AGREEMENT BETWEEN  
MINNESOTA STATE UNIVERSITY-St. CLOUD  
And  
STATE SERVICES FOR THE BLIND  

THIS AGREEMENT, which shall be interpreted pursuant to the laws of the State of Minnesota between the State of Minnesota acting through its Minnesota State Colleges and Universities on behalf of Minnesota State University-St. Cloud (hereinafter University), and State of Minnesota acting through its Department of Economic Security on behalf of Services for the Blind-Business Enterprises Program, 2200 University Avenue West, St. Paul, MN 55114 (hereinafter Vendor).

WHEREAS, the University pursuant to Minnesota Statutes Chapter 136 is empowered to enter into contracts,

WHEREAS, the Vendor pursuant to Minnesota Statutes Chapter 248 is empowered to enter into contracts and has exclusive authority to establish and to operate vending stands and vending machines in all buildings and properties owned or rented exclusively by the University,

WHEREAS, the parties deem it desirable to enter into this agreement to set forth the respective duties of the parties in assuring a mutually beneficial relationship in furtherance of the parties’ respective obligations under law.

NOW THEREFORE, it is agreed:

I. LEGAL SPECIFICATIONS:

A. The Vendor's licensed operator shall be responsible for obtaining, and keeping current, all required permits, licenses, taxes and insurance on its machines and operation.

B. The Vendor's licensed operator will conform to all traffic regulations of the campus and surrounding community. Deliveries shall be made in conformity with University policy as to time and manner of deliveries.

C. The Vendor's licensed operator will comply in every respect with applicable laws of the federal government and the State of Minnesota including but not limited to, the laws respecting equal opportunity in employment.

D. The Vendor's licensed operator shall agree to indemnify and save and hold the State of Minnesota, the State University Board, St. Cloud State University, and their officers, agents and employees harmless from any and all claims or causes of action arising from the performance of the contract by the Vendor's licensed operator or his agents and employees. However, this clause shall not be construed to bar any legal remedies the Vendor's licensed operator may have for the University's failure to fulfill its obligations pursuant to the contract.

E. The Vendor's licensed operator shall assume all risk for any loss of and to its equipment, money and products from whatever cause including, but not limited to, theft, vandalism and acts of God.

March 22, 2000
F. The Vendor's licensed operator shall have and assume complete responsibility for its employees and its personnel relations including, but not limited to, all applicable government regulations relating to employment, payment of personnel, and worker's and unemployment compensation.

G. Terms and conditions of this agreement may be changed upon written mutual consent.

II. INSURANCE:

Prior to beginning performance under the contract, the Vendor's licensed operator must furnish a certificate of insurance to the University Fiscal Affairs Office from a company licensed to do business in the State of Minnesota. The certificate must name the University as additional insured, and contain the following minimum public liability coverages:

A. Bodily Injury in the amount of $200,000/$600,000;
B. Property Damage in the amount of $600,000 per occurrence;
C. Automobile public liability in the amount of $250,000/$500,000.

III. TERM OF CONTRACT:

The contract shall run for a period of ten years commencing January 1, 2000, and ending December 31, 2010, or upon such earlier date upon which the current holder of exclusive pouring rights ceases to hold exclusive pouring rights at the University.

IV. AGENTS:

The University's agent for administration of the contract shall be Eugene Gilchrist, Vice President for Administrative Affairs (or his successor or designated representative). The Vendor's agent for administration of the contract shall be Charles E. Hamilton, Director of Business Enterprises (or his successor or designated representative).

V. FACILITIES AND EQUIPMENT:

A. The Vendor shall utilize the necessary cold beverage automatic equipment provided by the exclusive pouring rights Vendor. All other vending equipment will be provided by the Vendor. The equipment shall meet the approval of State and local health department specifications and the specifications published by the United States Public Health Federation. Equipment shall be of most recent design, efficient in operation, meet requirements of the Americans with Disabilities Act for accessibility standards, and be otherwise acceptable to the University.

B. At time of installation or beginning of performance under this contract, equipment shall be provided in the numbers indicated and at the locations shown on attached Schedule A. Any changes in machine locations or addition or reduction in the number of machines shall be approved by the University.
C. The Vendor shall retain control of machines provided for herein and the University shall take such reasonable measures as may be necessary to prevent theft and pilferage from and of machines. However, the University shall assume no responsibility for any such losses if they occur.

D. In addition to machine operating instructions, the Vendor's licensed operator shall supply in a conspicuous manner on each machine, consumer information as to where malfunctions should be reported, where refunds may be obtained, where comments on product quality may be made.

E. The Vendor's licensed operator shall operate machines during the entire year. However, where reduced usage results in specific locations due to the building or area being closed, then Vendor and University shall agree that specific machines may be temporarily inoperative. The final decision as to specific machines shall rest with the University.

F. The University shall allow the Vendor's licensed operator access to such spaces and areas as are necessary to the performance of this Agreement. Use of these spaces shall be requested by the Vendor and shall be specifically identified by the University in the contract or by addendum signed by the University's agent (identified above).

G. University shall allow fill access to vending machines at all ties, including sporting and other public events.

VI. UTILITIES AND MAINTENANCE

A. The Vendor's licensed operator will, at all times, maintain sufficient staff to properly comply with the terms of this contract.

B. The University agrees to provide adequate electrical power to the vending equipment. However, the University will not guarantee an uninterrupted power supply although periods of service interruption will be kept to a minimum so far as the University has control over the source or cause of interruption. The University will not be liable for loss resulting from the interruption or failure of any utility service.

C. In cooperation with the exclusive pouring rights Vendor, the Vendor will be responsible for all service and maintenance for machines. Service and maintenance shall include, but not be limited to, providing fresh merchandise in the machines (including weekends), washing, sanitizing the equipment to insure sanitary conditions and acceptable appearance, as well as maintenance/repair to keep machines in excellent working condition. Additional repair service will be provided by the exclusive pouring rights Vendor on equipment belonging to the exclusive pouring rights vendor. The Vendor's licensed operator shall be responsible for making refunds caused by nonfunctioning machines.

D. The University shall provide daily and routine maintenance in the vending area. This shall include emptying waste containers, floor maintenance and pest control. However, Vendor's licensed operator shall clean up spills and pick up rubbish when servicing the machines.

E. The Vendor shall purchase card readers as budgeting allows and agrees to purchase
twenty (20) card readers upon signing of this Agreement. The purchase price shall include a maintenance agreement for one year. The University will pay all costs relating to the card system network including any line charges and line installation charges. Card reader repair costs after the one-year maintenance agreement expires will be the responsibility of the University.

F. The University shall at all times retain the right to inspect the machines and vending area to assure maximum cleanliness and otherwise compliance with this contract.

VII. PRODUCTS AND INVENTORY:

A. Vending machines will dispense soft drinks, waters and juices in bottles and candy/snack items. Other products may be vended with the approval of the University.

B. Soft drinks, waters and juices vended will be consistent with the University contract for pouring rights.

C. Selling price shall be $1.00 for cold beverages. Candy/snack prices shall be competitive with local market conditions. The commission rate will be 20% of gross sales less returns. Sales utilizing the debit cards shall not be discounted. The minimum number of machines specified in Schedule A which is hereby attached to and a part of this contract, as well as the selling price and commissions stated herein, shall be subject to re-negotiation between the parties after any increase in unit wholesale prices paid by Vendor’s licensed operator to the holder of exclusive pour rights upon a request by Vendor or the University. The purpose of such renegotiation is to maintain the relationship between wholesale costs and retail prices established under this contract.

D. The Vendor’s licensed operator shall be responsible for furnishing all beverages, candy/snack items, supplies, equipment, management and labor necessary to maintain an efficient and sanitary vending operation.

E. The Vendor’s licensed operator shall service machines frequently enough to ensure adequate supplies for all machines at all times unless specifically indicated otherwise in this contract.

VIII. ACCOUNTING:

A. All receipts from the vending operation shall belong to the Vendor’s licensed operator and it shall be responsible for all Vendor costs herein noted in this contract as well as payment of the agreed upon commission payable to the University.

B. All machines shall be metered with non-reset counters.

C. The Vendor’s licensed operator shall be required to report to the University Business Affairs Office by the tenth (10) day of the month, during the Term of this Agreement, the gross sales (“gross sales” herein defined as total sales, less any applicable sales taxes and returns) and meter reading for each machine for the previous month. Vendor’s licensed operator shall report to the University on a form acceptable to the University. Payment of the commission shall be due at same time as the report specified herein, said payment being for the previous month’s sales.

March 22, 2000
D. The University shall retain the right to accompany the Vendor's licensed operator on its rounds to remove money from machines and be present while same is counted.

E. A voucher system shall be established to verify refunds. Each voucher shall indicate the machine, which malfunctioned, and the person who is claiming the refund. If the University pays the refund, the Vendor's licensed operator shall reimburse the University any amounts so paid.

F. Reimbursement from the University to the Vendor's licensed operator for debit card des shall be at least twice monthly. No debit card transaction fee or other operational charge shall be assessed to the Vendor or Vendor's licensed operator.

IX. STORAGE SPACE:

A. The University shall permit Vendor to store product at no cost in Brown Hall with space enough for two weeks inventory (hereinafter Space). The Vendor expressly understands and agrees that this agreement is not intended to and does not create a landlord/tenant relationship between the parties. Vendor is granted only a permit to occupy and use the Space for the purpose set forth herein. It is specifically understood that the permission to use the Space is not exclusive to Vendor and University shall have the right to enter and use the Space at all reasonable times for purposes of inspecting the same or for such other purposes as may be required by University.

B. Vendor agrees to maintain the Space in a reasonably clean and sanitary condition. University may inspect the Space for damaged, missing, or destroyed items, including fixtures, equipment and machinery. With respect to such damaged, missing or destroyed items. University shall have the right to either (a) repair, restore, or replace such items at its own cost and submit an invoice for the same to Vendor, which Vendor agrees to pay within thirty (30) days thereafter, or (b) to require Vendor to repair, restore, or replace all damaged, missing, or destroyed item to the satisfaction of University, all at Vendor's cost.

C. University may change location of storage space at any time upon 60 days written notice to the Vendor conditional upon the University providing comparable storage space in terms of size, access to docks, access to key vending locations, and other factors consistent with the operation of the vending machines.
IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

MINNESOTA STATE UNIVERSITY-St. CLOUD

Approved:

By: Eugene A. Gilchrist
Title: Vice President for Administrative Affairs
Date: 4-23-00

MINNESOTA DEPARTMENT OF ECONOMIC SECURITY/STATE SERVICES
FOR THE BLIND

Approved:

By: Charles Hamilton
Title: Director of Business Enterprises
Date: 5-1-00

As to form and execution this 9th day of June, 1999

By: Donald E. Notvik
Title: Assistant Attorney General

March 22, 2000
# SCHEDULE A

## LOCATION AND NUMBER OF MACHINES

### MINIMUM NUMBER OF MACHINES REQUIRED

**Academic and Administrative Buildings:**

<table>
<thead>
<tr>
<th>Building</th>
<th>Number</th>
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<tbody>
<tr>
<td>Administration</td>
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<td>Library</td>
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</tr>
<tr>
<td>Brown</td>
<td>3</td>
</tr>
<tr>
<td>Stewart</td>
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</tr>
<tr>
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<td>Ice Arena</td>
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<td>Halenbeck Hall</td>
<td>6</td>
</tr>
<tr>
<td>Husky Hub</td>
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</table>
STATE OF MINNESOTA

MINNESOTA STATE COLLEGES AND UNIVERSITIES

ST CLOUD STATE UNIVERSITY

AMENDMENT OF INCOME CONTRACT

THIS AGREEMENT is made this 22nd day of July, 2002, by and between State Services for the Blind hereinafter
("PURCHASER") and the State of Minnesota acting through its Board of Trustees of the Minnesota State
Colleges and Universities, on behalf of St. Cloud State University hereinafter “STATE”), shall be considered as
an amendment and addition to Cold Beverages Income Contract.

WITNESSETH;

WHEREAS, the PURCHASER and STATE entered into Cold Beverages Income Contract dated January 1, 2000,
providing for Section VII. C. “Selling price shall be $1.00 for cold beverages” and

WHEREAS, the parties to this Income Contract deem certain additional terms and conditions necessary for the
effective continuation of said Income Contract,

NOW, THEREFORE; PURCHASER and STATE agree to the substitution and/or addition of the following terms
and conditions which shall become a part of this Cold Beverages Income Contract effective as of the date set forth
hereinafter.

1. PURCHASER and STATE hereby agree that this Income Contract shall be revised to provide in
   Section VII. C. “Due to recent legislative unposed taxes, the selling price shall be $1.05 for campus card
   transactions and $1.25 for cash purchases for cold beverages” commencing on July 22, 2002, and
   continuing through July 1, 2005, at the same terms and conditions as set forth in the Income Contract,
   except as provided for herein.

2. Except as modified by the provisions of the Amendment, said Income Contract is ratified and confirmed as
   originally written.
IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby.

APPROVED:

1. MINNESOTA STATE COLLEGES AND UNIVERSITIES

   ST CLOUD STATE UNIVERSITY

   [Signature]
   Title: VPRESIDENT
   Date: 7-27-02

2. PURCHASER: STATE SERVICES FOR THE BLIND

   PURCHASER certifies that the appropriate person(s) have executed the contract on behalf of PURCHASER as required by applicable articles, by-laws, resolutions, or ordinances.

   [Signature]
   Title: Director-Business Ser
   Date: 7-23-02

3. AS TO FORM AND EXECUTION:

   [Signature]
   Title: Business Services Director
   Date: 7-31-02

MnSCU008A
6-6-02