

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

REQUIREMENTS CONTRACT: TO PROVIDE ADMINISTRATIVE ACCOUNTING, INVENTORY CONTROL, WAREHOUSE HANDLING AND STORAGE SERVICES FOR THE OHIO DEPARTMENT OF COMMERCE, DIVISION OF LIQUOR CONTROL IN SOUTHEAST OHIO.

CONTRACT No.: OT908002

EFFECTIVE DATES: 02/16/02 to 02/29/08  
Renewal through 02/29/12

The Department of Administrative Services has accepted bids submitted in response to Invitation to Bid No. OT908002 that opened on 11/28/01. 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 [Terms and Conditions for Bidding, Standard Contract Terms and Conditions, and Supplemental Contract Terms and Conditions](#), special contract terms & conditions, any bid addenda, 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 43068-9005, 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:

Rob Rounds  
Rob.rounds@das.state.oh.us

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



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

Signed: \_\_\_\_\_  
Hugh Quill, Director Date

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

MANDATORY BIDDERS' CONFERENCE: On November 13, 2001 at 11:00 a.m. at the Office of State Purchasing , 4200 Surface Road, Columbus, Ohio, in the Taft Conference Room, there will be a mandatory bidders conference to discuss the requirements of the bid. Attendance will be taken. The conference will commence at 11:00 a.m. sharp and the doors will be closed. Bidders arriving late will not be permitted to enter the conference room. Only bids submitted by those attending the bidders' conference and listed on the sign-in sheet will be considered for any award of the ensuing contract.

SPECIAL CONDITIONS: The Director, Department of Administrative Services reserves the right to bid large or unusual requirements, for items that may be a part of the awarded contract, under a separate bid.

SUBMISSION OF INVOICES: Separate invoices shall be required as follows:

- a. Invoice liquor vendor(s) for all handling and storage services actually performed, if the merchandise is in Bailment, Special Order or liquor vendor stock.
- b. Invoice Division of Liquor Control, 6606 Tussing Road, Reynoldsburg, Ohio 43068-9005 for all handling and storage charges for services actually performed for merchandise that is State stock.
- c. Invoices for paragraph "a" and "b" above shall be rendered on a calendar month basis and shall be due and payable thirty (30) days after such billing.
- d. Please indicate your Tax Identification Number on all statements and invoices.

WORKERS' COMPENSATION: Each bidder must submit with the bid a copy of the certificate proving that his firm and his agents are covered by Workers' Compensation Employees' Liability and/or contractor's Insurance in amounts sufficient to satisfy all claims that might arise from his acts or those of his employees and agents. Failure to submit the certificate with the bid will deem your bid not-responsive.

PUBLIC LIABILITY: Each bidder must carry public liability insurance with limits of not less than one hundred thousand (\$100,000.00) dollars for any one person and three hundred thousand (\$ 300,000.00) dollars for any one occurrence for death or personal injury and two hundred thousand (\$ 200,000.00) dollars for any one occurrence for property damage. Each bidder must carry general liability insurance with limits of not less than five hundred thousand (\$ 500,000.00) dollars for any one occurrence and one million (\$ 1,000,000.00) dollars per year aggregate annually. Certificates of insurance showing the types of coverages should be submitted with the bid. Failure to submit the certificate of insurance with the bid may deem your bid not-responsive. In addition to the certificates of insurance, providing the bidder does not currently carry the amount of coverages specified above, a letter from the insurance company stating that the bidder's coverages will be increased to the specified amounts upon award of the ensuing contract, should also be submitted with the bid. Failure to submit the letter and certificates, as applicable, with the bid may deem your bid not-responsive.

PERFORMANCE BOND: The Director, Department of Administrative Services may require a performance bond in the amount of two hundred thousand (\$200,000.00) dollars be submitted by the bidder. 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 not-responsive.

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.

The state agrees to pay only the actual cost of the performance bond and may request a copy of the invoice from the bonding company for documentation. If the cost of the bond entered on the price proposal page and the cost shown on the bonding company's invoice does not match, the state will pay whichever is less.

AWARD: There will be one (1) award for the Southeast district to the lowest responsive and responsible bidder meeting all bid specifications and requirements listed herein.

- a. The award will be based on the cost of six (6) years. Optional years will not be used to determine the low lot cost of the bid. However, a price must be entered in the optional year columns to be considered for the award of this ITB. Failure to enter a cost for the optional years shall deem your bid non-responsive with no further consideration for award.
- b. Facility Acceptance: The using agency will perform a Site Survey of bidder's facility to determine acceptability.

EVALUATION: There will be one (1) award for the Southeast district. Bid responses will be evaluated on the requirements contained in this bid proposal to the vendor submitting the lowest responsive and responsible bid meeting specified bid requirements.

Cost evaluation will be determined by using an estimate of cases received annually, based on inventory status shown on Exhibit "B", extended by the appropriate charges. The total charges will equal the annual cost in the evaluation process. (See formula example on Exhibit "A")

PRICES: All prices shall be firm. Check your bid carefully because errors cannot be corrected after bids are opened. This Invitation To Bid and the bid response will become a part of the contract.

State Purchasing may accept or reject any or all bids, either in whole or in part (by item). State Purchasing may waive minor defects in a bid when no prejudice will result to the rights of any other bidder or to the public.

CERTIFICATION: A certificate attesting to the fact that the bidder has the facility, service personnel and equipment to meet the requirements specified herein must be submitted with this bid. Furthermore, this certificate shall be on business or corporate letterhead paper and signed by an authorized representative submitting the response. If the bidder is a corporation, a corporate resolution authorizing the submission of its bid, shall be submitted and if the bidder is the successful awardee, a corporate resolution authorizing it to enter into the contract.

OPTIONAL RENEWAL: The State reserves the right to accept or reject the optional renewal year's pricing (prices quoted, pricing schedules) under the terms and conditions stated herein.

CONTRACT RENEWAL: This contract may be renewed for one (1) month, at the states option. Additionally, this contract may be renewed by agreement any number of times for any period of time under the same prices, terms and conditions stated herein. The cumulative time of all renewals by agreement may not exceed two (2) years.

CONTRACT COMPLIANCE: During the term of this contract, each using agency shall be responsible to monitor the contractor's performance and compliance with the terms and conditions 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 problem(s), the agency shall notify the Office of State Purchasing to help resolve the incident(s). Continued failures on the contractor's part to comply with the terms and conditions of the contract may result in the immediate removal of the contractor from the contract by the Director, Department of Administrative Services.

TERMINATION: The contract shall be subject to the following termination provisions:

- a. Immediate termination by the Department of Administrative Services, at the request of the Division of Liquor Control for cause upon the failure of the contractor to comply with the terms and conditions of the contract. Termination will begin twenty-four (24) hours following notice to the contractor for failure to comply with these terms and conditions. Termination for cause, shall create a liability upon the contractor to pay reasonable termination costs and perform reasonable termination services. Termination will be determined by the Department of Administrative Services, including, but not limited to, the items listed below.
- b. Upon filing of a petition in bankruptcy or insolvency by or against the contractor, the Department of Administrative Services may deem the contract terminated. Such termination shall not be a waiver of the Department's right to file claims against and receive payment for any and all damages it incurs as a result of such termination.

- c. The contract shall terminate on February 29, 2008 unless otherwise extended in accordance with the contract renewal clause as listed above.
- d. Upon termination of the contract, it will be the contractor's responsibility to assist the Division of Liquor Control in the orderly removal of all stored items from the contractor's facilities. Such assistance will include the necessary labor and equipment to move said items from storage areas to the appropriate shipping dock for shipment by rail or truck as directed by the Department.
- e. Upon any assignment of this contract, the contractor will immediately be terminated, and liquidated damages will be applicable but liquidated damages will not be the State's exclusive remedy.

DEPARTMENT'S OPTIONS: The Division of Liquor Control reserves the right to change, or enlarge the warehouse district or consolidate any one or more of its warehouse districts.

CONTRACTOR'S AGREEMENT: The successful contractor agrees that it will make available any and all documents, books of accounts, corporate records, stockholders' 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. Contractor and the state of Ohio recognize that in actual economic practice, overcharges resulting from anti-trust violations are usually borne by the state of Ohio. As consideration for the award of this contract, and intending to be legally bound, contractor assigns to the state of Ohio all right, title and interest to all claims and causes of action the contractor now has or may acquire under state or federal antitrust laws provided that the claims or causes of action relate to the goods or services that are the subject of this contract, and except as to any claims or causes of action which result from antitrust violations that occur after the price is established under this contract and that are not passed on to the state of Ohio. Additionally, the contractor warrants that each of its first tier suppliers and subcontractors will assign all such claims and causes of action to the state of Ohio, subject to the aforementioned provision and exception.

ELECTRONIC COMMERCE PROGRAM: The state of Ohio is an active participant in 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 conduct all procurement activities through electronic commerce technologies by January 1, 2002, or sooner. All contractors are 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 another major piece of the state's electronic procurement model. EDI is presently used for electronic purchase orders, invoicing, and payment of large dollar purchases. The program includes sending electronic purchase orders to the contractors, the receipt of electronic invoices from contractors and the transmission of payment and remittance information back to the contractors. 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 company to become EDI compliant. By following all of the links, the entire guide may be viewed, downloaded and printed at your location.

ELECTRONIC DATA REQUIREMENT: Upon notification of a contract award by DAS, the contractor(s) agree to supply product and/or service data in an electronic form as prescribed by DAS for use in an electronic catalog. The data will include descriptions and net pricing information for all supplies and/or services awarded to the contractor(s). The information is to be provided in both hard copy and electronic formats within ten (10) calendar days after notification of award. The contractor(s) will be responsible for providing approved changes to the product line and/or net pricing schedules to State Purchasing on a pre-defined time basis as determined by the terms and conditions of the particular contract.

The contractor(s) will provide data in an electromagnetic media and in a format specified at Internet address:

<http://www.gsd.das.state.oh.us/purch/pdfs/ebuypur.pdf>

USAGE REPORTS: Every six (6) months the contractor must submit a report (written or on disk) indicating sales generated by this contract. The report shall list usage by customer, by line item, showing the quantities/dollars generated by this contract. The report shall be forwarded to the Office of State Purchasing, 4200 Surface Road, Columbus, Ohio 43228-1395, Attn: : Peggy J. Canada.

YEAR 2000 COMPLIANCE: Relative to any goods or services provided from any contract awarded pursuant to this bid, the contractor warrants that all hardware, software firmware, and similar devices and materials, will be "year 2000 compliant," meaning that the hardware, software firmware, and similar devices and materials are designed to operate without regard to the turning of the century, and processes dates in a manner that takes into account dates occurring before and after the turning of the century.

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SPECIFICATIONS TO PROVIDE ADMINISTRATIVE ACCOUNTING,  
INVENTORY CONTROL, WAREHOUSE HANDLING AND STORAGE SERVICES.

I. SCOPE

These specifications shall cover the administrative accounting, inventory control, warehouse handling and storage services for spirituous liquor for the Ohio Department of Commerce, Division of Liquor Control in Southeast Ohio, to include and serve the entire area set forth in Exhibit D, which is attached hereto and incorporated herein. The Southeastern Ohio location inception date will begin on February 16, 2002.

II. RESPONSIBILITY REQUIREMENTS

- A. No bidder, directly or indirectly, through or by its directors, officers, principal stockholders, partners, employees, agents or otherwise, shall have any interests in the business of any distillery, rectifier, importer, broker, wine maker, brewer, wholesale distributor or retailer of beer, malt liquor, wine or spirituous liquor, as defined by Section 4301.01 "Revised Code of Ohio", nor shall any such persons have been convicted of a crime which, in the sole opinion of the bid evaluators, would render the bidder an unfit party with whom to do business. All bidders agree to a criminal background check in connection with the submission of their bid.
- B. Each bidder must submit the fire insurance rating for each building described as part of this bid. If the Division of Liquor Control, (hereafter DOLC), any liquor vendor, or anyone authorized by DOLC to warehouse merchandise in that warehouse incurs a rate increase in its fire insurance (for merchandise stored at a warehouse) due to dangerous materials being stored at the warehouse, DOLC, any liquor vendor, or anyone authorized by the DOLC to warehouse merchandise in that warehouse may deduct the amount of the increase from payments to the contractor until the situation has been corrected and the rate increase is reduced.
- C. Bidder must have been in the warehousing business for a minimum of two (2) years prior to the date of bid opening.
- D. An authorized representative of the bidder, which will include principles, owners, and/or management, must have a minimum of five (5) years experience in the warehousing business.

The bidder will notify the Department of Administrative Services (DAS), office of State Purchasing, of any changes to the management personnel of anyone responsible for handling this account (DOLC) for the company. All replacements of management personnel must be approved by DAS prior to the replacement.

III. WAREHOUSING SPECIFICATIONS

The space and services proposed must conform to the following conditions in the warehouse(s):

- A. The successful bidder must be deemed an independent contractor, and not an agent of the Division of Liquor Control. The term "independent contractor" means: one who exercises an independent employment and who has the right to employ and direct the action of the workers, independent of the Division of Liquor Control.
- B. The building for the Southeast Ohio must be located in Franklin County (see attached map - Exhibit D).

Any facility to be used for this contract must meet all requirements within thirty (30) days of the award. The evaluation committee will decide if in their opinion, the facility can meet the state requirements within the thirty (30) days. Bidder must provide a complete brand slot location diagram within ten (10) days of the award. The physical painting of the slot locations must be completed within twenty-five (25) days of the award.

- 1. The building must be fire resistant with an operational sprinkler protection system or equally effective system of protection as meets the approval of the insurance service office or other recognized inspection services.
- 2. The building must be supplied with adequate protective service such as alarms, security person service, and other effective protective devices and services. The building must have ingress to and egress from the warehouse proper through paved streets.
- 3. The building must be able to accommodate truck delivery on an approximately level street or space. Dock space for Southeast, Ohio location must be available for the placement of a minimum of two (2) trucks or over-the-road trailers at one time at the warehouse receiving area and with truck bodies at floor level.

SPECIFICATIONS TO PROVIDE ADMINISTRATIVE ACCOUNTING,  
INVENTORY CONTROL, WAREHOUSE HANDLING AND STORAGE SERVICES (Cont'd)

4. The building for the Southeast Ohio location must have a minimum of one hundred thousand (100,000) square feet, with a minimum of ninety-five thousand (95,000) square feet fenced and secured for the storage of spirituous liquor and a minimum of five thousand (5,000) square feet for offices and staging areas. Although the building may have other levels above the area utilized by the Division of Liquor Control, the area in which the spirituous liquor will be stored must be a single level, ground level facility with sufficient ingress and egress for the spirituous liquor. Further, this single level storage area shall not share any common areas with any other level of the building, including but not limited to dock doors, staging areas and office space. The area in which the liquor will be stored must be a single level facility with a minimum unobstructed (not to include any items, ie. sprinkler system, pipes, heaters, fans, lighting etc.) ceiling height of twenty (20) feet in the proposed liquor storage area. (See Exhibit B for inventory and movement quantities.)
5. The liquor and paper bag inventory must be processed on the "first in - first out" method, because of label, vendor, proof, age and metric changes that occur and to keep stock up-to-date.
6. The contractor will use standard size pallets (48" x 40") in the handling and storage of all liquor and paper bags within the warehouse and the contractor will allow the Division of Liquor Control's contract carrier to load outlet deliveries on the contract carrier's vehicles, using the same standard size pallet that the contractor loaded when the order was pulled.
7. The Division of Liquor Control requires each warehouse to maintain a free pallet exchange program with all liquor vendors as well as each warehouse in the D.O.L.C. system. As long as the pallets received are in serviceable condition and of standard size, the warehouse(s) are required to replace an equal quantity of pallets into the vehicle (including the contract carrier vehicle) from which pallets were unloaded. This exchange is to be noted on the receiving report. If the driver refuses to accept the return pallets, the pallets are to be retained at the warehouse(s) and the refusal noted on the receiving report. Under no condition will the State pay for pallets.
8. Upon unloading of any merchandise from any liquor vendor or another warehouse, the contractor will be responsible for the good condition of all cases of liquor and bundles of paper bags received at their warehouse, whether palletized, slip sheet or floor loaded. If any damage or shortage is detected during unloading, the damage must be set aside and recuperated immediately after unloading is completed. When any loss or damage is discovered, the contractor must notify the delivering carrier's representative and preserve the unloading record, receiving report and copy of the delivery receipt signed by the driver for each shipment. Also, the delivery receipt must have the amount of damage recorded on it plus the driver's signature. If damage is found in a rail car and no inspection report was made, all damage will be charged to the contractor. After all inspections have been made and the saleable merchandise recuperated, the remaining damaged bottles are to be destroyed in accordance with all applicable state and federal laws (e.g. hazardous waste). If the merchandise is unsaleable (e.g. missing labels) it must be reported as such and segregated from other stock until the Division of Liquor Control can determine what is to be done with the merchandise. After the Division of Liquor Control has made a determination as to the disposition of the bailment, special order and liquor vendor merchandise, the contractor and the liquor vendor must determine the appropriate method of carrying out this disposition. All Bailment, Special Order and vendor stock breakage occurring in the warehouse (house breakage) will be destroyed on a quarterly basis. Liquor vendors must be notified, in writing, of the merchandise to be destroyed and the scheduled date of destruction at least thirty (30) days in advance and must have the opportunity to inspect the merchandise and witness its destruction. The contractor is to keep a record of all breakage reports and furnish a copy to the liquor vendor. The contractor is to unload all shipments from the interior of rail car(s) or truck(s) including containers with due care; to inspect all cases and/or bundles; to determine evidence of tampering; exterior evidence of damage; to inspect all cases or bundles for short weight according to Division of Liquor Control policy. Any palletized or slip-sheet load received must be unloaded as such. The contractor cannot have the driver repalletize the load unless the pallets received are not standard size. If any truck or container shipment is floor-loaded and the contractor has the driver palletize the load, the contractor is still responsible for the good condition of all merchandise received. Under no condition is the contractor allowed to refuse delivery of a load of merchandise without approval from the Division of Liquor Control.

SPECIFICATIONS TO PROVIDE ADMINISTRATIVE ACCOUNTING,  
INVENTORY CONTROL, WAREHOUSE HANDLING AND STORAGE SERVICES (Cont'd)

9. Bailment and Special Order stock can only be received if the warehouse has a Blanket Consent number of the liquor vendor. Bailment and Special Order merchandise must be unloaded the same as State Stock, except that Bailment and Special Order Stock are still the property of the liquor vendor, and the contractor's reporting will be directed to the liquor vendor. A copy of the non-negotiable receiving report will be sent to the Division of Liquor Control. The audit of these stocks is the responsibility of the contractor, along with the Division of Liquor Control, and the stocks will be audited twice a year and adjusted with the applicable liquor vendor by letter.

The contractor will be responsible for audit inventory shortages at the Division of Liquor Control's cost price. Inventory overages will be applied against shortages with the contractor responsible for the net shortage. In the case of a net inventory overage, the liquor vendor will not be responsible for payment to the contractor; however, the overage will be applied to the next audit inventory shortage. If the liquor vendor can provide documentation that an inventory overage is the result of an overshipment or failure to report receipt of merchandise properly, then the overage will be deducted from the audit overage. The payment by the contractor to the vendor of audit inventory shortages is due within thirty (30) days of a liquor vendor's invoice.

10. Detention Charges - The contractor will be responsible for scheduling of any truck(s) for unloading into its warehouse. Based on the code of federal regulations and/or any applicable state laws or rules in effect at the time on motor vehicles, records must be kept as to the time involved regarding appointments and unloading, on the form provided by the Division of Liquor Control. If the time required to schedule an appointment to unload exceeds the limits established, the contractor will be billed for the detention charges incurred. The Division of Liquor Control may deduct this detention charge from payments to contractor. At the discretion of the Division of Liquor Control the Division may make exceptions to the amount deducted, such as damaged merchandise, late arrival of truck, delay in unloading a floor-loaded load by driver, which must be explained on the detention form.
11. The contractor must make platform delivery in good condition for all authorized merchandise to be released from the warehouse. The contractor will be responsible for ensuring that the correct brands, container sizes, and case quantities are pulled for each shipment. Contractor is to provide person(s) to verify all withdrawn merchandise with regard to outlet, brand and quantity prior to the merchandise being released to the contract carrier. A 'short shipment' is a pulled order, which contains either an incorrect brand or container size or the incorrect number of cases. For each short shipment exceeding the rate of 5 per 10,000 cases of inventory pulled for shipment during any given week, the contractor will be charged a fee of fifty (\$50.00) dollars, to be paid to the Division of Liquor Control within thirty (30) days of invoicing.

The contractor must make platform delivery in good condition for all authorized merchandise:

- a. To the Division of Liquor Control's contract carrier's area by 3:00 p.m. on the scheduled pull date of each sales outlet in order that the trucks can be loaded and the merchandise delivered on schedule. Failure of the contractor to supply deliveries by 3:00 p.m. of the scheduled pull date will result in a charge back of overtime incurred as a result by the Division of Liquor Control's contract carrier.\*
- b. To the liquor vendor's representatives as directed by the Division of Liquor Control.
- c. To sales outlet managers as directed by the Division of Liquor Control.
- d. To any other person authorized to do so by the Division of Liquor Control.

\*During the first three weeks of the initial warehouse contract, DOLC's contract carrier and the contractor will coordinate the times the orders will be furnished to the contract carrier.

12. Upon notification of the availability of transfer stock (warehouse to warehouse from their stock) or upon immediate receipt of reallocated stock, the contract carrier, based on priority of movement issued by the Division of Liquor Control, will advise the contractor of release to the contract carrier's area or assigned common carrier, or anyone so designated by the Division of Liquor Control. The contractor will cooperate and facilitate such transfer of stock.
13. The contractor will designate two persons (primary and secondary) who will have communications responsibility to the Division of Liquor Control and/or liquor vendor regarding the daily operations (inventory shipments and reporting) of the warehouse. The contractor shall employ one full-time Warehouse Manager who shall not directly perform duties related to filling orders and unloading trucks. The contractor shall also employ one full-time clerical person, who shall not be directly involved in the unloading of trucks.

SPECIFICATIONS TO PROVIDE ADMINISTRATIVE ACCOUNTING,  
INVENTORY CONTROL, WAREHOUSE HANDLING AND STORAGE SERVICES (Cont'd)

14. The contractor for the Southeast Ohio location must provide 4,000 square feet of space at dock level for Division of Liquor Control's contract carrier. The office area will require a private pedestrian entrance and a security system to allow access by the contract carrier's personnel outside of warehouse working hours. Included in the total square feet for the Southeast Ohio location is 200 square feet each needed for offices for the contract carrier and the remaining 3,800 square feet each will be required as staging with 7 contiguous dock doors for the location. It is the responsibility of the contractor to maintain and provide concrete pads sufficient to support all contract carrier's trailers in the loading area. The contract carrier's office space will require sufficient heat, lighting, water, air conditioning, ventilation, and restroom facilities. The contract carrier must pay a fixed monthly rental for this area, which will be agreed upon between the contractor and the trucking contract carrier, but in no event will such monthly rental exceed \$1,100 for the Southeast Ohio location. The Utilities and security system charges will be covered by the monthly rental charge. Also included in this monthly rental charge will be the costs of a protected fenced yard, which must be provided by the contractor for the Division of Liquor Control's contract carrier and which will encompass the dock area and be large enough to hold 10 semi trailers for the Southeast Ohio location and be protected by locks and live security or a central station intrusion alarm on the gate.
  15. It will be the contractor's responsibility to keep the receiving, shipping, parking and entry areas of the warehouse, and the contract carrier's area clear of ice, snow, and any other obstruction.
- C. Data Processing equipment and reporting requirements - The warehouse will provide computer equipment capable of handling the information as explained in Exhibit C attached. Such computer is to be fully programmed and operational within thirty (30) days of award. Regardless of the location of the computer's main frame, (i.e. in the warehouse or at another location), the contractor will be responsible for the entry and maintenance of data as well as the operation of the system. If any problems arise with the system, the contractor will be contacted by the Division of Liquor Control and will be responsible for making the necessary corrections or changes, within forty-eight (48) hours, unless the Division of Liquor Control agrees to an extension of time.
- D. All invoices are required for items listed below and are to be rendered on a calendar month basis and to be due and payable thirty (30) days after billing. (All handling charges will be the sole responsibility of the liquor vendor if the merchandise is Bailment, Special Order, or Vendor Stock, and all handling charges for merchandise that is State Stock will be the responsibility of the Division of Liquor Control.)
- E. Upon request, Programming Formats can be obtained by contacting Mr. Terry Poole, Chief Agency Operations at (614) 644-2390.
1. Handling in, handling out and storage charges for liquor and paper bags will require a per case bid, as set forth in the attached Price Schedule. The following is pertinent information regarding the Price Schedule:
    - a. Handling In and Handling Out - these charges cover the ordinary labor involved in unloading of rail cars and motor vehicles, receiving goods at warehouse door, inspection, placing goods in storage, filling orders from storage and making platform delivery; also loading of any common carrier vehicle for return of vendor merchandise.
    - b. Case or Bundle - case refers to liquor and the Division of Liquor Control will specify the number of bottles per case, per code number and size of bottle. From time to time one (1) case could consist of two (2) or more boxes strapped together. Any fraction of a case will be considered as a whole case, for billing purposes only; bundle refers to paper bags and the Division of Liquor Control will consider any fraction of a bundle as a whole bundle for billing and inventory. A separate rate charge per case (or fraction thereof) for handling in and handling out; with a rate for storage by half month; and a rate for renewal with each succeeding month. Initial charge(s) - flat rates per case (or fraction thereof) for handling in and handling out.
    - c. Storage - a flat rate per case (or fraction thereof) if received between the 1st and 15th of the month will be a full month's rate. If received between the 16th and last day of the month, the charge will not exceed one-half of the month's rate.
    - d. Renewal - a flat rate per case (or fraction thereof) for the case inventory on the 1st day of each succeeding month will be charged at a rate which does not exceed the storage for the 1st through the 15th of the month.

SPECIFICATIONS TO PROVIDE ADMINISTRATIVE ACCOUNTING,  
INVENTORY CONTROL, WAREHOUSE HANDLING AND STORAGE SERVICES (Cont'd)

2. There will be no handling in charge for the initial movement of existent stock into the contractor's facility, and the initial storage charges will be prorated from date of receipt.
3. Rate for recouping a full case (a fraction of a case equal's one case) for liquor only. The contractor shall recoup special order merchandise as required by the Division of Liquor Control.

**PRICE SCHEDULE**

**Southeast Ohio Warehouse**

**ITEM ID.: 9172**

**NOTE:** Optional years will not be used to determine the low lot cost of the bid. However, a price must be entered in the optional year columns to be considered for the award of this I.T.B. Failure to enter a cost for the optional years shall deem your bid non-responsive with no further consideration for award. This Price Schedule is for Southeast Ohio.

ITEM DESCRIPTION	COST		PER CASE				COST PER CASE	
	2/16/02 through 2/28/03	3/1/03 through 2/29/04	3/1/04 through 2/28/05	3/1/05 through 2/28/06	3/1/06 through 2/28/07	3/1/07 through 2/29/08	OPTIONAL YEARS	
							3/1/08 through 2/28/09	3/1/09 through 2/28/10
<u>Handling Charge</u> In	\$ .180	\$ .180	\$ .172	\$ .172	\$ .164	\$ .164	\$ .200	\$ .200
Out	\$ .210	\$ .210	\$ .200	\$ .200	\$ .200	\$ .200	\$ .260	\$ .270
Storage Charge (1st thru 15th)	\$ .100	\$ .100	\$ .100	\$ .100	\$ .100	\$ .100	\$ .110	\$ .120
Storage Charge (16th thru end)	\$ .050	\$ .050	\$ .050	\$ .050	\$ .050	\$ .050	\$ .055	\$ .060
*Renewal Charge	\$ .100	\$ .100	\$ .100	\$ .100	\$ .100	\$ .100	\$ .110	\$ .120
Rate for recouping full case of liquor	\$ 4.250	\$ 4.250	\$ 4.250	\$ 4.250	\$ 4.250	\$ 4.250	\$ 5.000	\$ 5.500

\*A minimum renewal of \$10.00 will be billed to any vendor that does not maintain a sufficient inventory. Renewal Charge cannot be higher than the Storage Charge for the 1<sup>st</sup> through the 15<sup>th</sup>.

Cost of Performance Bond     \$1,500.00    .

CONTRACTOR INDEX

CONTRACTOR AND TERMS:

Vendor ID: 51980  
North Coast Logistics, Inc.  
2323 Lakeside Ave.  
Cleveland, Ohio 44114

CONTRACTOR'S CONTACT: Patricia Gazey

CONTRACTOR'S IT/MIS CONTACT: Patricia Gazey

BID CONTRACT NO.: OT908002 (2/29/08)

DELIVERY: 30 Days A.R.O.

TERMS: Net 30 Days

Telephone: (216) 621-7411  
FAX: (216) 621-9279

E-mail: Pgazey@Northcoastlogistics.com

**SUMMARY OF AMENDMENTS**

<b>Amendment Number</b>	<b>Revision Date</b>	<b>Description</b>
3	12/10/10	This amendment is issued to renew the subject contract an additional twelve (12) months 03/01/11 through 02/29/12
2	03/01/10	This amendment is issued to renew the subject contract an additional twelve (12) months 03/01/10 through 02/28/11. Also to add Summary of Amendments, Page 14.
1	03/10/08	This amendment is issued to renew the subject contract an additional two (2) years, effective 03/01/08 through 02/28/10.