



**COMMONWEALTH OF VIRGINIA  
DIVISION OF PURCHASES AND SUPPLY  
PO BOX 1199, RICHMOND, VA 23218-1199**

**CONTRACT # E194-1235**

**Contract Title: Fitness Equipment Rental and Related Services**

**NOTICE OF CONTRACT AWARD**

1. DATE: June 14, 2011
2. CONTRACT PERIOD: June 14, 2011 through June 30, 2015
3. SUPERCEDES: N/A
4. AUTHORIZED USERS: Commonwealth of Virginia, its Agencies and Public Bodies
5. TYPE OF CONTRACT: Optional Use
6. CONTRACTORS: Wellness Solutions, Inc.  
and  
Municipal Asset Management, Inc. / Allstate Capital
7. CONTRACTOR PHONE: See Page 2
8. TERMS: Net 30 Days
9. DELIVERY: Will Vary Based On Equipment Lead Time
10. FOR FURTHER CONTRACT INFORMATION CONTACT: Nan Rowe, VCO  
Statewide Contract Officer  
Phone: 804-786-3854  
Fax: 804-786-0223  
Email: [nancy.rowe@dgs.virginia.gov](mailto:nancy.rowe@dgs.virginia.gov)
11. Additional copies of contracts may be viewed and printed at the DPS website: [www.eva.virginia.gov](http://www.eva.virginia.gov)
12. NOTE: This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, §2.2-4343, 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.

## Contractor Information

Contractor Name:

Wellness Solutions  
(Use this Vendor for the Fitness Equipment)

Note: You do NOT issue a Purchase Order to this Vendor

Contractor Address:

5150 Shady Oak Lane  
Warrenton, VA 20187

Company Website:

[www.wsifitness.com](http://www.wsifitness.com)

Contractor eVA ID Number:

VS0000061146

DMBE Certification Number: Small, Woman-owned business

652450

Contractor Contact & Phone:

(Request an equipment quote from this person)

Tim Hipp  
Phone: 800-741-4412  
Mobile Phone: 703-431-2184  
Fax: 801-640-9168  
Email: [sales@wsifitness.com](mailto:sales@wsifitness.com)

Contractor Contact & Phone:

(Inside Sales)

Melissa Stillwell  
Phone: 800-741-4412  
Mobile Phone: 703-785-6738  
Fax: 801-640-9168  
Email: [sales@wsifitness.com](mailto:sales@wsifitness.com)

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Contractor Name:

Municipal Asset Management, Inc, /  
Allstate Capital  
(Use this Vendor for the Rental Agreement)

Note: You DO issue the Purchase Order to this Vendor, because this is the vendor you will pay each month.

Contractor Address:

25288 Foothills Drive North  
Golden, CO 80401

Contractor eVA ID Number:

VS0000080351

Contractor Contact & Phone:

(This person will provide you with a quote for the monthly rental price, and provide you with a credit application and rental documents.)

Marco Ramazio (Allstate Capital)  
Phone 800-949-0018, ext. 206  
  
Phone (direct): 954-934-0420  
Direct Fax 954-834-0873  
Email: [marcor@allstatecapital.com](mailto:marcor@allstatecapital.com)

Accepts Electronic Orders?

Yes

Accepts P-Cards?

No

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## General Contract Instructions

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1. Unless otherwise instructed by the Division of Purchases and Supply, all departments, institutions and agencies of the Commonwealth of Virginia shall order items listed by issuing orders through eVA.
2. When placing an eVA order, each line of the purchase order must be identified with the contract number. The contract number should be inserted in the contract number field.
3. Inspection on delivery and approval of vendor's invoice is the responsibility of the receiving entity.
4. Any complaint as to quality, faulty or delinquent delivery, or violation of contract provisions by contractor shall be reported by the contract user directly to the contractor, with a copy provided to the Division of Purchases and Supply. Preprinted forms (DGS-41-024), by which to facilitate the notification of the contractor and this office of complaints, are available from the Division of Purchases and Supply (804-786-4634). The electronic version may be downloaded from the internet at the following link: <http://eva.virginia.gov/learn-about-eva/files/VendorComplaintForm.doc>

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### Specific Contract Instructions - How to Use This Contract

1. First, read the Frequently Asked Questions below, in its entirety, before proceeding.
2. Identify need and gather list of equipment for the facility.
3. Request an equipment quote from Wellness Solutions Inc via the following methods:

Email - [sales@wsifitness.com](mailto:sales@wsifitness.com)  
Tim Hipp's Cell Phone – 703-431-2184  
Office Phone - (800) 741-4412

5. When Wellness Solutions has finalized the equipment quote with the customer, Wellness Solutions will send the final equipment quote for rental agreement completion to:

Marco Ramazio  
Municipal Asset Management (MAM) / Allstate Capital  
(800) 949-0018 ext. 206  
[marcor@allstatecapital.com](mailto:marcor@allstatecapital.com)

6. Upon receipt of the equipment quote from Wellness Solutions, MAM / Allstate Capital, will prepare a rental quote for the customer and include a copy of the application needed to proceed

forward with the credit approval. The quote and credit application will be provided directly to the customer by MAM.

7. The customer will fax or email back the credit application to MAM. Fax back 954-834-0873 or email to [marcor@allstatecapital.com](mailto:marcor@allstatecapital.com). As part of the credit application process, MAM will need the customer to provide a copy of the audited financial statements, either via online, email or fax. If additional credit information is required, MAM will request at that time. Processing the credit approval normally takes two to three business days from receipt of the application. To expedite matters, please fax the completed application as soon as possible. Upon approval of the credit application, MAM will prepare the rental documents and email them to the Customer/signor.
  8. Once the rental documents have been completed and signed, email or fax a copy to MAM for review. MAM will email a Fed Ex label to return the originals. Once received and upon final approval of all rental documents, MAM/Allstate Capital will issue a purchase order for the equipment purchase to Wellness Solutions.
  9. Once Wellness Solutions receives their equipment PO from MAM, Wellness Solutions will order the equipment from the manufacturers. **Important Note:** Wellness Solutions will need a written PO from MAM prior to ordering the equipment. Wellness Solutions will not be able to order equipment until the Customer's credit application and rental documents are finalized, because they would be at risk to pay for the equipment with no reimbursement if the Customer's agreement with MAM does not get finalized and approved for some reason.
  10. Wellness Solutions Inc. will have the customer fill out a site survey for delivery to the facility.
  11. The Customer will issue a Purchase Order to Municipal Asset Management to encompass the number of months in the rental term and the monthly payment. The PO must contain the State Contract Number in the contract number field.
  12. Wellness Solutions will keep the customer informed of the planned delivery date, and coordinate delivery and installation closely with the customer.
  13. Wellness Solutions will deliver and install the equipment at the Customer's location.
  14. MAM will invoice the Customer for payment, and will continue to invoice the Customer on a monthly basis. The invoice from MAM will contain the purchase order number.
  15. The Customer will pay the monthly rental payment to MAM, and continue to make all the rental payments to MAM until the rental period is over.
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## **Additional Information**

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### **FREQUENTLY ASKED QUESTIONS**

#### **USE OF CONTRACT:**

**Q.** What is the scope of this contract?

**A.** This contract provides a turnkey solution with one vendor (Wellness Solutions) that will offer a variety of fitness equipment (strength and cardio) for rental. The turnkey solution includes:

- Furnish new fitness equipment through a rental agreement,
- Prepare, stage, deliver and install the fitness equipment,
- Provide training on the use of the fitness equipment,
- Maintain, repair and replace unrepairable fitness equipment,
- Dispose of the fitness equipment, and
- Provide technology refreshment.

**Q:** Who is allowed to use this contract?

**A:** This is a statewide contract issued by DPS. The contract allows use by Virginia state agencies and public bodies.

**Q:** What is the term/duration of this contract?

**A:** The term of this contract is 4 years beginning June 14, 2011 through June 30, 2015. There are two optional renewal periods of 3 years each.

**Q:** Was this contract competitively awarded?

**A:** Yes. DPS issued a Request for Proposal (RFP), proposals were received and evaluated, negotiations were conducted, and the award was made to the highest ranking Offeror: Wellness Solutions and their rental agreement partner Municipal Asset Management, Inc. / Allstate Capital.

**Q:** Do I have to get approval from the Dept. of Accounts (DOA) to enter into this agreement? It appears this is a type of lease agreement.

**A:** No. This is not a lease, it is a rental agreement. Approval is needed from DOA when you are entering into a capital lease.

**Q:** Do I have to obtain any other types of approvals to use this contract, i.e. from DPS or others?

**A:** Because this is a statewide contract issued by DPS, the authority to use the contract is already granted by DPS if you are included in the list of authorized users on the contract. However, this does not preclude the need for you to obtain your usual internal approvals from inside your agency / institution to enter into this financial transaction.

**Q:** I thought state policy prohibits me from signing vendor's agreements. This contract requires me to sign documents from Municipal Asset Management (MAM) / Allstate Capital. I am concerned that I will be violating the state's policy if I sign MAM's documents.

**A:** As it relates to this state contract, you are allowed to sign MAM's rental agreement and other related documents such as the credit application. However, make sure that the person who signs the documents is authorized to bind your agency / institution.

**A:** The documents from MAM were reviewed and approved by DPS during the procurement and negotiation process. DPS ensured that MAM's documents do not conflict with the state's terms and conditions, and if ever in the future a conflict is discovered, the state's terms and conditions will take precedence. DPS required that the rental documents could NOT include automatic renewal or extension clauses or automatic price increase clauses and that the documents could not conflict with Virginia's terms and conditions.

**A.** Under no circumstances are you allowed to negotiate, alter or change the content of MAM's rental agreement documents. Should you have a concern or question about MAM's documents, you should contact the DPS Contract Officer immediately.

### **CONTRACTOR INFORMATION:**

**Q:** I am not clear on exactly how the contractual relationships are designed to work. Is my contract with Municipal Asset Management / Allstate Capital, or is my contract with Wellness Solutions?

**A:** Wellness Solutions is the sole provider of the fitness equipment and related services such as delivery, installation, warranty repair, preventive maintenance, training, etc. Municipal Asset Management (MAM) / Allstate Capital, is the owner of the fitness equipment (they purchase the fitness equipment from Wellness Solutions and rent it to you). You will issue the purchase order directly to MAM and pay MAM a monthly rental payment. However, you will deal directly with Wellness Solutions for all fitness equipment-related matters. You will not pay Wellness Solutions.

**Q:** I noticed that Wellness Solutions is a DMBE-certified Small, Woman-Owned business. However, because I have to issue my purchase order to MAM and make payments directly to MAM, it appears I will miss the opportunity to capture any SWaM expenditures with Wellness Solutions.

**A:** You can capture the expenditures in your SWaM Plan subcontracting dollars. At the beginning of the rental period, MAM pays Wellness Solutions for the purchase of the equipment and other soft costs (warranty, preventive maintenance, etc.)

**Q:** What if I don't want to rent the fitness equipment from Municipal Asset Management / Allstate Capital and just want to purchase the fitness equipment outright from Wellness Solutions?

**A:** Then you cannot use this contract. This contract is not for outright purchase, it is a rental contract. If you want to purchase fitness equipment outright, you will need to follow the appropriate procurement procedures to obtain the fitness equipment.

**Q:** What if I want to rent fitness equipment but don't want to (or can't) obtain the equipment I need from Wellness Solutions? Can I locate other fitness equipment from another vendor, and arrange to rent it from MAM?

**A:** No. This contract is a package deal. You must use MAM / Allstate Capital, as the rental company, and you must use Wellness Solutions as the sole provider of the fitness equipment.

**A:** This contract does not allow you to use multiple vendors to provide your equipment. If Wellness Solutions is not able to fulfill all of your equipment needs, then you will need to find another solution instead of using this contract.

**Q:** Can I purchase other non-fitness equipment related goods and services from Wellness Solutions and use this contract number as my authority to purchase?

**A:** No. This contract is for fitness equipment (strength and cardio) and services related to the fitness equipment such as delivery, installation, preventive maintenance, warranty services only.

**A:** Wellness Solutions provides other goods and services such as program design, program consulting, flooring surface application, etc. Should you be interested in purchasing these things from Wellness Solutions you will need to do that using a separate purchase transaction, and NOT reference this state contract.

### **RENTAL AGREEMENT:**

**Q:** What are the benefits of renting the fitness equipment versus purchasing it outright?

**A:** Renting the fitness equipment may not be the right option for you. You will need to evaluate the benefits of renting versus outright purchase. However, this contract was established with the following things in mind. Every entity eventually finds itself in a situation where it has to choose between renting, leasing, buying or financing capital acquisitions. As can be expected, which route you take will depend upon the particulars of your situation (e.g. cash flow position, capital position, etc.) and the pros and cons of each form of procurement. You might choose to rent:

- because you lack the funds to buy,
- to avoid taxing your cash reserves,
- to avoid maintenance and repair responsibilities,
- to avoid obsolescence and depreciation,
- if you want to turn your fitness equipment over every 3 – 4 years,
- if you always want to be able to purchase the most recent technology and offer your users the latest models of fitness equipment.
- if you want the flexibility to match fitness equipment capacity to changing requirements through add-ons and upgrades.

**Q:** What is included in the rental payment? Do I have to pay two companies?

**A:** No, you only pay one company – Municipal Asset Management (MAM) / Allstate Capital. Everything is included in the rental payment to MAM. The payment you make to MAM includes the fitness equipment plus all soft costs such as freight, delivery, installation, warranty, preventive maintenance and repair, etc.

**Q:** Do I have to make a down payment?

**A:** No, 100% of your costs are included in the rental agreement.

**Q:** Can I terminate the rental agreement early?

**A:** No. Your rental rates are based on a fixed term at a fixed monthly rate. Should you terminate early, you would need to pay off the remaining rental payments anyway.

**Q:** Will my rental payment fluctuate during the term of the agreement?

**A:** No. The rental payment is fixed throughout the term of the agreement. The only reason the payment would increase is if you add or upgrade fitness equipment to the rental agreement during the term.

**Q:** Do I have a choice on how long my rental period will be?

**A:** Yes, you can choose 12, 24, 36 or 48 month rental periods, as long as there is enough time remaining on the state contract to enter into a rental contract of that duration.

**Q:** Am I allowed to add or upgrade fitness equipment to the agreement at any time during the term of the rental agreement?

**A:** Yes, as long as the fitness equipment you add or upgrade is provided by Wellness Solutions. However, when you are making decisions about adding-on or upgrading, you will need to be mindful of how much time you have remaining on your rental term and whether there is enough time left in the rental term to spread the payments out. If there are just a few months remaining on the rental agreement, it might not be financially feasible to add or upgrade equipment at that late date.

**Q:** What happens at the end of the term of the rental agreement?

**A:** You have 3 options:

1. Return the equipment (Wellness Solutions will de-install and remove the equipment from the facility). Remember Municipal Asset Management (MAM) is the fitness equipment owner, so you will have no ownership rights at the end of the rental agreement.
2. Extend the rental agreement for the existing fitness equipment. Renegotiate your rental payment with MAM; it should be lower than the original rental term since the equipment was essentially paid for in full during the initial term of the agreement. Before you do this, be sure that DPS has exercised the optional renewal period for the contract.
3. Contact Wellness Solutions to discuss replacing the fitness equipment with new fitness equipment and work with MAM to enter into a new rental agreement. Before you do this, be sure that DPS has exercised the optional renewal period for the contract.

**Q:** Why don't I have any ownership rights at the end of the rental term?

**A:** This is not a lease agreement. The rental agreement on this statewide contract does not allow purchase or ownership of the fitness equipment, or the accumulation of equity in the fitness equipment for the purpose of purchasing the fitness equipment at the end of the term. If you want ownership rights at the end of the term, then you cannot use this contract, and you will need to conduct your own separate procurement to find a satisfactory leasing arrangement for yourself.

**Q:** Why do I have to submit Financial Statements to Municipal Asset Management/Allstate Capital?

**A:** In order for Municipal Asset Management/Allstate Capital to evaluate your credit-worthiness, your financial statements and other related documents are required.

## **MISCELLANEOUS:**

**Q:** The paperwork I received from Municipal Asset Management (MAM) includes taxes in the monthly payment. The State, local jurisdictions and institutions of higher education are tax-exempt. Do I have to pay the taxes?

**A:** As the fitness equipment owner, MAM is required to pay taxes on the equipment. As the equipment user, you are not responsible for paying the taxes. However, MAM is entitled to recover the amount of money they have to pay in taxes, as a cost of doing business. Therefore, the monthly payment you are quoted includes the amount MAM will pay in taxes.

**Q:** How long is the fitness equipment warranty?

**A:** All fitness equipment will be covered by a 3-year parts and labor warranty. A 1-year warranty extension is available for an additional cost for 48-month rental agreements.

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## **Shipping and Billing Information**

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Shipping Location: Multiple, will vary by Purchase Order.

Billing Address: Bill to address on purchase order

Free On Board Name: FOB Destination-Freight Prepaid

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## **Commodity Information**

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**NIGP Commodity Code: 98116 (Athletic Equipment Rental or Lease)**

## **Contract Scope of Work**

### **Delivery / Installation**

- a. New Equipment is required at the beginning of the rental term.
- b. The Contractor shall provide all services, shipping, insurance, equipment, labor, supervision, tools, materials and any other items required to deliver and install the equipment.
- c. The equipment shall be assembled, set in place, and ready for use. All crating, packaging and other debris must be removed from the premises.

- d. The Contractor(s) shall notify the customer in writing prior to actual delivery of the equipment, preferably one to two weeks before delivery but NO LATER THAN two days before delivery.
- e. Upon delivery of all the equipment, the Contractor shall conduct a demonstration of the equipment in front of the designated agency's representative to verify that all equipment is fully operational and is in compliance with the contract specifications. Any deficiencies shall be promptly and permanently corrected by the Contractor prior to final acceptance of the equipment.
- f. The Contractor must provide the Customer with an acceptable plan for installation.
- g. The Contractor must be prepared with a truck that can be ground unloaded, such as a truck with a lift gate, or the Contractor must provide their own forklift.
- h. The Contractor must provide any equipment necessary to transport the equipment such as forklifts, pallet jacks, dollies, etc.
- i. The Contractor must provide an approved method of protecting the existing flooring from dirt and damage during transportation and installation.
- j. In order to assure and expedite installation, the Contractor shall provide adequate manpower to unload and install all equipment specified on consecutive days until project completion. Once beginning the work, the contractor shall pursue the work to proper and successful conclusion and without delay, interruption, or stoppage.
- k. The Contractor shall make all arrangements in advance with the Customer for delivery, unloading, and staging in the building during installation. The customer will not assume any responsibility for receiving Contractor shipments.
- l. The Contractor shall supply an experienced, qualified Representative and the Contractor's Representative shall be on-site at all times during delivery, unloading and installation of products to rectify any problems immediately.
- m. The Contractor shall assemble, set in place and make equipment ready for use. The Contractor shall remove all crating and other debris from the premises.

**Training:**

- a. The Contractor must provide onsite training to selected staff on the proper use of the equipment and any routine upkeep requirements that should be performed by staff on a daily, weekly or monthly basis.
- b. The training should occur within 10 days after equipment is installed and fully operational.

**Maintain, Repair and Replace Unrepairable Fitness Equipment:**

- a. The Contractor must assume all responsibility for:
  1. providing onsite routine and preventive maintenance (PM),

2. providing onsite remedial maintenance and repair, and
  3. replacing all broken and/or malfunctioning equipment that cannot be repaired.
- b. It is highly desired that:
1. onsite response for remedial maintenance requests be provided within 24 hours,
  2. if a return service call is necessary, the technician return within 3 business days,
  3. a broken / malfunctioning piece of equipment is not inoperable for more than 3 business days, and
  4. unrepairable equipment is replaced within 5 to 7 business days.
- c. Routine, preventive and remedial maintenance, repair, and replacement of unrepairable equipment is required for the entire duration of the rental period in order to maintain top performance and minimize downtime. All maintenance and repair shall be performed in accordance with manufacturer's recommendations and include all parts, labor, travel and incidentals.
- d. Maintenance and repair services must be performed by trained, experienced equipment technicians.
- e. The Customer will not furnish any tools, equipment, parts, materials or storage space to the Contractor.
- f. The Contractor must provide an owner's manual for each piece of equipment that describes the correct operation and any service maintenance requirements.
- g. Life expectancy / use of equipment should be monitored by the Contractor.

**Remove / Dispose of the Fitness Equipment:**

- a. At the end of the lease term, the Contractor shall be responsible for removing and disposing of the equipment.
- b. The Contractor shall coordinate the removal of the equipment in advance with the customer.

**Technology Refreshment:**

- a. In order to protect against technology obsolescence and provide the flexibility to match equipment capacity to changing requirements, the contract includes the option for technology refreshment achieved through add-ons and upgrades either during the initial term of the rental, or at the end of the initial term of the rental if the contract is being renewed.
- b. The technology refreshment should provide a smooth transition from one platform to another with coordinated installation of new and removal of old equipment.

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## Contract Details / Attachments

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### State Contract Scope

#### Overview

**Wellness Solutions, Inc.** will provide the Commonwealth of Virginia a complete turnkey solution for purchasing exercise equipment, and services to maintain a wellness environment for everyone who experience what we offer.

Wellness Solutions, Inc. has vast experience in facility<sup>1</sup> and program design<sup>2</sup>, equipment selection, flooring surface application<sup>3</sup>, and implementation of the customer's total package. When we complete a project, a mark of excellence is ingrained in the products and services, and carried on by the staff trained by Wellness Solutions.

Our intense customer focus has earned us an 85% repeat and referral business development in our customer base of college recreation, college sports, professional sports, medical wellness, and YMCAs. It is our intrinsic belief that the more focused our approach, the better the results. Wellness Solutions, Inc. offers a wide range of products for a select group of customers, allowing us to spend more time to develop the best solution for your needs.

We stand firm behind our 12 years of experience and unparalleled service in education, hands on performance training, relationships within our industry, a clear vision for the future, and a strong work ethic. Wellness Solutions, Inc. will be a creative and experienced asset to the Commonwealth of Virginia.

#### **What we propose:**

To provide and furnish all of our products and service to every municipality of the Commonwealth at the negotiated price through the RFP process. Wellness Solutions is the proud distributor of Woodway, FreeMotion, Magnum, Keiser, Troy / USA Sports, Power Systems, and Perform Better.

Below is the Discount Matrix off of MFG Price list

Price List Current – 7/1/2011 - \* Final # does not include Freight

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<sup>1</sup> Not included in scope of the State Contract

<sup>2</sup> Ibid

<sup>3</sup> Ibid

<b>Manufacturer : Woodway</b>		
Item No.	Item Description	% Discount
A	All Fitness / Sport Treadmills	12%
B	Curve / Eco Mill Motor Less Treadmill	10%
<b>Manufacturer: Keiser</b>		
Item No.	Item Description	% Discount
A	All Strength	12%
B	M Series Spin Bike / Elliptical	14 %
<b>Manufacturer: FreeMotion</b>		
Item No.	Item Description	% Discount
A	FreeMotion Selectorized	20%
B	FreeMotion Cardio	30%
<b>Manufacturer: Magnum</b>		
Item No.	Item Description	% Discount
A	Magnum Selectorized	20%
B	Magnum Free-weight	15%
C	Magnum Cardio	30%
<b>Manufacturer: Troy/USA Sports</b>		
Item No.	Item Description	% Discount
A	Weight Plates	20%
B	Accessories	15%
<b>Manufacturer: Perform Better / Power Systems</b>		
Item No.	Item Description	% Discount
A	All units in Catalog	12% - 15% Off of Catalog price

### **Rental Agreement of the fitness equipment.**

The contract is arranged to pay a monthly payment for the use of the equipment. The objective is to prevent from obsolescence, and provide the user experience at its highest level.

In summary, the term of the rental agreement will be for a minimum of 3 years to 4 years per your arrangement. Wellness Solutions, Inc agrees to replace the equipment with new equipment for the term of the 4-year contract (+3 +3 option years).

Credit review will be made at the initiation of every agreement and updated prior to the beginning of every renewal.

**The rental payments will be determined based upon amount, length of rental, and credit approval.** Wellness Solutions, Inc will be responsible of the removal and installation of the new equipment. To clarify more specifically the terms and conditions of the rental agreement please see sample rental agreement documents contained herein.

### **Delivery, Install and Training**

Wellness Solutions, Inc. has the ability to move quickly and have all equipment in place with a quick turnaround through our quick ship program – (this program is limited to Platinum / Silver Frame color and Black pads) . The delivery will take approximately 3-6 hours using 4- 6 men who will have all of the tools and equipment needed to make it as smooth as possible. (Obviously depending on size of order)

We also commit to providing training as follows:

#### Training and Programming

- Construct, and implement a training module that can be implemented by all available staff.
- Module Basis: General to specific. Basic to advanced understanding of programs and functions of each unit class.
- Target population: How each population can use the equipment?
- Help motivate Wellness programming within the agency/public body/university to set and standard of health, and well being through fitness.
- Specific programs can be discussed: General health and Wellness, Obesity, strength, power, speed, and balance.
- Some customers in past have videoed our training
- Our service team will present a class for daily maintenance of do's and don'ts

### **Service and Maintenance**

One of the most important keys to a health and usable environment for fitness is clean working equipment. Wellness Solutions commits to maintain, repair and replace un-repairable fitness equipment. There will be no additional charges for maintenance or service calls. Parts will be shipped overnight, and equipment will be serviced within 48 hours. Wellness Solutions will make a minimum of 2 visits the first year, and a minimum of 3 visits the 2 following years.

*In some cases like University Mary Washington, we will make monthly visits and maintain the equipment as a rotation of equipment monthly instead of Quarterly due to the amount of the equipment. This will be common practice with facilities that has more than 25 units of cardio.*

## **Equipment Removal and replacement**

At the end of the 3 to 4 year term, a time will be scheduled by the facility for the removal of the fitness equipment, and discussion will occur on whether to replace with new and upgraded equipment. Wellness Solutions, Inc agrees to replace the equipment with new equipment for the term of the 4+3+3 year contract. Credit review and update will be made at the beginning of every renewal.

## **Useful life of each piece of equipment**

All equipment will be covered under a minimum 3 year parts and labor warranty

A 1 year extension is available for an additional cost

## **Partnership with First Day on the Floor**

Representatives from Wellness Solutions, Inc will be present to:

- Answer questions, and demonstrate basics if desired,
- Set up banners for manufactures that are featured in the facility,
- Give out T- shirts and water bottles,
- Other activities can be added based on need and request from administrators.

## **References**

University of Mary Washington, Bob Liebau *	540-654-1098
Central Virginia Community College, John Poole*	434-832-7615
College of William & Mary, Linda Knight	757-221-3312
George Mason University, Connie Grunsted	703-993-3936
University of Maryland Baltimore Co., Julia Wightman	410-706-3902
University of Maryland College Park Campus Rec., Bre Rowh	301-226-4407
University of Virginia, Mike Curtis	434-326-7853

\*Current users of this statewide Contract

## **SPECIAL TERMS AND CONDITIONS**

- A. **ADVERTISING:** In the event a contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to the University of Mary Washington will be used in product literature or advertising. The Contractor shall not state in any of its advertising or product literature that the University of Mary Washington or any agency or institution of the Commonwealth has purchased or uses its products or services, and the Contractor shall not include the University of Mary Washington in any client list in advertising and promotional materials.
- B. **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 agency, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.
- C. **AUTHORIZED DEALER:** By signing their proposal, the Offeror certifies that it is a factory authorized dealer service representative for all equipment it proposes to furnish under any resulting contract. If requested by the Commonwealth, the Offeror shall provide supporting evidence from the manufacturer.
- D. **CONTRACT TERM:** The initial term of this contract is four (4) years.
- E. **CONTRACT RENEWAL:** This contract may be renewed by the Commonwealth upon written agreement of both parties for two (2) additional successive three (3) year periods, under the terms and conditions of the current contract, and at a reasonable time (approximately 90 days) prior to the expiration.
- F. **DELIVERY:** The Contractor shall be responsible to make all arrangements for delivery, unloading, receiving and storing materials in the building during installation. The Customer will not assume any responsibility for receiving these shipments. Equipment received will be promptly transported to its designated final location in the Fitness Center.
- G. **DELIVERY POINT:** All items shall be F.O.B delivered as directed by the ordering department institution or agency of the Commonwealth.
- H. **EXTRA CHARGES NOT ALLOWED:** The price shall be for complete installation, ready for the Commonwealth's use, and shall include all applicable freight and installation charges; extra charges will not be allowed.
- I. **INSTALLATION:** All items must be assembled and set in place, ready for use.
- J. **MANUALS:** The Contractor(s) shall provide with each piece of equipment an owner's manual, parts list, and a copy of all warranties.
- K. **NEW EQUIPMENT:** Unless otherwise expressly stated in this solicitation, any equipment furnished under the contract shall be new, unused equipment.

- L. **NEW PARTS**: All parts furnished under this contract shall be new and genuine manufacturer's recommended or authorized parts. The Contractor shall not make any replacement with parts of a different design. Use of unapproved, used parts is strictly prohibited.
- M. **OFFEROR'S REPRESENTATION**: Offerors, by submission of a proposal, represent that they have read and understand the solicitation documents and specifications and have familiarized themselves with all federal, state and local laws, ordinances, rules and regulations that may affect the cost, progress or performance of the work. The failure or omission of any Offeror to receive or examine any form, instrument, addendum or other documents, or to acquaint itself with conditions existing at the site, shall in no way relieve the Offeror from any obligations with respect to its proposal or to the contract.
- N. **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.
- O. **STANDARD ITEMS**: No standard items shall be deleted. Standard items shall be those listed in the manufacturers most recent published literature for the item(s) offered.
- P. **SUBCONTRACTS**: No portion of the work shall be subcontracted without prior written consent of the purchasing agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the purchasing agency 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.
- Q. **WARRANTY**: The Contractor agrees that the equipment furnished under any award resulting from this solicitation shall be covered by the most favorable commercial warranties the Contractor gives any customer for such equipment and the rights and remedies provided therein are in addition to and do not limit those available to the Commonwealth by any other clause of the solicitation. A copy of the warranties should be furnished with the proposal.
- R. **WORK SITE DAMAGES**: Any damage to existing utilities, equipment or finished surfaces resulting from the performance of this contract shall be repaired to the Commonwealth's satisfaction at the contractor's expense.

## **GENERAL TERMS AND CONDITONS**

- A. **VENDORS MANUAL**: This solicitation is subject to the provisions of the Commonwealth of Virginia Vendors Manual and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the Vendors Manual. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at [www.dps.dgs.virginia.gov](http://www.dps.dgs.virginia.gov) under "Manuals."

- B. **APPLICABLE LAWS AND COURTS**: This solicitation and any resulting 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 agency and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.
- C. **ANTI-DISCRIMINATION**: By submitting their proposals, Offerors certify 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 and § 2.2-4311 of the Virginia Public Procurement Act (VPPA). 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 public body. (*Code of Virginia*, § 2.2-4343.1E).

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

1. During the performance of this contract, the contractor agrees as follows:
  - a. 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.
  - b. 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.
  - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
2. 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.

- D. **ETHICS IN PUBLIC CONTRACTING**: By submitting their proposals, Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or subcontractor in connection with their proposal, 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.
- E. **IMMIGRATION REFORM AND CONTROL ACT OF 1986**: By submitting their proposals, Offerors certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
- F. **DEBARMENT STATUS**: By submitting their proposals, Offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
- G. **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.
- H. **MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS FOR RFP's**: Failure to submit a proposal on the official state form provided for that purpose may be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.
- I. **CLARIFICATION OF TERMS**: If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.
- J. **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 state 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 Commonwealth 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 thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (Code of Virginia, § 2.2-4363).

2. To Subcontractors:

- a. A contractor awarded a contract under this solicitation is hereby obligated:
  - (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
  - (2) To notify the agency 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 Commonwealth, 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 Commonwealth.

- K. **PRECEDENCE OF TERMS**: The following General Terms and Conditions VENDORS MANUAL, 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 solicitation, the Special Terms and Conditions shall apply.
- L. **QUALIFICATIONS OF OFFERORS**: The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect offeror's physical facilities prior to award to satisfy questions regarding the offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Commonwealth that such offeror is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.
- M. **TESTING AND INSPECTION**: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
- N. **ASSIGNMENT OF CONTRACT**: A contract shall not be assignable by the contractor in whole or in part without the written consent of the Commonwealth.
- O. **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 Purchasing Agency 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 Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
    - a. By mutual agreement between the parties in writing; or
    - b. 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 Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or

- c. 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 Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency 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 Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. 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 Commonwealth of Virginia Vendors 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 Purchasing Agency or with the performance of the contract generally.

P. **DEFAULT**: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, 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 Commonwealth may have.

Q. **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.

R. **USE OF BRAND NAMES**: Unless otherwise provided in this solicitation, the name of a certain brand, make or manufacturer does not restrict offeror to the specific brand, make or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article which the public body, in its sole discretion, determines to be the equal of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. **The offeror is responsible to clearly and specifically identify the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the Commonwealth to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified.** Normally in competitive sealed bidding only the information furnished with the bid will be considered in the evaluation. Failure to furnish adequate data for evaluation purposes may result in declaring a bid nonresponsive. Unless the

offeror clearly indicates in its proposal that the product offered is an equal product, such proposal will be considered to offer the brand name product referenced in the solicitation.

- S. **TRANSPORTATION AND PACKAGING**: By submitting their proposal, all offerors certify and warrant that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.
- T. **INSURANCE**: By signing and submitting a proposal under this solicitation, the offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. 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 offeror further certifies that the contractor and any subcontractors will maintain these 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 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.)
- U. **ANNOUNCEMENT OF AWARD**: Upon the award or the announcement of the decision to award a contract over \$50,000, as a result of this solicitation, the purchasing agency will publicly post such notice on the DGS/DPS eVA web site (<http://www.eva.virginia.gov>) for a minimum of 10 days.
- V. **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.

- W. 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.
- X. **NONDISCRIMINATION OF CONTRACTORS**: A bidder, offeror, or contractor shall not be discriminated against in the solicitation, award, or performance of this contract because of race, religion, color, sex, national origin, age, disability, or against faith-based organizations. 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.
- Y. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION**: The eVA Internet electronic procurement solution, web site 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 e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected.
- a.) eVA Basic Vendor Registration Service: \$25 Annual Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
  - b.) eVA Premium Vendor Registration Service: \$25 Annual Fee plus the appropriate Transaction Fee specified below. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.
  - c.) 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.
- Z. **AVAILABILITY OF FUNDS**: It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.