Service Agreement Amendment 1

This Service Agreement Amendment 1 amends the Service Agreement dated July 18th, 2013 between EspressOasis (the Company) and Virginia Polytechnic Institute and State University (the University).

Whereas, the parties hereto agree to amend Section 5 of the Service Agreement pertaining to commissions paid to University; and

Whereas, effective August 24, 2015, Section 5 of the Service Agreement is deleted and replaced with the following:

5.) The Company will pay to the University an operations fee of $1,000 (one thousand dollars) annually. This fee will be paid within sixty (60) days of the new school year reopening.

All other terms and conditions of the Service Agreement not modified herein shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have affixed their signatures.

EspressOasis

BY: [Signature]
Title: [Title]
Date: 1/15/16

Virginia Polytechnic Institute and State University

BY: [Signature]
Title: [Title]
Date: 1/20/16
SERVICE AGREEMENT

This service agreement reviews the arrangements and understandings between EspressOasis (the company) and Virginia Polytechnic Institute and State University (University).

1) The gourmet coffee service, with trade name of EspressOasis® consists of a program whereby the company is the exclusive provider of gourmet and espresso based coffees, select pastries and related coffee products for sale to Universities employees, students, and guests in the Newman Library. The company will consult with the University regarding menu content. Where possible, the menu will include food items from local bakeries or prepared by the company. The company shall have full control over product pricing.

2) So long as the service is in operation, the company shall supply all necessary labor, equipment and materials for carrying on the service and it shall be responsible for the maintenance and replacement, if necessary, of personnel and equipment to insure ongoing operations. Attachment B outlines responsibilities between the company and the university.

3) University shall provide adequate space, cabinetry and an appropriate location for the bar, finished flooring, electricity, telephone access, adequate storage area for supplies, water, drain line/s and ice. The location of the gourmet coffee bar and storage of related materials will be jointly determined by University and the company. Attachment C provides facility drawings. University shall not be liable for damages to any company equipment or material left on University premises. The University will provide voice and data links, but the company must arrange for service and will be responsible for the costs of voice and data. In addition, the company must arrange for service with the HokiePassport and will be responsible for transaction costs of using that payment system.

4) When a gourmet drink request is made, the company shall be responsible for the production and quality of the product. Prices for all products sold will be prominently reflected on a menu posted at the bar location. Attachment E provides operating hours for both the library and the coffee bar. There may be adjustments to the operation hours of the Newman Library, and in such cases, the contract administrator will notify the company. There is a mutual understanding between both parties that flexibility may be needed to find operating hours for the coffee bar that make it financially sustainable.

5) Within 30 days of the end of each business month, the company will provide a report of sales and pay to University a commission based upon the following sliding scale. Commissions shall be paid on net sales. Net sales shall be defined as gross sales less any and all applicable sales and/or meals taxes.

<table>
<thead>
<tr>
<th>Average Daily Sales</th>
<th>Commission</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - $ 450</td>
<td>2%</td>
</tr>
<tr>
<td>$451-599</td>
<td>4%</td>
</tr>
<tr>
<td>$600-899</td>
<td>5%</td>
</tr>
<tr>
<td>$900-1399</td>
<td>7%</td>
</tr>
<tr>
<td>$1400+</td>
<td>10%</td>
</tr>
</tbody>
</table>
6) The company agrees to indemnify and hold University harmless for any damages arising from the conduct of the service pursuant to the terms of the agreement under the company's insurance liability coverage, underwritten by companies reasonably acceptable to University.

7) This working agreement shall be for a period of seven (7) years and may be renewed for additional periods thereafter. Should the needs of the University change or should any aspect of the service prove unsatisfactory, the company will be given ninety (90) days to adjust the service to reasonably meet such needs or satisfy expressed problems. If problems are not corrected after ninety (90) days, University may terminate this agreement with thirty (30) days written notice to the company. Either University or the company may terminate this agreement by either giving to the other written notice not less than ninety (90) days prior to the end of the then current period. Should the service fail to provide sufficient net income to support operations, the company may terminate this agreement with 60 days written notice to University.

8) Notice is provided that the University has an exclusive sponsorship contract in place with the Coca-Cola Company. Hot coffee and hot tea are exempt from the sponsorship contract. However, other beverages must be procured from the Coca-Cola Company. The company may not sell, serve, or promote any competitive products at the Newman Library.

9) Notice is provided that an engineering study is being conducted related to access to the Newman Library. The current access configuration may be renovated and modified in the future.

10) The University has in place a policy that prohibits commercial advertising of services being offered on the campus. Within the limitations of this policy, the Newman Library will provide support to internally promote the gourmet coffee service.

11) The University may elect to host events in the Newman Library that will involve outside catering services.

12) University will provide keys to storerooms and other spaces that will be under the control of the company. The University contract administrator, police, and emergency services personnel will have master keys that will allow access to these spaces if appropriate and necessary. The University will make any lock changes that may be necessary.

13) University will provide equipment for the use of the contractor as listed on Attachment D. Contractor will be responsible for maintaining this equipment and, if necessary replacing it. If the contract is not continued or service is discontinued, the equipment provided by the University, will revert into University custody.

14) Dennis Herron, Newman Library Facilities Manager, shall be identified as the Contract Administrator and shall use all powers under the contract to enforce its faithful performance. The Contract Administrator, or his designee, shall determine the amount, quantity, acceptability, fitness of all aspects of the services and shall decide all other questions in connection with the services. The Contract Administrator, or his designee, shall not have
authority to approve changes in the services which alter the concept or which call for an extension of time for this contract. Any modifications made must be authorized by the Virginia Tech Procurement Department through a written amendment to the contract.

15) This agreement constitutes the entire understanding of University and the company as to the subject matter hereof and may be modified only by a further written agreement signed by both the authorized officers or agents of the company and University.

EspressOasis®

By: 

Date: 7/18/13

Virginia Polytechnic Institute and State University

By: 

Date: 7/16/2013

Attachments:

A. Terms and conditions
B. Responsibility Checklist
C. Facility Drawings
D. University-furnished equipment listing
E. Operating Hours
ATTACHMENT A

TERMS AND CONDITIONS

RFP General Terms and Conditions

http://www.purch.vt.edu/html.docs/terms/GTC_RFP_07272011.pdf

Special Terms and Conditions

1. AUDIT: The Contractor hereby agrees to 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. Virginia Tech, its authorized agents, and/or the State auditors shall have full access and the right to examine any of said materials during said period.

2. INSURANCE:
   By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the contract, it will have the following insurance coverages at the time the work commences. Additionally, it will maintain these during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.
   During the period of the contract, Virginia Tech reserves the right to require the Contractor to furnish certificates of insurance for the coverage required.

   INSURANCE COVERAGES AND LIMITS REQUIRED:
   A. Worker's Compensation - Statutory requirements and benefits.
   B. Employers Liability - $100,000.00
   C. General Liability - $500,000.00 combined single limit. Virginia Tech and the Commonwealth of Virginia shall be named as an additional insured with respect to goods/services being procured. This coverage is to include Premises/Operations Liability, Products and Completed Operations Coverage, Independent Contractor's Liability, Owner's and Contractor's Protective Liability and Personal Injury Liability.
   D. Automobile Liability - $500,000.00
   E. Builders Risk – For all renovation and new construction projects under $100,000 Virginia Tech will provide All Risk – Builders Risk Insurance. For all renovation contracts, and new construction from $100,000 up to $500,000 the contractor will be required to provide All Risk – Builders Risk Insurance in the amount of the contract and name Virginia Tech as additional insured. All insurance verifications of insurance will be through a valid insurance certificate.

The contractor agrees to be responsible for, indemnify, defend and hold harmless Virginia Tech, its officers, agents and employees from the payment of all sums of money by reason of any claim against them arising out of any and all occurrences resulting in bodily or mental injury or property damage that may happen to occur in connection with and during the performance of the contract, including but not limited to claims under the Worker's Compensation Act. The contractor agrees that it will, at all times, after the completion of the work, be responsible for, indemnify, defend and hold harmless Virginia Tech, its officers,
agents and employees from all liabilities resulting from bodily or mental injury or property damage directly or indirectly arising out of the performance or nonperformance of the contract.

3. **SUBCONTRACTS:** No portion of the work shall be subcontracted without prior written consent of Virginia Tech. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish Virginia Tech 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 his subcontractor(s) and shall assure compliance with all requirements of the contract.

4. **WORK SITE DAMAGES:** Any damage to existing utilities, equipment or finished surfaces resulting from the performance of this contract shall be repaired to the Owner's satisfaction at the Contractor's expense.

5. **ADVERTISING:** In the event a contract is awarded for supplies, equipment, or services resulting from this solicitation, no indication of such sales or services to Virginia Tech will be used in product literature or advertising. The Contractor shall not state in any of the advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.

6. **NOTICES:** Any notices to be given by either party to the other pursuant to any contract resulting from this solicitation shall be in writing, hand delivered or mailed to the address of the respective party at the following address

   **If to Contractor:** EspressOasis
   1311 Jamestown Road, Suite 203
   Williamsburg, VA 23185
   Attention: Keith Exton

   **If to Virginia Tech:**

   Virginia Polytechnic Institute and State University
   Attn: Trisha Wilson
   Procurement Department (MC 0333)
   North End Center, Suite 2100, Virginia Tech
   300 Turner Street NW
   Blacksburg, Virginia 24061

   and

   Virginia Polytechnic Institute and State University
   Attn: Dennis Herron
   Newman Library MC (0434)
   Blacksburg, Virginia 24061
## ATTACHMENT B

### Responsibility Checklist

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>VA TECH</th>
<th>Contractor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Food Supplies</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>2. Food Service Supplies</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>3. Seating Area Maintenance</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>To include floor waxing/buffing, light bulbs, glass cleaning, painting/wall coverings, and furniture)</td>
<td></td>
<td>&lt;/td&gt;</td>
</tr>
<tr>
<td>4. Table Bussing, floor mopping and trash removal to dumpster</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>5. Service Area/Kitchen housekeeping/maintenance</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>a. Library equipment and light bulbs</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>b. Vendor equipment and light bulbs</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>c. Electric Circuits</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>d. HVAC</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>e. Plumbing Maintenance</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>6. Garbage/trash pickup contract (from dumpster)</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>7. Utilities</td>
<td></td>
<td>&lt;/td&gt;</td>
</tr>
<tr>
<td>a. Electricity</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>b. HVAC</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>c. Water and Sewer</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>d. Telephone &amp; Data</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>8. Grease trap(s) - all associated costs</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>9. Licenses</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>10. Banking services</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>11. Hokie Passport Access Account</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>12. Pest control</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>13. Insurance</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>14. Advertising/marketing (within allowable limits set by VT)</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>15. Uniforms of staff and laundry</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>16. Staff recruiting</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
Attachment C - Floor Plan

A - Room 109, Kitchen
B - Front Service Area
C - Dry Storage Closet
ATTACHMENT D

University-provided Equipment Listing

One(1) Wall Mounted Sink (Prima Restaurant Equipment - HS-1410-5)
One(1) Drainboards and Compartmental Supply Sink (Prima Restaurant Equipment - 3CS-181812-2)
One(1) Commercial Faucet (BK Resources - BFK-8W-12)
One(1) Drainboard and Compartment Sink (Prima Restaurant Equipment - 1CS-162012-1L)
One(1) Commercial Faucet (BK Resources - BKF-8W-10)
One(1) Sink w/ Faucet (BK Resources - BK-DIS-1014-10-P)
One(1) Drop-in Sink (Tabco SS-1-1919-10)
One(1) Walk In Refrigerator w/ shelving (Nor-Lake KLB7766-C)
One(1) Walk In Freezer w/ shelving (Nor-Lake KLF7766-C)
Two(2) Remote cooler and freezer refrigeration units (1-NAWD50RL0-#BYH-cooler, 1-LAWD100RL4-#BYH-freezer)
The Millwork Specialist LLC (Cabinetry)
One(1) Mop Sink and faucet
Attachment E

Operational Hours for
Newman Library and Espress Oasis Coffee Bar

Actual Library operational hours listed in black below.
Proposed Coffee Bar operating hours listed in red below.

**Regular In-Session hours:**
- Monday-Thursday: 24 Hrs. (Coffee Bar: 7:30am-11:00pm)
- Friday: 7:30am-8:00pm (Coffee Bar: 7:30am-7:00pm)
- Saturday: 9:00am-8:00pm (Coffee Bar: 9:00am-7:00pm)
- Sunday: Opens 9:00am (Coffee Bar: 9:00am-11:00pm)

**Summer Hours:**
- Monday-Thursday: 7:30am-10:00pm (Coffee Bar: 7:30am-9:00pm)
- Friday: 7:30am-8:00pm (Coffee Bar: 7:30am-7:00pm)
- Saturday: 9:00am-8:00pm (Coffee Bar: 9:00am-7:00pm)
- Sunday: 9:00am-10:00pm (Coffee Bar: 9:00am-9:00pm)

Break hours may be adjusted. During break periods, University Libraries suggests the Coffee Bar be operational from the time Newman Library opens, to a time no later than one hour prior to the library closing.

2013/14 Academic Calendar to be provided as soon as available.