all CONTRACTOR employees with uniforms and nametags that are to be worn at all times while on the premises of the LCC campus.

K. CONTRACTOR shall service all locations at intervals necessary to keep each dispensing location supplied with syrup and CO2 gas. It shall be the responsibility of the CONTRACTOR to maintain records of volumes and their trends and fluctuations in order to ensure appropriate deliveries so that no out of stocks occur. These records shall be made available to LCC upon request.

L. All point of sale locations shall require menu boards as needed. All menu boards shall be provided to LCC at no additional cost upon a request from the campus.

M. CONTRACTOR shall pick up and issue credit for items that are damaged, stale, have an expired shelf date, or in LCC’S opinion, are slow sellers provided that the institutional vendor(s) purchased the items directly from the CONTRACTOR.

N. CONTRACTOR shall honor all national price agreements with vendors of LCC.

O. CONTRACTOR shall extend fair pricing to vendors of LCC based on the pricing of local stores of similar size. Institutional vendors of LCC are not obligated to buy directly from the CONTRACTOR and may purchase the CONTRACTOR’s products through local wholesale or retail stores.

P. CONTRACTOR, by and through its representatives, agents, subcontractors, or independent CONTRACTORs, shall be responsible for all product, equipment, service and revenue capture for the beverage vending concessions.

Q. At CONTRACTOR’s expense, CONTRACTOR may supply point-of-sale advertising to promote Conactor’s beverages. LCC reserves the right to reject and/or remove any advertising that interferes with its operations.

R. Prices shall remain fixed and shall not exceed current LCC approved prices from July 1, 2010 to June 30, 2011, provided that the Federal and Hawai’i tax structure and the statutory minimum wage requirements remain the same. However, this does not preclude changes in price downward during this period. Current LCC approved prices are included in ATTACHMENT C.
1) In cases where a current LCC approved price is not available for a product, pricing will be based on an equivalent product. LCC shall be the sole judge of quality and equivalency of products offered.

2) In cases where a current LCC approved price is not available for a product and there are no equivalent products with current LCC approved pricing, LCC and the CONTRACTOR shall mutually agree upon a price for the item.

11. LEEWARD COMMUNITY COLLEGE’S RESPONSIBILITIES

A. LCC shall provide water and electrical connections necessary for the operation of all beverage equipment at no cost to the CONTRACTOR. LCC does not guarantee an uninterrupted supply of water and electricity. However, LCC shall be diligent in restoring service following an interruption. LCC shall not be liable for any product loss or additional costs from the interruption or failure of any such utility service. The CONTRACTOR shall make final connections for all vending equipment.

B. LCC shall pay for the installation of data lines when required for services mandated by LCC.

C. LCC shall cooperate with the CONTRACTOR to place advertisement materials in campus locations in order to feature the CONTRACTOR’s products and stimulate sales. LCC reserves the right to reject any advertising that LCC feels is unacceptable. LCC reserves the right to have any previously approved advertising removed by the CONTRACTOR due to unforeseen circumstances such as but not limited to negative public reaction to the advertisement.

12. SPECIAL PROVISIONS

A. Definitions

1. BEVERAGE RIGHTS – The exclusive right to provide fountain beverages at all food service outlets and the limited exclusive right for EIGHTY PERCENT (80%) of beverage shelf space for the CONTRACTOR’s prepackaged beverages at all food service outlets.

2. BEVERAGE VENDING CONCESSIONS – The exclusive right to operate all beverage vending machines on the main campus of LCC.

3. CONTRACT – The written agreement between the parties, including but not limited to the Call for Offer (CFO) and its specifications, terms and conditions; solicitation addenda and CONTRACT amendments, if any; and the resulting BEVERAGE RIGHTS and BEVERAGE VENDING CONCESSIONS CONTRACT.

4. CONTRACT LIAISON – An Officer designated by the UNIVERSITY to serve as the liaison between the CONTRACTOR and the UNIVERSITY.

5. CONTRACTOR – The person, entity or organization with whom LCC has contracted for rights and obligations pursuant to this CFO or resulting CONTRACT.
6. INSTITUTIONAL VENDORS – Companies that operate food service concessions on the campus of LCC.

7. LIKE NEW – Equipment that has been completely cleaned, refurbished and had all mechanical parts checked with all defective and underperforming pieces replaced. The equipment is also visually indistinguishable from new and performs at original equipment manufacturers (OEM) standards.

8. NEW PRODUCTS – Any new product (by name, size, packaging, SKU, initial offering, acquisition, etc.) offered by the CONTRACTOR.

9. OFFEROR – Any respondent to this CFO. The successful OFFEROR becomes the CONTRACTOR.

10. UNIVERSITY – Refers to the corporate entity known as the UNIVERSITY OF HAWAI‘I also doing business as LEEWARD COMMUNITY COLLEGE, or otherwise referred to in this document as “LCC.”

B. Contract Invalidation – If any provision of this CONTRACT is found to be invalid, such invalidation will not be construed to invalidate the entire CONTRACT.

C. Contract Liaison – The CONTRACT LIAISON for this CONTRACT is Brian Pactol, Director for Research, Training, Emergency Management & Auxiliary Enterprises, Office of the Vice President for Community Colleges.

D. General Performance Standards and Approved Beverages

1) All beverages including juice and isotonic beverages, packaged, manufactured or distributed by the CONTRACTOR shall be identified (by complete description including name, SKU, size, packaging, etc).

   a. The CONTRACTOR shall include any additional beverages available to LCC through subcontracts, CONTRACTOR agreements, or other cooperative efforts. LCC shall identify the products to be included in the CONTRACT.

   b. Future beverages packaged, manufactured or distributed by the CONTRACTOR as well as other future beverages available through other arrangements made by the CONTRACTOR may be added to the CONTRACT with the approval of LCC.

2) LCC recognizes that, regardless of the defined beverages under CONTRACTOR, the market for products offer by the CONTRACTOR will change and new products will become available that LCC may wish to include under its CONTRACT. When these instances and opportunities occur, LCC shall consider an offer of product addition to the CONTRACT by the CONTRACTOR.
3) LCC shall be the sole judge of quality and equivalency of products offered. In case of any difference of opinion regarding quality of product or interpretation of general conditions and specifications, the decision of LCC shall be final and binding.

4) The CONTRACTOR and LCC shall mutually determine, with LCC having final authority for the decision, all flavors to be dispensed at each location whether vending, fountain, retail or other.

5) The CONTRACTOR shall revise portion sizes and specifications in order to better respond to consumer demand.

E. Prohibitions

1) The CONTRACTOR shall preclude its employees, representatives, agents, and/or subcontractors from:
   a. Using the premises for illegal acts or purposes;
   b. Using the premises for lodging;
   c. Generating or causing the generation of noxious and objectionable smoke, gases, vapors, sounds or noises;
   d. Storing or accumulating flammable liquids and materials which may invalidate any insurance coverage for fire and safety carried by the UNIVERSITY, as possible non-compliance/non-adherence to applicable Underwriter’s rules and regulations or any other codes and ordinances of the Federal, State, and local government;
   e. Posting of unauthorized bills, posters and signs within the premises. Advertising relating to the beverage rights and beverage vending concessions shall be in accordance with UNIVERSITY regulations, policies and procedures;
   f. Stacking of boxes, cartons, barrels or other similar items in an unsightly or unsafe manner on or about the premises;
   g. Overloading floors; and
   h. Using the premises in any manner found objectionable by LCC.

2) The premises shall be used for the purpose of the beverage service programs solely for LCC. The use of the premises other than as specified is prohibited.

F. Contractor’s Personnel – CONTRACTOR’s personnel shall comply with established LCC and UNIVERSITY policies with regard to Sexual Harassment and Related Conduct, Workplace Non-Violence, and Illegal Drugs and Alcohol Abuse. The UNIVERSITY reserves the right to require the CONTRACTOR remove personnel from servicing LCC accounts. The
UNIVERSITY will not tolerate objectionable or inappropriate behavior. Please refer to the following websites for the exact UNIVERSITY policy.

Sexual Harassment (Executive Policy E1.203)
http://www.hawaii.edu/svpa/ep/e1/e1203.pdf

Workplace Non-Violence (Executive Policy E9.210)
http://www.hawaii.edu/svpa/ep/e9/e9210.pdf

Illegal Drugs and Alcohol Abuse (Executive Policy E11.203)

G. Additional Locations – LCC reserves the right to add locations for vending machines and retail operation at or after the time of award of CONTRACT.

H. Management Team – LCC reserves the right to require a change in the CONTRACTOR’s management team for this CONTRACT if performance is deemed unsatisfactory.

I. Risk of Loss – Any and all goods, wares, merchandise, furniture, equipment and personal property of any kind or description which may be on the premises at any time during the term of the CONTRACT, regardless of ownership of such property, shall be at the sole risk and hazard of the CONTRACTOR, and the CONTRACTOR shall not hold the UNIVERSITY liable or responsible for any loss thereof or damage thereto caused by water, gas, defective electrical wiring, fire, or by or for any other cause whatsoever unless the same shall be due to any act of omission of the UNIVERSITY, its officers, agents, employees or invitees.

J. Taxes and Assessments – CONTRACTOR shall pay at least TEN (10) days before the same becomes delinquent all taxes, rates, assessments, impositions, duties, charges and other outgoings of every description to which the premises or the UNIVERSITY OR CONTRACTOR, in respect thereof are now or may during said term become liable based upon the operations of the CONTRACTOR under this CONTRACT, whether the same are or shall be assessed to or be payable by law by either the UNIVERSITY or CONTRACTOR.

K. Premises/Property Upon Termination – Upon termination of the CONTRACT, the CONTRACTOR shall remove non-LCC equipment from the premises and restore the premises to as good a condition as at the commencement of the operations, alterations to the premises which had been previously approved by LCC and ordinary wear and tear excepted. CONTRACTOR and LCC shall jointly conduct a closing inspection. Surrendered premises shall be left in a clean and orderly state satisfactory to LCC. To accomplish this, the CONTRACTOR and LCC shall establish a checklist of the work that shall be done to restore the premises in a clean and orderly condition at least ONE (1) month prior to termination.

The CONTRACTOR shall, at its own expense, restore the premises to a condition satisfactory to LCC within THIRTY (30) days after the termination of the CONTRACT. Furthermore, upon the termination of the CONTRACT, should the CONTRACTOR fail to remove any and all personal property, equipment, and/or vehicles from the premises, LCC may, at its option, (a) remove any and all such personal property, equipment and/or vehicles from the premises and
place such property in storage at the cost and expense of CONTRACTOR or (b) consider all such personal property, equipment and/or vehicles as “abandoned” and remove and dispose of said personal property, equipment and/or vehicles at CONTRACTOR’s cost and expenses, and the Contactor does hereby agree to pay all costs and expenses for removal and disposal of such personal property, equipment and/or vehicles.

L. Transition Upon Termination – CONTRACTOR agrees to permit prospective OFFERORS for a subsequent CONTRACT access to the premises for the purpose of inspecting equipment and facilities during the subsequent CFO at mutually agreeable times between the CONTRACTOR and LCC. After the new CONTRACT is awarded, the CONTRACTOR shall permit the new CONTRACTOR access to the premises at mutually agreeable times between the Contactor and the new CONTRACTOR for an orderly phase in of the new CONTRACT.

M. Rights and Remedies of the University for Default – In the event the operations of the CONTRACTOR in the performance of the CONTRACT should fail to conform to the specifications, the UNIVERSITY may reject the same, and it shall thereupon become the duty of the CONTRACTOR to correct same to conform to specifications, without expense to the UNIVERSITY, provided that should the CONTRACTOR fail, neglect, or refuse to do so, the UNIVERSITY shall thereupon have the right to provide for such operations and the CONTRACTOR shall pay the cost incurred in securing such services by the UNIVERSITY.

N. Examination and Audit

1) CONTRACTOR shall maintain accurate, complete and separate books of accounts according to generally accepted accounting principles reflecting the beverage operations at LCC together with appropriate supporting data and documents.

2) CONTRACTOR shall make said books of accounts and supporting data and documents available in the State of Hawai’i for inspection, reproduction, and audit by the UNIVERSITY at all times, and shall retain and make available said books, data, and documents at all reasonable times for a period of at least THREE (3) years after the close of the UNIVERSITY’S fiscal year. If a dispute, discrepancy, litigation, or claim is instituted before the expiration of the THREE (3) year period the CONTRACTOR shall retain all books of account, data, and supporting documents until such disputes, discrepancies, claims, litigations, or audit findings are resolved.

3) The CONTRACTOR shall submit to LCC operating statements, including but not limited to, vending sales receipts by machines and category of sales with meter readings, etc., by location within TWENTY (20) days after the close of each calendar month. Causes of abnormal revenue deviation shall be noted by the CONTRACTOR as part of the operating statement.

4) The CONTRACTOR shall conduct an annual sales and commission audit for the CONTRACT year, in accordance with generally accepted auditing standards and by an independent certified public accounting firm at the expense of the CONTRACTOR. The scope of this examination shall be such that an auditor’s opinion shall be issued. The
CONTRACTOR shall notify LCC, in writing, of any deficiency made known as a result of said audits.

5) The CONTRACTOR shall, within THIRTY (30) days of the receipt of audit report, correct any deficiencies noted by said audit, in its accounting procedures. If the audit should uncover the under reporting of sales, the CONTRACTOR shall make the appropriate payment to LCC. If the result of the audit is an overpayment by the CONTRACTOR to LCC, LCC shall refund or credit the CONTRACTOR for the amount overpaid.

O. Escalation Clause

1) Fountain Beverages – Prices shall remain fixed from July 1, 2010 to June 30, 2011. From thereafter, the maximum allowable pricing increases after any fixed commitment will be limited to the change in the food and beverage measurement on the most recently available Consumer Price Index for all Urban Consumers (CPI-U) published at [http://www.bls.gov/cpi/](http://www.bls.gov/cpi/). Pricing commitments shall be made without regard to which LCC operations or communities may provide or sell the beverage.

2) Vending Beverages – Prices shall remain fixed and shall not exceed current LCC approved prices from July 1, 2010 to June 30, 2011, provided the Federal and Hawai‘i State tax structure and the statutory minimum wage requirements remain the same. However, this does not preclude changes in price downward during this period. CONTRACTOR’s request for price changes in subsequent years shall be submitted to LCC for review no later than NINETY (90) days prior to July 1st each year, in an agreed upon format by LCC and CONTRACTOR. Requests for changes in prices shall be considered by LCC taking into account such factors as, but not limited to, the following:

   a. The Consumer Price Index-All Urban Consumers Report for Honolulu, HI for Food away from home, as issued by the United States Department of Labor, Bureau of Labor Statistics Data, or its equivalent replacement.

   b. Statutory changes in the minimum local labor hourly rates.

   c. Statutory changes in the Federal and State of Hawai‘i Tax Structure. Such price adjustment shall be held firm for a period of TWELVE (12) months. The CONTRACTOR shall submit to LCC monthly and on an agreed upon form, all new beverage items to be introduced. Subject to the approval of LCC, new products may be sold in the vending machines, and prices shall remain fixed for the period through June 30th. LCC approved prices shall become effective July 1st.

P. Independent Contractor – In the performance of its operations under this CONTRACT, the CONTRACTOR is an “independent contractor,” with the authority and responsibility to control and direct the performance and details of the work and services required under the CONTRACT; however, LCC shall have a general right to inspect the operations to determine whether, in LCC’S opinion, the operations are being performed by the CONTRACTOR in full compliance with the CONTRACT. The CONTRACTOR and CONTRACTOR’s employees and
agents are not by reason of the CONTRACT, agents or employees of the UNIVERSITY for any purpose, and the CONTRACTOR and the CONTRACTOR's employees and agents shall not be entitled to claim or receive from the UNIVERSITY any vacation, sick leave, retirement, worker's compensation, unemployment insurance, or other benefits provided to UNIVERSITY employees. Furthermore, the CONTRACTOR intentionally, voluntarily, and knowingly assumes the sole and entire liability to the CONTRACTOR's employees and agents in the course of their employment, and to any individual not a party to the CONTRACT, for all loss, damage, or injury caused by the CONTRACTOR, or the CONTRACTOR's employees or agents in the course of their employment. The CONTRACTOR is responsible for securing all employee-related insurance coverage for the CONTRACTOR and the CONTRACTOR's employees and agents that is or may be required by law, and for payment of all premiums, costs, and other liabilities associated with securing the insurance coverage.

Q. Jurisdiction/Service of Process – The CONTRACTOR, by execution of the CONTRACT, acknowledges that the CONTRACTOR is transacting business within the State of Hawai‘i and hereby submits to the jurisdiction of the courts of the State of Hawai‘i as to any cause of action arising out of the performance and/or breach of this CONTRACT. The CONTRACTOR further agrees that when absent from the State of Hawai‘i any service of process may be made by leaving a certified copy of a summons with the Director or Deputy Director of the Department of Commerce and Consumer Affairs, State of Hawai‘i, and mailing by certified or registered mail, postage prepaid, a copy of said summons to CONTRACTOR.

R. Indemnification – CONTRACTOR shall indemnify, defend and hold harmless the UNIVERSITY and the State of Hawaii, and their officers, employees, agents, or any person acting on their behalf from and against: (a) any claim or demand or loss, liability or damage, including, but not limited to, claims for property damage, personal injury or death, by whomsoever brought, arising from any act or omission by the CONTRACTOR, or any of its officers, employees, subcontractors, assignees, or representatives in the performance of the CONTRACT, except liability arising out of the sole negligence of UNIVERSITY or its employees; (b) all claims, suits and damages by whomsoever brought or made by reason of the nonobservance, or nonperformance by the CONTRACTOR, or any of its officers, employees, subcontractors, assignees, or representatives of any of the terms, covenants and conditions herein or the rules, regulations, ordinances and laws of the federal, state, municipal or county governments. Furthermore, CONTRACTOR shall reimburse the UNIVERSITY and the State of Hawai‘i, and their officers, employees, agents, or any person acting on their behalf for all attorney’s fees, costs, and expenses incurred in connection with the defense of any such claims.

S. Litigation – If, without any fault, the UNIVERSITY, or any of its agents or employees shall be made a party to any litigation commenced by or against the CONTRACTOR arising out of the CONTRACTOR’s use of the premises, then the CONTRACTOR shall pay all costs and reasonable attorney’s fees incurred by or imposed upon the UNIVERSITY in connection with the litigation. The CONTRACTOR shall also pay all costs and reasonable attorney’s fees incurred or paid by the UNIVERSITY in enforcing the terms and conditions of the CONTRACT. Each party shall give prompt notice to the other of any claim or suit instituted against it that may affect the other party.
T. Insurance – CONTRACTOR shall maintain insurance acceptable to the UNIVERSITY in full force and effect throughout the term of this CONTRACT. The policy or policies of insurance maintained by CONTRACTOR shall provide Combined Single Limit Coverage (bodily injury and property damage) in the amount of $1,000,000 per occurrence, and $5,000,000 in the aggregate. Insurance shall be in force the first day of the term of this CONTRACT.

1) Each insurance policy required by this CONTRACT shall contain the following three clauses:

   a. “This insurance shall not be cancelled, limited in scope of coverage or non-renewed until after THIRTY (30) days' written notice has been give to the University of Hawai‘i, Director of Office of Procurement and Real Property Management.”

   b. “It is agreed that any insurance maintained by the University of Hawai‘i will apply in excess of, and not contribute with, insurance provided by this policy.”

   c. “The University of Hawai‘i is added as an insured with respect to operations performed for the University of Hawai‘i.”

2) Clauses “b” and “c” are waived for any professional liability/errors and omissions liability insurance. CONTRACTOR agrees to deposit with UNIVERSITY, on or before the effective start date of this CONTRACT, certificates of insurance necessary to satisfy the UNIVERSITY that the insurance provisions of this CONTRACT have been complied with and to keep such insurance in effect and the certificates therefore on deposit with the UNIVERSITY during the entire term of this CONTRACT.

3) The UNIVERSITY shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of the UNIVERSITY, the insurance provisions in this CONTRACT do not provide adequate protection for the UNIVERSITY, the UNIVERSITY may require CONTRACTOR to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. The UNIVERSITY’S requirements shall be reasonable but shall be designed to assure protection from and against the kind and extent of the risks, which exist at the time a change in insurance is required.

4) The UNIVERSITY shall notify the CONTRACTOR in writing of changes in the insurance requirements; and if CONTRACTOR does not deposit copies of acceptable insurance policies with the UNIVERSITY incorporating such changes within SIXTY (60) days’ of receipt of such notice, this CONTRACT shall be in default without further notice to CONTRACTOR and the UNIVERSITY shall be entitled to all legal remedies.

5) The procuring of such required policy or policies of insurance shall not be construed to limit CONTRACTOR's liability hereunder or to fulfill the indemnification provisions and requirements of this CONTRACT. Notwithstanding said policy or policies of insurance, CONTRACTOR shall be obligated for the full and total amount of any damage, injury, or loss arising from its acts or omissions with respect to this CONTRACT.
U. Termination of Contract – In the event the CONTRACTOR fails to meet all commitments in accordance with the CONTRACT specifications and does not remedy such default within THIRTY (30) days after receipt of written notice, LCC reserves the right to terminate the CONTRACT. Should LCC exercise its right to terminate, such exercise shall be without prejudice to any other remedy or right of action that LCC may have for any preceding or other breach of CONTRACT.

V. Subcontracting – LCC shall entertain Offers from CONTRACTOR that include the use of a subcontractor to fulfill the CONTRACTOR’s responsibilities for beverage vending.

1) CONTRACTOR shall identify the subcontractor(s) and the qualifications of the subcontractor(s) in their Offer to provide services.

2) A list of current clients or customers of all proposed subcontractors and a description of how the subcontractor will contribute to the CONTRACT shall be provided.

3) LCC may request a meeting with any or all of the subcontractors proposed in the response. LCC reserves the right to reject any and all subcontractors.

4) The use of subcontractors does not relieve the CONTRACTOR of its obligations and responsibilities to LCC.

13. GENERAL CONDITIONS

A. Laws to be Observed – The CONTRACTOR shall at all times observe and comply with all federal, state, and local laws or ordinances, rules and regulations which in any manner affect those engaged or employed in the operation of concessions under the CONTRACT, and the conduct of the work. The CONTRACTOR shall also comply with all such orders, and decrees of bodies or tribunals having any jurisdiction or authority over the work. Any reference to such laws, ordinances, rules and regulations shall include any amendments thereto. The CONTRACTOR shall protect and indemnify the UNIVERSITY and all its officers, agents and employees against any claim or liability arising from or based on the violation of any such laws, ordinances, rules and regulations, orders and decrees, whether such violation is committed by the CONTRACTOR or its subcontractor or an employee of either or both. If any discrepancy or inconsistency is discovered in the agreement for the concessions in relation to any such laws, ordinances, rules and regulations, orders or decrees, the CONTRACTOR shall forthwith report the same to the LCC Vice Chancellor for Administrative Services in writing.

B. Patented Article – The CONTRACTOR will be required to, and shall hold the UNIVERSITY and its duly authorized representatives harmless against all demands, claims, actions, suits or liabilities arising from the use of any patented article, patented process or patented appliance used in connection with the CONTRACT. Any royalties due or that may become due for the use of any patented article or process shall be paid by the CONTRACTOR.
C. **Subcontracting and Assigning** – The CONTRACTOR shall not subcontract, convey, transfer or assign any of the concession rights under its agreement with the UNIVERSITY, nor shall the CONTRACTOR assign the CONTRACT to any other person or firm without written permission from the LCC Vice Chancellor for Administrative Services, and no subcontract or assignment made without such permission will be recognized. No subcontract shall, under any circumstances, relieve the CONTRACTOR of its obligation and liability under its CONTRACT with the UNIVERSITY, and all persons engaged in performing services covered by the CONTRACT shall be employees of the CONTRACTOR.

D. **Governing Law** – The CONTRACT and any of its terms and provisions, as well as the rights and duties of the parties to the CONTRACT, shall be governed by the laws of the State of Hawai‘i. Any action at law or in equity to enforce or interpret the provisions of the CONTRACT shall be brought in a state court of competent jurisdiction in Honolulu, Hawai‘i.

E. **Severability** – In the event that any provision of the CONTRACT is declared invalid or unenforceable by a court, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining terms of the CONTRACT.

F. **Waiver** – The failure of the UNIVERSITY to insist upon the strict compliance with any term, provision, or condition of the CONTRACT shall not constitute or be deemed to constitute a waiver or relinquishment of the UNIVERSITY’S right to enforce the same in accordance with the CONTRACT.

G. **Modifications to Goods and Services Contracts** – Subject to mutual written agreement, the parties to the CONTRACT may make modifications within the general scope of this CONTRACT.

H. **Novation or Change of Name** – Recognition of a successor in interest; novation. When in the best interest of the UNIVERSITY, a successor in interest may be recognized in a novation agreement in which the transferor and the transferee and the UNIVERSITY shall agree that: the transferee assumes all of the transferor’s obligations; and the transferor remains liable for all obligations under the CONTRACT but waives all rights under the CONTRACT as against the UNIVERSITY. When a CONTRACTOR requests to change the name in which it holds a CONTRACT with the UNIVERSITY, the UNIVERSITY shall, upon receipt of a document indicating such change of name (for example, an amendment to the articles of incorporation of the corporation), enter into an agreement with the requesting CONTRACTOR to effect such change of name. The agreement changing the name shall specifically indicate that no other terms and conditions of the CONTRACT are thereby changed.

I. **Use of University’s Name** – Except as specifically provided in Section 5, Item C, The CONTRACT conveys no right to the CONTRACTOR to use the name “University of Hawaii”, “University of Hawai‘i – Leeward Community College”, or “Leeward Community College”, with respect to or in connection with any of its operations, and, upon the termination of this CONTRACT for any reason, CONTRACTOR shall have no right to indicate its relationship with the UNIVERSITY with respect to any of its operations except with the written consent of the UNIVERSITY.
J. Furnished Property – The CONTRACTOR assumes complete responsibility for equipment and facilities furnished by LCC in connection with the CONTRACT and CONTRACTOR agrees to pay for all such equipment and facilities damaged or not accounted for to LCC’s satisfaction. The furnishing to CONTRACTOR of any equipment or facilities in connection with this CONTRACT shall not, unless otherwise expressly provided, be construed to vest title thereto in CONTRACTOR.

K. Trade Secrets and Proprietary Information – During the term of the CONTRACT, CONTRACTOR may grant to LCC a nonexclusive right to access certain proprietary materials of CONTRACTOR, including menus, signage, Food Service survey forms, software (both owned by and licensed to CONTRACTOR), and similar items regularly used in CONTRACTOR’s business operations ("Proprietary Materials"). In addition, LCC may have access to certain non-public information of CONTRACTOR, including, but not limited to, recipes, management guidelines and procedures, operating manuals, personnel information, purchasing and distribution practices, pricing and bidding information, financial information, surveys and studies, and similar compilations regularly used in CONTRACTOR’s business operations ("Trade Secrets"). Trade Secrets shall not include (i) any information which at the time of disclosure or discovery or thereafter is generally available to and known by the public or the relevant industry (other than as a result of a disclosure directly or indirectly by UNIVERSITY), or (ii) any information which was available to LCC on a non-confidential basis from a source other than CONTRACTOR, provided that such source was not bound by an agreement prohibiting the transmission of such information, or (iii) any information independently developed or previously known without reference to any information provided by CONTRACTOR. UNIVERSITY shall not disseminate any Proprietary Materials or disclose any of CONTRACTOR’s Trade Secrets, directly or indirectly, during or after the term of the CONTRACT. UNIVERSITY shall not photocopy or otherwise duplicate any such materials without prior written consent of CONTRACTOR. All Proprietary Materials and Trade Secrets shall remain the exclusive property of CONTRACTOR and shall be returned to CONTRACTOR immediately upon termination of the CONTRACT. UNIVERSITY specifically agrees that all software associated with the operation of the Food Service, including without limitation, menu systems, food production systems, accounting systems, and other software, are owned by or licensed to CONTRACTOR and not UNIVERSITY. Furthermore, UNIVERSITY’S access or use of such software shall not create any right title interest, or copyright in such software, and UNIVERSITY shall not retain such software beyond the termination of the CONTRACT. Any signage, service mark or trademark proprietary to CONTRACTOR shall remain the exclusive property of CONTRACTOR and shall be returned to CONTRACTOR immediately upon termination of this CONTRACT. In the event of any breach of this provision, CONTRACTOR shall be entitled to equitable relief, including an injunction or specific performance, in addition to all other remedies otherwise available. This provision shall survive termination of the CONTRACT.

L. In the event of an inconsistency among the terms of this CONTRACT, the CFO and CONTRACTOR’s offer, the inconsistency shall be resoled in the following order of precedence:

1. CONTRACT;
2. CFO; and
3. CONTRACTOR’s Offer
This concludes the terms, conditions and provisions of the CFO.

ATTACHMENT A – BEVERAGE RETAIL AND FOUNTAIN OPERATIONS

ATTACHMENT B – BEVERAGE VENDING MACHINE OPERATIONS

ATTACHMENT C – APPROVED BEVERAGE VENDING MACHINE PRICES
ATTACHMENT A

BEVERAGE RETAIL AND FOUNTAIN OPERATIONS

The UNIVERSITY currently distributes and/or promotes beverages through its operations, including but not limited to:

<table>
<thead>
<tr>
<th>LOCATION (Building, Floor)</th>
<th>RETAIL</th>
<th>FOUNTAIN</th>
</tr>
</thead>
</table>
| Uluwehi Café (Cafeteria - Campus Center, First Floor) | - Two (2) full-height, double-door refrigeration cases;  
- One (1) full-height, single-door refrigeration case;  
- One (1) 3/4 height, double-sliding door refrigeration case | - One (1) fountain beverage dispensing system |
ATTACHMENT B

BEVERAGE VENDING MACHINE OPERATIONS

The current locations of all bottle and can beverage vending machines at the UNIVERSITY are identified below. Contractor shall install equipment at additional locations as required by the UNIVERSITY.

<table>
<thead>
<tr>
<th>LOCATION (Building, Floor)</th>
<th>VENDING MACHINES</th>
<th>TYPE OF MACHINE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration (AD) Building - Second Floor</td>
<td>One (1)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Automotive (ET) Building</td>
<td>One (1)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Biological Sciences (BS) Building - First Floor</td>
<td>Three (3)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Business Education (BE) Building - First Floor</td>
<td>One (1)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Business Education (BE) Building - Second Floor</td>
<td>One (1)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Bus Stop</td>
<td>Two (2)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Campus Center (CC) Building - First Floor</td>
<td>Two (2)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Fine Arts (FA) Building - First Floor</td>
<td>Four (4)</td>
<td>Three (3) machines 20-ounce bottles; One (1) machine 16-ounce bottles</td>
</tr>
<tr>
<td>Language Arts (LA) Building - Second Floor</td>
<td>Three (3)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Library Building - First Floor</td>
<td>One (1)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Math and Science (MS) Building - Second Floor</td>
<td>One (1)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>OCEWD Building Complex</td>
<td>One (1)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Physical Sciences (PS) Building - First Floor</td>
<td>Three (3)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td>Physical Sciences (PS) Building - Second Floor</td>
<td>One (1)</td>
<td>20-ounce bottles</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25</strong></td>
<td></td>
</tr>
<tr>
<td>PRODUCT NAME</td>
<td>PACKAGE SIZE</td>
<td>VENDING PRICE</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
<td>--------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Bottled Water (Dasani)</td>
<td>20-ounce</td>
<td>$1.25</td>
</tr>
<tr>
<td>Diet Soda (Diet Coke)</td>
<td>20-ounce</td>
<td>$1.25</td>
</tr>
<tr>
<td>Soda (Coca-Cola, Sprite, Fanta, Dr. Pepper)</td>
<td>20-ounce</td>
<td>$1.25</td>
</tr>
<tr>
<td>Sports Drink (Powerade)</td>
<td>20-ounce</td>
<td>$1.25</td>
</tr>
<tr>
<td>Vitamin Infused Water Drink (VitaminWater)</td>
<td>20-ounce</td>
<td>$1.75</td>
</tr>
<tr>
<td>Energy Drink (Full Throttle)</td>
<td>16-ounce</td>
<td>$2.00</td>
</tr>
</tbody>
</table>