

**COMMONWEALTH OF VIRGINIA  
STANDARD CONTRACT**

**Contract Number:** 214-14-LaundryEqptSvcs

This contract entered into this 10th day of July, 2014 by Caldwell & Gregory LLC hereinafter called the "Contractor" and Commonwealth of Virginia, Longwood University hereinafter called the "Purchasing Agency."

**WITNESSETH** that the Contractor and the Purchasing Agency, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

**SCOPE OF CONTRACT:** The Contractor shall provide the services to the Purchasing Agency as set forth in the Contract Documents.

**PERIOD OF PERFORMANCE:** From August 1, 2014 through July 31, 2019. One 5-year performance-based renewal.

The contract documents shall consist of:

- (1) This signed form;
- (2) The following portions of the Request for Proposal dated April 11, 2014:
  - a. The Statement of Needs;
  - b. The General Terms and Conditions;
  - c. The Special Terms and Conditions together with any negotiated modifications of those Special Terms and Conditions;
  - d. Addendum 1, dated April 28, 2014;
- (3) Attachment A, dated June 16, 2014 and July 7, 2014; and
- (4) The Contractor's Proposal dated April 24, 2014 with the attached Alternate Proposal Revised 6/16/2014 and the following agreement, all of which documents are incorporated herein.

**IN WITNESS WHEREOF**, the parties have caused this Contract to be duly executed intending to be bound thereby.

**CONTRACTOR**

By: 

Robert Dinnie

Title: President

Date: 7/11/2014

**PURCHASING AGENCY:**

By: 

P. Kenneth Copeland, Jr.

Title: Vice President for Administration and Finance

Date: 7/11/14

**Note:** This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

**eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION, CONTRACTS, AND ORDERS:** The eVA Internet electronic procurement solution, website portal [www.eVA.virginia.gov](http://www.eVA.virginia.gov), streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet eprocurement solution by completing the free eVA Vendor Registration. All bidders or offerors must register in eVA and pay the Vendor Transaction Fees specified below; failure to register will result in the bid/proposal being rejected.

Vendor transaction fees are determined by the date the original purchase order is issued and the current fees are as follows:

- a. For orders issued July 1, 2011 thru December 31, 2013, the Vendor Transaction Fee is:
  - (i) DMBE-certified Small Businesses: 0.75%, capped at \$500 per order.
  - (ii) Businesses that are not DMBE-certified Small Businesses: 0.75%, capped at \$1,500 per order.
  
- b. For orders issued January 1, 2014 and after, the Vendor Transaction Fee is:
  - (i) DMBE-certified Small Businesses: 1%, capped at \$500 per order.
  - (ii) Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order.

For orders issued prior to July 1, 2011 the vendor transaction fees can be found at [www.eVA.virginia.gov](http://www.eVA.virginia.gov).

The specified vendor transaction fee will be invoiced, by the Commonwealth of Virginia Department of General Services, approximately 30 days after the corresponding purchase order is issued and payable 30 days after the invoice date. Any adjustments (increases/decreases) will be handled through purchase order changes.

RFP#214-14-LaundryEqptSvcs  
 Negotiation Points – Caldwell & Gregory

June 16, 2014

Negotiations were conducted at Longwood University with Robert Dinnie, President for Caldwell & Gregory LLC (C&G) and Carl Haffley, Senior Account Executive for C&G and Kenneth Copeland, Vice President for Administration and Finance and Cathryn Mobley, Director of Materiel Management for Longwood University (LU), with Debby Cooper, Buyer Specialist/Contracts Administrator and members of the Evaluation Committee for LU present. The following points were negotiated as follows:

- LU would like to know, if LU decides at some point to use C&G's online monitoring utility, would there be a cost associated with that and if so, what would it be?

**C&G Response:** The online monitoring utility requires an additional network drop in every room, adds little or no benefit to the students, and is significantly more costly than CBORD. C&G would provide the following:

- Hardware (7 LA units)
- Wiring
- Installation
- Monitoring & cell app fees

C&G would charge \$880.00 per month to provide the online monitoring utility.

**LU Response:** LU will continue to use the current CBORD system for online monitoring.

- LU would like to confirm that C&G will agree to LU's billing dates as set up by the Lancer Card Center?

**C&G Response:** We have worked hand in hand with the Lancer Card office for years and will continue to do so in the future. Compliance with billing schedules has never been an issue, and if dates need to change moving forward we will be happy to make adjustments.

**LU Response:** LU accepts C&G's response.

- Is the financial investment submitted in your proposal firm or can C&G:
  - a. Offer a more simplified commission structure or propose a comparison number for number of residents that LU and C&G can mutually agree upon?
  - b. Offer a higher commission rate/annual guaranteed minimum?

**C&G Response:** To simplify and improve our offer, C&G proposes the following commission & guarantees:

Option 1: Guarantee of \$40,000 per year based upon a minimum of 1,600 resident students or a commission of 80% of all revenues collected in excess of \$32.50 average per machine per month, whichever is greater.

Alternate: Guarantee of \$40,000 per year based upon a minimum of 1,600 resident students or a commission of 80% of all revenues collected in excess of \$30.00 average per machine per month (front load washers count as 1.5 machines), whichever is greater.

**LU Response:** LU requested reports on machine usage and service history in order to consider C&G's Alternate Proposal.

- LU would like to have specific dates and guarantees that the QR Code Service Request Module and the Account Ability Reporting Tool will be available for the University's use.

**C&G Response:** Account Ability Reporting Tool is currently operational for LU, and will remain so moving forward. The QR Code Service Request Module is also operational, and will be on all LU machines for students' return in August 2014.

**LU Response:** LU accepts C&G's response.

- LU does not have the ability to restrict Lancer CA\$H sales to laundry machines and will not create a separate laundry plan. Lancer CA\$H is the account where students make deposits and these are the funds that can be used in laundry locations. Is this acceptable to C&G?

**C&G Response:** C&G is fine with this and will happily support improving deposits to this fund in any way that we can. If desired, we will work with Housing and the Lancer Card office on marketing materials to be sent to students and parents that will help promote providing enough funds to support students' laundry needs.

**LU Response:** LU accepts C&G's response.

- The student representative on the Evaluation Committee feels students would be receptive to a more robust training/education experience than just instructional flyers posted on the walls of the laundry room. Are there other media C&G can utilize to advertise/educate the students about the correct way to wash clothes/use the equipment and if so, can they be included in the financial investment you proposed for Student Benefit Allowance and/or Student Training & Education? If not, what would the additional cost be?

**C&G Response:** C&G proposes the following Alternative Media:

- New Video for fall 2014; QR code access & Facebook
- Video contest for students
- RA Training & Bulletin Board Contest; LU participating
- Utilize education & training budget for specific on-campus programs coordinated through housing (freshman orientation, New Lancer Days, etc.).

**LU Response:** LU accepts C&G's response.

July 2, 2014

LU receives by email attachment from C&G, a report containing the requested machine usage and service history information, as well as proposed laundry facilities improvements. Upon review of the report by the Evaluation Committee, that concluded on 7/10/14, it is the consensus of the Evaluation Committee to award a contract to C&G based on the Alternate Proposal they submitted, as negotiated.

End of Attachment A.

## FINANCIAL OVERVIEW

# alternate proposal Revised 6/16/2014

## ALTERNATIVE FINANCIAL OPTION: BETTER UTILIZATION OF EXISTING EQUIPMENT

The equipment that we currently have on campus is built to run from 10,000 to 12,000 cycles in its lifetime, which based upon current usage would take approximately 16 years. We have provided regularly scheduled preventive maintenance, and replacing them at this point is akin to taking a car with 20,000 miles and putting it in the scrap yard. We believe that there is a tremendous benefit that will be lost for both the University and C&G by removing these machines at this point, so we are proposing an alternative for your consideration that utilizes the equipment to its greater potential and provides a stronger financial benefit for the University. This is what we propose:

- C&G will continue to utilize the exiting equipment for an additional period of two years.
- In the summer of 2016, C&G will replace these machines with forty-eight (48) new Speed Queen® Commercial Energy Star coin operated front load washers, and fifty-three (53) new Speed Queen® Commercial Energy Efficient coin operated dryers.
- C&G will continue to supply four (4) pair of Homestyle stack washer/dryers for RD apartments.
- C&G will provide all Hardware, wiring, installation, and connection requirements to implement the CBORD laundry card system in all laundry rooms.
- C&G will provide a Student Benefit Allowance of \$85,000 to be used for room improvements, scholarships, or capital projects that benefit Longwood students. This allowance shall be utilized at the discretion of Residential & Commuter Life as they deem appropriate.
- C&G will provide initial venting improvements and ongoing maintenance and cleaning to maximize efficiency.
- C&G will continue to provide student training & education programs including RA training and educational contests and promotional programs.



- C&G will continue to provide equipment and service at no charge in the Iler Gym, and bill changers in Lankford Student Union.

## FINANCIAL STRUCTURE

- C&G will work with the University (if interested) to help promote the Lancer Card. We will work with Housing and the Lancer Card Office to provide marketing materials to students and parents encouraging them to add funds to their Lancer Card in order to adequately support their students' laundry needs for the year, helping to boost both Lancer Card revenues and laundry usage.
- C&G will provide a guarantee of \$40,000.00 per year based upon a minimum of 1,600 residential students, or a commission of 80% of all revenues collected in excess of \$30.00 average per machine per month (front load washers count as 1.5 machines), whichever is greater.
- At any time during this agreement the University may elect to implement an "Included" or free running program governed by the CBORD system. C&G will charge a fee of \$45.00 per machine per month, with a 3% annual increase.
- Vend Price: Washer- \$1.50      Dryer- \$1.50 for full dry cycle
- Term: 5 years, with a 5 year performance based renewal

## ADDITIONAL BENEFITS

- Future Industrial Athletic Equipment: If the University needs equipment for sports teams, C&G will offer to sell the University equipment at "Cost" or provide a "Lease with Service" at a significantly reduced rate as part of our campus partnership.

FINANCIAL OVERVIEW

# alternate pricing schedule

## Revised 6/16/2014

Pricing schedule: The Offeror agrees to provide services in compliance with the STATEMENT OF NEEDS and Terms and Conditions contained herein at:

Commission on Gross Sales: 80% of all revenues in excess of \$30.00 average per machine per month. Front Load Washers count as 1.5 machines.

Annual Guaranteed Minimum\*: \$40,000.00 per year based upon a minimum of 1,600 residential students.

\$1.50 Charge Per Full Wash Cycle for 30 Minutes

\$1.50 Charge Per Full Dry Cycle for 50 Minutes

Note: Gross sales is defined as total sales transactions, minus applicable and excise taxes, refunds, and returns, **and machine testing.**

At any time during this agreement the University may elect to implement an "Included" or free running program governed by the CBORD system. C&G will charge a fee of \$45.00 per machine per month, with a 3% annual increase.

Term: 5 years plus a 5 year performance based renewal.

**\* Caldwell & Gregory will pay Longwood University whichever is greater, the commission or the minimum guarantee.**