



## AGREEMENT FOR VENDING SERVICES

This agreement (**Agreement**) is entered into between the Department of Workforce Development (DWD), on behalf of the Division of Vocational Rehabilitation (DVR), Business Enterprise Program (**Client** or the **State of Wisconsin**) and Compass Group USA, Inc., by and through its Canteen Division (**Canteen**), who agree as follows:

### DEFINITIONS

**Equipment:** vending and other related equipment provided by Canteen.

**Products:** food, beverage and sundry products supplied by Canteen.

**Vending Services** or the **Services:** the provision of Products via vending machines.

### TERMS AND CONDITIONS

#### 1. RESPONSIBILITIES OF THE PARTIES.

- Canteen shall install, maintain and service the Equipment in accordance with industry standards, laws and Exhibits A and B.
- Client grants to Canteen the exclusive right to provide the Services and install Equipment at the Premises.
- Client shall provide to Canteen the necessary space (secure for the Equipment), trash removal, extermination services, internet and utilities to permit the sanitary operation of the Services. In the event that there is a disruption in utilities, Client will notify Canteen when Client becomes aware of the disruption.
- Client shall maintain its Premises and service the areas around the Equipment in a sanitary manner in accordance with industry standards and laws. Client will provide Canteen employees access to the Equipment.
- Additional locations may be added to SCHEDULE 1 CLIENT PREMISES LOCATIONS as agreed upon by Client and Canteen through a written addendum to this Agreement signed by the authorized representative of both parties.
- This Agreement and any addendums or exhibits constitute the entire agreement of the Parties.

#### 2. EQUIPMENT.

- Client has no title to or interest in Equipment or Products.
- Client will not operate, remove or tamper with the Equipment, unless necessary in connection with the Services. To the extent authorized by sections 893.82 and 895.46 of the Wisconsin Statutes, Client is responsible for any damage to the Equipment or Products (including theft) caused by the willful misconduct or negligent acts or omissions of Client, its agents or employees.
- In the event that a piece of Equipment is not generating an appropriate sales volume or revenues Canteen may, in its sole discretion: (i) remove such Equipment; or (ii) implement a subsidy arrangement upon mutual agreement.

#### 3. INDEMNIFICATION AND INSURANCE.

- Canteen shall maintain insurance as follows: commercial general liability (including contractual and products-completed operations liability) in an amount not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate; business automobile coverage in an amount not less than \$1,000,000 each accident; and workers' compensation (including employers' liability coverage in an amount not less than \$1,000,000 each accident/each employee/policy limit) in an amount not less than that required by applicable statute.  
Client is self-funded for liability arising out of the acts of its officers, employees, and agents.

**4. TERM, DEFAULT AND TERMINATION.** This Agreement is entered into for a total of up to three years. The initial term is July 6, 2021 through July 5, 2022. Unless modified or terminated by the parties at least 90 days prior to its expiration, this Agreement will have two, one-year automatic renewals under the same agreed upon terms until July 5, 2024. If either party breaches this Agreement, the party claiming such breach will give written notice citing specifics. If, within 60 days from such notice, the breach is not corrected, the non-breaching party may terminate this Agreement on 30 days written notice. Additionally, either party may terminate this Agreement at any time, without cause, by providing a written notice of termination; the Client by providing at least sixty (60) calendar days-notice to Canteen, and Canteen providing at least one hundred and twenty (120) calendar days-notice to the Client in advance of the intended date of termination.

**5. ASSIGNMENT/SUBCONTRACTING.** Neither party may assign or subcontract this Agreement to an unaffiliated business entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed.

**6. EQUAL EMPLOYMENT OPPORTUNITY CERTIFICATION.** The parties shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that the parties take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or

disability.

7. **NOTICES.** All notices required under this Agreement must be made by registered or certified mail (return receipt requested) or overnight courier to the addresses below. All such notice will be deemed to have been given upon receipt.



**EFFECTIVE DATE:** JULY 6, 2020

**CLIENT:** DWD/DVR  
DocuSigned by:

By: Pamela McGillivray  
236276D77EED448...

Name and Title: Pamela McGillivray  
DWD Deputy Secretary

Signature Date: 8/9/2021

**PREMISES:** SEE SCHEDULE 1 ATTACHED

**CLIENT NOTICE TO:**

Name and Title: \_\_\_\_\_

Principal Address: \_\_\_\_\_

**COMPASS GROUP USA, INC.,**  
**BY AND THROUGH ITS CANTEEN DIVISION**  
DocuSigned by:

By: Porter Hinton  
1A1997C87A7B46C...

Name: Porter Hinton  
Division President

Signature Date: 8/9/2021

**CANTEEN NOTICE TO:**

Name: Porter Hinton  
Division President

Address: 171 Covington Drive, Bloomingdale, IL 60108

**COPY OF NOTICE TO:**

- (i) General Counsel and Secretary
  - and
  - (ii) President, Canteen
- 2400 Yorkmont Road, Charlotte, NC 28217

**EXHIBIT A**  
**FINANCIAL ARRANGEMENTS-COMMISSIONS**

**1. VENDING SERVICES**

Canteen will provide its Vending Services on a profit and loss basis. The initial selling prices will be determined by Canteen and will reflect a \$0.10 discount for paying cash.

Canteen will pay Client 10% commissions at the Stanley Correctional Institution and Chippewa Valley Corrections and 5% commissions at all other Premises locations. Commissions will be computed monthly (based on Canteen's fiscal calendar) based upon Net Vending Sales on Client Premises. Net Vending Sales means the reported units sold multiplied by the Initial Unit Selling Prices less applicable sales taxes, California Redemption Value (if applicable) and container deposits (if applicable). Within 90 days of month end, Canteen will send Client a commission report and payments. Commission report and payment shall be sent to the DVR Business Enterprise Specialist, Bill Curry, 201 East Washington Avenue, GEF-1, G100, P.O. Box 7852 Madison, WI 53703.

**2. PRICE/COMMISSION RATE ADJUSTMENTS**

Upon 30 days prior written notice and with Client consent, Canteen may adjust prices as follows:

- If there are changes in assumptions of population, hours, other conditions, labor costs (including benefits and insurance), product costs, fuel costs, Federal, state and local taxes or laws (including regulatory or legislative mandates) or other levy or tax that impacts Canteen's Services, Canteen may modify the prices and/or commission rate(s) accordingly.
- Notwithstanding the foregoing, Product prices may be adjusted by Canteen annually at a rate equal to the greater of the then-current, relevant rate published for the Employment Cost Index or the national or regional Consumer Price Index.

**SCHEDULE 1**  
**CLIENT PREMISES LOCATIONS**

**Northern Wisconsin Center**  
2820 E. Park Avenue  
Chippewa Falls, WI 54729

**Stanley Correctional Institution**  
100 Corrections Drive  
Stanley, WI 54768

**Chippewa Valley Corrections**  
2909 E. Park Avenue  
Chippewa Falls, WI 54729

**USPS Eau Claire**  
1420 N. Hastings Way  
Eau Claire, WI 54703

**Wisconsin State Office Bldg**  
718 W. Clairemont Avenue  
Eau Claire, WI 54701

**USPS Carrier Annex**  
3510 Hograth Street  
Eau Claire, WI 54703

**Marathon County Job Center**  
731 North 1st St #4000,  
Wausau, WI 54403

**EXHIBIT B**  
**STANDARD TERMS AND CONDITIONS**

**1.0 SPECIFICATIONS:** The specifications in this Agreement are the minimum acceptable. When specific manufacturer and model numbers are used, they are to establish a design, type of construction, quality, functional capability and/or performance level desired. When alternates are proposed, they must be identified by manufacturer, stock number, and such other information necessary to establish equivalency. The State of Wisconsin shall be the sole judge of equivalency.

**2.0 INTENTIONALLY OMITTED.**

**3.0 QUALITY:** Unless otherwise indicated in this Agreement, all material shall be high quality.

**4.0 INTENTIONALLY OMITTED.**

**5.0 DELIVERY:** Deliveries shall be F.O.B. destination freight prepaid and included unless otherwise specified.

**6.0 PRICING AND DISCOUNT:** The State of Wisconsin qualifies for governmental discounts and its educational institutions also qualify for educational discounts. Unit prices shall reflect these discounts.

- i. Unit prices shall be listed as the price per unit of sale (e.g., gal., cs., doz., ea.).
- ii. Any price increase proposed shall be submitted to Client thirty (30) calendar days before the proposed effective date of the price increase and shall be limited to fully documented cost increases to Canteen.

**7.0 UNFAIR SALES ACT:** Prices quoted to the State of Wisconsin are not governed by the Unfair Sales Act.

**8.0 INTENTIONALLY OMITTED.**

**9.0 INTENTIONALLY OMITTED.**

**10.0 ORDERING:** Purchase orders or releases via purchasing cards shall be placed directly to Canteen by an authorized agency. No other purchase orders are authorized.

**11.0 INTENTIONALLY OMITTED.**

**12.0 TAXES:** The State of Wisconsin and its agencies are exempt from payment of all federal tax and Wisconsin state and local taxes on its purchases except Wisconsin excise taxes as described below.

The State of Wisconsin, including all its agencies, is required to pay the Wisconsin excise or occupation tax on its purchase of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. However, it is exempt from payment of Wisconsin sales or use tax on its purchases. The State of Wisconsin may be subject to other states' taxes on its purchases in that state depending on the laws of that state. Contractors performing construction activities are required to pay state use tax on the cost of materials.

**13.0 GUARANTEED DELIVERY:** Failure of Canteen to adhere to delivery schedules as specified or to promptly replace rejected materials shall constitute a breach of obligations under this Agreement.

**14.0 ENTIRE AGREEMENT:** These Standard Terms and Conditions shall apply to this Agreement. Further, this Agreement, with its exhibits, schedules, referenced parts and attachments shall constitute the entire agreement and no other terms and conditions in any document, acceptance, or acknowledgment shall be effective or binding unless expressly agreed to in writing by the contracting authority.

**15.0 APPLICABLE LAW AND COMPLIANCE:** This contract shall be governed under the laws of the State of Wisconsin. Canteen shall at all times comply with and observe all federal and state laws, local laws, ordinances, and regulations which are in effect during the period of this Agreement and which in any manner affect the Services or their conduct. The State of Wisconsin reserves the right to cancel this Agreement if Canteen fails to follow the requirements of s. 77.66, Wis. Stats., and related statutes regarding certification for collection of sales and use tax. The State of Wisconsin also reserves the right to cancel this Agreement with any federally debarred contractor or a contractor that is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.

**16.0 INTENTIONALLY OMITTED.**

**17.0 INTENTIONALLY OMITTED.**

**18.0 INTENTIONALLY OMITTED.**

**19.0 NONDISCRIMINATION / AFFIRMATIVE ACTION:** In connection with the performance of under this contract, the parties agree not to discriminate against any employee or applicant for employment because of age, race, religion, color, disability, sex, physical condition, developmental disability as defined in s. 51.01(5), Wis. Stats., sexual orientation as defined in s. 111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the parties further agree to take affirmative action to ensure equal employment opportunities.

- i. Contracts estimated to be over fifty thousand dollars (\$50,000) require the submission of a written affirmative action plan by the contractor. An exemption occurs from this requirement if the contractor has a workforce of less than fifty (50) employees. Within fifteen (15) working days after this Agreement is executed, Canteen must submit the plan to Client for approval. Instructions on preparing the plan and technical assistance regarding this clause are available from Client.
- ii. Canteen agrees to post in conspicuous places, available for employees and applicants for employment, a notice to be provided by Client that sets forth the provisions of the State of Wisconsin's nondiscrimination law.
- iii. Failure to comply with the conditions of this clause may result in a breach of this Agreement.
- iv. Pursuant to s. 16.75(10p), Wis. Stats., Canteen agrees it is not, and will not for the duration of the contract, engage in a prohibited boycott of the State of Israel as defined in s. 20.931(1)(b). State agencies and authorities may not execute a contract and reserve the right to terminate an existing contract with a company that is not compliant with this provision. This provision applies to contracts valued \$100,000 or over.
- v. Pursuant to 2019 Wisconsin Executive Order 1, Canteen agrees it will hire only on the basis of merit and will not discriminate against any persons performing a contract, subcontract or grant because of military or veteran status, gender identity or expression, marital or familial status, genetic information or political affiliation.

**20.0 PATENT INFRINGEMENT:** Canteen warrants that to the best of its knowledge, the articles were manufactured or produced in accordance with applicable federal labor laws. Further, that the sale or use of the articles described herein will not infringe any United States patent. Canteen covenants that it will, at its own expense, defend every suit which shall be brought against the State of Wisconsin (provided that such contractor is promptly notified of such suit, and all papers therein are delivered to it) for any alleged infringement of any patent by reason of the sale or use of such articles, and agrees that it will pay all costs, damages, and profits recoverable in any such suit.

**21.0 SAFETY REQUIREMENTS:** All materials, equipment, and supplies provided to the State of Wisconsin must comply fully with all safety requirements as set forth by the Wisconsin Administrative Code and all applicable

OSHA Standards.

**22.0 WARRANTY:** Equipment purchased as a result of this Agreement shall be warranted against defects for one (1) year from date of receipt. The equipment manufacturer's standard warranty shall apply as a minimum and must be honored by Canteen.

**23.0 INTENTIONALLY OMITTED.**

**24.0 CANCELLATION:** The State of Wisconsin reserves the right to cancel any contract in whole or in part without penalty due to nonappropriation of funds or for failure of Canteen to comply with terms, conditions, and specifications of this Agreement, as set forth in Section 4 of this Agreement.

**25.0 INTENTIONALLY OMITTED.**

**26.0 PUBLIC RECORDS ACCESS:** Pursuant to §19.36 (3), Wis. Stats., all records of Canteen that are produced or collected under this Agreement are subject to disclosure pursuant to a public records request. Upon receipt of notice from the State of Wisconsin of a public records request for records produced or collected under this Agreement, Canteen shall provide the requested records to the contracting agency. Canteen shall retain all records produced or collected under this Agreement for six (6) years.

**27.0 PROPRIETARY INFORMATION:** Any material submitted by Canteen in response to this Agreement that Canteen considers confidential and proprietary information, and which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or material which can be kept confidential under the Wisconsin public records law, must be identified as confidential and proprietary information.

**28.0 DISCLOSURE:** If a state public official (s. 19.42, Wis. Stats.), a member of a state public official's immediate family, or any organization in which a state public official or a member of the official's immediate family owns or controls a ten percent (10%) interest, is a party to this Agreement, and if this Agreement involves payment of more than three thousand dollars (\$3,000) within a twelve (12) month period, this contract is voidable by the state unless appropriate disclosure is made according to s. 19.45(6), Wis. Stats., before signing the contract. Disclosure must be made to the State of Wisconsin Ethics Board, 44 East Mifflin Street, Suite 601, Madison, Wisconsin 53703 (Telephone 608-266-8123).

State classified and former employees and certain University of Wisconsin faculty/staff are subject to separate disclosure requirements, s. 16.417, Wis. Stats.

**29.0 RECYCLED MATERIALS:** The State of Wisconsin is required to purchase products incorporating recycled materials whenever technically and economically feasible. Canteen is encouraged to provide Products with recycled content which meet specifications.

**30.0 INTENTIONALLY OMITTED.**

**31.0 PROMOTIONAL ADVERTISING / NEWS RELEASES:** Reference to or use of the State of Wisconsin, any of its departments, agencies or other subunits, or any state official or employee for commercial promotion is prohibited. News releases pertaining to this procurement shall not be made without prior approval of the State of Wisconsin. Release of broadcast e-mails pertaining to this procurement shall not be made without prior written authorization of the contracting agency.

**32.0 HOLD HARMLESS:** Canteen will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the negligent acts or omissions of Canteen, or of any of its contractors, in prosecuting work under this Agreement, except to the extent caused by the negligent acts or omissions of Client, its employees, or agents.

**33.0 FOREIGN CORPORATION:** A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Chapter 180, Wis. Stats., relating to a foreign corporation and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority. Any foreign corporation which desires to apply for a certificate of authority should contact the Department of Financial Institutions, Division of Corporation, P. O. Box 7846, Madison, WI 53707-7846; telephone (608) 261-7577.

**34.0 INTENTIONALLY OMITTED.**

**35.0 FORCE MAJEURE:** Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.