

STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF STATE PURCHASING
4200 SURFACE ROAD, COLUMBUS, OH 43228-1395

REQUIREMENTS CONTRACT: REGIONAL DISTRIBUTION AND TRANSPORTATION SERVICES FOR SPIRITUOUS LIQUOR AND PAPER BAGS

CONTRACT No.: OT900105

EFFECTIVE DATES: 07/01/04 to 05/31/08

*Renewal through 05/31/11

The Department of Administrative Services has accepted bids submitted in response to Invitation to Bid No. OT900105 that opened on 03/31/04. The evaluation of the bid response(s) has been completed. The bidder(s) listed herein have been determined to be the lowest responsive and responsible bidder(s) and have been awarded a contract for the items(s) listed. The respective bid response, including the Instructions to Bidders, Contract Terms & Conditions, any bid addenda, special contract terms & conditions, specifications, pricing schedules and any attachments incorporated by reference and accepted by DAS become a part of this Requirements Contract.

This Requirements Contract is effective beginning and ending on the dates noted above unless, prior to the expiration date, the Contract is renewed, terminated or cancelled in accordance with the Contract Terms and Conditions.

This Requirements Contract is available to Ohio Department of Commerce, Division of Liquor Control, 6606 Tussing Rd., Reynoldsburg, OH 43968, as applicable.

Agencies are eligible to make purchases of the listed supplies and/or services in any amount and at any time as determined by the agency. The State makes no representation or guarantee that agencies will purchase the volume of supplies and/or services as advertised in the Invitation to Bid.

SPECIAL NOTE: State agencies may make purchases under this Requirements Contract up to \$2500.00 using the state of Ohio payment card. Any purchase that exceeds \$2500.00 will be made using the official state of Ohio purchase order (ADM-0523). Any non-state agency, institution of higher education or Cooperative Purchasing member will use forms applicable to their respective agency.

Questions regarding this and/or the Requirements Contract may be directed to:

Peggy J. Canada
peggy.canada@das.state.oh.us

This Requirements Contract and any Amendments thereto are available from the DAS website at the following address:



<http://www.ohio.gov/procure>

Indicates correction to renewal date.

Signed: _____ Date _____
Hugh Quill, Director

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**STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF STATE PURCHASING
INSTRUCTIONS TO BIDDERS**

Article I-1. Complete Competitive Sealed Bid with Authorized Signature. Bidders must submit a complete, signed competitive sealed bid, which at a minimum should include all of the pages of the Invitation to Bid that required the bidder to respond and any additional information or samples required by the Invitation to Bid. Bids should be signed, in ink (blue is preferred), on the front page of the Invitation to Bid. Bidders are requested not to use black ink to sign the Bid.

Article I-2. Delivery of Bids.

I-2.1 When Bids may be Delivered. The Department of Administrative Services ("DAS") must receive bids no later than 12:00 p.m. the day the bids are scheduled for opening. DAS receives bids during the hours of 8:00 a.m. through 4:30 p.m., Monday through Friday, except state observed holidays. DAS does not accept bids with insufficient postage or collect on delivery.

I-2.2 Where Bids must be Delivered. Bids must be delivered to the following address:

Department of Administrative Services
General Services Division, Office of State Purchasing
ATTN.: Bid Desk
4200 Surface Rd.
Columbus, OH 43228-1395

I-2.3 How Bids May be Delivered. Each bid must be submitted in a sealed envelope with the bid number clearly marked on the outside of the envelope. If a bidder uses an express mail or courier service, the bid number must be clearly marked on the express mail or courier envelope or must be enclosed in a sealed envelope inside the express mail or courier service envelope, with the bid number clearly marked on the inside envelope. A bid that is not properly and clearly marked and is inadvertently opened before the scheduled bid opening time, may not be evaluated for contract award.

Article I-3. Bids are a Public Record.

I-3.1 Interested bidders may attend the opening of the bids.

I-3.2 After bids are opened and certified by the Auditor of State, they are available for public review by interested parties who have registered with the bid desk to review the bids. Once bids have been reviewed, they will be forwarded to the buyer/analyst to begin the evaluation and award process.

I-3.3 After bids are opened they are public records as defined in Ohio Revised Code 149.43 and are subject to all laws appurtenant thereto.

Article I-4. Interpretation of Bid Specifications:

I-4.1 Bidder May Request Clarification. If a bidder discovers an inconsistency, error or omission in this Invitation to Bid, the bidder should request clarification from State Purchasing as indicated on the front page of the Invitation to Bid. Such clarification may be made only by letter, or through internet and addressed to the State Purchasing Administrator. Bidders should make their requests for clarification a minimum of five (5) working days before the date of bid opening. No other form of clarification is acceptable. Failure of Bidder to comply may result in the Bidder being deemed not responsive.

I-4.2 DAS Modifications through Written Addendum. When it is necessary to modify an Invitation to Bid, DAS does so by written addendum only.

I-4.3 Damages Arising from Bid Specifications. A bidder may not be compensated for damages arising from inaccurate or incomplete information in the Invitation to Bid specifications or from inaccurate assumptions based upon the specifications.

Article I-5. Evaluation of Bids

The contract will be awarded to the lowest responsive and responsible bidder as determined by DAS under the Ohio Revised Code (the "Code"). To protect the integrity of the competitive bid process, bids will be closed for public review once the evaluation and award process begins.

I-5.1 Lowest Bidder. A bidder is lowest if its bid offers the lowest-cost supply or service in comparison to all other bidders as set forth in the evaluation paragraph in the bid. While bidders may offer discounts for prompt payment and other similar incentives, discounts and incentives will not be used to determine the lowest bidder.

I-5.2 Responsive Bidder. A bidder is responsive if its bid responds to the bid specifications in all material respects and contains no irregularities or deviations from the specifications that would affect the amount of the bid or otherwise give the bidder an unfair competitive advantage.

I-5.3 Responsible Bidder. DAS' determination of a bidder's responsibility includes the following factors:

- (A) the experience of the bidder,
- (B) the bidder's financial condition,
- (C) the bidder's conduct and performance on previous contracts,
- (D) the bidder's facilities,
- (E) the bidder's management skills, and
- (F) the bidder's ability to execute the contract properly.
- (G) review of Federal and the Ohio Department of Transportation debarment list.

I-5.4 Preference for Ohio Products. The bid award may be subject to the domestic preference provisions of the Buy America Act, 41 U.S.C.A., 10a-10d, as amended, and to the preference for Ohio products under Ohio Revised Code Sections 125.09 and 125.11 and Ohio Administrative Code Rule 123:5-1-06.

I-5.5 Tie Bids. If two or more bidders offer the same cost and both are determined to be responsive and responsible, DAS may break the tie with the flip of a coin. DAS may assign "heads" and "tails" to the bidders. The coin flip may be conducted in the presence of the bidders, if they elect to be present, and is the final determination of the lowest, responsive and responsible bidder.

I-5.6 Rejected Bids. DAS may reject any bid, in whole or in part, if any of the following circumstances are true:

- (A) bids offer supplies or services that are not in compliance with the requirements, specifications, terms or conditions stated in the Invitation to Bid,
- (B) the price of the lowest responsive and responsible bid is excessive in comparison with market conditions or with the purchasing agency's available funds, or
- (C) DAS determines that awarding any item is not in the best interest of the State of Ohio.

I-5.7 Unit Costs. Bidders shall not insert a unit cost of more than three (3) digits to the right of the decimal point. Digit(s) beyond three (3) will be dropped and not used in the evaluation of the Bid.

Article I-6. Withdrawal of Bids

I-6.1 Withdrawal before Bid Opening. A bidder may withdraw its bid, by written request, any time after DAS receives the bid and before bid opening.

I-6.2 Withdrawal after Bid Opening. A bidder may by written request withdraw its bid after bid opening, if there is reasonable proof that an inadvertent mistake was made and the correction cannot be determined with reasonable certainty. "Inadvertent" means inattentive or unobservant; heedless; due to oversight; unintentional. If DAS suspects that the lowest bid contains a mistake, DAS may ask the bidder for written confirmation of its bid.

Article I-7. Correction of Bids

I-7.1 Correction before Bid Opening. If a bidder withdraws its bid and resubmits it with revisions, the revisions should be clearly identified and signed or initialed by the bidder. The omission of a bidder's signature or initials to a modification may result in the bid being determined to be not responsive. Any corrections must be completed off the premises.

I-7.2 Correction after Bid Opening. DAS may permit a bidder alleging an inadvertent error to correct its bid, after opening, only if the mistake and the correction are clearly evident from the bid and correction does not otherwise give the bidder an unfair competitive advantage.

Article I-8. Bids are Firm for 90 Days. Unless stated otherwise, once opened all bids are irrevocable for ninety (90) days. Beyond ninety (90) days, bidder will have the option to honor their Bid or make a written request to withdraw their Bid from consideration.

Article I-9. Requests for Revisions or Additions to the Contract: Bidders are required to comply with all of the terms and conditions of the Invitation to Bid, whether the bidder had actual knowledge of the terms and conditions of the Invitation to Bid and regardless of any statement or omission in the bid that might indicate a bidder's contrary intention. DAS will not agree to any additional or inconsistent terms or conditions proposed by the bidder. The terms and conditions of the Invitation to Bid prevail over any inconsistent or additional terms or conditions of the bid proposed by the bidder.

Article I-10. Information Requested: DAS may request additional information to evaluate a bidder's responsiveness to the Invitation to Bid or to evaluate a bidder's responsibility. If a bidder does not provide the requested information, it may adversely impact DAS' evaluation of the bidder's responsiveness or responsibility.

Article I-11. Samples: DAS may require bidders, by Invitation to Bid or by request during evaluation, to provide sample supplies or equipment or examples of work, at the bidder's expense. Samples must clearly identify the bidder, the bid number, and the item the sample represents in the bid. DAS will return samples that are not destroyed by testing, at the bidder's expense, upon the bidder's timely request. DAS may keep the samples of the bidder awarded the contract until the completion of the contract. Unsolicited samples submitted in response to this Invitation to Bid will not be evaluated and DAS may dispose of them in any way it chooses.

Article I-12. Bid Preparation. The State of Ohio assumes no responsibility for costs incurred by the bidder prior to the award of any Contract resulting from this Bid. Total liability of the State is limited to the terms and conditions of a resulting Contract.

Article I-13. Protests and Communications During Evaluation. Any bidder, who is not in agreement with the competitive bidding process used to make the award may file a protest. The protest must be timely and submitted in writing to the State Purchasing Administrator. Any attempt by the bidder, the bidder's agent(s), or any party representing the bidder to file a protest with any entity of the State of Ohio other than the Administrator may result in the bidder being deemed as not responsive. During the evaluation process, unless requested by State Purchasing as part of the evaluation process, any attempt on the part of the bidder, the bidder's agent(s), or any party representing the bidder, to submit correspondence that is determined by DAS to be an attempt to compromise the impartiality of the evaluation or any attempt on the part of the bidder, the bidder's agent(s), or any party representing the bidder to communicate with any member of the State regarding the evaluation process may be grounds for immediate disqualification of the bidder. A determination to stay the proceedings or reverse an award determination will be at the sole discretion of the State Purchasing Administrator. The decision of the Administrator shall be final and conclusive unless any person adversely affected by the decision commences an action in a court of law.

Article I-14. Ethics. All bidders and employees of the Office of State Purchasing are bound by the Ethics Laws of the State of Ohio. Any bidder or employee who violates any of these laws will be subject to penalties set forth by law.

Article I-15. Registration with the Secretary of State when applicable, by the signature affixed to this Bid, the bidder attests that the Bidder is:

- (A) an Ohio corporation that is properly registered with the Ohio Secretary of State; or
- (B) a foreign corporation, not incorporated under the laws of the state of Ohio, but is registered with the Ohio Secretary of State pursuant to Ohio Revised Code Section 1703.03; or
- (C) a foreign corporation, not incorporated under the laws of the state of Ohio, and that is not registered with the Ohio Secretary of State pursuant to Ohio Revised Code Sections 1703.02 and 1703.03 (as applicable to interstate commerce).

Article I-16. Certification Regarding Contract Eligibility With Other Governmental Entities: By the signature affixed on Page 1, Bidder hereby certifies that Bidder has not, within the last seven (7) years been the subject of any government action to limit the Bidder's right to do business with the government within the last seven (7) years, please provide a written explanation with the bid response.

Article I-17. Non-Collusion Certification: By the signature affixed on Page one (1) of the Bid, the Bidder certifies that he/she is (sole owner, partner, president, secretary, etc.) of the party making the forgoing bid; that such bid is genuine and not collusive or sham; that bidder has not colluded, conspired or agreed, directly or indirectly, with any bidder or person, to put in a sham bid; or colluded or conspired to have another not bid and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person to fix the bid price of its bid or any other bidder, or to fix any overhead, profit or cost element of the bid price, or of that of any other bidder, or to secure any advantage against any bidder or any person or persons interested in the proposed contract and that all statements contained in the bid are true; and further, that the bidder has not, directly or indirectly, submitted this bid, or the contents thereof, or divulged any related information or data to any association or to any member or agent of any association.

I-18. Specifications. The Department of Administrative Services is authorized to prepare specifications to obtain supplies and services. The purpose of the specification is to describe the supplies or services to be purchased and will serve as a basis for comparison of bid responses. The department may use any form of specification it determines to be in the best interest of the State and that best describes the supplies or services to be purchased. Specifications may be in the form of a design specification, a performance specification or a combination thereof. If the department determines that a design, performance or combination specification is not in the best interest of the State, it may use brand name or equal specifications. **Where a brand name or equal specification is used, use of the brand name is for the purpose of describing the base standard of quality, performance and characteristics desired and is not intended to limit or restrict competition. Substantially equivalent supplies or services to those designated will be considered for award.** The department may also use a qualified products list of the

federal government or may develop a qualified products list applicable to the State of Ohio. When developing a qualified products list, the department shall solicit a sufficient number of suppliers to ensure maximum coverage with providers of the supplies or services. Any supplier, not solicited, may request inclusion on the qualified products list. Potential suppliers will be required to furnish exact samples of the supplies or services to be provided for testing and examination by the State. **Only those supplies or services that conform to the state's requirements will be considered for inclusion on a qualified products list.** The department may also use a brand specific specification when it is determined that the identified brand name supplies or services will satisfy the State's need in the most cost-efficient manner, when the identified brand name supplies or services are necessary to protect the health and well-being of clients of the state, when emergency conditions will not permit acceptance of alternate brand name supplies or services, and when there are two or more authorized stocking distributors available to provide the required brand specific supplies or services. Final approval of, revisions to, and cancellation of the specifications for supplies and services or the proposed criteria and methodology for establishing and maintaining a qualified products list shall be the responsibility of the department.

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**STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF STATE PURCHASING**

CONTRACT TERMS AND CONDITIONS

Article K-1. Contract Components; Entirety; Changes; Interpretation.

K-1.1 Contract Components. This Contract consists of the complete Invitation to Bid, including the Instructions to Bidders, the Contract Terms and Conditions, the Special Contract Terms and Conditions, the bid specifications and any written amendments to the Invitation to Bid; the completed competitive sealed bid, including proper modifications, clarifications and samples; and applicable, valid State of Ohio purchase orders or other ordering documents ("Contract").

K-1.2 Entire Agreement; Parties to the Contract. This Contract is the entire agreement between the contractor ("Contractor") and the Department of Administrative Services ("DAS") on behalf of the State agencies that may purchase from this Contract. The State agencies that may purchase from this Contract are listed on the front page of the Invitation to Bid as "Participating State Agencies."

K-1.3 Contract Changes; Waiver. Changes or modifications to this Contract must be made in writing and signed by both parties. If a party to this Contract does not demand strict performance of any term of this Contract, the party has not waived or relinquished any of its rights; the party may at any later time demand strict and complete performance of the term.

Article K-2. Contract Orders. Participating state agencies will order supplies or services under this Contract from the Contractor directly. The Contractor may receive orders made by participating state agencies by telephone, facsimile, electronically, in person, debit order or by State of Ohio purchase order (ORDE) from authorized employees of the participating agency. The State will not be responsible for orders placed by unauthorized employees. Contractor is not required to fill an order with a delivery date that is more than 30 days beyond the date of Contract expiration, termination or cancellation, unless the Contract provides for quarterly deliveries. Under a Contract that provides for quarterly deliveries, Contractor is not required to fill an order with a delivery date that is more than 90 days beyond the date of Contract expiration, termination or cancellation.

Article K-3. Standard Invoice & Payment

K-3.1 Invoice. The Contractor shall submit an invoice to the ordering agency upon shipment of the supplies or performance of the service as described on the purchase order. Except when using Electronic Data Interchange (EDI) processes and unless otherwise requested by the ordering agency, the invoice must be in quadruplicate. The invoice must be a "proper invoice" to receive consideration for payment. A "proper invoice" is defined as being free of defects, discrepancies, errors, or other improprieties. Improper invoices will be returned to the Contractor noting the areas of discrepancy.

K-3.2 Compensation. In consideration for Contractor's performance each participating state agency will pay Contractor directly at the rate specified in the Contract. Payments may be made by the Ohio Payment Card, an Auditor of State warrant or by electronic funds transfer (EFT). For all transactions the Contractor must have a valid W-9 form on file with the Office of Budget and Management. In addition, for purchases of services, Contractor must also be registered with the Office of Budget and Management's (OBM) vendor database. Registration in OBM's database requires the Contractor to complete an IRS W-9 Form. The completed original form should be mailed to: Office of Budget and Management, Vendor Compliance Section, 30, East Broad Street, 34th Floor, Columbus, OH 43215.

K-3.3 Ohio Payment Card. Participating state agencies purchasing supplies from the Contract may use the Ohio Payment Card. Such purchases may not exceed \$2,500 unless the Office of Budget & Management has approved the agency to exceed this limit. In the event that OBM increases the dollar limit for payment cards for all state agencies, notice of such increase will be posted on the State Purchasing website. Participating state agencies are required to use the Ohio Payment Card in accordance with the Ohio, Office of Budget and Management's current guidelines for the Ohio Payment Card and the participating agency's approved plan filed with the Office of Budget and Management. Contractor may process a payment in the payment card network only upon delivery and acceptance of the supplies or services ordered. For partial deliveries or performance, Contractor may process a payment for the amount delivered or completed only and not for the entire amount ordered by the participating agency. Upon completion of the delivery of remaining supplies or services, Contractor may process a payment request in the payment card network for the remainder of the order. Contractor will receive payment through its merchant bank within the time frame agreed upon between Contractor and its merchant bank. The Contractor should expect normal processing fees from its merchant bank for payment card transaction which may not be passed on to the agency making the purchase.

K-3.4 Payment Due Date. Each participating state agency must make payments under this Contract no later than the 30th calendar day from the day it receives an invoice, that conforms to the State's current policy, for the supplies or services it has accepted. The participating agency may only process an invoice for payment after delivery and acceptance of the ordered supplies or services has transpired.

K-3.5 Interest on Overdue Payments. Participating state agencies will determine and pay interest for overdue payments on proper invoices in accordance with Section 126.30 of the Revised Code.

K-3.6 Taxes: Participating state agencies are exempt from all federal, state and local taxes. Participating state agencies will not pay any taxes on supplies or services purchased from Contractor, unless the Special Contract terms and conditions specifically state otherwise.

Article K-4. Time of Performance.

K-4.1 Term of Contract. This Contract is effective upon the projected beginning date on the Invitation to Bid cover page or upon signature of DAS whichever is later in time. This Contract will remain in effect until the projected ending date on the Invitation to Bid cover page or until the Contract is fully performed by both parties or until it terminates in accordance with the Ohio constitutional or statutory limitations in this Article, Section K4.3, or until it is canceled or terminated in accordance with Article K-6, whichever occurs first.

K-4.2 Contract Renewal. This Contract may be renewed solely at the discretion of DAS for a period of one month. Any further renewals will be by agreement any number of times for any period of time. The cumulative time of all renewals may not exceed two years.

K-4.3 Constitutional and Statutory Limitations:

(A) Appropriation may not be longer than two years. State contracts may not extend beyond a biennium. If the term of this Contract extends beyond a biennium, the Contract will terminate on the last day of the current biennium. At that time, DAS may renew this Contract by letter to Contractor no later than July 1, of the new biennium. The operating biennium expires June 30th of each odd-numbered calendar year.

(B) Appropriation of Funds. The State of Ohio's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the payments or any other obligations due by the State under this Contract, the State will be released from its obligations on the date funding expires.

(C) Certification of Funds. Under Revised Code Section 126.07, any purchase order (ORDE) placed under this Contract is not valid unless and until the Director of the Ohio Office of Budget and Management certifies that there is a balance in the appropriation not already obligated to pay existing commitments.

Article K-5. Delivery.

K-5.1 F.O.B. The Place of Destination. Contractor must provide supplies or services under this Contract F.O.B. the place of destination. The place of delivery will be specified by the participating state agency on the agency's purchase order or other ordering document. Freight will be prepaid unless otherwise stated.

K-5.2 Time of Delivery. If Contractor is not able to deliver the supplies or services on the date and time specified by the participating state agency on the agency's ordering document,

Contractor must coordinate an acceptable date and time for delivery with the agency. If Contractor is not able to or does not provide the supplies or services to a participating state agency by the date and time provided on the agency's ordering document or by the date and time later agreed upon, the State may obtain any remedy under Article K-6 of this Contract or any other remedy at law.

K-5.3 Minimum Orders-Transportation Charges. For purchase orders placed that are less than the stated minimum order, transportation charges will be prepaid and added to the invoice by the Contractor to the delivery location designated by the ordering agency. Shipment is to be made by private or commercial freight service provider, air, rail, water, parcel post, express or commercial package delivery, whichever is the most economical and expeditious method for proper delivery of the item. Failure of the Contractor to utilize the most economical mode of transportation shall result in the Contractor reimbursing the ordering agency the difference between the most economical mode of transportation and the mode of transportation used by the Contractor. Failure to reimburse the ordering agency shall be considered as a default.

Article K-6. Contract Cancellation; Termination; Remedies.

K-6.1 Contract Cancellation. If Contractor fails to perform any one of its obligations under this Contract, it will be in default and DAS may cancel this Contract in accordance with this section. The cancellation will be effective on the date delineated by DAS.

(A) Contract Performance Substantially Endangered. If Contractor's default is so substantial that it may not be able to be cured within a reasonable time or if DAS determines that the performance of the Contract is substantially endangered through no fault of the State, DAS may cancel this contract by written notice to Contractor.

(B) Cancellation for Unremedied Default. If Contractor's default may be cured within a reasonable time, DAS will provide written notice to Contractor specifying the default and the time within which Contractor must correct the default. If Contractor fails to cure its default within the time required, DAS may cancel the contract by written notice to Contractor. If DAS does not give timely notice of a default to Contractor, DAS has not waived any of the State's rights or remedies concerning the default.

(C) Cancellation for Persistent Default. DAS may cancel this Contract by written notice to Contractor for defaults that are cured, but are persistent. "Persistent" means three or more defaults. After DAS has notified Contractor of its third default, DAS may cancel this Contract without providing Contractor with an opportunity to cure, if Contractor defaults for a fourth time. The four defaults are not required to be related in any way.

(D) Cancellation for Financial Instability. DAS may cancel this contract by written notice to Contractor if a petition in bankruptcy or similar proceeding has been filed by or against the Contractor.

(E) Cancellation for Delinquency; Violation of Law. DAS may cancel this Contract by written notice, if it determines that Contractor is delinquent in its payment of federal, state or local taxes, workers' compensation, insurance premiums, unemployment compensation contributions, child support, court costs or any other obligation owed to a state agency or political subdivision. However, DAS may not cancel this Contract if Contractor has entered into a repayment agreement with which Contractor is current. DAS also may cancel this Contract, if it determines that Contractor has violated any law during the performance of this Contract.

K-6.2 Contract Termination. DAS may terminate this Contract for convenience with 30 days written notice to Contractor.

K-6.3 Remedies for Default.

(A) Actual Damages. Contractor is liable to the State of Ohio for all actual and direct damages caused by Contractor's default. The State may buy substitute supplies or services, from a third party, for those that were to be provided by Contractor. The State may recover the costs associated with acquiring substitute supplies or services, less any expenses or costs saved by Contractor's default, from Contractor.

(B) Liquidated Damages. If actual and direct damages are uncertain or difficult to determine, the State may recover liquidated damages in the amount of 1% of the value of the order, or \$250.00 per day, whichever is less, for every day the default is not cured by Contractor.

(C) Deduction of Damages from Contract Price. The participating state agency may deduct all or any part of the damages resulting from Contractor's default from any part of the price still due on the contract, with DAS prior written notice to Contractor.

Article K-7. Force Majeure. If the State or Contractor is unable to perform any part its obligations under this Contract by reason of force majeure, the party will be excused from its obligations, to the extent that its performance is prevented by force majeure, for the duration of the event. The party must remedy with all reasonable dispatch the cause preventing it from carrying out its obligations under this Contract. The term "force majeure" means without limitation: acts of God; such as epidemics; lightening; earthquakes; fires; storms; hurricanes; tornadoes; floods; washouts; droughts; any other severe weather; explosions; arrests; restraint of government and people; war; strikes; and other like events; or any other cause that could not be reasonably foreseen in the exercise of ordinary care, and that is beyond the reasonable control of the party.

Article K-8. Delegation of Duty and Assignment of Rights.

K-8.1 DAS Consent to Delegate. Contractor may not delegate any of its duties under this Contract unless DAS consents to the delegation in writing. DAS' consent to the delegation is not DAS' agreement to release Contractor from its duties under this Contract

K-8.2 DAS Consent to Assign. Contractor may not assign any of its rights under this Contract unless DAS consents to the assignment in writing. Any purported assignment made without DAS' written consent is void. DAS may assert against an assignee any claim or defense DAS may have against the assignor.

K-8.3 Antitrust Assignment to DAS. Contractor assigns to DAS all of its rights to any claims and causes of action the Contractor now has or may acquire under state or federal antitrust laws if the claims or causes of action relate to the supplies or services provided under this Contract. Additionally, the State of Ohio will not pay excess charges resulting from antitrust violations by Contractor's suppliers and subcontractors.

Article K-9. Requirements Contract. The quantity of supplies or services to be provided under this Contract is the quantity determined by the actual, good faith, requirements of the participating state agencies. DAS may allow a participating state agency to purchase supplies or services identical to those provided under this Contract from a supplier other than Contractor, if one of the following conditions apply:

K-9.1. Large quantities. The supplies or services to be purchased were not anticipated by DAS at the time this Contract was let and the supplies or services are required in a large quantity.

K-9.2 Unique or Unusual Nature. The supplies or services to be purchased are unique or unusual from the supplies or services provided under this Contract.

K-9.3 Emergency Purchase. The agency requires the supplies or services to remedy an emergency and Contractor is not able to provide the supplies or services, as the emergency requires.

Article K-10. Subcontracting. Contractor must identify its subcontractors, suppliers and joint ventures for the performance of this Contract. Contractor must supplement its list of subcontractors, suppliers or joint ventures, if Contractor's subcontractors, suppliers or joint ventures change during the term of this contract. The Contractor shall not use any subcontractor who has, within the last seven (7) years been the subject of any government action to limit the subcontractor's right to do business with that government within the last seven (7) years. Please provide a written explanation to DAS. Further, the subcontractor agrees to be bound to all of the Terms and Conditions and specifications of the Contract.

Article K-11. Price Adjustments.

Article K-11. Price Increases. If the Special Contract Terms and Conditions provide for a price increase, Contractor may request a price increase in accordance with the Special Contract Terms and Conditions.

Article K-11.2 Price Decreases. If DAS becomes aware of a general price decrease for the supplies or services provided under Contract, Contractor must provide a price decrease to the State of Ohio. Failure to provide a decrease will be considered as a default.

Article K-12. Equal Employment Opportunity. Contractor must comply with all federal and state laws pertaining to equal employment opportunity, including federal and state executive orders. Contractor will not by reason of race, color, religion, sex, sexual orientation, Vietnam veteran status, age, handicap, national origin, or ancestry, discriminate against any person in the hiring of employees for the performance of work under this Contract. Contractor, Contractor's subcontractors and any other agent acting on behalf of Contractor may not discriminate against, intimidate, or retaliate against any employee hired for the performance of work under this Contract on account of race, color, religion, sex, sexual orientation, Vietnam veteran status, age, handicap, national origin, or ancestry. During the performance of the Contract, Contractor agrees to comply with Revised Code Section 125.11.1(B), Administrative Code Sections 123:1-49-01 through 123:1-49-06 and Executive Order 2001-12T. The Contractor understands the State Equal Opportunity Division may conduct pre-award and post-award compliance reviews to determine if the Contractor maintains nondiscriminatory employment practices, maintains an affirmative action program and is exerting good faith efforts to accomplish the goals of the affirmative action program.

Article K-13. Drug-Free Workplace. Contractor must comply with all applicable state and federal laws regarding a drug free workplace. Contractor must exert good faith efforts to ensure that its employees do not purchase, transfer, and use or possess illegal drugs or alcohol or abuse prescription drugs, in any way, while working on State property.

Article K-14. Survivorship. In addition to Article K-6 Section 6.3, Remedies for Default, of this Contract, the following Articles, Article K-15 through Article K-20, survive the expiration of this Contract.

Article K-15. Indemnification. Contractor will indemnify the State of Ohio, including its public officials and employees, for any and all claims, damages, lawsuits, costs, judgments, expenses, and any other liabilities that may arise out of or are related to Contractor's performance under this Contract including Contractor's employees and agents.

Article K-16. Confidentiality. Contractor may learn of information, documents, data, records, or other material that is confidential in the performance of this Contract. Contractor may not disclose any information obtained by it as a result of the Contract, without written permission from DAS. Contractor must assume that all state information, documents, data, records or other material is confidential.

Article K-17. Publicity. Contractor and its subcontractors may not use or refer to this Contract to promote or solicit Contractor's or subcontractor's supplies or services. Contractor

and its subcontractors may not disseminate information regarding this Contract, unless agreed to in writing by DAS.

Article K-18. Governing Law; Severability. The laws of the State of Ohio govern this Contract, and venue for any dispute will be exclusively with the appropriate court of competent jurisdiction in Franklin County, Ohio. If any provision of the Contract or the application of any provision is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of the Contract will remain in full force and effect to the extent that the remaining provisions continue to make sense.

Article K-19. Construction. This Contract will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.

Article K-20. Political Subdivisions. This Contract may be relied on by Ohio political subdivisions, including Ohio counties, cities and villages ("Political Subdivisions"). If a political subdivision relies on this Contract to issue a purchase order or other ordering document, the political subdivision steps into the shoes of the State under this Contract. The political subdivision's order and this Contract are between Contractor and political subdivision. The Contractor must look solely to political subdivision for performance, including payment. The Contractor holds the State of Ohio harmless with regard to political subdivision's orders and political subdivision's performance. DAS may cancel this Contract and may seek remedies if Contractor fails to honor its obligations under an order from a political subdivision.

Article K-21. Workers' Compensation. The contractor shall be required to carry Workers' Compensation Liability Insurance as required by Ohio law for any work to be performed within the state of Ohio. If work is done outside of Ohio, the contractor shall be required to carry Workers' Compensation Insurance coverage to meet the laws of the appropriate state(s) where work on the Contract will be done. The contractor may also be required to show proof of Employer's Liability (Stop Gap) coverage with at least a \$1,000,000 limit. Proof of Workers' Compensation coverage will be considered as part of the evaluation process. If not listed in the bid or submitted as part of the bid response, the bidder will be required to provide said certificate within seven (7) calendar days after notification to the Office of State Purchasing. Failure to provide the certificate within the stated time period will result in the bidder being deemed not responsive. Failure to maintain Workers' Compensation Liability Insurance coverage for the duration of the contract and any renewal thereto, will be considered as a default.

Article K-22. Automobile and General Liability Requirements. During the term of the Contract and any renewal thereto, the bidder, and any agent of the bidder, at its sole cost and expense shall maintain a policy of automobile liability and commercial general liability insurance as described in this Article. If not submitted with the bidder's response,

copies of the respective insurance certificates shall be filed with the Office of State Purchasing within seven (7) calendar days after notification. Failure to submit the insurance certificates within this time period will result in the bidder being deemed not responsive. Said certificates are subject to the approval of the Director, Department of Administrative Services and shall contain a clause or endorsement providing thirty (30) days prior written notice of cancellation, non-renewal or decrease in coverage will be given to the Director, Department of Administrative Services. Failure of the bidder to maintain this coverage for the duration of the Contract and any renewals thereto may be considered as a default.

ALL INSURANCE COMPANIES PROVIDING COVERAGE SHALL BE LICENSED TO DO BUSINESS IN THE STATE OF OHIO AND SHALL BE COVERED BY THE OHIO GUARANTY FUND. In addition, all insuring companies shall have and maintain at least an A- (excellent) rating from A.M. Best.

Article K-22.1 Commercial General Liability. Insurance coverage with a \$2,000,000 annual aggregate and a \$1,000,000 per occurrence limit for bodily injury, personal injury, wrongful death and property damage. The defense cost shall be outside of the policy limits. Such policy shall designate the State of Ohio as an Additional Insured, as its interest may appear. The policy shall also be endorsed to include a blanket waiver of subrogation.

The certificate shall be endorsed to reflect a per project/per location General Aggregate limit. If the bidder uses an umbrella/excess policy to meet the required limits, it is understood that the policy shall follow form on a per project/per location basis. It is agreed upon that the bidder's commercial general liability insurance shall be primary over any other coverage. The Office of State Purchasing reserves the right to approve all policy deductibles and levels of self-insured retention.

Article K-22.2. Automobile Liability. Automobile insurance coverage is required for anyone coming onto State property. Any bidder broker or sub-contractor who will be on State Property is required to carry insurance that complies with the State and Federal laws regarding financial responsibility. The minimum is a Combined Single Limit of \$500,000. It is agreed that the bidder's automobile liability insurance shall be primary over any other coverage.

Article K-23. Contract Compliance. The participating state agency will be responsible for the administration of the Contract and will monitor the Contractor's performance and compliance with the terms, conditions and specifications of the Contract. If an agency observes any infraction(s), such shall be documented and conveyed to the Contractor for immediate correction. If the Contractor fails to rectify the infraction(s), the agency will notify DAS through a Complaint to Vendor (CTV) to help resolve the infraction(s). DAS will apply the provisions of Article K-6, "Contract Terms and Conditions" to resolve the infractions(s).

Article K-24. Quality Assurance. At the option of DAS or the participating agency, samples may be taken from deliveries made and submitted for laboratory tests. The State will bear the cost of testing when samples are found to be in compliance with the Contract. If samples do not conform to the Contract, Contractor will bear the costs of testing and the State will apply the provisions of Article K-6, "Contract Terms and Conditions".

Article K-25. Electronic Commerce Program. The State of Ohio is an active participant in E-Commerce to include Electronic Data Interchange (EDI). This program will benefit both the State and the contractor by reducing time delays in receiving orders and payments that are associated with the existing manual processes. It is the goal of the State of Ohio to eventually conduct all procurement activities through electronic commerce technologies. Contractor is encouraged to move toward compliance with electronic commerce technologies, as this will be the preferred method of doing business with the State of Ohio in the future. The following information is offered to assist all interested businesses in their efforts to move toward becoming a trading partner with the State of Ohio through the electronic commerce technologies. Electronic Data Interchange (EDI) is used for electronic purchase orders, invoicing, and payment of purchases. The program includes sending electronic purchase orders to the Contractor, the receipt of electronic invoices from the Contractor and the transmission of payment and remittance information back to the Contractor. A complete "Implementation Guide", for doing business with the State of Ohio using EDI, can be found on the Internet at: www.state.oh.us/ecedi/. This guide contains all of the information necessary for a company to become EDI compliant. By following all of the links, the entire guide may be viewed, downloaded and printed at your location. In addition, companies who are interested in becoming EDI trading partners with the State of Ohio should visit the Office of Budget and Management's website at www.state.oh.us/obm/BusinessCommunityPage/eCommerce.asp for additional information regarding E Commerce.

Article K-26. Warranties. Unless otherwise stated, all supplies shall be new and unused and when authorized, recycled or refurbished products. All products shall carry manufacturer warranties. The Contractor warrants all supplies to be free from defects in labor, material and manufacturer and to be in compliance with the Contract specifications.

Article K-27. Usage Reports. At no cost to the State, the Contractor shall be required to provide quarterly, bi-annual or annual usage reports as requested by the Office of State Purchasing. The reports will include information as to purchase activity under the Contract by all participating agencies and Co-Operative Purchasing Program members. Report topics will include, but will not be limited to: customer name, date of purchase, item description, quantity, dollar value, aggregate sales to date for each customer and other such information as requested by the Office of State Purchasing. Electronic media is the preferred method for these reports. Failure to provide the requested reports will be deemed as an event of default.

Article K-28. Return Goods Policy. The State will apply the following Return Goods Policy on all purchases made under the Contract. The bidder acknowledges to have read, understood, and agrees to this Policy.

- (A) Return goods, when due to Contractor error (i.e. over-shipment, defective merchandise, unapproved substitution, etc.) shall be returned to the Contractor, at the Contractor's expense. The Contractor shall make arrangements to remove the return goods from the ordering agency premises within seven (7) calendar days after notification. The Contractor shall not apply any restocking or other charges to the ordering agency. At the option of the ordering agency, replacement items may be accepted and will be shipped within seven (7) calendar days of notification. Failure of the Contractor to arrange for return of the items within the specified time will result in the items being deemed as abandoned property and the ordering agency will dispose of accordingly.
- (B) For orders of custom manufactured items, the Contractor will provide a production sample of the item to the ordering agency for acceptance. The production sample will be identical to the item to be provided. The ordering agency will provide written acceptance of the item prior to the Contractor continuing with production. Once delivery and acceptance has been completed and the ordering agency determines for any reason that any remaining quantities will not be used, the agency may request the return of the custom manufactured items. Acceptance of the return of custom manufactured items will be at the option of the Contractor. If the Contractor agrees to the return of these items, the agency will be responsible for all costs associated with packaging, shipment and transportation, to include the original shipment to the agency and subsequent return of goods to the location designated by the Contractor. The Contractor may assess restocking fees that are equivalent to restocking fees that are normally assessed to other customers or as published by the Contractor. Failure of the Contractor to provide a production sample and obtain written approval from the ordering agency will result in the Contractor bearing all responsibility and costs associated with the return of these goods.
- (C) Return goods of regular catalog stock merchandise, when due to agency error (i.e. over purchase, discontinued use, inventory reduction, etc.) will be accepted by the Contractor if notice is given by the agency within six (6) months of delivery and acceptance. All items to be returned must be unused and in their original containers and in suitable condition for resale. The ordering agency will be responsible for all transportation costs associated with both the original shipment of items to the agency and the subsequent return of the items to the location designated by the Contractor. The Contractor may assess a restocking fee associated with the return of the items to the location designated by the Contractor. The Contractor may assess a restocking fee not to exceed their standard published restocking fee or equivalent restocking fee that is assessed to

other customers of the Contractor. Return of regular stock catalog merchandise, when delivery and acceptance exceed six (6) months will be at the option of the Contractor.

Article K-29. Product Recall. In the event product delivered has been recalled, seized, or embargoed and/or has been determined to be misbranded, adulterated, or found to be unfit for human consumption by the packer, processor, manufacturer or by any State or Federal regulatory agency, the Contractor shall be responsible to notify DAS-State Purchasing and all ordering agencies/entities within two business days after notice has been given. Contractor shall, at the option of the ordering agency, either reimburse the purchase price or provide an equivalent replacement product at no additional cost. Contractor shall be responsible for removal and/or replacement of the affected product within a reasonable time as determined by the ordering agency. At the option of the ordering agency, Contractor may be required to reimburse storage and/or handling fees to be calculated from time of delivery and acceptance to actual removal. Contractor will bear all costs associated with the removal and proper disposal of the affected product. Failure to reimburse the purchase price or provide equivalent replacement product will be considered a default.

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SPECIAL CONTRACT TERMS AND CONDITIONS

WHERE APPLICABLE, THE FOLLOWING TERMS AND CONDITIONS SUPERSEDE ANY STANDARD TERMS AND CONDITIONS SHOWN IN THIS BID.

DELIVERY AND ACCEPTANCE: Services will be performed as set forth in the Contract and in accordance with Article K-5, of the Contract Terms and Conditions. The location of performance will be noted on the purchase order issued by the participating agency. Payment for services rendered will occur upon the inspection and written confirmation by the ordering agency that the services provided conform to the requirements set forth in the Contract. Unless otherwise provided in the Contract, payment shall be conclusive except as regards to latent defects, fraud, or such gross mistakes as amount to fraud.

AMENDMENTS TO CONTRACT TERMS AND CONDITIONS: The following Amendments to the Contract Terms and Conditions do hereby become a part hereof. In the event that an amendment conflicts with the Contract Terms and Conditions, the Amendment will prevail.

SPECIFICATION QUESTIONS: This specification supersedes information provided on page one (1) of the bid. Bidders may visit State Purchasing's website at www.ohio.gov/procure and submit their questions. Answers to bidder's questions will be posted on State Purchasing's website. No prospective bidder shall respond to any verbal instructions or changes to this bid; only communications issued by the Ohio Department of Administrative Services, State Purchasing in the form of an addendum, will be considered valid.

CERTIFICATION OF PUCO INTRASTATE AUTHORITY: Each bidder shall submit with their response a copy of the company's current application for Public Utilities Commission of Ohio (PUCO) certification of permanent permit status to operate in the state of Ohio. The bidder must detail in the application at least twelve (12) months experience in transportation operation prior to the submittal of this bid. Additionally, such letter shall list all PUCO certificates and/or permit numbers, as well as the names of the carrier involved. The State reserves the right to submit such documentation to the PUCO for verification. Any contract which ensues as a result of this bid shall be pursuant to Ohio Revised Code 4905.34. Failure to submit this letter with required information may deem your bid non-responsive and no further consideration for award will be given.

CARGO INSURANCE: Three hundred and twenty-five thousand (\$325,000.00) dollars cargo insurance to cover loss or damage to merchandise in the possession or control of contractor, including but not limited to, loss due to theft. A certificate of insurance showing the types of coverage should be submitted with the bid. If not, the bidder must provide the said certificate within five (5) business days, after notification, to the Office of State Purchasing. Furthermore, accompanying the certificate of insurance, providing the bidder does not currently carry the amount of coverage specified above, shall be a letter from the insurance company stating that the bidder's coverage will be increased to the specified amounts upon award of the ensuing contract. Failure to provide the certificate and coverage increase letter, as applicable, within the stated time period will result in the bidder being deemed as non-responsive and the bid response will be immediately disqualified with no further consideration given for potential awarding of the contract.

EMPLOYEE BOND: One hundred thousand (\$100,000.00) dollars employees bond covering the risk incidental to any direct loss of employers money or other property caused by a contractor's employee for which the contractor is liable. A certificate of insurance showing the types of coverage should be submitted with the bid. If not, the bidder must provide the said certificate within five (5) business days, after notification, to the Office of State Purchasing. Furthermore, accompanying the certificate of insurance, providing the bidder does not currently carry the amount of coverage specified above, shall be a letter from the insurance company stating that the bidder's coverage will be increased to the specified amounts upon award of the ensuing contract. Failure to provide the certificate and coverage increase letter, as applicable, within the stated time period will result in the bidder being deemed as non-responsive and the bid response will be immediately disqualified with no further consideration given for potential awarding of the contract.

PERFORMANCE BOND: The Director, Department of Administrative Services may require a performance bond in the amount of one hundred thousand (\$100,000.00) dollars for the Cincinnati district, one hundred thousand (\$100,000.00) dollars for the Toledo district, one hundred thousand (\$100,000.00) dollars for the Columbus district and three hundred thousand (\$300,000.00) for the Cleveland district dollars be submitted by the bidder for each district being bid or if the bidder is bidding all four districts a performance bond in the amount of five hundred thousand (\$500,000.00) dollars. As part of the evaluation process to determine the lowest responsive and responsible bidder, the bidder will be required to provide the said performance bond within ten (10) business days, after notification, to the Office of State Purchasing. Failure to provide the performance bond within the stated time period will result in the bidder being deemed as non-responsive, and the bid response will be immediately disqualified with no further consideration given for potential awarding of the contract.

The purpose of the bond is to ensure proper performance by the contractor on any contract awarded pursuant to this bid. A standard bond form from any company authorized to do business within the state of Ohio is acceptable. The bond shall be made payable to the Treasurer, State of Ohio, referencing the applicable bid number.

The bond shall become effective upon written notification by the Director, Department of Administrative Services that the bidder has been determined to be the lowest responsive and responsible bidder and that a contract has been awarded to the bidder. The bond shall remain in effect for the duration of the awarded contract and any extensions thereto. Any action on the part of the contractor or their bonding company to revoke or cancel the bond prior to the expiration of the contract or extension thereto, will be considered as a breach of contract and will result in the immediate cancellation of the contract. Should this occur, the contractor will be held liable for any additional costs incurred by the state in seeking replacement items/services.

TEMPORARY FUEL ADJUSTMENT: No request for a temporary fuel adjustment may be requested for the first six (6) months duration of the Contract. Thereafter, should a statewide or national increase in the cost of fuel occur, that is greater than 10% of the cost for fuel in place at the time of Contract award, the Contractor may petition DAS to increase the Contract price(s). The Contractor will be required to provide a cost breakdown of each item to indicate the portion of their product cost that is attributed to fuel. If approved, the Contractor will be permitted to adjust the price(s) by the exact amount of the fuel increase. The increase will be effective seven (7) calendar days after approval. Future requests for fuel cost adjustment will be considered in six (6) month intervals, for the duration of the Contract, under the above conditions. Should a statewide or national decrease in the cost of fuel occur, that is greater than 30% of the cost of fuel at the time of Contract award or approved increase, the Contractor will advise State Purchasing of said decrease and the Contract will be adjusted accordingly. Said decrease will become effective seven (7) calendar days after notification. Failure of the Contractor to notify State Purchasing of a decrease will be considered as a default and the Contractor will be responsible to reimburse the state for any overpayments. Said increases or decreases will be effective on all orders placed on or after the approval date of the adjustment.

AWARD: There will be one low lot total award per district to the lowest responsive and responsible bidder meeting all bid specifications and requirements listed herein.

EVALUATION: To determine the low lot total price of each district, the state will multiply the estimated annual usage of each item by its corresponding unit price and then add these totals together for all four (4) years. Although there will be separate district awards made, bidders are eligible to receive awards of multiple districts providing he/she is the lowest responsive and responsible bidder meeting all bid specifications and requirements listed within the districts. Failure to bid all items within a district may result in the bidder being deemed as non-responsive and no further consideration given for potential awarding of the contract for that district.

ANNUAL EXTENSION: Subject to mutual agreement, the period covered by the ensuing contract under the same prices, terms and conditions stated herein can be extended for three(3) additional years in one year increments.

TRANSPORTATION CHARGES: Any item(s) ordered from a contract awarded pursuant to this bid shall be shipped F.O.B. destination, freight prepaid. Shipment shall be made from designated district warehouse and/or sales outlet to any other Division of Liquor Control warehouse and/or sales outlet.

PLACEMENT OF ORDERS: Purchase orders for any item(s) listed in a contract awarded pursuant to this bid will be placed directly with the successful contractor(s) by the using agency. No order shall specify delivery to exceed thirty (30) days beyond the expiration and/or cancellation date of the contract.

SUBMISSION OF INVOICES: In addition to the standard terms and conditions of this bid, the contractor shall render proper invoices bi-weekly, in quadruplicate, to the Division of Liquor Control, 6606 Tussing Road, P.O. Box 4005, Reynoldsburg, Ohio 43068-9005, covering the service rendered.

SPECIFICATIONS FOR REGIONAL DISTRIBUTION AND TRANSPORTATION SERVICES
FOR SPIRITUOUS LIQUOR AND PAPER BAGS

I. SCOPE AND CLASSIFICATION:

The Division of Liquor Control wishes to obtain contractual services for the pickup and delivery of certain items (as specified) from designated district warehouse and/or sales outlets.

II. BIDDER RESPONSIBILITIES:

A. No bidder directly or indirectly, through or by its directors, officers, principal stockholders (minimum of five percent ownership), partners, employees, members, agents, or otherwise shall have any interest in any distillery, rectifier, importer, winery, brewery, wholesale distributor, or retailer of beer, wine, mixed beverages, or spirituous liquor. In addition, none of the above named classes of persons shall have, directly or indirectly, any interest in the business of any bidder submitting a bid for this contract. Nor shall any director, officer, principal stockholder (minimum of five percent ownership), member, partner, employee, or agent of a bidder have been convicted of any crime which, in the sole discretion of the Superintendent of the Division, is reasonably related to such person's fitness to conduct the business described in this Invitation to Bid. The bidder agrees to authorize the Division to accomplish criminal background checks, as determined to be appropriate by the Superintendent of the Division, on all persons referenced herein prior to the award of any contract pursuant to this Invitation to Bid.

B. The bidder shall furnish at the time of bid submission:

1. Copy of actual types and amounts of insurance that will be kept in force during the life of the contract.
2. Bidders shall submit proof of Workers' Compensation and Employer's Liability, and contractor's insurance, in amounts sufficient to satisfy all claims that might arise from bidder's acts or those of its agents/employees.
3. The bidder shall submit a detailed security plan with the bid. Said plan shall include that the contractor's agents shall carry identification and the contractor's vehicles shall be clearly marked as belonging to the contractor. The contractor shall permit the Superintendent at the Division of Liquor Control, or the Superintendent's representative, to inspect its premises and vehicles to determine adequacy of security. Delivery vehicles shall be provided with a security barrier to provide physical separation and security of cartons.
4. Bidder must submit with the bid a copy of the company's current application for PUCO certification of permanent permit status to operate in the state of Ohio. The bidder must detail in the application at least twelve (12) months experience in transportation operation prior to the submittal of this.
 - a. Bidder shall list the Division of Liquor Control as a shipper on the contract carrier's permit application, which must be approved by the Public Utilities Commission of Ohio or any other applicable state or federal agency regulating contract carriers.
5. A letter attesting that the services offered in response to this invitation, meet or exceed the specifications covering the service or services herein, must be submitted with each response. Furthermore, this letter shall be on business or corporate letterhead paper and signed by an officer of the company or someone who can bind the company.

C. Failure to submit the above items may cause your bid response to be deemed as non-responsive and the bid response may be immediately disqualified with no further consideration given for potential awarding of the contract.

III. SUBCONTRACTING

A. If any part of the requirements herein are to be subcontracted, the prime contractor must provide a complete description of the subcontract and contractual agreements to the Ohio Department of Administrative Services, State Purchasing, with the bid.

B. Contractor shall supply a list of names of subcontractor(s) participating in the contract.

C. During the term of the contract, any changes in subcontractors shall be subject to prior approval by State Purchasing and the Division of Liquor Control.

Specifications (Cont'd)

- D. Failure to submit subcontracting information may cause your bid response to be deemed as non-responsive and the bid response may be immediately disqualified with no further consideration given for potential awarding of the contract.

IV. CONTRACTOR RESPONSIBILITIES:

- A. Contractor shall assume absolute and entire liability for any loss of any equipment, carton, case, and/or bundles while contractor has possession of state property. Said liability shall commence when the shipments have been received and shall terminate when the shipments have been delivered to the designated destination.

1. Contractor shall be liable for any damage or loss to Division of Liquor Control's merchandise while it is in the contractor's possession or control. Contractor shall examine and count all packages and containers received by it for shipment and delivery by comparing brand codes and quantities as indicated on authorizations. Unless damage or discrepancy is noted by the agent or employee of the contractor on the shipping order and store invoice or bill of lading at the time of receipt, contractor shall be responsible for the amounts of merchandise therein as being shipped.
2. Damaged merchandise delivered to sales outlets in cardboard containers or packaging evidencing outwardly visible signs of damage shall be the responsibility of the contractor. Contractor shall sign acknowledgment of such damaged merchandise at time of delivery. Damaged merchandise delivered to stores which is concealed by cardboard containers or packaging which does not evidence outwardly visible signs of damage shall be the responsibility of the product vendor.
3. Damage occurring during unloading of trucks at the stores shall be the responsibility of the contractor if such damage is the result of the merchandise being dropped or otherwise mishandled by contractor's agents or employees or is the result of a collision with other merchandise on the store's conveyor system.
4. All damaged merchandise shall remain at the sales outlet to which it has been delivered and shall not be refused or returned to the contractor, over shipments excepted.
 - a. The contractor's entire liability and the state's sole and exclusive remedies for claims related to or arising out of this contract for any cause and regardless of the form of action, whether in contract or in tort, shall be as set forth in this contract, including all legal and equitable remedies.
 - b. In the event that the contractor fails to cure a default as defined in the bids Standard Terms and Conditions, revised January 21, 2004, Article K-6.3, the contractor agrees to reimburse the state for any actual or direct losses incurred and identified by the state. In the event the direct losses or direct damages are uncertain or difficult to ascertain by the state, the contractor agrees to pay the state liquidated damages in the amount of five hundred (\$500.00) dollars per day. Said payments shall accrue from the first day of a default, until the day that it is agreed to by the contractor and the state that the default has been remedied, or until one hundred and eighty (180) days from the first day of default, whichever is sooner. The Director, Department of Administrative Services may, in writing, waive or delay the accrual of liquidated damages. In addition, the contractor agrees that the state shall have the right to terminate the contract without liability to the state whatsoever.
 - c. No remedy herein conferred upon or reserved by the state is intended to be exclusive of any other available remedy or right, but each and every such remedy or right shall be in addition to every other remedy or right given under the contract.
 - d. No delay or omission to exercise any right or option accruing to the state upon any default by the contractor shall impair any such right or option or shall be construed to be a waiver thereof, but any such right or option may be exercised from time to time and as often as deemed expedient by the state.
 - e. In no event will the contractor be liable for any indirect or consequential damages, including, but not limited to loss of profits, even if the contractor has been advised, knew, or should have known of the possibility of such damages.
 - f. Notwithstanding any language to the contrary, the contractor shall be liable for any personal injury or damage to real property or tangible personal property, caused by the fault or negligence of the contractor.

- B. Contractor shall be responsible for the payment of contractor's employees and said employees shall not be considered employees of the state of Ohio for any purpose whatsoever.

Specifications (Cont'd)

- C. The contractor must keep in full force and effect during the term of this contract the following:
1. Workers' Compensation and Employer's Liability insurance as required by the laws of the state in which the work is to be performed, covering all persons employed by the contractor in the performance of the work.
 2. General Liability insurance for Bodily Injury and Property Damage.
 - a. \$1,000,000/\$1,000,000 public liability insurance.
 - b. \$500,000 property damage insurance.
 - c. \$325,000 cargo insurance to cover loss or damage to merchandise in the possession or control of contractor, including, but not limited to, loss due to theft.
 3. Personal Liability insurance covering the risks of false arrest, false imprisonment, malicious prosecution, defamation of character, libel, or slander caused by any acts of the contractor's employees while acting within the scope of their duties.
 4. Employees bond covering the risk incidental to any direct loss of employers money or other property caused by a contractor's employee for which the contractor is liable.
 5. Driver qualification: Assigned drivers shall have a valid Ohio Commercial Driver's License of the proper class, as required by the Public Utilities Commission, and a current physical examination, as required by Public Utilities Commission of Ohio and Interstate Commerce Commission.
- D. The awarded contractor agrees that it shall make available any and all documents, books, accounts, records, ledgers, etc. at all times for inspection by the authorized employees of the state, by the officers or employees of the Auditor of State or any other governmental agency.
- E. Equipment to be furnished by the contractor shall be modern, serviceable, weatherproof, closed-type truck or trailer which can be securely locked. Further, services to be performed by the contractor under this contract shall be performed by the contractor with equipment owned or leased by the bidder, and such equipment shall be devoted exclusively to the performance of this contract and shall be dedicated to the exclusive use for Division of Liquor Control deliveries. (See Exhibits F and G.)
1. Straight trucks, which meet the above requirements, must be furnished and utilized by the contractor for those agencies that can only accommodate these types of vehicles.
 2. Each trailer must contain an "E-Track Securement System" or a comparable load securement system.
- F. All palletized shipments shall be shrink-wrapped by the contractor prior to shipment.
1. No cases shall be stacked higher than five (5) on any skid. Noncompliance will result in a penalty of \$100.00 per outlet levied against the contract carrier. However, if the carrier receives permission from Division of Liquor Control on a per case basis and waiver is granted, no penalty will be imposed.
 2. Contractor shall provide the following services to all agencies that can accept a palletized delivery:
 - a. A pallet jack to place the full skids in the dock area of the agency.
 - b. Assist the agent in checking-in the delivery by exposing the case label.
- G. Contractor shall provide a general manager with an office or offices within the state of Ohio with the responsibility of coordinating all aspects of distribution, including, but not limited to:
1. Supervision of the dispatching of equipment and the maintenance of distribution to agencies in compliance with the delivery schedule, including increasing staffing and equipment levels to meet increased demands.
 2. Investigation and settlement of claims.
 3. Trailing of shipments.
 4. Submission of all invoices.

Specifications (Cont'd)

- H. Contractor shall provide an agent at each district warehouse who shall be responsible for:
1. Receiving, quality assurance, loading, and shrink-wrapping when specified, spirituous liquor and paper bags from the warehouses.
 2. Checking brand codes and quantities as indicated on authorizations.
 3. Record keeping for all shipments transported.
 4. Dispatching of equipment in order to maintain established distribution schedules.
 5. Supervising the transfers of liquor and paper bags held on contractor's platform from warehouse to sales outlet and from sales outlet to warehouse.
 6. Maintaining security of Division of Liquor Control's merchandise located on contractor's platform at the warehouse.
 7. Contacting, by telephone, each sales point outlet the day before delivery to verify number of cases to be delivered and delivery time. This contact shall be at the contractor's expense.
 8. If contractor cancels a delivery or is more than one hour late for the set time of delivery, contractor shall be liable for reasonable labor costs of the Division of Liquor Control, or the agent of the Division of Liquor Control, as determined by the Division of Liquor Control.
 9. Each trailer must be secured with a trailer seal before leaving the dock, be resealed after each delivery by the agent and resealed upon its return to the terminal.
 10. Each driver must be provided with a hand held scanning device which has the capabilities of scanning multiple UPC codes for a specific state brand code, a SCC code or manually entering a state brand code. In addition, each device must be able to print a hard copy of all items scanned at each delivery. The division of Liquor Control will provide a data base with the most current files of UPC codes, SCC codes and brand codes.
- I. Contractor shall, at its expense, enter into a lease with the warehouse at each warehouse facility used by the Division of Liquor Control for the use of office, storage, and dock space. Space will be available at each facility pursuant to Division of Liquor Control's contract with each warehouse.

The current locations of the Division's four (4) bailment warehouses are as follows:

Lewis and Michael, Inc.
2940 Highland Ave.
Cincinnati, OH 45212

Spartan Warehouse and Distribution Co.
4150 Spartan Drive
Oregon, OH 43606

North Coast Logistics
1033 Brentnell
Columbus, OH 43219

Hand-It, Inc.
20001 Euclid Avenue
Euclid, OH 44117

- J. Contractor and Division of Liquor Control shall provide each other with a list of holidays which they recognize for their employees. Emergencies or special deliveries excepted, no deliveries will be made to sales outlets on designated holidays, Saturdays, and Sundays, unless approved by the Division of Liquor Control. Sales outlets whose normal delivery day falls on one of the designated holidays, shall be scheduled during the holiday week. Except in the case of an emergency or pursuant to mutual agreement of the parties, all deliveries to sales outlets shall be made between the hours of 7:30 a.m. and 6:00 p.m..
- K. Contractor shall provide the delivery services to sales outlets as described below, in accordance with the schedule provided in Exhibits A, B, C, D. Division of Liquor Control reserves the right to alter the delivery schedule to its sales outlets as such changes are deemed necessary by the Division of Liquor Control to serve the outlets due to varying sales volumes. In addition, the Division of Liquor Control reserves the right to change, increase, decrease, or consolidate any of its warehouse districts, to relocate any warehouse, or to open, relocate, or close any sales outlet at any time during the term of this contract. Exhibits A, B, C, D are the delivery schedules at the time of letting this bid.

Specifications (Cont'd)

1. Any deviation from Exhibits A, B, C, D must be made with the prior written approval of the Division of Liquor Control.
2. Special Delivery Requirements are as follows:
 - a. Contractor shall provide special delivery service to all sales outlets in addition to the regular delivery services at the request of the Division of Liquor Control when, in the Division of Liquor Control's sole discretion, an unusual demand for services arises.
 - b. Division of Liquor Control reserves the right to deliver or otherwise arrange sales outlet to sales outlet transfers if it determines that use of contractor's services under the circumstances are not required or in the case of an emergency.
 - c. The initial delivery to a new agency shall be classified as a special delivery.
3. Normal Delivery Requirements are as follows:
 - a. Delivery of spirituous liquor in cases and bundles of paper bags to each of the Division of Liquor Control's sales outlets from the designated district warehouse either weekly or bi-weekly as indicated in Exhibits A, B, C, D and subject to change as described above. This service shall be performed in accordance with a regular schedule to be fixed by the Division. Each schedule shall specify the day on which an order is to be assembled at the warehouse and loaded by the contractor for delivery the following day. Contractor shall provide for the safe storage of loaded vehicles. No variance in the delivery schedule may be made without prior written approval of the Agency Operations Section of Liquor Control.
 - b. Transfers between Division of Liquor Control's sales outlets shall be made by the contractor when the Division of Liquor Control determines that it is necessary and convenient to have the contractor do so. When so directed by the Division of Liquor Control, transfer shipments shall be picked up with the scheduled liquor deliveries. Repaired cartons involved in such a transfer may not be sealed at the sales outlet until the contractor's driver has arrived and had the opportunity to verify the contents.
 - c. Contractor shall transfer the complete stock of a sales outlet from one location to another, where a sales outlet is relocated or closed. Such transfer may, at the Division of Liquor Control's discretion, be performed by the Division using Division equipment and personnel.
 - d. When directed by the Division of Liquor Control, contractor shall deliver return merchandise from the Division of Liquor Control's sales outlets to the warehouse from which it was received. Such shipments shall be picked up with the scheduled liquor deliveries and will usually involve repaired cartons.
4. When the Division of Liquor Control requires delivery by contractor from a warehouse to a sales outlet, from a sales outlet to a warehouse, or between sales outlets, contractor shall comply with the delivery priorities established by the Division of Liquor Control as outlined herein:
 - a. Priority #1, an emergency priority, requires delivery to be made the same day, upon notification by the Division of Liquor Control.
 - b. Priority #2, requires delivery within three (3) working days after notification by the Division of Liquor Control.
 - c. In the event that contractor cannot meet the time guidelines herein established, the Division of Liquor Control may require the contractor to ship the merchandise via a third party common carrier which has the proper authority from the Public Utilities Commission of Ohio as well as an H permit issued by the Division of Liquor Control. In such event, the Division of Liquor Control shall be liable to the contractor for only those charges specified in this contract for such delivery. Any additional charges incurred as a result of the use of a third party common carrier shall be paid by the contractor.
5. When the Division of Liquor Control requires delivery between warehouses in the allocations of merchandise that is in addition to the regular delivery schedules, the contractor shall comply with the delivery priorities established by the Division of Liquor Control as outlined herein:

Specifications (Cont'd)

- a. Priority #2, requires delivery within three (3) working days after notification by the Division of Liquor Control.
- b. Priority #3, requires delivery to be made within seven (7) working days after notification by the Division of Liquor Control.
- c. The Division of Liquor Control reserves the right to supplement the services of the bidder by using trucks owned, leased, or rented by the Division of Liquor Control or by the delivery service employed by distillers in the allocation or reallocation of merchandise to the district warehouse, should the need arise.

V. ITEM DESCRIPTIONS, DEFINITIONS, AND WEIGHTS AND MEASURES SPECIFICATIONS

- A. The term "case", as used in this bid, means any original package or carton containing the following number and capacity of bottles of spirituous liquor:
 1. Twenty-four (24) bottles with a capacity of three hundred seventy-five (375) milliliters or less each.
 2. Twelve (12) bottles with a capacity of one (1) liter or less each.
 3. Six (6) bottles with a capacity of one and three-quarters (1.75) liters or less each.
 4. Twelve (12) bottles with a capacity of one (1) sleeve of 10, 50 milliliters or less each.
- B. On original packages or cartons containing other than the above-listed number and capacities of bottles, the Division of Liquor Control reserves the right to determine whether such container shall be considered as a "case" for purposes of this contract. Any case, carton, or package which has been recovered by the Division of Liquor Control or by any warehouse or sales outlet shall be considered a case for the purposes of this contract if it contains one or more bottles of any capacity.
- C. The average case of liquor, as defined in the specifications submitted, weighs approximately forty (40) pounds. The maximum trailer load would be approximately forty-five thousand (45,000) pounds.
- D. A "bundle", as used in the context of our paper bags, would vary slightly depending on the size of the bags in that bundle, but would average a 2' x 3' x 1' package of stacked and wrapped paper bags.

VI. The following mandatory specifications shall be used as definition basis on the cost summary sheet.

- A. Rate per case for intra-district shipments, returns, transfers, or paper bags.
 1. Warehouse to sales outlet.
 2. Sales outlet to warehouse.
 3. Sales outlet to sales outlet.
- B. Hourly rate for moving complete sales outlet stock from one location to another location: for purposes of computing time spent, the starting time shall be upon the departure from the terminal and the stopping time shall be upon the return to the terminal. Contractor may not charge for any period of time in which the equipment and driver are not involved in the transfer of sales outlet stock. Vehicles used by contractor must have a minimum of nine hundred fifty (950) cubic feet of cargo area. Hourly rate for pickup and delivery of empty cartons at times other than regular sales outlet deliveries: When empty cartons are picked up during regular deliveries of liquor, there shall be no charge.
- C. Rate per case for inter-district shipments, returns transfers, or paper bags.

Hourly rate for shipments from warehouse on one district to sales outlet in another district.
- D. Rate per case for inter-district transfers, or paper bags from warehouse in one district to warehouse in another district for more than 600 case per trailer load.

Price Schedule

Cincinnati Warehouse District, Southwestern Ohio (See Exhibit E)

ITEM ID: 8833

CONTRACTOR: THOMAS TRANSPORT DELIVERY, INC.

Item Description and Spec. Reference No.	2003 Annual Est. No. of Cases/ Bundles/Hours	1 st Year Unit Price	2 nd Year Unit Price	3 rd Year Unit Price	4 th Year Unit Price
<u>Warehouse Withdrawals</u> Warehouse to Sales Outlet per case & Paper Bags from Warehouse to Sales Outlet per bundle <i>(cases & bundles to be considered the same)</i>	<i>cases</i> 700,436				
	<i>bundles</i> 3,230				
	<i>total</i> 703,666	\$.79 per case	\$.83 per case	\$.87 per case	*\$.91 per case
<u>Transfers</u> Sales Outlet to Warehouse per case or Sales Outlet to Sales Outlet per case <i>(not to exceed 2 times the rate for warehouse to Sales Outlet per case cost.)</i>	3,500 cases	\$ 1.50 per case	\$ 1.60 per case	\$ 1.70 per case	*\$ 1.80 per case
<u>Hourly Work</u> Transfer of Complete Sales Outlet Stock to Another Location, Pickup/Delivery of Empty Cartons or Delivery from Warehouse in One District to Sales Outlet in Another District	200 hours	\$50.00 per hour	\$55.00 per hour	\$58.00 per hour	*\$60.00 per hour
<u>Warehouse Transfers</u> Inter-District Warehouse to Warehouse per case, 600 cases and above per trailer load and Paper Bags from Warehouse to Warehouse per bundle <i>(cases & bundles to be considered the same)</i>	<i>cases</i> 1,415				
	<i>bundles</i> 100				
	<i>total</i> 1,515	\$.65 per case	\$.70 per case	\$.75 per case	*\$.80 per case

*Indicates price decrease due to temporary fuel adjustment and effective 09/01/09.

Price Schedule (cont'd)

Toledo Warehouse District, Northwestern Ohio (See Exhibit E)

ITEM ID: 3969

CONTRACTOR: THOMAS TRANSPORT DELIVERY, INC.

Item Description and Spec. Reference No.	2003 Annual Est. No. of Cases/ Bundles/Hours	1 st Year Unit Price	2 nd Year Unit Price	3 rd Year Unit Price	4 th Year Unit Price
<u>Warehouse Withdrawals</u> Warehouse to Sales Outlet per case & Paper Bags from Warehouse to Sales Outlet per bundle (<i>cases & bundles to be considered the same</i>)	<i>cases</i> 400,547				
	<i>bundles</i> 1,635				
	<i>total</i> 402,182	\$.79 per case	\$.83 per case	\$.87 per case	*\$.91 per case
<u>Transfers</u> Sales Outlet to Warehouse per case or Sales Outlet to Sales Outlet per case (<i>not to exceed 2 times the rate for warehouse to Sales Outlet per case cost.</i>)	2,300 cases	\$ 1.50 per case	\$ 1.60 per case	\$ 1.70 per case	*\$ 1.80 per case
<u>Hourly Work</u> Transfer of Complete Sales Outlet Stock to Another Location, Pickup/Delivery of Empty Cartons or Delivery from Warehouse in One District to Sales Outlet in Another District	150 hours	\$50.00 per hour	\$55.00 per hour	\$58.00 per hour	*\$60.00 per hour
<u>Warehouse Transfers</u> Inter-District Warehouse to Warehouse per case, 600 cases and above per trailer load and Paper Bags from Warehouse to Warehouse per bundle (<i>cases & bundles to be considered the same</i>)	<i>cases</i> 1,975				
	<i>bundles</i> 100				
	<i>total</i> 2,075	\$.65 per case	\$.70 per case	\$.75 per case	*\$.80 per case

*Indicates price decrease due to temporary fuel adjustment effective 09/01/09.

Price Schedule (cont'd)

Columbus Warehouse District, Central and Southeast Ohio (See Exhibit E)

ITEM ID.: 8834

CONTRACTOR: NORTH COAST LOGISTICS

Item Description and Spec. Reference No.	2003 Annual Est. No. of Cases/ Bundles/Hours	1 st Year Unit Price	2 nd Year Unit Price	3 rd Year Unit Price	4 th Year Unit Price
<u>Warehouse Withdrawals</u> Warehouse to Sales Outlet per case & Paper Bags from Warehouse to Sales Outlet per bundle <i>(cases & bundles to be considered the same)</i>	<i>cases</i> 820,795				
	<i>bundles</i> 3,245				
	<i>total</i> 824,040	\$.826 per case	\$.756 per case	\$.776 per case	*\$.83 per case
<u>Transfers</u> Sales Outlet to Warehouse per case or Sales Outlet to Sales Outlet per case <i>(not to exceed 2 times the rate for warehouse to Sales Outlet per case cost.)</i>	4,500 cases	\$ 1.446 per case	\$ 1.446 per case	\$ 1.49 per case	*\$ 1.48 per case
<u>Hourly Work</u> Transfer of Complete Sales Outlet Stock to Another Location, Pickup/Delivery of Empty Cartons or Delivery from Warehouse in One District to Sales Outlet in Another District	200 hours	\$65.05 per hour	\$66.05 per hour	\$ 66.97 per hour	*\$ 69.96 per hour
<u>Warehouse Transfers</u> Inter-District Warehouse to Warehouse per case, 600 cases and above per trailer load and Paper Bags from Warehouse to Warehouse per bundle <i>(cases & bundles to be considered the same)</i>	<i>cases</i> 3,856				
	<i>bundles</i> 100				
	<i>total</i> 3,956	\$1.033 per case	\$ 1.033 per case	\$ 1.06 per case	*\$ 1.06 per case

*Indicates price increase due to temporary fuel adjustment effective 11/20/09.

Price Schedule (cont'd)

Cleveland Warehouse District, Northeast Ohio (See Exhibit E)

***ITEM ID: 3970**

***CONTRACTOR: UPS GROUND FREIGHT, INC.**

Item Description and Spec. Reference No.	2003 Annual Est. No. of Cases/ Bundles/Hours	1 st Year Unit Price	2 nd Year Unit Price	3 rd Year Unit Price	4 th Year Unit Price
<u>Warehouse Withdrawals</u> Warehouse to Sales Outlet per case & Paper Bags from Warehouse to Sales Outlet per bundle (<i>cases & bundles to be considered the same</i>)	<i>cases</i> 1,423,280				
	<i>bundles</i> 9,041				
	<i>total</i> 1,432,321	\$.80 per case	\$.82 per case	\$.83 per case	*\$.92 per case
<u>Transfers</u> Sales Outlet to Warehouse per case or Sales Outlet to Sales Outlet per case (<i>not to exceed 2 times the rate for warehouse to Sales Outlet per case cost.</i>)	7,000 cases	\$ 1.40 per case	\$ 1.43 per case	\$ 1.46 per case	*\$ 1.62 per case
<u>Hourly Work</u> Transfer of Complete Sales Outlet Stock to Another Location, Pickup/Delivery of Empty Cartons or Delivery from Warehouse in One District to Sales Outlet in Another District	350 hours	\$28.00 per hour	\$28.98 per hour	\$29.99 per hour	*\$33.65 per hour
<u>Warehouse Transfers</u> Inter-District Warehouse to Warehouse per case, 600 cases and above per trailer load and Paper Bags from Warehouse to Warehouse per bundle (<i>cases & bundles to be considered the same</i>)	<i>cases</i> 14,100				
	<i>Bundles</i> 200				
	<i>Total</i> 14,300	\$ 1.20 per case	\$ 1.22 per case	\$ 1.25 per case	*\$ 1.38 per case

*Indicates price increase due to temporary fuel adjustment, change to Item ID No. and to change company name on Price Schedule Page effective 04/23/08.

CONTRACTORS INDEX

CONTRACTOR AND TERMS:

000051980
North Coast Logistics, Inc.
2323 Lakeside Ave.
Cleveland, OH 44114

BID CONTRACT NO.: OT900105-1 (05/31/08)
Renewal through 05/31/10

TERMS: 2% 10 Days, Net 30 Days

CONTRACTOR'S CONTACT: Patricia A. Gazey,

Telephone: (216) 621-7411, Ext. 14
FAX: (216) 621-9279

IT/MIS CONTACT PERSON: Patricia A. Gazey,
E-MAIL ADDRESS:

Telephone: (216) 621-7411, Ext. 14
pgazey@northcoastlogistics.com

CONTRACTOR AND TERMS:

0000151744
UPS Ground Freight, Inc.
1000 Semmes Rd.
Richmond, VA 23224

BID CONTRACT NO.: OT900105-4 (05/31/08)
*Renewal through 05/31/11

TERMS: Net 30 Days

CONTRACTOR'S CONTACT: Mark King,

Toll Free: (800) 334-3343
Telephone: (804) 231-8000
FAX: (804) 291-5757

IT/MIS CONTACT PERSON: Mark King,
E-MAIL ADDRESS:

Telephone: (804) 291-5761
mking@upsfreight.com

CONTRACTOR AND TERMS:

000073734
Thomas Transport Delivery, Inc.
9055 Freeway Drive
Macedonia, OH 44056

BID CONTRACT NO.: OT900105-2 (05/31/08)
*Renewal through 05/31/11

TERMS: 2% 10 Days, Net 30 Days

CONTRACTOR'S CONTACT: Jeffery C. Thomas,

Toll Free: (800) 850-1918
Telephone: (330) 908-3100
FAX: (330) 908-3101

IT/MIS CONTACT PERSON: Joel Belanger,
E-MAIL ADDRESS:

Telephone: (440) 336-4399
swilliams@thomastransportdelivery.com

*Indicates correction to renewal date.

Exhibit A

Cincinnati Warehouse District

Ohio Department of Commerce, Division of Liquor Control
 Outlets and Cities by Warehouse District (See Exhibit E for counties.)

Outlet No.	City	Delivery Day	Outlet No.	City	Delivery Day	Outlet No.	City	Delivery Day
501	Cincinnati	R	534	Washington C.H.	W	568	Miamisburg	T
502	Batavia	F	535	Oxford	R	569	Harrison	M
503	Eaton	RB	536	Cincinnati	M	570	Mason	T
504	Minster	RB	537	Cincinnati	F	571	Middletown	W
505	Cincinnati	F	539	Wilmington	W	572	Middletown	W
507	Dayton	T	540	Georgetown	TR	573	Beavercreek	T
508	Blue Ash	M	541	West Carrollton	W	574	Dayton	R
509	Cincinnati	R	543	Madeira	R	575	Ketterington	F
510	Deer Park	M	544	Milford	W	576	West Chester	W
511	Fairfield	W	545	N. College Hill	M	577	Greenville	RB
512	Cincinnati	F	546	Centerville	T	578	Kettering	T
513	Dayton	R	547	Hamilton	W	579	Englewood	F
514	West Chester	T	548	Sidney	M	580	Cincinnati	FB
515	Yellow Springs	TB	549	Cincinnati	M	581	St. Marys	RB
517	Reading	M	550	New Bremen	RB	582	Piqua	F
518	West Chester	T	551	Dayton	W	583	St. Henry	RB
519	Montgomery	T	552	Dayton	R	584	Trotwood	T
520	St. Bernard	R	553	Cincinnati	M	585	Milford	W
521	Greenhills	M	554	Morrow	WB	586	Cincinnati	F
522	Cincinnati	F	555	Springdale	M	587	Mt. Orab	MB
523	Fairborn	T	556	Cincinnati	M	589	West Milton	FB
524	Hamilton	W	557	Amelia	F	590	Dayton	T
525	Manchester	MB	558	New Richmond	MB	591	Coldwater	RB
526	Wapakoneta	FB	560	Cincinnati	MB	592	Tipp City	FB
527	Celina	FB	561	Xenia	T	593	Dayton	T
528	Vandalia	R	562	Dayton	T	594	Maineville	R
529	Cincinnati	T	563	Cincinnati	F	595	Huber Heights	T
530	Lebanon	T	564	Sharonville	M	596	Loveland	WB
531	Loveland	W	565	Springboro	W	597	Franklin	W
532	Troy	F	566	Trenton	W	598	Hillsboro	R
533	Greenfield	W	567	Dayton	F			

Delivery Day Reference Index: M = Monday, T = Tuesday, W = Wednesday, R = Thursday, F = Friday, B = Bi-Weekly

Total Outlets: 92

Exhibit B

Toledo Warehouse District

Ohio Department of Commerce, Division of Liquor Control
 Outlets and Cities by Warehouse District (See Exhibit E for counties.)

Outlet No.	City	Delivery Day	Outlet No.	City	Delivery Day	Outlet No.	City	Delivery Day
601	Toledo	W	620	Oregon	T	641	Toledo	F
602	Swanton	W	621	Toledo	W	642	Toledo	F
603	Vermilion	F	622	Sandusky	F	643	Millbury	WB
604	Defiance	M	623	Sandusky	F	645	Sylvania	F
605	Toledo	W	624	Lima	M	666	Rossford	W
606	Upper Sandusky	TB	625	Port Clinton	F	669	Oak Harbor	FB
607	Norwalk	T	626	Sylvania	R	673	Gibsonburg	TB
608	Northwood	F	627	Maumee	W	679	Waterville	RB
609	Ottawa	MB	628	Wauseon	TB	681	Carey	TB
610	Toledo	W	629	Toledo	W	682	Bryan	M
611	Perrysburg	R	630	Findlay	M	685	Galion	T
612	Huron	M	631	Lima	M	686	Port Clinton	F
613	Tiffin	T	632	Toledo	M	689	Marblehead	F
614	Fremont	T	633	Bowling Green	M	690	Bucyrus	T
615	Fostoria	T	635	Napoleon	T	691	Delphos	MB
616	Lima	M	636	Van Wert	TB	692	Holland	R
617	Willard	TB	638	Findlay	T	694	Crestline	T
618	Bellevue	TB	639	Toledo	RB			
619	Lima	MB	640	Toledo	R			

Delivery Day Reference Index: M = Monday, T = Tuesday, W = Wednesday, R = Thursday, F = Friday, B = Bi-Weekly

Total Outlets: 55

Exhibit C

Columbus Warehouse District

Ohio Department of Commerce, Division of Liquor Control
 Outlets and Cities by Warehouse District (See Exhibit E for counties.)

Outlet No.	City	Delivery Day	Outlet No.	City	Delivery Day	Outlet No.	City	Delivery Day
701	Athens	M	737	London	WB	778	Cambridge	F
702	Columbus	M	738	Columbus	F	779	Kenton	WB
703	Chillicothe	W	739	Crooksville	TB	780	Coshocton	T
704	Lancaster	M	740	Columbus	MB	783	Mt. Vernon	W
705	Marion	W	741	Columbus	M	785	Marietta	M
706	Portsmouth	W	742	Columbus	M	786	Shelby	FB
707	Lakeview	WB	743	Hilliard	M	789	Heath	R
708	Columbus	T	744	Gahanna	RB	790	Ironton	WB
709	Columbus	F	745	Columbus	F	792	Delaware	W
710	Grove City	M	746	Dublin	M	793	Whitehall	F
711	Dublin	M	747	Middleport	TB	795	Whitehall	F
712	Mansfield	F	748	Columbus	TB	796	Zanesville	F
713	Mansfield	F	749	Mt. Gilead	WB	797	Zanesville	F
714	Mansfield	F	750	Columbus	F	798	Marysville	W
715	Newark	R	751	Gallipolis	WB	809	Bellaire	TB
716	Piketon	W	752	Columbus	F	810	Ashland	F
717	Reynoldsburg	F	753	Malta	TB	812	Dover	T
718	Powell	WB	754	Obetz	R	817	Steubenville	TB
719	Gahanna	R	755	Sheridan South Pt.	RB	819	St. Clairsville	W
720	Upper Arlington	W	756	Pickerington	R	824	Millersburg	TB
721	Worthington	R	757	Enon	M	827	Steubenville	TB
722	Columbus	R	758	Granville	FB	832	Cadiz	TB
723	Upper Arlington	F	759	New Lexington	TB	835	Uhrichsville	TB
724	Columbus	M	760	Galloway	F	842	Toronto	TB
725	Columbus	W	763	Hilliard	M	857	Hopedale	TB
726	Columbus	M	765	Middleport	WB	860	Shadyside	TB
727	Columbus	R	766	Urbana	WB	868	Wintersville	TB
728	Columbus	R	767	Lexington	FB	876	New Philadelphia	T
729	Columbus	F	768	Logan	TB	879	Woodsfield	WB
730	Columbus	M	769	Wellston	TB	881	Bolivar	TB
731	Columbus	F	770	Danville	WB	885	Malvern	T
732	Columbus	R	771	Nelsonville	TB	891	Martins Ferry	WB
733	Columbus	W	773	McArthur	TB	892	Barnesville	TB
734	Springfield	M	774	Jackson	TB	895	Newcomerstown	WB
735	Springfield	M	775	Circleville	W			
736	Springfield	M	777	Bellefontaine	W			

Delivery Day Reference Index: M = Monday, T = Tuesday, W = Wednesday, R = Thursday, F = Friday, B = Bi-Weekly

Total Outlets: 106

Exhibit D**Cleveland Warehouse District**

Ohio Department of Commerce, Division of Liquor Control
 Outlets and Cities by Warehouse District (See Exhibit E for counties.)

Outlet No.	City	Del. Day	Outlet No.	City	Del. Day	Outlet No.	City	Del. Day	Outlet No.	City	Del. Day
801	Canton	T	858	Northfield Vill.	W	914	Cleveland Heights	W	958	Ashtabula	R
803	Brookfield	MB	859	Aurora	T	915	Cleveland Hts.	W	959	Kirtland	W
804	Lisbon	MB	861	Doylestown	RB	916	Elyria	R	960	LaGrange	RB
805	East Liverpool	M	863	Warren	T	917	Fairview Park	R	961	Willoughby Hills	T
806	Salem	M	864	Canal Fulton	TB	918	North Ridgeville	F	962	Grafton	FB
807	West Salem	FB	865	Akron	T	919	Shaker Heights	M	963	Strongsville	R
808	Macedonia	T	866	Akron	T	921	Willoughby	M	964	Bainbridge	R
811	New Middletown	MB	867	Akron	T	923	Medina	WB	965	Parma	R
813	Youngstown	M	870	Hudson	T	924	Bainbridge	W	966	Conneaut	W
815	Norton	T	871	East Palestine	MB	925	Cleveland	R	967	Oberlin	FB
818	Louisville	T	872	Akron	TB	926	Cleveland	F	968	Amherst	R
821	Akron	T	873	Bath	RB	927	Richmond Heights	F	969	Solon	W
822	Canton	T	874	North Lima	MB	928	Sheffield Lake	R	970	Independence	F
823	Akron	T	875	Newton Falls	MB	929	Lakewood	F	971	Avon Lake	R
825	Mantua	MB	877	Garrettsville	MB	930	Cleveland	F	972	Chardon	W
826	Canton	T	878	Twinsburg	T	931	Cleveland	F	973	Cleveland	F
828	Canton	T	880	Akron	T	932	Cleveland	F	974	Geneva	W
829	Youngstown	M	883	Streetsboro	T	933	Brecksville	R	975	South Euclid	W
830	Youngstown	M	884	Boardman Twp.	T	934	Cleveland	F	976	Willowick	F
831	Warren	M	886	Girard	M	935	Eastlake	W	977	Mayfield Heights	W
833	Warren	M	887	Hubbard	M	936	Cleveland	F	978	Warrensville Hts.	W
834	Warren	M	888	Ravenna	T	937	Cleveland	F	979	Wadsworth	R
836	Akron	T	889	Struthers	M	938	East Cleveland	R	980	Orwell	RB
837	Wooster	W	890	Alliance	M	939	Fairport Harbor	WB	981	Chesterland	R
838	Orrville	RB	893	Akron	T	941	Cleveland	F	982	Painesville	W
839	Canton	T	894	Salineville	MB	943	Middlefield	WB	983	Medina	W
840	Youngstown	M	896	Rittman	RB	944	Cleveland	M	984	Madison	W
841	Navarre	TB	897	Akron	W	945	Cleveland	F	985	Berea	R
843	Youngstown	M	901	Brookpark	R	946	Mentor-on-the-Lake	W	986	Ashtabula	W
844	Barberton	T	902	Garfield Heights	W	947	Cleveland	F	987	Ashtabula	W
845	Cuyahoga Falls	T	904	Maple Heights	F	948	Lorain	F	988	Cleveland	M
846	Cuyahoga Falls	T	905	Mentor	W	949	Avon	R	989	Lakewood	F
847	Kent	T	906	Westlake	R	950	Lorain	F	990	Maple Hts.	W
848	Richfield	R	907	Euclid	W	951	Willoughby Hills	M	991	Middleburg Hts.	R
849	Massillon	T	908	Bedford Heights	WB	952	Jefferson	WB	992	North Olmsted	R
850	Akron	T	909	Bay Village	F	953	Cleveland	F	993	North Royalton	R
851	Niles	M	910	Euclid	F	954	Cleveland	F	994	Rocky River	R
853	Youngstown	M	911	Cleveland	F	955	Olmsted Falls	R	995	Rocky River	R
855	Youngstown	M	912	Brooklyn	R	956	Wellington	RB	996	Strongsville	R
856	Akron	W	913	Brunswick	W	957	Parma	R			

Delivery Day Reference Index: M = Monday, T = Tuesday, W = Wednesday, R = Thursday, F = Friday, B = Bi-Weekly

Total Outlets: 159

Exhibit F

Trucking Stats and Assumptions for 2004 Bid

Ohio Department of Commerce, Division of Liquor Control

Districts	T/A Tractors	T/A Straight Trucks	Projected Mileage	Trailers 45' x 96" w/ E-Track	Trailers 40' x 96" w/ E-track	10' conveyer Sections	5' Conveyer Sections	Electric Pallet Jacks for Dock	Manual Pallet Jacks for Trailers
Cincinnati	3	1	100,031	8	0	32	16	2	4
<i>Toledo</i>	3	1	90,500	6	1	28	14	2	4
<i>Columbus</i>	4	1	197,193	8	2	40	20	2	5
<i>Cleveland</i>	6	1	201,659	13	0	52	26	3	7
Districts	Monthly Warehouse Rent Charge	Available Square Footage	Holiday Weeks	Palletized Deliveries					
Cincinnati	\$1,100	4,000	5 days delivered in 4	20					
<i>Toledo</i>	\$1,100	3,500	5 days delivered in 4	15					
<i>Columbus</i>	\$1,100	4,000	5 days delivered in 4	20					
<i>Cleveland</i>	\$1,500	5,500	5 days delivered in 4	30					
Expenses									
	Equipment Cost	Annual Trucking Expenditures	Annual Trucking Costs						
Hand-held scanners (3 year life)	\$57,280	Tech Support Agreement for Scanning Software & Scanning Maint.	\$7,625						
Hand-held scanners (4, 5 and 6 year)	\$40,000 (est.)	Thermal Receipt Paper	\$5,448						
Thermal Printers (3 year life)	\$24,875	Forms	\$12,310						
Thermal Printers (4, 5 and 6 year)	\$18,000 (est.)	Cell Phones	\$6,175						
Scanner Programming	\$35,560	Phone Service	\$29,740						
Desktop Comps. & Printers	\$15,235	Shrink Wrap	\$18,550						
		*Trailer Seals	\$31,210						

*Statewide

Exhibit G

Scanning Formats and Requirements

The trucking company must provide equipment, software, and training to implement a scanning procedure on the dock prior to loading the truck and from the truck to the outlet at time of delivery with the goal being zero differences between what the outlet ordered (except inventory scratches) and what the contract trucking company delivered.

1. The warehouses and trucking facilities have about 1 ½ days to fill, check and load the orders for delivery. The cycle takes three days:
 - a. *day one* - order is processed by DOLC and turned over to the warehouse;
 - b. *day two* - the order is picked, scanned and corrected, if necessary;
 - c. *day three* - the order is delivered.
2. The cycle begins with the Division's nightly automated polling process where orders are retrieved from the software program called LiquorBase. The orders are reviewed for appropriateness by our staff. By approximately 10:00 a.m. the orders are released to our computer room for processing. The system compares the requested cases to the inventory. If the product is not within our top 150 selling brands and there is a system inventory of zero, a scratch eliminates that item from records sent to the warehouses.
3. Each of the four Ohio contract warehouses uses PC to PC communications to retrieve each day's orders from the DOLC computer room and runs the orders through their system, which further reduces orders by any brands that are out of stock according to their inventory files.
4. A diskette is created (agreed upon media because of system considerations between warehouses and truck facility) and given to the trucking company. Along with each order turned over to the trucking facility, a paper copy of the pick ticket(s) is provided. These show any floor scratches. The diskette should contain the following daily order data:
 - a. Agency Number
 - b. Authorization Number
 - c. Date (Ship Date)
 - d. Brand Codes and Quantities
 - e. Total by Authorization Number
5. From the diskette the data is loaded into the trucking company PC and formatted. A trucking company employee then uses a scanner to scan the order. After the physical scan the data is downloaded to the PC to create an exception report showing any discrepancies between what the warehouse says it pulled and what was scanned.
6. Using the exception report, any errors are resolved by taking corrective action with the warehouse (exchanging cases if wrong size or brand, adding cases if short, returning cases if over, etc.) before orders are printed and signed by the trucking manager.

Through this process and the driver scanning the load again at the time of delivery, virtually all discrepancies have been eliminated.

1. How easily can the truckers scan the product prior to loading it on the truck?
 - a. All of the warehouse managers have been instructed to educate their employees who pull the product to stack the pallets in such a manner that all cases are stacked so that case code labels face outward. In the instance of the middle stacked cases, the person scanning simply moves the 3 or 4 middle end cases. If there are multiple cases of a single brand, either in the middle stack or an outside stack, the case can be scanned once and a quantity key used.
 - b. In a timed scan test on the dock with experienced staff members averaged about five minutes per pallet with an average case count of 45-50 cases per pallet. This is of course only the scan time. File downloading, printing and comparison complete the process.

Exhibit G (cont'd)

- c. At the time of delivery to outlets the driver can scan the front row and one side row of a pallet before moving any cases. He then puts these scanned cases on the track (or off of the truck in method dictated by facility). Only then does he have to begin to move cases in order to scan them by turning a stack at a time.
- d. The small amount of extra time used in scanning more than saved in writing "bad order" documentation and resolution of disputes.

SUMMARY OF AMENDMENTS

Amendment Number	Revision Date	Description
12	06/23/10	This amendment is issued to correction renewal date and to update Page 33, Summary of Amendments.
11	01/15/10	This amendment is issued to renew the subject contract an additional twelve (12) months effective June 1, 2010 through May 31, 2011 for the Northwest, Southwest and Northeastern Districts only. This amendment is also issued to advise that the Columbus Warehouse District (Central and Southeast Ohio) will not be renewed beyond the current expiration date of May 31, 2010, to change Vendor ID number and to update Page 33, Summary of Amendments.
10	11/20/09	Temporary fuel adjustment for the Columbus Warehouse District, Central and Southeast Ohio, and to update Summary of Amendments, Page 33.
9	09/01/09	This amendment is issued to decrease the temporary fuel adjustment back to the original bid pricing for the duration of the contract for the Columbus Warehouse District, Central, Southeast Ohio, Cincinnati Warehouse District, Southwestern Ohio and also the Toledo Warehouse District, Northwestern Ohio and the Cleveland Warehouse District, Northeast Ohio effective 09/01/09. Also to update Page 33, Summary of Amendments.
8	04/23/08	Temporary fuel adjustment for the Columbus Warehouse District, Central and Southeast Ohio, Cincinnati Warehouse District, Southwestern Ohio also Toledo Warehouse District, Northwestern and the Cleveland Warehouse District, Northeast Ohio. Also to change Item ID No.'s and to change company's name on Price Schedule Page 23, effective 04/23/08.
7	04/01/08	Amendment is issued to renew the subject contract an additional two (2) years effective June 1, 2008 through May 31, 2010. Also to change company name and e-mail address and to add Summary of Amendments page 33.
6	07/16/07	Temporary fuel adjustment for the Columbus Warehouse District, Central and Southeast Ohio, also to update contract, Oaks vendor numbers and to change NIGP codes effective 07/20/07.
5	06/01/07	Temporary fuel adjustment for the Columbus Warehouse District, Central and Southeast Ohio, retroactive to an effective date of June 01, 2006.
4	07/01/05	Temporary fuel adjustment effective July 1, 2005.
3	05/13/05	Temporary fuel adjustment.
2	08/18/04	To change a contractor's Tax Identification Number (TIN) and company name.
1	07/09/04	To change a contractor's Tax Identification Number (TIN).