

COMMONWEALTH OF VIRGINIA
Virginia Lottery
CONTRACT

CONTRACT NUMBER: PA0000407

TITLE: **Janitorial Services and Supplies - Roanoke CSC**

CONTRACT TERM: December 5, 2016 - December 4, 2018

ISSUED BY: Virginia Lottery
900 East Main Street
Richmond, Virginia 23219

CONTRACTOR: HPC2, LLC

401 Gainsboro Ave. 848 Queenscl Drive
Roanoke, VA 24016 Virginia Beach, VA 23454
FIN ~~27-1944955~~
47-1659746

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PURPOSE: Contractor shall provide janitorial services and supplies at the Virginia Lottery, Roanoke Valley Customer Service Center in accordance with this Contract.

TOTAL AMOUNT OF CONTRACT (estimated): \$7,642.56

INVOICE ADDRESS: Virginia Lottery
Attention: Accounts Payable
900 East Main Street
Richmond, Virginia 23219

CONTRACT OFFICER: Pamela S. Mackey, 804/692-7641

ACCOUNTING DATA: Cost Code: 746; Account Code: 1251

HPC2, LLC

Virginia Lottery

By: *Marion A. Vaughn-Howard*
Signature
Marion A. Vaughn-Howard
Print Name
Project Manager 11-16-16
Title Date

By: *Pamela S. Mackey, VCO*
Signature
Pamela S. Mackey
Print Name
Sr. Contract officer 11-17-16
Title Date

This is a Contract between HPC2, LLC ("Contractor") and the Virginia Lottery ("Lottery"), an agency of the Commonwealth of Virginia.

The Lottery and the Contractor agree that the terms and conditions of this Contract shall be:

I. CONTRACT TERM: The term of this Contract shall be from December 5, 2016 through December 4, 2018, with three (3) optional one-year renewals.

II. SCOPE OF SERVICE: The Contractor shall provide janitorial services and supplies to the Virginia Lottery, Roanoke Valley Customer Service Center ("CSC"), 1287 Towne Square Boulevard, Roanoke, Virginia 24012 as described herein and in accordance with the following minimum requirements. Note: If the current location of the Roanoke Valley CSC changes during the 24-month term of the Contract, square footage of area to be cleaned may increase with a change in location. Pricing would be re-evaluated at the time of a move.

A. The Contractor shall furnish all labor, supervision, equipment, materials and supplies, including, but not limited to, lighting replacements, paper products, toiletries, etc. necessary to maintain the minimum cleaning standards of performance acceptable by the Lottery's Contract Administrator or his/her designee.

B. The office area to be cleaned is approximately 2,000 square feet. The Contractor shall perform the service twice weekly on Monday and Friday preferably in the morning hours or as scheduled by the Contract Administrator. Services shall not be required on national and state holidays. The Lottery, including its Customer Service Centers, observe the following holidays:

New Year's Day	Veteran's Day
Martin Luther King, Jr. Day	President's Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day
Labor Day	

C. In the event a holiday coincides with the scheduled cleaning service, the Contractor shall contact the Lottery's Contract Administrator to reschedule the service on the next business day. A pro-rated amount shall be deducted from the monthly invoice for each day the service is not provided during the week.

D. Contractor shall perform the tasks at the frequencies listed in letter E below, in order to maintain the following minimum standards of performance:

1. Surfaces: No feather dusters shall be used. Surfaces shall be cleaned using clean, damp material where applicable and be free from dust and dirt after cleaning is completed.
2. Floors: Floors shall be free from any visible dirt being left behind or under furniture, pipes, benches, worktables, chairs, doors, corners, or any other object that is not permanently installed or securely fastened in place. All floors shall be vacuumed where applicable or damp mopped.
3. Trash: All trash shall be removed from wastebaskets, trash receptacles and other items specifically marked "trash" shall be removed from the building and placed in the designated containers outside the building. Stains and spillage from trash shall be removed each visit. Contractor and its employees shall not collect or remove from the property any trash, waste paper, cans/bottles, etc. for the purpose of selling for gain.
4. Products and Equipment: The Contractor shall not use any product, supplies or equipment, which may damage the surface to which they are being applied or exposed. The Contractor is responsible for restoring or replacing any equipment, furniture, floor covering, etc., damaged as a result of his/her employee's sole negligence.

E. The tasks and frequencies listed below are deemed necessary to provide the level of cleaning associated with two (2) visits per week, and to maintain the cleaning standards that will provide neither compliments nor serious criticism. The Contract Administrator or his/her designee may increase/decrease the frequency of any of the tasks listed below. The Contract Administrator or his/her designee reserves the right to conduct any inspections at any time during the scheduled cleaning and to determine the acceptability of the cleaning standards of performance. A checklist mirroring the listing below may be used to verify that all tasks are carried out.

Area/Item	Task	Frequency
Carpeted floor	Vacuum (including under tables, chairs, etc.)	Each visit
	Remove spots and, as needed, stains.	As needed
	Shampoo carpet.	Semi-annually
Tile floors	Sweep clean, damp mop.	Each visit
	Buff & wax scuff marks.	As needed

	Strip, wash & rewax.	Semi-annually
Waste baskets/trash receptacles	Empty, replace liners.	Each visit
	Clean/wash receptacles.	Monthly
Entrance doors (exterior)	Wipe free of spots & smudges inside & out.	Each visit
Vestibule doors	Wipe free of spots & smudges inside & out.	Each visit
Work area doors	Wipe spots & smudges, both sides.	Each visit
Venetian blinds	Dust from highest reachable point while standing on the floor.	Each visit
	Thoroughly dust top to bottom with a damp cloth and wipe dry.	Monthly
Front windows	Wash inside & out.	Semi-annually
Window sills, baseboards & moldings	Dust all exposed surfaces within reach while standing on the floor.	Each visit
Furniture	Wipe all desk tops, credenzas, tables with a damp cloth.	Each visit
	Vacuum cloth chair seats & backs.	Each visit
Restrooms	Clean all washbasins, mirrors, shelves, underside of basins & pipe fixtures by using a non-pitting cleaning agent. Wipe & dry areas.	Each visit
	Scour & disinfect interior of all toilets & urinals. Wash exterior of all toilets & urinals including pipes. Wipe & dry areas.	Each visit
	Remove writing or marks from walls.	As needed
	Wipe clean all soap, paper towel dispensers, and replace or add soap, paper towels, toilet tissue & air freshener.	Each visit
	Sweep, clean & mop floors with germicidal disinfectant.	Each visit
	Spray buff floors.	Semi-annually

	Machine strip, rinse & reseal floors.	Semi-annually
Break room	Sweep, clean & damp mop floor.	Each visit
	Strip, wash & rewax floor.	Semi-annually
	Clean & wipe down sink, counter top, cabinet fronts, tables & chairs.	Each visit
	Clean & wipe down inside & outside of microwave, refrigerator & vending machines.	Each visit
	Replenish hand towels in dispenser.	As needed
Miscellaneous	Furnish & replace all burned out lights and install new lights.	As needed
	Deposit trash & debris in dumpster.	Each visit
	Clean & mop lobby floor, vacuum if carpeted.	Each visit
	Clean both sides of plexi-glass at front counter.	Each visit
	Wipe entry glass doors with damp cloth using window cleaner on glass	Each visit
	Strip & wax lobby floors.	Semi-annually

Note: Semi-annual stripping and waxing of the floors shall be performed on a weekend and not during normal business hours.

III. SECURITY REQUIREMENTS: The Contractor shall ensure that all employees involved in the Contract are in full compliance with the security requirements described below. The purpose of these security requirements is to prevent the commission of crimes within the Lottery's property.

A. Contractor shall be responsible for controlling employees' conduct, for assuring that its employees are not noisy or bad-mannered, and assuring that they are not engaging in any destructive or illegal activity. The Contractor is also responsible for ensuring that

its employees do not disturb papers or desks, open drawers, cabinets or briefcases, or use Lottery phones, and the like except as authorized.

- B. Contractor's employees shall not admit anyone to areas controlled by a pass in their possession.
- C. Contractor's employee who has access to the building shall complete and submit fingerprint cards and personal information forms to the Security Office, at the Lottery Roanoke Valley Customer Service Center. The Lottery Security Office will provide these forms to the individuals at the Roanoke Valley location. Personal information forms shall be updated annually.
- D. Based upon the personal information submitted and such other information as deemed proper, Lottery Security shall, based upon its sole judgment and discretion, issue security clearance to the Contractor's employees authorizing them to enter and work in the Lottery's office during normal business hours.
- E. Lottery Security will consider factors including, but not limited to, criminal convictions and other conduct which in the judgment of Lottery Security indicates a lack of trustworthiness of a degree as to deny employment in said building. Clearance may be granted despite convictions where factors such as a long passage of time with good behavior indicate the necessary degree of trustworthiness exists.
- F. Security clearances may be rescinded at any time by the Lottery's Director of Audit & Security, at its sole discretion, based upon information obtained, or the conduct of the employee. All such determinations, whether for the issuance or rescission of a security clearance shall be made in the sole discretion of the Lottery's Director of Audit & Security. If Lottery Security finds that any employee should not be issued a security clearance, or that his/her clearance should be rescinded, Security will notify the Contractor as soon as possible and that employee shall not be allowed to enter the building thereafter. However, in the event janitorial services cannot be provided due to employee's security violations, or commission of any crime, the Contractor shall deduct a prorated amount from the monthly invoice for each day the service was not provided.

IV. MANPOWER REQUIREMENTS:

- A. Within three (3) days after the award of a Contract, the Contractor shall submit to the Contract Administrator, a complete plan of his/her operations to include the following:
 - 1. Number of employees assigned to location;

2. Name, address, and telephone number of each assigned supervisor and custodial personnel including assigned supervisory functions;
 3. Name, address, and telephone number of assigned manager;
- B. Contractor shall furnish a qualified working or non-working supervisor on-site to supervise its employees and to ensure adherence to all aspects of the cleaning Contract.
 - C. Contractor and its employees shall, after being notified by the Lottery staff, cooperate in providing all labor and supervision to clean any area required by special occasion, or made necessary by an emergency or mishap.
 - D. Contractor shall make every reasonable effort to provide janitorial services when the Lottery's employees are excused early due to inclement weather, or other hazardous driving conditions. However, in the event janitorial services cannot be provided, the Contractor shall deduct a prorated amount from the monthly invoice for each day the service is not provided.
 - E. Contractor shall contact the Contract Administrator or his/her designee prior to providing non-scheduled service.

V. EQUIPMENT & SUPPLIES: The Contractor shall furnish all equipment, supplies and materials including, but not limited to, the items listed on Attachment A at the end of this Contract.

- A. All equipment and supplies furnished by the Contractor shall be made available for inspection and approved for use by the Lottery.
- B. Contractor shall maintain sufficient quantity of supplies, and shall make them available to its employees for use in the performance of the required services.
- C. Contractor shall maintain all equipment in top working condition at all times, and make the equipment available to its employees for use in providing the required services.

VI. SPECIAL TERMS AND CONDITIONS:

A. AUDIT:

The Contractor shall retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The Lottery, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.

B. CANCELLATION OF CONTRACT:

The Lottery reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event the initial Contract period is for more than 12 months, the resulting Contract may be terminated by either party, without penalty, after the initial 12 months of the Contract period upon 60 days written notice to the other party. Any Contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

C. EXTRA CHARGES NOT ALLOWED:

The Contract price shall be for all janitorial services and supplies; extra charges will not be allowed.

D. FINAL INSPECTION:

At the conclusion of the work, all provided services shall be in compliance with Contract specifications. Any deficiencies shall be promptly and permanently corrected by the Contractor at the Contractor's sole expense prior to final acceptance of the work.

E. PERFORMANCE, CONTRACTOR:

Contractors providing goods and services to the Lottery are required to perform in accordance with the terms and conditions of their Contract. When contractual requirements are not met, the following actions may be taken (at the Lottery's option):

1. Contractor Complaint Form:

If a Contractor fails to perform in accordance with the terms and conditions of the Contract, the Lottery will prepare a Contractor Complaint Form and forward to the Purchasing Office. This form will be sent to the Contractor for a corrective action plan.

2. Default:

If the Contractor is non-responsive to the complaint form or does not satisfy the corrective action plan submitted in the complaint form or provides an unsatisfactory corrective plan, as determined by the Lottery, the Contractor may, at the Lottery's discretion, be placed in default and notified via Contractor Complaint Form.

3. Ineligible for Award:

Once placed in default, the Contractor will be ineligible to do business with the Lottery for purchases exceeding \$5,000 for a period of **three (3) years**.

4. Re-procurement of Goods and Services:

In addition to a Contractor's ineligibility for award of

programs over \$5,000, the Lottery may procure the goods and/or services from other sources and hold the Contractor responsible for the price difference of the original Contract amount and the amount of the new Contract. The Lottery will follow competitive principles as outlined herein for the re-procurement.

The vendor will remain in default until the re-procurement costs have been paid to the Lottery. The vendor is still subject to the three (3) year ineligibility based on the default regardless as to when the re-procurement cost is paid.

5. Number of Complaints:

- a) For Term Contracts: if the Contractor has received three (3) or more complaints within the initial Contract period as documented by Contractor Complaint Forms, the Contractor may, at the Lottery's discretion, be ineligible to submit a bid/proposal if the goods/services are re-solicited at expiration of Contract. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.
- b) For a Renewal Period: if the Contractor has received three (3) or more complaints within a renewal period as documented by Contractor Complaint Forms, the Contractor may, at the Lottery's discretion, be ineligible to submit a bid/proposal if the goods/services are re-solicited at expiration of Contract. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.
- c) For Spot Purchases: if the Contractor has received three (3) or more complaints within a period of one (1) year as documented by Contractor Complaint Forms, the Contractor may, at the Lottery's discretion, be ineligible to do business with the Lottery for purchases exceeding \$5,000 for a period of one (1) year after the issuance of the third Contractor Complaint Form. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.

F. PRIME CONTRACTOR RESPONSIBILITIES:

The Contractor shall be responsible for completely supervising and directing the work under this Contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this Contract shall be responsible to the prime Contractor. The Contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.

G. RENEGOTIATION OF CONTRACT:

The Lottery reserves the right, at any time during the Contract term or any renewals of the term, to renegotiate with the Contractor a reduction in the compensation paid to the Contractor that is less than the compensation initially agreed to by the Contractor and the Lottery at the time of Contract execution. The Lottery may initiate such negotiations whenever the Lottery determines that it is in the Lottery's best fiscal interests to do so. Notwithstanding any other provision of this Contract to the contrary, the Lottery may terminate this Contract immediately and without penalty if the Lottery is unable to renegotiate the compensation with the Contractor to an amount which the Lottery determines to be appropriate.

H. RENEWAL OF CONTRACT:

This Contract may be renewed by the Lottery for three (3) successive one-year periods under the terms and conditions of the original Contract except as stated in 1. and 2. below. Price increases/decreases may be negotiated only at the time of renewal. Written notice of the Lottery's intention to renew shall be given approximately 90 days prior to the expiration date of each Contract period.

1. If the Lottery elects to exercise the option to renew the Contract for an additional one-year period, the Contract price(s) for the additional one year shall not exceed the Contract price(s) of the original Contract increased/decreased by more than the percentage increase/decrease of the "Other Services" category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest 12 months for which statistics are available.
2. If during any subsequent renewal periods, the Lottery elects to exercise the option to renew the Contract, the Contract price(s) for the subsequent renewal period shall not exceed the Contract price(s) of the previous renewal period increased/decreased by more than the percentage increase/decrease of the "Other Services" category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics for the latest 12 months for which statistics are available.

I. SUBCONTRACTS:

No portion of the work shall be subcontracted without prior written consent of the Lottery. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Lottery the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its

subcontractor(s) and shall assure compliance with all requirements of the Contract.

J. WORK SITE DAMAGES:

Any damage to existing utilities, equipment or finished surfaces resulting from the performance of this Contract shall be repaired to the Lottery's satisfaction at the Contractor's expense.

VII. GENERAL TERMS AND CONDITIONS:

A. ANTI-DISCRIMINATION:

Contractor certifies to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians with Disabilities Act, the Americans with Disabilities Act. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the Virginia Lottery.

In every Contract over \$10,000 the provisions in 1. and 2. below apply:

During the performance of this Contract, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
2. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.

3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

The Contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

B. ANTITRUST:

By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said Contract.

C. APPLICABLE LAWS AND COURTS:

This Contract shall be governed in all respects by the laws of the Commonwealth of Virginia, and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations including Virginia Lottery Law § 58.1-4000 et seq. and the Virginia Lottery Purchasing Manual.

D. ASSIGNMENT OF CONTRACT:

A Contract shall not be assignable by the Contractor in whole or in part without the written consent of the Lottery.

E. AVAILABILITY OF FUNDS:

It is understood and agreed between the parties herein that the Lottery shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

F. BID PRICE CURRENCY:

Unless stated otherwise in this Contract, Contractor shall state prices in US dollars.

G. CHANGES TO THE CONTRACT:

Changes can be made to the Contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the Contract. An increase or decrease in the price of the Contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the Contract.
2. The Lottery may order changes within the general scope

of the Contract at any time by written notice to the Contractor. Changes within the scope of the Contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Lottery a credit for any savings. Said compensation shall be determined by one of the following methods:

By mutual agreement between the parties in writing; or

By agreeing upon a unit price or using a unit price set forth in the Contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Lottery's right to audit the Contractor's records and/or to determine the correct number of units independently; or

By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the Contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Lottery with all vouchers and records of expenses incurred and savings realized. The Lottery shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Lottery within 30 days from the date of receipt of the written order from the Lottery. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the Contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this Contract or, if there is none, in accordance with the disputes provisions of the Lottery's Purchasing Manual. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this Contract shall excuse the Contractor from promptly complying with the changes ordered by the Lottery or with the performance of the Contract generally.

H. DEBARMENT STATUS:

Contractor certifies that they are not currently debarred by the Commonwealth of Virginia from submitting bids on Contracts for the type of goods and/or services covered by this Contract, nor are they an agent of any person or entity that is currently so debarred.

I. DEFAULT:

In case of failure to deliver goods or services in accordance with the

Contract terms and conditions, the Lottery, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Lottery may have.

J. DRUG-FREE WORKPLACE:

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "*drug-free workplace*" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Contract.

K. ETHICS IN PUBLIC CONTRACTING:

Contractor certifies that their bid was made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Contractor, supplier, manufacturer or subcontractor in connection with their bid, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

L. IMMIGRATION REFORM AND CONTROL ACT OF 1986:

By entering into a written Contract with the Lottery, the Contractor certifies that they so not, and shall not during the performance of the Contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

M. INSURANCE:

By signing this Contract, the Contractor certifies it will have the following insurance coverage at the time of signature. For

construction Contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The Contractor further certifies that he and any subcontractors will maintain this insurance coverage during the entire term of the Contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

Minimum Insurance Coverages and Limits Required for Most Contracts:

1. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three (3) or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the Contract shall be in noncompliance with the Contract.
2. Employer's Liability - \$100,000.
3. Commercial General Liability - \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.
4. Automobile Liability - \$1,000,000 per occurrence. (Only used if motor vehicle is to be used in the Contract.)

N. NONDISCRIMINATION OF CONTRACTOR:

A Contractor shall not be discriminated against in the award of this Contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the Contractor employs ex-offenders unless the Lottery, department or institution has made a written determination that employing ex-offenders on the specific Contract is not in its best interest. If the award of this Contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements

from an alternative provider.

O. PAYMENT:

1. To Prime Contractor:

- a) Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/Contract. All invoices shall show the Lottery Contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
- b) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
- c) All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.
- d) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
- e) Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Lottery shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within 30 days of notification. The provisions of this section do not relieve the Lottery of its prompt payment obligations with respect to those charges which are not in dispute.

2. To Subcontractors:
 - a) A Contractor awarded a Contract is hereby obligated:
 - i. To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Lottery for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or
 - ii. To notify the Lottery and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.
 - b) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Lottery, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Lottery.
3. The Lottery encourages contractors and subcontractors to accept electronic and credit card payments.

P. PERSONNEL SECURITY CLEARANCES:

Section 58.1-4008 of the *Code of Virginia* (Virginia Lottery Law) requires that all Board members, officers and employees of any vendor of lottery online or instant ticket goods or services working directly on a Contract with the Virginia Lottery for such goods or services shall be subject to a criminal background search to be conducted by the chief security officer of the Virginia Lottery. Additionally, Lottery Regulation 5-20-410 extends this to include any parent or Subsidiary Corporation of the vendor, and any shareholder of 5% or more of the vendor, its parent or Subsidiary Corporation.

No person who has been convicted of a felony, bookmaking or other form of illegal gambling, or of a crime involving moral turpitude, shall be employed on Contracts with vendors described in this section.

No Board member, officer, or employee of a vendor to the Virginia

Lottery of online or instant ticket goods or services working directly on a Contract for such goods or services, or any person residing in the same household of such Board member, officer or employee, shall purchase a lottery ticket or share, or receive a prize paid on a ticket purchased by or transferred to such person.

Q. PRECEDENCE OF TERMS:

The following General Terms and Conditions, APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986, DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS, CLARIFICATION OF TERMS, PAYMENT shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this Contract, the Special Terms and Conditions shall apply.

R. TAXES:

Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this Contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

S. TESTING AND INSPECTION:

The Lottery reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

VIII. METHOD OF PAYMENT AND INVOICING:

Invoices for payment can be submitted monthly upon fulfillment of cleaning services. The Lottery reserves the right to make payment via a Corporate Purchasing Card, but will not pay surcharges if payment is made via a Corporate Purchasing Card. Invoices shall be rendered directly to:

Virginia Lottery
Attention: Accounts Payable
900 East Main Street
Richmond, VA 23219

Invoice must contain the following information:

- Virginia Lottery's Contract number;
- description of the goods and services;
- date goods and services were provided;
- invoice total;
- Contractor's Federal Identification Number or Federal Employer's Number.

If this information is not contained in the invoice, the invoice may be returned to the Contractor.

IX. COMPENSATION: The Lottery and the Contractor agree to the following provisions for compensation:

Monthly Unit Price: \$318.44/mo.

Initial Contract Term: 24 months

\$318.44/mo. x 24 Months = **\$7,642.56 Extended Total Price**

Special/Emergency cleaning as required: \$15.75/hr.

All costs include labor and supplies.

Estimated Contract Value - \$7,642.56

X. INTEGRATION OF CONTRACT: This Contract is the complete and exclusive agreement between the parties with respect to the subject matter hereof, superseding and replacing any and all prior agreements, communications, and understandings, both written and oral, regarding such subject matter. No alteration, amendment or modification of this Contractor shall be effective unless it is reduced to writing, signed by the parties and attached hereto.

ATTACHMENT A
EQUIPMENT AND SUPPLIES

Contractor furnished equipment and supplies: Supplies and materials shall include, but may not be limited to:

Lighting replacements – various types/sizes
Trash/waste receptacle liners, large and small
Paper towels, rolled and folded
Air freshener/deodorizer for restrooms
Cleaner, Bleach
Cleaner, Liquid All Purpose
Cleaner, All-star Bowl (Low Acid)
Cleaner, Window Glass and Multi-purpose, Ammoniated
Cleanser, Pine
Cleanser, Institutional
Dish Detergent for break room
Toilet Tissue (Rolls)
Paper, Toilet Seat Covers
Paper, Hand Towels
Disinfectant, Lysol Phenolic type
Mops, Toilet Bowl
Mop heads, Floor
Mop Handles, Screw type
Granulated urea
Buffing pads
Brooms
Buffer
Floor wax
Liquid hand soap
Dust pans
Pails, 14 Qt.

Any substitution must be approved by the Contract Administrator or his/her designee prior to use.