



# Proposal for Distribution and Transportation Services for the West Virginia Alcohol Beverage Control Administration Charleston, West Virginia

Prepared for:



State of West Virginia  
Department of Administration  
Purchasing Division  
2019 Washington Street East  
P.O. Box 50130  
Charleston, WV 25305-0130

In Response to:  
Request for Quotation: ABCA58  
Due Date: February 14, 1:30 p.m. EST

ORIGINAL

Prepared by:

**LB&B** Associates Inc.

9891 Broken Land Parkway  
Suite 400  
Columbia, Maryland 21046  
(301) 596-2440

RECEIVED

2012 FEB 13 AM 9:57

WV PURCHASING  
BY 5531

**GENERAL TERMS & CONDITIONS**  
**REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

1. Awards will be made in the best interest of the State of West Virginia.
  2. The State may accept or reject in part, or in whole, any bid.
  3. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
  4. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods this Purchase Order/Contract becomes void and of no effect after June 30.
  5. Payment may only be made after the delivery and acceptance of goods or services.
  6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
  7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
  8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
  9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
  10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
  11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
  12. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
  13. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at [www.state.wv.us/admin/purchase/vrc/hipaa.html](http://www.state.wv.us/admin/purchase/vrc/hipaa.html) and is hereby made part of the agreement provided that the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
  14. **CONFIDENTIALITY:** The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.
  15. **LICENSING:** Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, and the West Virginia Insurance Commission. The vendor must provide all necessary releases to obtain information to enable the director or spending unit to verify that the vendor is licensed and in good standing with the above entities.
  16. **ANTITRUST:** In submitting a bid to any agency for the State of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the State of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.
- I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, or person or entity submitting a bid for the same material, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

**INSTRUCTIONS TO BIDDERS**

1. Use the quotation forms provided by the Purchasing Division. Complete all sections of the quotation form.
2. Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as EQUAL to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Unit prices shall prevail in case of discrepancy. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
4. All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130
5. Communication during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited (W.Va. C.S.F. §148-1-8.8).

Rev. 11/09/11

February 10, 2012

Ms. Shelly Murray  
WV Purchasing Division  
2019 Washington St E  
Charleston, WV 25305-0130

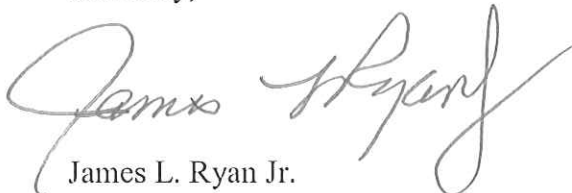
Reference: Solicitation ABCA58, for the Distribution and Transportation Services for the West Virginia Alcohol Beverage Control Administration, Charleston, West Virginia

Dear Ms. Murray:

LB&B Associates Inc, (LB&B) is pleased to submit our proposal in response to the referenced solicitation. This submission includes; Cost sheet, the original copy of the fully executed RFQ ABCA58 including; our Bid Bond, Purchasing Affidavit and acknowledged Addendums Numbers 1, 2, 3 & 4. It also includes our narrative.

We appreciate the opportunity to submit this proposal and look forward to supporting the West Virginia ABCA operations in Nitro, WV. We believe that our proposal offers the State of West Virginia the best possible value for the services required. If you need more information or have any questions, please call myself or Mr. Rick Franz at (301) 596-2440, or by email at: [jryan@lbbassociates.com](mailto:jryan@lbbassociates.com), or [rfranz@lbbassociates.com](mailto:rfranz@lbbassociates.com) respectively.

Sincerely,



James L. Ryan Jr.  
Director of Business Development

Enclosures



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER
ABCA58

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY 304-558-8801

VENDOR

\*B21113112 301-596-2440  
 LB&B ASSOCIATES INC  
 9891 BROKEN LAND PKWY STE 400  
 COLUMBIA MD 21046

SHIP TO

ALCOHOL BEVERAGE CONTROL  
 COMMISSION  
 322 70TH STREET, S.E.  
 CHARLESTON, WV  
 25304-2900 558-2487

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
11/28/2011				

BID OPENING DATE: 01/19/2012 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001		EA		962-24		
<p>COURIER/DELIVERY SERVICES</p> <p>REQUEST FOR QUOTATION (RFQ) OPEN END CONTRACT</p> <p>THE WEST VIRGINIA STATE PURCHASING DIVISION FOR THE AGENCY, THE WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION, IS SOLICITING BIDS TO PROVIDE THE AGENCY WITH DISTRIBUTION AND TRANSPORTATION SERVICES FROM THE WVABCA WAREHOUSE TO LICENSED RETAIL OUTLETS STATEWIDE PER THE ATTACHED SPECIFICATIONS.</p> <p>TECHNICAL QUESTIONS CONCERNING THIS SOLICITATION MUST BE SUBMITTED IN WRITING TO SHELLY MURRAY AND ALAN CUMMINGS IN THE WEST VIRGINIA STATE PURCHASING DIVISION VIA FAX AT 304-558-4115 OR VIA EMAIL AT SHELLY.L.MURRAY@WV.GOV AND ALAN.W.CUMMINGS@WV.GOV.</p> <p>DEADLINE FOR TECHNICAL QUESTIONS IS JANUARY 5, 2012 AT THE CLOSE OF BUSINESS.</p> <p>ANY TECHNICAL QUESTIONS RECEIVED WILL BE ANSWERED BY FORMAL WRITTEN ADDENDUM TO BE ISSUED AFTER THE DEADLINE HAS LAPSED.</p> <p>VENDORS MUST ATTEND THE MANDATORY PRE-BID MEETING ON DECEMBER 20, 2011 AT 2:00 PM. THIS MEETING WILL BE LOCATED AT THE WVABCA WAREHOUSE AT 97 INDEPENDENT AVE.</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
<i>James Murray</i>	301-596-2440	2/10/12
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE
Director of Bus. Dev.	56-1768288	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
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VENDOR

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 COLUMBIA MD 21046

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LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
				<p>NITRO WV 25143, PER THE ATTACHED. FAILURE TO ATTEND WILL RESULT IN BID DISQUALIFICATION.</p> <p>EXHIBIT 10</p> <p>REQUISITION NO.: .ABCA58.....</p> <p>ADDENDUM ACKNOWLEDGEMENT</p> <p>I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.</p> <p>ADDENDUM NO.'S:</p> <p>NO. 1 <i>[Signature]</i> .....</p> <p>NO. 2 <i>[Signature]</i> .....</p> <p>NO. 3 <i>[Signature]</i> .....</p> <p>NO. 4 <i>[Signature]</i> .....</p> <p>NO. 5 <i>[Signature]</i> .....</p> <p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.</p>		

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James Weyant</i>	TELEPHONE 301-596-2440	DATE 2/10/12
TITLE Director of Bus. Dev.	FEIN 56-1768288	ADDRESS CHANGES TO BE NOTED ABOVE

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SHELLY MURRAY 304-558-8801

VENDOR

\*B21113112      301-596-2440  
 LB&B ASSOCIATES INC  
 9891 BROKEN LAND PKWY STE 400  
  
 COLUMBIA MD 21046

SHIP TO

ALCOHOL BEVERAGE CONTROL  
 COMMISSION  
 322 70TH STREET, S.E.  
  
 CHARLESTON, WV  
 25304-2900      558-2487

DATE PRINTED 11/28/2011	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
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BID OPENING DATE: 01/19/2012      BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>.....            SIGNATURE            ..LB&amp;B Associates Inc.....            COMPANY            ..... 2/10/12.....            DATE</p>						
<p>NOTE: THIS ADDENDUM ACKNOWLEDGEMENT SHOULD BE SUBMITTED WITH THE BID.</p> <p>REV. 09/21/2009 EXHIBIT 3</p> <p>LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON AWARD AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p> <p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p> <p>RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James W. Reynolds</i>	TELEPHONE 301-596-2440	DATE 2/10/12
TITLE Director of Bus.Dev.	FEIN 56-1768228	ADDRESS CHANGES TO BE NOTED ABOVE

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ADDRESS CORRESPONDENCE TO ATTENTION OF:  
**SHELLY MURRAY**  
**304-558-8801**

VENDOR

\*B21113112 301-596-2440  
 LB&B ASSOCIATES INC  
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 COLUMBIA MD 21046

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11/28/2011				

BID OPENING DATE: **01/19/2012** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
	<p>ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.</p> <p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICE SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID, AND TERMINATE SUCH CONTRACT</p>					

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James Reynolds</i>	TELEPHONE 301-596-2440	DATE 2/10/12
TITLE Director of Bus. Dev.	FEIN 56-1768228	ADDRESS CHANGES TO BE NOTED ABOVE

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ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY 304-558-8801

V E N D O R	*B21113112      301-596-2440
	LB&B ASSOCIATES INC
	9891 BROKEN LAND PKWY STE 400
	COLUMBIA MD 21046

S H I P T O	ALCOHOL BEVERAGE CONTROL COMMISSION 322 70TH STREET, S.E. CHARLESTON, WV 25304-2900      558-2487
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DATE PRINTED 11/28/2011	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
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BID OPENING DATE: **01/19/2012**      BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>WITHOUT FURTHER ORDER.</p> <p>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>REV. 05/26/2009</p> <p>PURCHASING CARD ACCEPTANCE: THE STATE OF WEST VIRGINIA CURRENTLY UTILIZES A VISA PURCHASING CARD PROGRAM WHICH IS ISSUED THROUGH A BANK. THE SUCCESSFUL VENDOR MUST ACCEPT THE STATE OF WEST VIRGINIA VISA PURCHASING CARD FOR PAYMENT OF ALL ORDERS PLACED BY ANY STATE AGENCY AS A CONDITION OF AWARD.</p> <p style="text-align: center;">NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p style="text-align: center;">DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION BUILDING 15 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130</p> <p>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:</p> <p>SEALED BID</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James Ryan</i>	TELEPHONE 301-596-2440	DATE 2/10/12
TITLE Director of Bus. Dev.	FEIN 56-1768228	ADDRESS CHANGES TO BE NOTED ABOVE

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<b>ABCA58</b>

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<b>6</b>

ADDRESS CORRESPONDENCE TO ATTENTION OF:
<b>SHELLY MURRAY 304-558-8801</b>

VENDOR	*B21113112          301-596-2440
	LB&B ASSOCIATES INC
	9891 BROKEN LAND PKWY STE 400
	COLUMBIA MD 21046

SHIP TO	ALCOHOL BEVERAGE CONTROL
	COMMISSION
	322 70TH STREET, S.E.
	CHARLESTON, WV
	25304-2900          558-2487

DATE PRINTED <b>11/28/2011</b>	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
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BID OPENING DATE: **01/19/2012**          **BID OPENING TIME 01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT	
				BUYER: RFQ. NO.: BID OPENING DATE: BID OPENING TIME:  PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:  ----- 301-596-7879 ----- CONTACT PERSON (PLEASE PRINT CLEARLY):  ----- Jim Ryan -----			

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James Ryan</i>	TELEPHONE <b>301-596-2440</b>	DATE <b>2/10/12</b>
TITLE <b>Director of Bus. Dev.</b>	FEIN <b>56-1768228</b>	ADDRESS CHANGES TO BE NOTED ABOVE

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LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
***** THIS IS THE END OF RFQ      ABCA58 ***** TOTAL:						_____

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James Hagan</i>	TELEPHONE 301-596-2440	DATE 2/10/12
TITLE Director of Bus. Dev.	FEIN 56-1768228	ADDRESS CHANGES TO BE NOTED ABOVE

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	CHARLESTON, WV 25304-2900      558-2487

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
12/22/2011				

BID OPENING DATE: 01/19/2012      BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
----- ADDENDUM NO. 1 ----- THIS ADDENDUM IS ISSUED TO INCLUDE THE MANDATORY PRE-BID SIGN IN SHEET AND TO INCLUDE BID BOND INFORMATION. ----- END OF ADDENDUM NO. 1 -----						
0001		EA		962-24		
	COURIER/DELIVERY SERVICES					

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James Murray</i>	TELEPHONE 301-596-2440	DATE 2/10/12
TITLE Director of Bus. Dev.	FEIN 56-1768228	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

BID BOND PREPARATION INSTRUCTIONS

000002

AGENCY (A)
RFQ/RFP# (B)

Bid Bond

- (A) WV State Agency (Stated on Page 1 "Spending Unit") Request for Quotation Number (upper right corner of page #1)
(C) Your Company Name
(D) City, Location of your Company
(E) State, Location of your Company
(F) Surety Corporate Name
(G) City, Location of Surety
(H) State, Location of Surety
(I) State of Surety Incorporation
(J) City of Surety Incorporation
(K) Minimum amount of acceptable bid bond is 5% of total bid. You may state "5% of bid" or a specific amount on this line in words.
(L) Amount of bond in figures
(M) Brief Description of scope of work
(N) Day of the month
(O) Month
(P) Year
(Q) Name of Corporation
(R) Raised Corporate Seal of Principal
(S) Signature of President or Vice President
(T) Title of person signing
(U) Raised Corporate Seal of Surety
(V) Corporate Name of Surety
(W) Signature of Attorney in Fact of the Surety

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, (C) of (D), (E), as Principal, and (F) of (G), (H), a corporation organized and existing under the laws of the State of (I) with its principal office in the City of (J), as Surety, are held and firmly bound unto The State of West Virginia, as Obligee, in the penal sum of (K) (\$ (L)) for the payment of which, well and truly to be made, we jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns.

The Condition of the above obligation is such that whereas the Principal has submitted to the Purchasing Section of the Department of Administration a certain bid or proposal, attached hereto and made a part hereof to enter into a contract in writing for (M)

NOW THEREFORE.

(a) If said bid shall be rejected, or

(b) If said bid shall be accepted and the Principal shall enter into a contract in accordance with the bid or proposal attached hereto and shall furnish any other bonds and insurance required by the bid or proposal, and shall in all other respects perform the agreement created by the acceptance of said bid then this obligation shall be null and void, otherwise this obligation shall remain in full force and effect. It is expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated

The Surety for value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no way impaired or affected by any extension of time within which the Obligee may accept such bid: and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, Principal and Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be affixed hereto and these presents to be signed by their proper officers, this (N) day of (O), 20 (P).

Principal Corporate Seal

(R)

Surety Corporate Seal

(U)

(Q) (Name of Principal)
By (S) (Must be President or Vice President)
(T) Title
(V) (Name of Surety)
(W) Attorney-in-Fact

NOTE: Dated, Power of Attorney with Raised Surety Seal must accompany this bid bond.

IMPORTANT - Surety executing bonds must be licensed in West Virginia to transact surety insurance. Raised Corporate Seals must be affixed and a Power of Attorney must be attached.

Agency \_\_\_\_\_  
REQ.P.O# \_\_\_\_\_

**BID BOND**

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_, as Principal, and \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_, a corporation organized and existing under the laws of the State of \_\_\_\_\_  
\_\_\_\_\_ with its principal office in the City of \_\_\_\_\_, as Surety, are held and firmly bound unto the State  
of West Virginia, as Obligee, in the penal sum of \_\_\_\_\_ (\$ \_\_\_\_\_) for the payment of which,  
well and truly to be made, we jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns.

The Condition of the above obligation is such that whereas the Principal has submitted to the Purchasing Section of the  
Department of Administration a certain bid or proposal, attached hereto and made a part hereof, to enter into a contract in writing for  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NOW THEREFORE,

- (a) If said bid shall be rejected, or
- (b) If said bid shall be accepted and the Principal shall enter into a contract in accordance with the bid or proposal attached  
hereto and shall furnish any other bonds and insurance required by the bid or proposal, and shall in all other respects perform the  
agreement created by the acceptance of said bid, then this obligation shall be null and void, otherwise this obligation shall remain in full  
force and effect. It is expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event,  
exceed the penal amount of this obligation as herein stated.

The Surety, for the value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no  
way impaired or affected by any extension of the time within which the Obligee may accept such bid, and said Surety does hereby  
waive notice of any such extension.

IN WITNESS WHEREOF, Principal and Surety have hereunto set their hands and seals, and such of them as are corporations  
have caused their corporate seals to be affixed hereunto and these presents to be signed by their proper officers, this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Principal Corporate Seal

\_\_\_\_\_  
(Name of Principal)

By \_\_\_\_\_

(Must be President or  
Vice President)

\_\_\_\_\_  
(Title)

Surety Corporate Seal

\_\_\_\_\_  
(Name of Surety)

\_\_\_\_\_  
Attorney-in-Fact

**IMPORTANT – Surety executing bonds must be licensed in West Virginia to transact surety insurance. Raised corporate seals  
must be affixed, a power of attorney must be attached.**

SIGN IN SHEET

PLEASE PRINT

Request for Proposal No. ACASS

Date: 12/20/11 Page 1 of 2

\* PLEASE BE SURE TO PRINT LEGIBLY - IF POSSIBLE, LEAVE A BUSINESS CARD

TELEPHONE & FAX NUMBERS

FIRM & REPRESENTATIVE NAME	MAILING ADDRESS	PHONE TOLL FREE	FAX
Company: <u>Quick Delivery Service</u>	<u>350 West 19th St</u>	<u>304-759-2300</u>	
Rep: <u>Dan Stemple</u>	<u>Nitro, W.V. 25143</u>		<u>304-755-5756</u>
Email Address: <u>dstemple@peopleservices.com</u>			
Company: <u>Quick Delivery Service</u>	<u>Same As Above</u>		
Rep: <u>Rich King</u>			
Email Address: <u>Rking@peopleservices.com</u>			
Company: <u>QUICK DELIVERY SERVICE</u>	<u>SAME AS ABOVE</u>		
Rep: <u>GENE LAYNE</u>			
Email Address: <u>GENE.SHAFFER@PROV.COM</u>			
Company: <u>LBBS Associates Inc</u>	<u>9891 Broken Land Parkway</u>	<u>301-596-2440</u>	
Rep: <u>Jim Ryan</u>	<u>Blomberg MD 21228</u>		<u>301-596-7879</u>
Email Address: <u>JRYAN@LBASSOCIATES.COM</u>			
Company: <u>LBBS ASSOCIATES INC.</u>	<u>404 E. TRYON ROAD</u>	<u>(919) 773-2866</u>	
Rep: <u>GRAHAM B. THOMPSON</u>	<u>RALEIGH, NC 27610</u>		
Email Address: <u>gthompson@lbbncabc.com</u>			<u>(919) 773-2873</u>

SIGN IN SHEET

PLEASE PRINT

Request for Proposal No. ABCA8

Page 2 of 2

Date: 12/20/11

\* PLEASE BE SURE TO PRINT LEGIBLY - IF POSSIBLE, LEAVE A BUSINESS CARD

FIRM & REPRESENTATIVE NAME

MAILING ADDRESS

TELEPHONE & FAX NUMBERS

Company: <u>WV ABCA</u>	PHONE
Rep: <u>Bradley Smith</u>	TOLL FREE
Email Address: _____	FAX
Company: <u>WV ABCA</u>	PHONE
Rep: <u>Kimberly Cantelbury</u>	TOLL FREE
Email Address: <u>Kimberly.D.Cantelbury@wv.gov</u>	FAX
Company: _____	PHONE
Rep: _____	TOLL FREE
Email Address: _____	FAX
Company: _____	PHONE
Rep: _____	TOLL FREE
Email Address: _____	FAX
Company: _____	PHONE
Rep: _____	TOLL FREE
Email Address: _____	FAX



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER
ABCA58

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY
304-558-8801

VENDOR

\*B21113112      301-596-2440  
 LB&B ASSOCIATES INC  
 9891 BROKEN LAND PKWY STE 400  
 COLUMBIA MD 21046

SHIP TO

ALCOHOL BEVERAGE CONTROL  
 COMMISSION  
 322 70TH STREET, S.E.  
 CHARLESTON, WV  
 25304-2900      558-2487

DATE PRINTED 01/18/2012	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
----------------------------	---------------	----------	--------	---------------

BID OPENING DATE: 02/01/2012      BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
----- ADDENDUM NO. 2 -----						
THIS ADDENDUM IS ISSUED TO ADDRESS THE QUESTIONS SUBMITTED PRIOR TO THE QUESTION SUBMISSION DEADLINE OF 01/05/2012 AND TO MODIFY SPECIFICATIONS.						
THE BID OPENING DATE IS EXTENDED:						
FROM: 01/19/2012						
TO : 02/01/2012						
----- END OF ADDENDUM NO. 2 -----						
0001		EA	962-24	COURIER/DELIVERY SERVICES		

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James Ryan</i>	TELEPHONE 301-596-2440	DATE 2/10/12
--------------------------------	---------------------------	-----------------

TITLE Director of Bus. Dev.	FEIN 56-1768228	ADDRESS CHANGES TO BE NOTED ABOVE
--------------------------------	--------------------	-----------------------------------

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



**Requisition Number: ABCA58**  
**Distribution and Transportation Services**  
**Addendum No. 2**

**CONTRACT TO BE EFFECTIVE MARCH 01, 2012**

**MODIFY (4) ON PAGE ELEVEN OF THE RFQ TO READ AS FOLLOWS:**

To furnish all necessary labor and equipment incidental to the loading and unloading and to perform all such loading and unloading of trucks and other vehicles at the WVABCA warehouse. The Contractor shall train and certify its employees or independent contractors of its equipment incidental to the loading and unloading of trucks and other vehicles at the WVABCA warehouse prior to performing such tasks and provide the certifications to the WVABCA warehouse manager. The Contractor assumes all responsibility and liability for the alcoholic liquors, parts of stills, empty or partial cases, supplies and equipment upon acceptance of the alcoholic liquors, parts of stills, empty or partial cases, supplies and equipment for loading onto trucks and other vehicles at the WVABCA warehouse. The WVABCA warehouse manager or his or her designee may determine at certain times to assist the Contractor in loading and unloading of trucks and other vehicles at the WVABCA warehouse. To perform all unloading of trucks and other vehicles at licensed retail accounts and the placing of such shipments inside the building of the respective consignees (Retail Accounts) in such a location or locations as may be designated by the retail account, from time to time, for the receipt of such alcoholic liquors, parts of stills, empty or partial cases, supplies and equipment. The hours of operation dedicated to the loading and unloading of all trucks and other vehicles at the WVABCA warehouse will be specified by the WVABCA. The Contractor shall cut wooden pallets, furnished by WVABCA, to an adequate size specified by the WVABCA and shall keep on site an adequate supply, as determined by the WVABCA, of such pallets available at all times.

**Question one:**

One more question on the Vendor Preference Certificate. If a vendor meets the requirements of all 6-sections, what is the maximum vendor preference percentage that a vendor could be given?

**Response:**

The maximum vendor preference percentage that would be given would be 5%.

**Question two:**

Will there be provisions for cost adjustments to account for the changes in fuel costs?

**Response:** No

**Requisition Number: ABCA58**  
**Distribution and Transportation Services**  
**Addendum No. 2 continued**

**Question three:**

Would it be possible to find out which routes are being supported by the straight trucks, and what the average volume (case count) for the individual routes?

**Response:**

There are two routes that use a straight truck on a weekly basis. Tuesday—193 cases  
Thursday—225 cases

Tuesday

Store

631 Davis

645 Thomas

443 Parsons

444 Buckhannon

Wednesday

Store

644 Bradshaw

636 Beaver

561 Beaver

493 Beckley

**Question four:**

We've got the answer on the union, but would appreciate a copy of the associated Collective Bargaining Agreement (CBA), if that's possible.

**Response:**

We don't have one on file.



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER
ABCA58

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY
304-558-8801

\*B21113112      301-596-2440  
 LB&B ASSOCIATES INC  
 9891 BROKEN LAND PKWY STE 400  
 COLUMBIA MD 21046

VENDOR

ALCOHOL BEVERAGE CONTROL  
 COMMISSION  
 322 70TH STREET, S.E.  
 CHARLESTON, WV  
 25304-2900      558-2487

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
01/26/2012				

BID OPENING DATE: 02/14/2012      BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
----- ADDENDUM NO. 3 -----						
THIS ADDENDUM IS ISSUED TO RE-OPEN A QUESTION PERIOD.						
ADDITIONAL TECHNICAL QUESTIONS MUST BE SUBMITTED IN WRITING TO SHELLY MURRAY IN THE WEST VIRGINIA PURCHASING DIVISION VIA MAIL AT THE ADDRESS SHOWN AT THE TOP OF THIS RFQ, VIA FAX AT 304-558-4115, OR VIA EMAIL AT SHELLY.L.MURRAY@WV.GOV. DEADLINE FOR ALL TECHNICAL QUESTIONS IS 01/27/2012 AT THE CLOSE OF BUSINESS. ALL TECHNICAL QUESTIONS RECEIVED WILL BE ADDRESSED BY ADDENDUM AFTER THE DEADLINE.						
TO CHANGE THE EFFECTIVE DATE OF CONTRACT:						
FROM: 03/01/2012						
TO : 04/01/2012						
TO EXTEND THE BID OPENING DATE:						
FROM: 02/01/2012						
TO : 02/14/2012						
----- END OF ADDENDUM NO. 3 -----						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Jama Ryan</i>	TELEPHONE 301-596-2440	DATE 2/10/12
TITLE Director of Bus.Dev.	FEIN 56-1768228	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Request for Quotation

RFQ NUMBER
ABCA58

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
SHELLY MURRAY 304-558-8801

\*B21113112 301-596-2440  
 LB&B ASSOCIATES INC  
 9891 BROKEN LAND PKWY STE 400  
 COLUMBIA MD 21046

VENDOR

ALCOHOL BEVERAGE CONTROL  
 COMMISSION  
 322 70TH STREET, S.E.  
 CHARLESTON, WV  
 25304-2900 558-2487

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
01/31/2012				

BID OPENING DATE: 02/14/2012 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
----- ADDENDUM NO. 4 -----						
THIS ADDENDUM IS ISSUED TO ADDRESS THE QUESTIONS RECEIVED PRIOR TO THE QUESTION SUBMISSION DEADLINE OF 01/27/2012 AS INDICATED IN ADDENDUM NO. 3.						
----- END OF ADDENDUM NO. 4 -----						
0001		EA		962-24		
COURIER/DELIVERY SERVICES						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>James Ryan</i>	TELEPHONE 301-596-2440	DATE 2/10/12
TITLE Director of Bus. Dev.	FEIN 56-1768288	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

**Requisition Number: ABCA58  
Distribution and Transportation Services  
Addendum No. 4**

**Question one:**

As we read this, the contractor will be providing the loaders at the warehouse to load the contractor units??

**Response:**

Yes

**Question two:**

Does this include picking the orders, palletizing and shrink wrapping of the liquor?

**Response:**

No

**Question three:**

Does this also apply to inbound liquor orders from suppliers?

**Response:**

No

**Question four:**

Does the contractor need to supply forklifts and equipment to load the trailers at the warehouse?

**Response:**

Yes. ABCA will provide charging station if contractor's equipment matches ABCA chargers.

**Question five:** If so, do you desire that to be included in the per case price on the delivery side?

**Response:**

You should determine the pricing based on the entire RFQ.

**Requisition Number: ABCA58**  
**Distribution and Transportation Services**  
**Addendum No. 4 continued**

**Question six:**

Our question concerns the areas of responsibility in loading and unloading. It's still not clear who has the primary responsibility for loading and unloading of which vehicles (Contractor, Supplies, etc...) at the WVABCA warehouse there in Nitro. I've attached a table that shows the areas we're not clear on - completing the table should make it clearer for us.

Response:

Activity	Primary Responsibility	
	WVABCA	Contractor
<b>Retail Support Operations (out-flow)</b>		
<b>Schedule</b> - product per location and delivery date/times	X	
<b>Pick orders</b> - for staging	X	
<b>Stage</b> - product on loading dock for loading	X	
<b>Load</b> - Contractor Vehicles for Delivery		X
<b>Deliver</b> - To retail operations and off-load		X
<b>Unload</b> - Contractor Vehicles (items returned from retail operations - liquor, still parts, etc)		X
<b>Supplier Delivery Support (in-flow)</b>		
<b>Unload</b> - suppliers vehicles at WVABCA Nitro warehouse dock	X	
<b>Stage Product</b> - for storage in the WVABCA warehouse	X	
<b>Place</b> - product in warehouse locations	X	

COST SHEET:

Quantities listed in the requisition are approximations only, based on estimates supplied by the state spending unit. It is understood and agreed that the contractor shall cover the quantities actually ordered for delivery during the term of the contract, whether more or less than the quantities shown.

Utilize the following formula for calculation:


$$[\text{Sample rate}] \times [\text{vendor rate}] = \text{Total}$$

	Sample Amount	Vendor Rate	Total
Delivery rate per standard case (Bid with a sliding scale of rates Or index of rates will be disqualified)	2500 Case	\$ 1.62 (per case)	<u>\$4050.00</u>
Hourly Rate for transporting Supplies & Equipment	1 hour	<u>\$ 30.00</u> (per hour)	<u>\$ 30.00</u>
Total Cost			<u>\$4080.00</u>

Bid Bond Attached:     X  Yes                      \_\_\_ No

VENDOR NAME:        LB&B Associates Inc.

VENDOR NUMBER:    B21113112

VENDOR SIGNATURE:   
Authorized Representative

DATE:                    10 February 2012

BID BOND

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, LB&B Associates Inc  
of Columbia, Maryland, as Principal, and Merchants Bonding  
Company (Mutual) Des Moines Iowa, a corporation organized and existing under the laws of the State of Iowa  
with its principal office in the City of Des Moines, as Surety, are held and firmly bound unto the State  
of West Virginia, as Oblige, in the penal sum of Five Thousand & 00/100\*\*\*\*\* (\$ 5,000.00\*\*) for the payment of which,  
well and truly to be made, we jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns.

The Condition of the above obligation is such that whereas the Principal has submitted to the Purchasing Section of the  
Department of Administration a certain bid or proposal, attached hereto and made a part hereof, to enter into a contract in writing for  
West Virginia Alcohol Beverage Control Administration Distribution  
and Transportation Services Requisition Number ABCA58

NOW THEREFORE,

(a) If said bid shall be rejected, or  
(b) If said bid shall be accepted and the Principal shall enter into a contract in accordance with the bid or proposal attached  
hereto and shall furnish any other bonds and insurance required by the bid or proposal, and shall in all other respects perform the  
agreement created by the acceptance of said bid, then this obligation shall be null and void, otherwise this obligation shall remain in full  
force and effect. It is expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event,  
exceed the penal amount of this obligation as herein stated.

The Surety, for the value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no  
way impaired or affected by any extension of the time within which the Oblige may accept such bid, and said Surety does hereby  
waive notice of any such extension.

IN WITNESS WHEREOF, Principal and Surety have hereunto set their hands and seals, and such of them as are corporations  
have caused their corporate seals to be affixed hereunto and these presents to be signed by their proper officers, this  
9th day of January, 2012.

Principal Corporate Seal

LB&B Associates Inc  
(Name of Principal)  
By [Signature]  
(Must be President or  
Vice President)  
EXEC SR. VICE PRESIDENT  
(Title)

Surety Corporate Seal

Merchants Bonding Company (Mutual)  
(Name of Surety)  
[Signature]  
Donna Fiedler, Attorney-in-Fact

IMPORTANT - Surety executing bonds must be licensed in West Virginia to transact surety insurance. Raised corporate seals  
must be affixed, a power of attorney must be attached.



**MERCHANTS**  
**BONDING COMPANY**  
**POWER OF ATTORNEY**

Know All Persons By These Presents, that the MERCHANTS BONDING COMPANY (MUTUAL), a corporation duly organized under the laws of the State of Iowa, and having its principal office in the City of Des Moines, County of Polk, State of Iowa, hath made, constituted and appointed, and does by these presents make, constitute and appoint

Vernon H. Fix, Gary Warren Williams, Ernest Arutunian, Donna Fiedler

of Upland and State of California its true and lawful Attorney-in-Fact, with full power and authority hereby conferred in its name, place and stead, to sign, execute, acknowledge and deliver in its behalf as surety any and all bonds, undertakings, recognizances or other written obligations in the nature thereof, subject to the limitation that any such instrument shall not exceed the amount of:

**TEN MILLION (\$10,000,000.00) DOLLARS**

and to bind the MERCHANTS BONDING COMPANY (MUTUAL) thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of the MERCHANTS BONDING COMPANY (MUTUAL), and all the acts of said Attorney-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This Power-of-Attorney is made and executed pursuant to and by authority of the following Amended Substituted and Restated By-Laws adopted by the Board of Directors of the MERCHANTS BONDING COMPANY (MUTUAL) on November 16, 2002.

ARTICLE II, SECTION 8 - The Chairman of the Board or President or any Vice President or Secretary shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof.

ARTICLE II, SECTION 9 - The signature of any authorized officer and the Seal of the Company may be affixed by facsimile to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed.

In Witness Whereof, MERCHANTS BONDING COMPANY (MUTUAL) has caused these presents to be signed by its President and its corporate seal to be hereto affixed, this 3rd day of December, 2009.



MERCHANTS BONDING COMPANY (MUTUAL)

By

*Larry Taylor*  
President

STATE OF IOWA  
COUNTY OF POLK ss.

On this 3rd day of December, 2009, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of the MERCHANTS BONDING COMPANY (MUTUAL), the corporation described in the foregoing instrument, and that the Seal affixed to the said instrument is the Corporate Seal of the said Corporation and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors.

In Testimony Whereof, I have hereunto set my hand and affixed my Official Seal at the City of Des Moines, Iowa, the day and year first above written.



*Cindy Smyth*

Notary Public, Polk County, Iowa

STATE OF IOWA  
COUNTY OF POLK ss.

I, William Warner, Jr., Secretary of the MERCHANTS BONDING COMPANY (MUTUAL), do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said MERCHANTS BONDING COMPANY (MUTUAL), which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Company on this 9<sup>th</sup> day of January, 2012.



*William Warner Jr.*  
Secretary

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of SAN BERNARDINO

On January 9 2012 before me, MINDY SUZANNE DAVIS NOTARY PUBLIC

Date

Here Insert Name and Title of the Officer

personally appeared DONNA FIEDLER

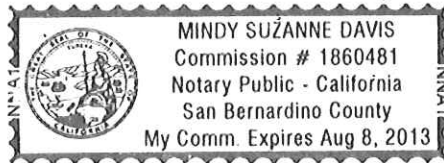
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Mindy Suzanne Davis  
Signature of Notary Public



Place Notary Seal and/or Stamp Above

## OPTIONAL

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

### Description of Attached Document

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

### Capacity(ies) Claimed by Signer(s)

Signer's Name: \_\_\_\_\_ Signer's Name: \_\_\_\_\_

Corporate Officer — Title(s): \_\_\_\_\_  Corporate Officer — Title(s): \_\_\_\_\_

Individual  Individual

Partner —  Limited  General  Partner —  Limited  General

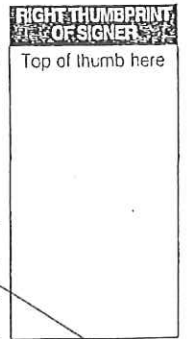
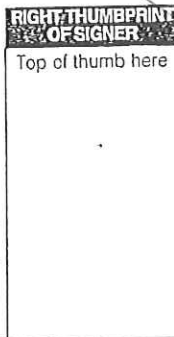
Attorney in Fact  Attorney in Fact

Trustee  Trustee

Guardian or Conservator  Guardian or Conservator

Other: \_\_\_\_\_  Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_ Signer Is Representing: \_\_\_\_\_



STATE OF WEST VIRGINIA  
Purchasing Division

**PURCHASING AFFIDAVIT**

**West Virginia Code §5A-3-10a states:** No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owned is an amount greater than one thousand dollars in the aggregate

**DEFINITIONS:**

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, Limited Liability Company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by one or more counties or municipalities, as permitted by law; or any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**EXCEPTION:** The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

Under penalty of law for false swearing (*West Virginia Code §61-5-3*), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

**WITNESS THE FOLLOWING SIGNATURE**

Vendor's Name: LB&B Associates Inc.

Authorized Signature: *Frederick Gray* Date: 1/12/12

State of Maryland

County of Howard, to-wit:

Taken, subscribed, and sworn to before me this 12 day of January, 2012

My Commission expires August 6, 2013

AFFIX SEAL HERE

NOTARY PUBLIC *Frederick Gray*

# State of West Virginia



## Certificate

*I, Natalie E. Tennant, Secretary of State of the  
State of West Virginia, hereby certify that*

**L B & B ASSOCIATES INC.**

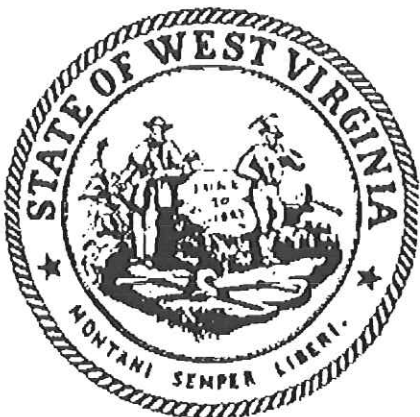
**Control Number: 99SM8**

a corporation formed under the laws of North Carolina has filed its "Application for Certificate of Authority" to transact business in West Virginia as required by the provisions of the West Virginia Code. I hereby declare the organization to be registered as a foreign corporation from its effective date of January 4, 2012.

Therefore, I issue this

### **CERTIFICATE OF AUTHORITY**

to the corporation authorizing it to transact business in West Virginia



*Given under my hand and the  
Great Seal of the State of  
West Virginia on this day of  
January 4, 2012*

*Natalie E. Tennant*

*Secretary of State*

## 1.0 INTRODUCTION

LB&B Associates Inc. is pleased to provide this proposal to the West Virginia Purchasing Division for the contract to provide Distribution and Transportation Services for the West Virginia Alcohol Beverage Control Administration. In our proposal, we will show that we are the right company to provide the services required at the right price.

LB&B Associates Inc. (LB&B) began operations in 1992 as a woman-owned, small business. Under the leadership of our President and CEO, Mr. F. Edward Brandon, and his executive staff, we have experienced steady growth and have achieved a reputation for customer satisfaction across the nation. We tell our customers what we will do, and we keep our commitments. LB&B has earned our reputation by placing the needs of the customer first, no matter how small or large the project. We take pride in our work and the ability to meet our customers' changing requirements. As a result, LB&B has grown to a highly diversified business, operating in over 22 states and the District of Columbia, with more than 1,300 associates. Now a large company, we have not forgotten from where we came and still provide the personalized, hands-on service all of our customers expect.

Honesty and integrity are our values and define both our daily activities and our strategic approach to the future. We will not compromise our standards for any reason. These two characteristics, honesty and integrity, differentiate LB&B Associates Inc., from our competitors and translate into world-class service for our customers.

The "norm" is not acceptable to us. We have established standards for each position in our company that far exceed the industry average. Likewise, our managers are chosen from the ranks of those proven performers with the highest qualifications. By hiring the best people we are able to meet the high standards that we have established for our management staff and workforce, and are able to hold our employees accountable for their performance.

### 1.1 Commitments

We have identified five core commitments below that we feel are instrumental in providing the level of performance the West Virginia ABCA expects and the service their customers deserve. These commitments will be part of our indoctrination training for each employee and will be prominently displayed in the Project Manager's office for all to observe.

#### COMMITMENTS

- *Instill a spirit of Partnership to foster positive relations and cooperation.*
- *Direct our focus on providing high quality customer satisfaction.*
- *Ensure an environment where safety comes first.*
- *Empower employees with the authority to do their jobs and recognize their exceptional performance.*
- *Become the contractor of choice for the follow-on contract.*

### **1.1.1 Partnership**

LB&B Associates Inc. believes that partnering with their customers is critical to the success of both entities. Through open and honest communications, which is a key concept of partnering, we learn our customers' functions, processes and procedures - even those that do not directly affect the contract requirements. Our customers also learn of our knowledge, experience and capabilities. The net effect of the partnering relationship is the efficiencies gained, by the two entities sharing and becoming more effective from the synergy of the partnership.

On this contract, we will only be responsible for the distribution and transportation functions – which we are very experience and capable of performing. We also bring extensive receiving and warehousing expertise in an ABCA type setting that increases our understanding of the entire process. Understanding in detail the entire process will enable our team to be a more effective part of your team, ultimately becoming one seamless team with a common goal – high quality customer satisfaction.

### **1.1.2 Quality Customer Satisfaction**

LB&B Associates Quality focus is preventative in nature, concentrating on early identification and resolution of potential problems, before they affect our operations. We also emphasize continuous improvement and recognize those employees who innovate and provide a “better way” of doing business.

We have invested a tremendous amount of time and effort into not only developing a Quality Management System for all of the services we provide, but also having our processes and procedures evaluated by an outside source to validate our efforts. Achieving ISO 9001-2008 Certification is just another step in our on-going continuous, quality improvement process.

### **1.1.3 Safety**

Safety is a not an option – it is foremost in all we do and will not be compromised. Our employees function in some very hazardous environments transporting and handling; aircraft fuel, ammunition, explosives, hazardous material as well as spirituous liquor products. All of our employees at all levels are safety focused and have the responsibility and authority to stop any unsafe operation immediately. We are proud of our safety record, which is consistently lower than industry standards.


### **1.1.4 Employee Empowerment**

Our experience has been that if we hire the best employees available, respect our employees' capabilities and empower them to take ownership of the functions they are responsible for, they will take care of the customers. While our project manager will meet every private liquor store operator on the WVABCA Contract at some time – no one will know them and their expectations better than the drivers. Our drivers will be empowered to work with those customers and to identify better ways of satisfying them – whatever it may be.

### **1.1.5 Contractor of Choice**

LB&B Associates Inc. has a reputation for its ability to win and maintain contracts for long periods, through its exceptional service and best value pricing. We have been successful in retaining contacts through multiple competitions, and have been awarded long-term contracts

(10-years plus) based on our exceptional performance and service as shown here. We understand the level of effort and expenses our customers incur when they have to change contractors, which we often eliminate by providing to our customers that we are the right contractor to remain on the project.



# ABC

COMMISSION  
NORTH CAROLINA

**Alcoholic Beverage Control**

COMMISSIONERS:

A. D. ZANDER GUY, JR.  
SUTHERLY

DANIEL BRIGGS  
Lexington

---

ADMINISTRATOR:  
MICHAEL C. HERRING

---

LOCATION:  
700 East Tryon Road  
Raleigh, NC 27610

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MAILING:  
7307 Mail Service Center  
Raleigh, NC 27607-4307

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PHONE: (919) 779-0700  
FAX: (919) 684-1500  
<http://abc.nc.gov/>

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January 17, 2012

**Mr. F. Edward Brandon**  
President and CEO  
LB&B Associates Inc.  
9891 Broken Land Parkway, Suite 400  
Columbia, MD 21046

Dear Mr. Brandon,

As we begin a new year, I wanted to thank you for the outstanding work that LB&B Associates provided in 2011 managing our spirituous liquor warehousing and distribution functions. With the second warehouse going into full operation last August, Graham Thompson and his staff have found additional ways to efficiently manage demand and improve customer service. With the Commission's approval last week of a contract extension, that will keep LB&B Associates as our service provider through FY 2021, we are now positioned to effectively manage the projected growth of spirituous liquor sales while lowering the per case fees that the local ABC Boards will have to pay for future services. I appreciate LB&B's high quality standards along with the excellent performance provided since 2004 and I look forward to working with Graham and his team for the remainder of this decade.

Sincerely,

  
**Michael C. Herring**  
Administrator

We are providing a dedicated service team, to exclusively support Distribution and Transportation Services for the West Virginia Alcohol Beverage Control Administration. Our team will have one priority and one focus - satisfying your (our) customers.

Though providing a true partnership in supporting your (our) customers, exceptional customer

service, unparalleled safety in our operations provided by high quality, empowered employees, we intend to show the WVABCA that we are the best contractor for this project, and should be the contractor of choice for future opportunities.

*With LB&B you can rest assured, you are not just another customer of a multifunctional delivery service, nor are your retail liquor stores just additional stops on an existing convenience store route...*



## 2.0 PAST PERFORMANCE

LB&B is uniquely qualified and experienced in all of the functions required under this contract. We have a diverse background in logistics management, warehouse and distribution, facility maintenance, equipment maintenance and base operating support services for local, state, and government customers. Our successes are the result of an experienced management team with an average of over 20-years in the Services Industry coupled with our corporate philosophy of total customer satisfaction.

Our capability comes from exceptional, long-term performance on contracts like those listed here and includes current contracts that are directly relevant to West Virginia's ABCA requirements. Specifically;

- ABC Storage, Warehousing and Distribution Services for the State of North Carolina.

### 2.1 ABC Storage, Warehousing and Distribution Services for the State of North Carolina.

We manage the warehousing and distribution of alcoholic beverages for the State of North Carolina through this contract:

#### 2.1.1 Warehousing:

- LB&B currently operates two (2) warehouses with a total of 400,000 square feet of floor storage. The combined capacity of both warehouses is conservatively - over 900,000 cases of alcoholic beverages.
- Our inventory consists of approximately 1,700 line items with a value of approximately \$43,000,000.00.
- LB&B's Receiving Section processes on average 18-trucks daily from over 90-suppliers.
- Each item is assigned space based on a 45/60 day supply. 45-days for domestic items and 60-days for imported items.
- We distribute alcoholic beverages to 159 Local ABC Boards including 8 Military Bases and 246 stores throughout the state of North Carolina, on a prescheduled delivery basis, 5 days per week.
- We operate and maintain the WMS system and utilize RF scanners to process orders.
- We also provide security personnel, who are on duty to ensure the security of the North Carolina ABC Warehouse 24 hours a day, 7 days a week.

#### 2.1.2 Distribution:

- Our Shipping Section will select and pack on average 18-trucks daily with approximately 20,000 cases averaging about 420,000 cases per month or nearly 4,700,000 annually.
- Numerous shipments are multi-stop/loads requiring special attention in the loading of the trailers to facilitate efficient off-loading at the scheduled location.
- Our personnel have the experience and expertise to prevent the different loads from co-mingling in the trailers.
- Our personnel understand the importance of accuracy that leads to customer satisfaction.
- Some locations require over-night transit to be able to make the delivery the next day.

- Other locations are so remote, tractor-trailers cannot navigate the rural roads and the smaller van trucks are used.

LB&B currently provides these services by means of 18-tractors; 26 - 45-foot enclosed trailers, one van, and one 28' straight truck.

### 3.0 PROJECT MANAGEMENT NARRATIVE

LB&B will furnish all necessary labor, material, supplies, and equipment to operate and manage the distribution, transportation and delivery of alcoholic liquor products owned or authorized by the WVABCA, pursuant to the requirements of the resultant contract, from RFQ ABCA58.

#### 3.1 Services Provided

Specifically, the services provided include;

- Transportation of alcoholic liquors, supplies and equipment to authorized retail liquor stores.
- Return transport to WVABCA DC of authorized alcoholic liquors, confiscated parts of stills, empty cases and fiber containers.
- Execute all transportation orders issued by and in accordance with the schedule established by the WVABCA.
- Furnish all labor necessary to load and unload vehicles at the required locations
- Ensure availability of adequate, high quality resources in sufficient quantities for the exclusive performance of this contract such as highly qualified manager, skilled drivers and quality equipment.
- Obtaining and maintaining all required licenses, permits, stamps, certifications, insurance policies and bonds to fully comply with all federal, state, local and contractual requirements.
- Ensuring that only those goods, products and equipment belonging to or authorized by the WVABCA are transported with resources associated with this contract.

LB&B will perform these services in strict compliance with all applicable Federal, State, and local laws, rules, and regulations and in strict accordance with the contract.

#### 3.2 Organization

The organization we have developed to perform the contract will allow flexibility and improve productivity while accommodating necessary interfaces with the WVABCA customers and staff. Our proposed organization is task oriented, using proven scheduling and planning techniques and systems.

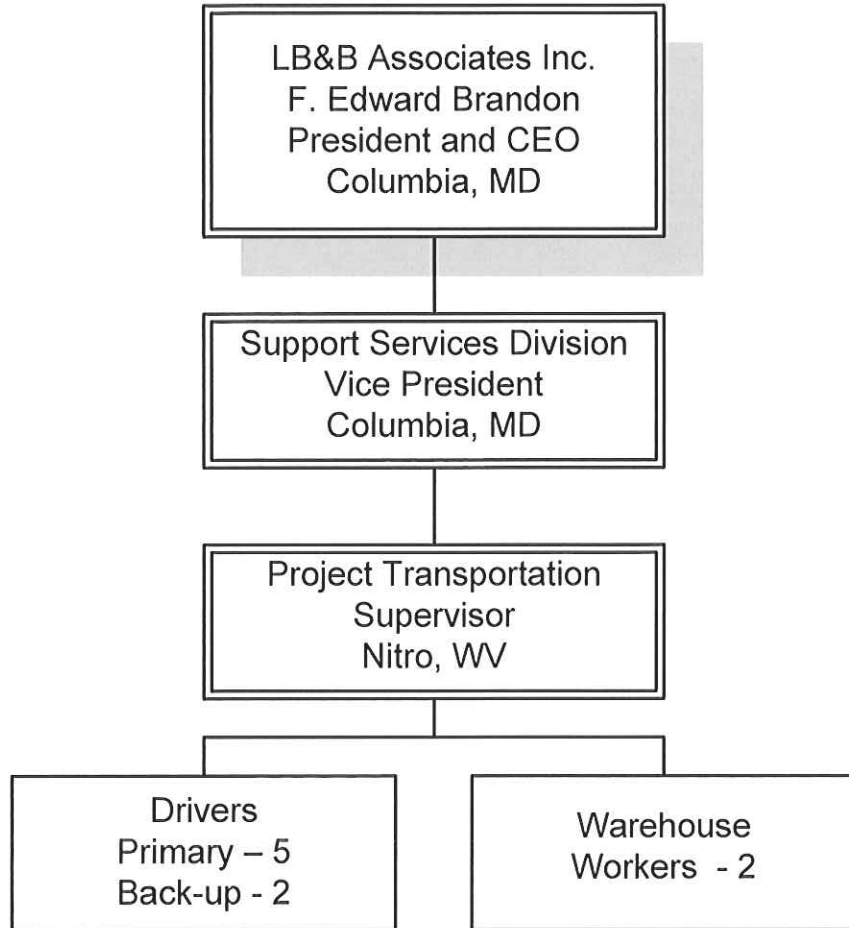
Our project organization will provide effective support and facilitate the efficient flow of work from point-of-loading at the WVABCA Distribution Center (DC) warehouse in Nitro, WV to point-of-delivery at the various private retail locations throughout the state.

Our organizational structure and staffing effectively meets all contract requirements and ensures that the distribution and transportation of liquor receive the highest priority required for such a service activity. *Figure 3.2.1-1* illustrates the functional alignment and staffing levels of our project organization.

**3.2.1 Project Staffing**

Staffing levels proposed for performance on this contract are based on primary sources: First-hand corporate experience in performing similar contracts, workload requirements as we understand them, and review by our corporate management to determine optimum staffing levels. Our project organization is an independent organization with full authority provided to our Project Transportation Manager (PTS) to make all decisions related to the contract.

*Figure 3.2.1-1 WVABCA Project Organization*



As illustrated in *Figure 3.2.1-1*, our organizational structure ensures direct communication between the Project/Transportation Manager and our drivers.

Our organizational structure allows our Project Transportation Supervisor (PTS) to monitor contract performance in relation to established objectives on a continuing basis to ensure compliance with the contract requirements; provide for rapid and close control of all project-related activities; and close interface between our PTS and the WVABCA Staff. This approach also allows our PTS the necessary time to maintain close contact with the customers.

### 3.3 Project Management Summary

LB&B will provide all resources necessary to effectively perform the functions of transportation of liquor for the State of West Virginia. The services to be provided are as stated in Paragraph 2.1 above. A list of dedicated equipment to be provided for this effort is contained in Paragraph 4.2.2. - Vehicles.

LB&B's management philosophy is to partner with our customers. Our mission on this contract is to create an environment where the WVABCA and LB&B work in partnership on fulfilling the requirements of the ABCA in providing the requested products to the private retail liquor stores on time and in the quantities requested. Our goal is to have highly satisfied customers at all locations in the State of West Virginia – all the time. In order to achieve this goal, we will provide the following:

- A Project Transportation Supervisor (PTS) to manage the day-to-day distribution effort, interface with the ABCA staff and customers. ***Our PTS will be on-site at all times when shipments are being made.*** Our PTS will concentrate on ensuring the required drivers and vehicles are available and dispatched to ensure on-time delivery to the private retail stores. Our PTS will also coordinate loading and unloading with the ABCA Warehouse Manager to facilitate efficient operations. Our PTS will establish and maintain open lines of communications to affect a productive partnership focused on improving support to our mutual customers – the private liquor store proprietors.
- As a back-up for the PTS, we will identify one of the senior drivers as a lead, who will function as the Assistant PTS in their absence. This individual will be well versed on the loading, dispatch and scheduling operations and will be fully capable of performing all management functions.
- At least 5-primary, and 2-back-up drivers that are properly licensed (CDL-A), trained and experience to ensure on-time deliveries as established by the ABCA Schedule. We will also maintain a roster of part-time, on-call, contingency drivers to ensure we can support any surge requirements such as Trade Shows.
- We will also provide skilled warehouse workers to load and unload vehicles as required. They will also provide warehouse support such as; cutting pallets, moving furniture, hauling refuse, etc...
- Highly dependable, quality vehicles properly licensed, permitted and insured for transporting liquor throughout the State of West Virginia. All of our vehicles will be equipped with both an installed GPS system for real-time tracking of their locations and on-board communications. The communications systems will be pre-loaded with all contact information needed for immediate contact with any delivery location and well as the ABCA Distribution Center. Though not called for in the RFQ, we will provide a smaller van type vehicle to provide quick response with smaller, high priority deliveries as needed.
- All required support equipment such as; dollies, rollers, pallet jacks, stands, straps, dock plates, etc...in the quantities required to ensure safe and efficient deliveries.

### 3.4 Operations

This section of our proposal provides more detailed procedures and processes required to ensure responsive and timely Distribution and Transportation of liquor for the West Virginia Alcohol Beverage Control Administration (ABCA). Partnering with the WVABCA Warehousing Staff, we will do everything we can to insure our vehicles are loaded and depart on-time, to enable on-time deliveries to our customers.

#### 3.4.1 Distribution

The distribution process involves all activities to get the liquor products from the WVABCA Distribution Center, to the private retail liquor stores throughout the State of West Virginia. Our employees will be task with assisting with loading, transportation, unloading, and movement into the customers' designated store location.

##### 3.4.1.1 Loading

While we understand the actual loading of the trucks and trailers will be the responsibility on the WVABCA Distribution Center employees, our PTS is responsible for ensuring the product is loaded;

- Accurately per the load sheet
- To allow unloading per the delivery schedule with minimal rearranging
- Securely and safely to minimize damage
- Not to exceed the capacity of the vehicle
- Allowing space for unloading equipment

The loader will close and lock the vehicle only after is has been inspected by the Transportation Supervisor.

##### 3.4.1.2 Scheduled Routes

Our drivers will follow the WVABCA preferred delivery routes and schedules to ensure the deliveries are made as instructed. However, following our Quality Management System concept of "continuous improvement" we will continuously look for ways to improve operations including identifying quicker, shorter, safer and more customer friendly routes and delivery schedules.

We will also continuously evaluate the equipment used for specific deliveries – tractor-trailer versus straight truck. Whenever possible, we will use smaller, more maneuverable vehicles.

##### 3.4.1.3 Approved goods

Our drivers, vehicles and assigned equipment will be for the *exclusive* support of the WVABCA Distribution and Transportation Services Operations. Only those goods, products or equipment items owned by or approved by the WVABCA, will be transported in our vehicles.

Our team will have one priority and one focus – delivering only WVABCA product, to WVABCA customers. There will be no need for authorizations to transport other items of any sort.

### 3.4.2 Transportation

The transportation function of the distribution operation is our primary responsibility. We current transport over 4,700,000 cases of liquor per year, for the State of North Carolina. We travel similar, small, rural, mountainous routes on a daily basis. We fully understand the transportation requirements and will provide the appropriate resources to ensure on-time delivery.

#### 3.4.2.1 Drivers

All the drivers we provide will meet the following minimum requirements:

- Current Class-Commercial Drivers License (CDL-A)
- No license restrictions
- Minimum of 3-years over the road experience
  - Beverage delivery experience preferred
- Clean driving record
- Have a current medical certification, as indication of having met the Federal Motor Carrier Physical Qualification Standard (including eye test).
- Medical waivers will not be considered.

As they are our first line of service, all of our drivers will be trained in customer service skills and how to maintain effective customer relations.

##### 3.4.2.1.1 Replacement Drivers

All replacement drivers will meet the same requirements that our drivers do. We will identify qualified “on-call” drivers that we will use when we need to fill a short-term vacancy, or when we have a surge situation such as the Trade Show Delivery and Holiday Seasons. Our roster of on-call drivers will be provided to the WVABCA for approval. We keep a file of these drivers, pre-qualify them (back-ground check, drug test, check rides, etc...) and then contact them when needed.

##### 3.4.2.1.2 Identification

All of our employees are provided company uniforms and identification card clearly identifying them as employees of LB&B Associates Inc. Employee identification cards will be displayed at all times. Photographs of our employees will be provided to the WVABCA to display as needed to ensure identification of the employees. When an employee terminates employment, their identification card will be recovered, and their photographs will be returned to the WVABCA with notification of termination. .



All LB&B Associates Inc., vehicles and equipment will be appropriately marked to identify ownership.

**3.4.2.2 Vehicles**

All of our vehicles are high quality, low mileage vehicles in excellent condition. All delivery vehicles are equipped with GPS Tracking and on-board communication to enable the drivers to contact the customers and our Transportation Supervisor to report delivery schedule delays, emergencies, etc. The GPS Tracking System enables our Transportation manager to track “real-time” the location of all of our trucks to ensure they are on schedule.

We take great pride in the appearance of our vehicles, as they represent our primary customer – The WVABCA – as well as LB&B Associates to all who see them. We keep our vehicles clean and presenting a professional appearance at all times. Based on the normal workload data provided we propose the following mix of tractors, trailers and trucks:

<b>NORMAL OPERATIONS</b>		
<b>Minimum Quantity</b>	<b>Type</b>	<b>Size</b>
<b>5</b>	<b>Tractors</b>	<b>80,000 lb GVW</b>
<b>10</b>	<b>Trailers</b>	<b>40/45 Foot</b>
<b>3</b>	<b>Straight Trucks</b>	<b>24/26 Foot</b>

*During surge situations (Trade Shows), and any other time of increase workload, we will increase our capacity as needed to ensure we can meet the case per day requirements.*

We ensure that all of our vehicles are safe, reliable and equipped with all appropriate equipment. Upon contract award, we will provide a list of all vehicles to be used in support of this contract to the WVABCA. That list will include; Make, model, year, vehicle identification number (VIN), LB&B Identification number and license plate number.

All of our delivery vehicles are equipped with the following as a minimum;

- Current State Vehicle Inspection Sticker
- Valid License
- Current Public Service Commission Stamp
- Current Liquor Transportation Permit
- Current Fuel Stamp
- Identification Number
- On-board Telecommunication Device
- Installed GPS Tracking System
- Company Markings
- Safety Equipment (first aid kit, fire extinguisher, warning devices)
- Inclement weather gear as required (chains, shovel, salt, coveralls, gloves, ice scrapers, etc...)
- Tie down and security devices - straps, blocks, locks



### 3.4.2.3 Vehicle Maintenance

LB&B's responsive and reliable delivery service is dependent upon the safe operation and reliability of our equipment. This section details our Equipment Maintenance Program. The LB&B Maintenance Program applies to all tractors, trailers, trucks and any other equipment that requires servicing which is owned or leased by LB&B for use on this contract. The program consists of four levels of maintenance, which are:

- **First Level** - Operator Inspection and Maintenance, performed by the vehicle/equipment operator on a daily basis.
- **Second Level** - Minor Maintenance, repairs which are performed by the on site Vehicle/Equipment Mechanic on a daily or as needed basis.
- **Third Level** - Preventive or Scheduled Maintenance, which is performed by the on site Vehicle/Equipment Mechanic on a monthly, mileage, or hourly basis as required.
- **Fourth Level** - Heavy Maintenance, which is performed in a fully certified maintenance shop and manned by factory trained qualified personnel. We will establish a contract with a certified shop, such as **FleetPride, Inc.**, of Charleston for any fourth level maintenance. We use FleetPride on a number of our contracts with excellent results.

#### 3.4.2.3.1 First Level - Operator Inspection/Maintenance

Operators will perform the following inspection/maintenance deliveries prior to, during, and after return from deliveries:

The Drivers Vehicle Inspection Report will be completed by each driver, prior to departure. Each item will be checked and the exact condition of the vehicle will be as indicated on this report when the vehicles are parked for the day. See *Figure 3.4.2.3.1-1 Drivers Vehicle Inspection Report* below.

- Drivers will check the "Next Preventive Maintenance Due" (NPMD) decal posted in the tractor cab and note if the date entered thereon is within two days of the current date or mileage is within 500 miles of that entered on the decal. If either situation exists, the driver will so indicate in the remarks section of the Driver's Daily Vehicle Condition Report. For example, NPMD 11/20/09 – or NPMD Mileage.
- The following post-trip servicing will be accomplished:
  - Refuel
  - Visually check for any fluid leaks
  - Bleed the air system of any accumulated water by opening the petcock on the main tank.
  - Check fluid levels and add if necessary.
  - Clean cab interior, removing all trash and debris.
  - Complete Driver's Daily Log
- The completed Driver's Daily Log will be turned in to the Transportation Manager at the end of each run.

#### 3.4.2.3.2 Second Level Maintenance

Our Vehicle/Equipment Maintenance Mechanic will perform first level maintenance, which is defined as minor repairs beyond the capability of the operators such as, but not limited to, the following:

- Tighten cap screws, fittings, and connection or replace gaskets as necessary to correct external air, coolant, fuel or oil leakage.
- Change light bulbs.
- Minor repair to electrical system.
- Replacing or servicing batteries or cables. Check coolant and anti-freeze and replenish if not within the proper tolerance for the appropriate season.
- Any other minor repairs or adjustments within the capability of the mechanic and his resources.

Figure 3.4.2.3.1-1 Drivers Vehicle Inspection Report

<b>DRIVER'S VEHICLE INSPECTION REPORT</b>		
AS REQUIRED BY THE D.O.T. FEDERAL MOTOR CARRIER SAFETY REGULATIONS		
CARRIER: <b>L B &amp; B ASSOCIATES INC.</b>		
ADDRESS: <b>RALEIGH, NC</b>		
DATE: _____	TIME: _____	A.M. _____ P.M. _____
CHECK ANY DEFECTIVE ITEM AND GIVE DETAILS UNDER "REMARKS"		
TRACTOR/ TRUCK NO. _____	ODOMETER READING _____	
<input type="checkbox"/> Air Compressor <input type="checkbox"/> Air Lines <input type="checkbox"/> Battery <input type="checkbox"/> Bells and Hoses <input type="checkbox"/> Body <input type="checkbox"/> Brake Accessories <input type="checkbox"/> Brakes, Parking <input type="checkbox"/> Brakes, Service <input type="checkbox"/> Clutch <input type="checkbox"/> Coupling Devices <input type="checkbox"/> Defroster/Heater <input type="checkbox"/> Drive Line <input type="checkbox"/> Engine <input type="checkbox"/> Exhaust <input type="checkbox"/> Fifth Wheel <input type="checkbox"/> Fluid Levels <input type="checkbox"/> Frame and Assembly	<input type="checkbox"/> Front Axle <input type="checkbox"/> Fuel Tanks <input type="checkbox"/> Horn <input type="checkbox"/> Lights Head - Stop Tail - Dash Turn Indicators <input type="checkbox"/> Mirrors <input type="checkbox"/> Muffler <input type="checkbox"/> Oil Pressure <input type="checkbox"/> Radiator <input type="checkbox"/> Rear End <input type="checkbox"/> Reflectors	<input type="checkbox"/> Safety Equipment Fire Extinguisher Flags - Flares - Fuses Reflective Triangles Spare Bulbs and Fuses Spare Seal Beam <input type="checkbox"/> Starter <input type="checkbox"/> Steering <input type="checkbox"/> Suspension System <input type="checkbox"/> Tire Chains <input type="checkbox"/> Tires <input type="checkbox"/> Transmission <input type="checkbox"/> Trip Recorder <input type="checkbox"/> Wheels and Rims <input type="checkbox"/> Windows <input type="checkbox"/> Windshield Wipers <input type="checkbox"/> Other
TRAILER(S) NO.(S) _____		
<input type="checkbox"/> Brake Connections <input type="checkbox"/> Brakes <input type="checkbox"/> Coupling Devices <input type="checkbox"/> Coupling (King) Pin <input type="checkbox"/> Doors	<input type="checkbox"/> Hitch <input type="checkbox"/> Landing Gear <input type="checkbox"/> Lights - All <input type="checkbox"/> Reflectors/Reflective Tape <input type="checkbox"/> Roof	<input type="checkbox"/> Suspension System <input type="checkbox"/> Tarpaulin <input type="checkbox"/> Tires <input type="checkbox"/> Wheels and Rims <input type="checkbox"/> Other
Remarks: _____		
_____		
_____		
_____		
_____		
_____		
<input type="checkbox"/> CONDITION OF THE ABOVE VEHICLE IS SATISFACTORY		
DRIVER'S SIGNATURE: _____		
<input type="checkbox"/> ABOVE DEFECTS CORRECTED <input type="checkbox"/> ABOVE DEFECTS NEED NOT BE CORRECTED FOR SAFE OPERATION OF VEHICLE		
MECHANIC'S SIGNATURE: _____		DATE: _____
DRIVER'S SIGNATURE: _____		DATE: _____

*Figure 3.4.2.3.2-1 LB&B Associates Inc. Truck Inspection Work Sheet*

<b>LB&amp;B ASSOCIATES INC. TRUCK INSPECTION WORK SHEET</b>			
DATE _____	TRUCK # _____	MAKE _____	MILES _____
			Mechanic's Name _____
1.	Check for worn or mismatched tires _____	OK _____	PULL _____
2.	Jack, Check, and Grease Steering axle _____	OK _____	PULL _____
3.	Valve stem caps on all tires _____		
4.	Test parking brake _____	Test Service Brake _____	
5.	Test air pressure drop with brake on _____		
6.	Check clutch adjustments and lube _____		
7.	Check all instruments & controls _____	Wipers & Blades _____	
8.	Check heater and air conditioner for proper operation _____		
9.	Mirrors & Glass _____	Check all lights _____	
10.	Oil Door Hinges _____		
11.	Check for air leaks _____		
12.	Check Exhaust system _____		
13.	Check air filter gauge _____	Replace filter if needed _____	
14.	Check Engine air intake hose for rubbed spots, tighten Clamps _____		
15.	Clean Engine crankcase breather _____		
16.	Change Engine oil and filter _____	(month) _____	
17.	Check oil & filter _____	Oil _____	Fuel _____
18.	Check power steering oil level _____	Repair all oil leaks _____	
19.	Check all belts for wear and adjust all belts _____		
20.	Tighten all water hose clamps first _____	Pressure test radiator _____	
21.	Check coolant level, High _____	Low _____	Antifreeze protected to _____
22.	Check DCA Content _____		
23.	Blow out radiator fins _____		
24.	Check 5 <sup>th</sup> Wheel for Lubrication and Proper operation _____		
25.	Check steering box _____	Linkage _____	Cotter Keys _____
26.	Check toe in _____		
27.	Check engine & transmission mounts _____	Check trans. oil level _____	
28.	Check drive shaft U Joints & locks _____		
29.	Check oil level in differential _____	Tighten differential bolts _____	
30.	Check brake chambers and adjust _____		
31.	Check brake lining & adjust _____		
32.	Check brake drum bolts _____		
33.	Tighten axle/wheel studs and nuts _____		
34.	Lubricate truck completely _____		
35.	Check batteries, remove and clean cables and Mounting brackets _____		
36.	Drain air tanks _____		
37.	Correct Annual, Fuel and Inspection stickers _____		
38.	Check truck # Decals _____		
39.	Check fire extinguisher and flare kit _____		
40.	Check engine compartment for cleanness _____		

**3.4.2.3.3 Third Level Maintenance**

The Vehicle/Equipment Maintenance Mechanic will perform periodic maintenance and servicing in accordance with the manufacturers recommendations and as indicated above. *Figure 4.2.3.2-1* shows the forms used to ensure complete periodic maintenance is performed.

- The inspection and repair of trailers will be performed at the manufacturers recommended intervals using *Figure 3.4.2.3.2-2* for recording the date and mileage at the time the work was performed.

*Figure 3.4.2.3.2-2 LB&B Associates Inc. Trailer Inspection Work Sheet*

<b>LB&amp;B ASSOCIATES INC. TRAILER INSPECTION WORK SHEET</b>			
<b>DATE:</b> _____	<b>TRAILER#</b> _____	<b>MAKE</b> _____	<b>YEAR</b> _____
			<b>Mechanic's Name</b> _____
1.	Check for worn or mismatched tires _____	OK _____	PULL _____
2.	Test Parking Brake _____	Test Service Brake _____	_____
3.	Check Air Pressure Drop with Hand Valve applied		_____
4.	Check for Air Leaks		_____
5.	Check all Lights		_____
7.	Check King Pin for wear		_____
8.	Check Pigtail Socket and Glad Hands		_____
9.	Check Brake Chambers		_____
10.	Check Brake Lining/adjust Brakes		_____
11.	Check Brake Drum Bolts		_____
12.	Tighten Wheel and Axle Studs		_____
13.	Drain Air Tanks		_____
14.	Lubricate Trailer Complete		_____
15.	Check Frame and Suspension for cracks		_____
16.	Check Springs for cracks		_____
17.	Check Interior Side Walls for Damage Boards		_____
18.	Check Oil level in Hubs		_____
19.	Check Annual D.O.T. Inspection Form		_____

**3.4.2.3.3 Fourth Level Maintenance**

The vehicles will be scheduled into a certified maintenance shop such as FleetPride Inc. of South Charleston, for any major maintenance. Any repairs to the trailers beyond the capability of the Vehicle/Equipment Maintenance Mechanic will be accomplished at a qualified trailer maintenance facility.

**3.4.2.4 Safety Program**

LB&B's Safety Program is designed to prevent on-the-job accidents in performance of the functions involved in storage and distribution of alcoholic beverages. Prevention is achieved through promoting and maintaining safe working conditions and operational procedures.

LB&B's on-site Project Transportation Manager has the ultimate responsibility for safe working conditions and adherence to the prescribed safety practices and procedures. However, the success of a Safety Program rests with each employee. Safety Program success can only be achieved through their corporation and assistance in monitoring the operation and reporting of unsafe conditions or practices that could result in accidents.

• **PTS must:**

- Train their personnel in proper work practices.
- See that proper practices are followed.
- Investigate all incidents or injuries for cause
- Take corrective action when unsafe conditions or work methods are noted.
- Maintain all equipment in a safe operating condition.

• **Employees must:**

- Observe prescribed work practices.
- Report any hazardous condition to their Supervisors.
- Report all injuries immediately.
- Use prescribed protective and safety clothing and equipment.
- Be proactive on all safety issues

**3.4.2.4.1 Safety Tool Box**

Our PTS and our drivers will be required to hold weekly safety talks covering Safety Tool Box subjects. These brief talks are designed to focus and refocus our employees on issues that could affect their safety. Some examples of Safety Tool Box Subjects applicable to our drivers are;

- |                                 |                             |
|---------------------------------|-----------------------------|
| • Vehicle Inspection            | • Winter Driving            |
| • Basic Control of Your Vehicle | • Hot Weather Driving       |
| • Shifting Gears                | • Railroad Crossings        |
| • Situational Awareness         | • Mountain Driving          |
| • Communicating                 | • Driving Emergencies       |
| • Space Management              | • Antilock Braking Systems  |
| • Controlling Your Speed        | • Skid Control and Recovery |
| • Hazard Recognition            | • Accident Procedures       |
| • Distracted Driving            | • Fires                     |

- Aggressive Drivers/Road Rage
- Night Driving
- Driving in Fog
- Alcohol, Other Drugs, and Driving
- Staying Alert and Fit to Drive
- Personal Protective Equipment

**3.4.2.4.2 Driver Safety Performance Tracking**

We feel we cannot do too much to ensure safe operation of our vehicles, and security of the WVABCA Product. As such, we will have a decal such as the one shown here on each of our vehicles to allow motorists to report erratic or unsafe vehicle operation. The service we subscribe to provides 24- hour a day reporting to us, of any calls received concerning one of our vehicles.



We take any report seriously and will investigate them thoroughly. If necessary, drivers will be counseled, retrained or dismissed as appropriate.

**3.4.2.4.3 Safety Award Program**

LB&B has provided a Safety Program for all contract sites. Each employee is eligible to participate in the worthwhile and effective program. We provide monetary awards to those employees who consistently work safely.

**3.4.2.4.4 Safe Driving Awards**

Full-time Truck Drivers are eligible for a Safe Driving Award in accordance with the American Trucking Association's policies and guidelines. Awards are given in December of each year.

**3.4.2.4.5 Distribution of Safety Plan**

One copy will be posted on the drivers area bulletin board and one copy placed in the packet for each tractor.

**3.4.2.5 Security**

Security is very important to LB&B Associates Inc., and will be continuously emphasized. Our employees will be trained on all aspects of security as they relate to care of WVABCA property at all times; in the warehouse, while in transit and while being unloaded. Vehicles and facilities will be locked when left unattended, and any suspicious activity will be reported immediately to our management and WVABCA staff as appropriate.



**3.4.2.5.1 Vehicle Over- the- Road Security**

Vehicles in transit are somewhat more vulnerable to hi-jacking and theft than when parked and secured. To insure the security of the vehicles and the WVABCA products, the following procedures (as a minimum) will be implemented:

- LB&B will provide mobile phones to its truck drivers to be used in Safety/Security instances, as well as to notify and inform the Customers and Transportation Manager of deviations in arrival times.
- Additionally, LB&B will install GPS systems in all vehicles for location tracking purposes.
- LB&B Employees will be especially alert to persons observed following them for extended periods of time, or watching them while unloading.
  - Personnel will attempt to safely obtain the license number and description of the vehicle, or individuals observing them report as much details as possible to the LB&B Transportation Manager.
- In the event of an attempted or actual hijacking, LB&B employees will not resist.
  - Employees should remain calm, which may enable Driver and Helper to provide reliable information to law enforcement officers' details about the hi-jacking.
- All vehicles (trucks, tractors and trailers) will be locked (not just sealed) when not being on or off-loaded. High quality, tamper proof locks will be provided for each vehicle.
- While trailers are disconnected from the tractors, they will be secured with a king-pin lock, which prevents another tractor from connecting to it.

**3.4.2.6 Training Program**

All of LB&B's employees who work at the WVABCA Project will have the requisite skills and currently valid certifications, licenses, and permits before consideration for employment.

All employees will be required to attend a training/orientation session focusing on policies and procedures regarding; company policies and procedures, security, safety, and administrative matters. These training sessions/orientations are mandatory and personnel will not be allowed to start work on the Project without these training sessions and/or fulfillment of other particular requirements consistent with their respective positions. As a condition of continued employment, all LB&B employees will attend periodic safety orientations conducted by project management. All employees, as required by the specifications of their jobs, will attend training as follows:

- Meeting client requirements
- Customer relations and service
- Contingency Plan — Contingency Plan specifics and the respective role each will play in its execution. Drills for a contingency will conducted a required.
  - Examples of contingency plans are; inclement weather, increased workload, unexpected closure of the WVABCA Distribution Facility, retail customer facility closure or inaccessibility, etc.
- Drug-Free Workplace
- Equal Opportunity Employer
- Violence in the Workplace
- Security
- Safety



### 3.4.2.6.1 Driver Training

All of our drivers will have the requisite Commercial Drivers License (CDL) for the type and size of vehicle they will be operating, with the appropriate endorsement. In addition to the required CDL-A, all of our drivers, regardless of length of experience, are required to pass a "check ride" evaluation with one of our transportation managers or senior operators, over the actual routes they will be driving. These check rides are normally more than one day in duration. These check rides ensure safe operation and knowledge of the routes and delivery locations.

One key component of all LB&B Associates Inc., training program is training for cross-utilization, cross-functionality. All drivers will be trained on all routes and all delivery locations. All of our drivers will eventually be able to operate on any route with the same level of efficiency and customer support.

### 3.4.2.7 Insurance

LB&B will provide and maintain current during the period of contract the type and amounts of insurance coverage as stated below.

The insurance carrier(s) for each of the coverage's will be authorized to do business in the State of West Virginia and will be subject to the approval of the Administration. LB&B will furnish the Administration certificates of insurance with respect of each of the coverage's. Each policy of insurance will provide that the ABCA be given a thirty-day, written notice prior to the cancellation of any policy.

Insurance coverage will consist of:

- Liability Insurance - Personal Injury: LB&B will provide liability insurance for Combined Single Limit of not less than 1,000,000; and not less than \$5,000,000 for two or more persons injured.
- General Liability – Property Damage: We will ensure that general liability in the amount of \$1,000,000 per occurrence.
- Cargo Insurance - The merchandise being transported will be insured up to a maximum of \$150,000 per tractor/trailer vehicle and to a maximum of \$95,000 per straight truck.

While not specifically required by the RFQ, we will also provide the following coverage's;

- Employee Liability - We have included employee liability insurance for theft by an employee up to \$50,000 per occurrence.
- Liquor Liability Insurance - In addition to the above insurance, we will provide this coverage in the amount of \$1,000,000 per occurrence.

### 3.4.2.8 Responsibility for Loss and Damage

LB&B will assume financial responsibility for all loss and damage due to shortage, theft, breakage, or otherwise of liquors while under LB&B custody, while in transit to or while unloading at the WVABCA authorized retail liquor locations. LB&B will be responsible for damaged merchandise delivered to an authorized location, when damaged merchandise is discovered at the retail location and reported to LB&B at the time of delivery.

### 3.4.3 Ensuring Quality

LB&B has taken a major leadership role in the focus on quality by implementing our ISO Certified Quality Management System. Included in this system is a high level of emphasis on continuous improvement.

Continuous improvement is not a program; it is a philosophy and a set of guiding principles that represents the foundation of continuously improving an organizations operations. It is inherent in any organization that inefficiencies will creep in overtime. Recognizing this, continuous improvement is a total system that continuously seeks ways to improve production and management processes/systems.

Quality management includes all activities that influence the production of reliable and durable services. Actions are directed to the prevention of defects, the detection of deficiencies in processes and services, verification of compliance with established requirements and management action to eliminate causes of deficiencies.

Our system provides top management with an effective and efficient means of identifying and correcting potential and actual problem areas throughout the entire scope of operations. The objectives of our program are:

- To measure the quality of services, processes and data
- To effect an improvement of quality as required through corrective measures and improved management practices. To ensure that areas service meet the stated requirements and WVABCA needs.
- To minimize rework as a result of improper or inadequate performance.
- To continuously improve the quality of our customer service and performance

As stated earlier, quality performance is the responsibility and obligation of all personnel. This is reflected in our policy of incorporating quality inspections into all levels; from top to bottom of our organization

Self-Inspection — The first phase is accomplished at the functional level, by the employees. Each employee will ensure they are meeting or exceeding their specific contract requirements.

Quality Control Inspection — The second phase of our system is performed by our Project Manager. His primary function will be to validate the Self-Inspection Program. He will conduct scheduled and nonscheduled inspections as well as audits to verify the self-inspections results.

Each Manager establishes measurements for his/her own operation, based on the requirements of the contract. They will know exactly what is being measured, the source of the information, its reliability, and its intended use. Factors such as labor productivity, material usage and cost, quantity of work done, quality of work, timeliness of service, and job cost will be included as some of the basic information tracked. Effective control starts and ends with management observation and evaluation.

Periodically, our corporate Director of Quality will visit project locations to evaluate operations and ensure quality performance.

#### **3.4.4 Maintenance of Records and Reports**

LB&B will prepare and maintained all required records and reports to include those required by ; WV ABC Administration, Bureau of Alcohol, Tobacco and Firearms, any other Federal, State or Local Government Agency. These records and reports will be provided to authorized government agencies upon request.

## 4.0 CORPORATE SUPPORT COMMITMENT

We do not expect to send corporate staff to the project on a routine basis, the project manager has the authority and capability to handle day-to-day operations. However, if the need arises, our corporate staff will be on-site for as long as required. We like to refer to our corporate support staff as *“Available, but not overbearing...”*

### 4.1 Corporate Personnel Resources and Corporate Management Personnel

We have expert corporate management and administrative support groups which will provide direct support to the project staff to ensure compliance with corporate and project policies, performing audits, monitoring and evaluating project status, discerning and resolving problems, and providing technical expertise when required. We are organized to make effective use of matrix management techniques, and have proven ability to direct technical specialties and administrative support to cost-effectively support field project operations.

Located only about a 6-hour drive from Nitro, WV our corporate office staff is available and can be on-site quickly. LB&B's headquarter operations is staffed with a seasoned professional operations and management support contract management team, who is available on a short-term basis to fill resource voids or key personnel vacancies that may occur.

#### 4.1.1 Support Functions

LB&B feels that no other company can identify and provide a staff of support personnel equal to those of LB&B. We enthusiastically present our team because we recognize that we are proposing a proven team, as they currently support our ABC Operation in Raleigh, NC. The WVABCA staff will function primarily as an autonomous entity that will benefit from corporate administrative support functions such as;

- Human Resources
- Drug Free Work Place Program
- Personnel Recruiting Services
- Financial and Accounting
- Labor relations
- Legal
- Affirmative Action
- Quality
- Performance Trend Analysis
- Safety
- Training
- Technical Augmentation

#### 4.1.2 Human Resources

We operate on the belief that an organization is only as effective as the manner by which its human resources are managed. We firmly believe in participative management and close interaction between project employees and staff, reinforced by corporate support of our sound

personnel management plan. This plan will be site-specific for the WVABCA Project, yet within our established policies and procedures.

Our corporate staff will render any assistance the interpretation, implementation, and reinforcement of any policy or program. As has been our policy on all of our projects, the corporate staff will provide continuing assistance and advice to project management in the areas of staffing, wage and salary administration, employee benefits, Equal Employment Opportunity, Affirmative Action, Training, Job Analysis and Enrichment, Incentive Programs, and Labor Relations.

#### **4.1.2.1 Employment Qualification Standards**

All LB&B employees at the WVABCA Project will fully satisfy every skill requirement of their respective positions and will have the needed training to execute their work in accordance with safety and health standards. Our employees will have and maintain all necessary licenses, certifications, and permits specific to their vocations. Evidence of these documents will be maintained in our Project Office, and will be available to the appropriate staff members of the WVABCA. Prior experience, education and training, and continuing education will be the foundation upon which our operations are conducted. We will conduct drug testing and background checks on all potential employees before they are hired and continued periodic testing as required by governing agencies (such as the DOT). All licensing, certifications, and permits are tracked in our ABRA Personnel System to ensure they do not expire. This system will notify the employees in ample time to schedule renewals and testing as required.

#### **4.1.2.2 Human Resources Policies**

The Human Resources policies of LB&B ensure fair treatment, equity, and consistency of action by our management toward all our employees. It is through these policies that we successfully assure a high level of employee morale and labor productivity at our project sites.

The establishment of a positive work environment, in which every employee has a sense of accomplishment and personal fulfillment, is a major goal of the Human Resources Policies. Employees at this project will be encouraged - as they are at all LB&B locations - to participate fully as a member of the LB&B Project Team. They will know that their rights will be absolutely recognized and reinforced, and they will have an avenue for obtaining answers to any inquiry in a forthright and honest manner.

#### **4.1.2.3 Fringe Benefit Policies**

LB&B benefit programs for its employees reflect our concern in two distinct areas. Primarily, our programs must be competitive with other programs in the project area and responsive to our employees' needs. Secondly, LB&B must ensure that our programs are cost effective. All benefit programs are continually evaluated to ensure benefit monies are expended in the most efficient manner, that our benefits are both comprehensive and flexible and satisfy the differing need of our employees.

The programs provided by LB&B will include medical and dental insurance, life insurance, short-term disability, 401(k) Thrift Program, vacation and sick leave, and optional programs including additional life insurance, paid leave for jury duty and bereavement leave.

#### **4.1.2.4 Physical Examinations and Drug Testing**

As a strong supporter of the Federal Drug Free Workplace Act, LB&B's employees will be required to submit to drug testing and background checks prior to commencing work, and continued periodic testing as required by governing agencies (such as the DOT). For those employees in positions requiring periodic physical examinations (drivers), we will track examination requirements in our ABRA Personnel system, notifying the employee when the re-examination is required.

Our Drug Free Workplace Program is implemented at the corporate level, and managed on each project. Our Program includes:

- A detailed written policy describing the program and training on the program.
- Employee education about any available Employee Assistance Programs and/or rehabilitation resources.
- Substance abuse testing for pre-employment, post-offer and random (safety sensitive positions), reasonable suspicion, and post-accident testing by certified laboratories.
- Immediate discharge for positive tests, refusing to take a substance abuse test or for tampering with test specimens.
- Appropriate confidentiality of testing information.

#### **4.1.2.5 Conduct of Employees**

The Project Manager will be solely responsible for our employees' compliance with and the enforcement of the LB&B work rules, safety rules, the WVABCA Project-specific work and safety rules, and all other standards relating to employee conduct. The Project Manager will also have responsibility for taking corrective action for any LB&B employee found to be in violation of these rules.

#### **4.1.2.6 Recruitment, Retention, Training, and Labor Relations**

Recruiting, promotion, and training programs are integral parts of labor relations. We enjoy very low employee turn-over rates, due in large part to our very competitive compensation packages, promotion and recognition programs.

We prefer to recruit new personnel to fill vacancies for the lower level positions and promote internally to fill vacated higher-level positions. This philosophy has worked well across our projects, enabling us to retain a cadre of highly qualified and experienced employees. Our corporate recruiters maintain a database of potential employees for each of our projects. By maintaining this data, we greatly reduce the time involved in recruiting new employees when needed.

Our benefits plan as explained above is one of the best in the industry. We take good care of our employees, who in turn take good care of our customers. Our compensation packages, promotion policies and recognition programs have proven effective in retaining high-quality employees.

Our training programs are designed to assist our employees in improving their proficiency in their present positions, as well as prepare them for advancement when opportunities materialize.

We are

## 4.2 Financial Management and Accounting

Prudent financial management is a key element of our corporate philosophy and the Project Manager's responsibility. While this contract is firm-fixed price to a point, we will continuously manage costs and will pass on efficiencies where we can. Our corporate office finance section will assist in tracking all costs to enable us to evaluate all operating costs to enable cost reductions where possible.

### 4.2.1 Cost Accounting and Control Coding

LB&B's primary cost accounting system is our DELTEK System located at our corporate office. The major components of this system are as follows:

- Labor Distribution
- Corporate Accounts Payable
- Payroll
- Journal Voucher Entry
- Project Disbursements
- General Ledger Control Pool
- Detail Ledger Report



Our Cost Accounting System is structured so that each project is tracked to ensure only that manpower, burden, materials, and support functions expended in support of that project's mission are accrued to it.

Account number coding will also be used to provide a major classification of costs by accounts elements (e.g., labor, materials, supplies, travel, burdens, etc.). This permits major elements of costs to be summarized by work element, project, profit center, or company-wide. This system allows us to evaluate similar expenses at similar projects for inconsistencies – which can affect costs controls.

### 4.2.2 Labor Distribution and Payroll

Accuracy in recording payroll costs is vital to ensuring proper financial management. Responsibility of properly administering payroll control resides with the Project Manager. The Project Manager will ensure that employee completed time records are accurate and complete and submitted to headquarters in a timely manner for payroll processing. All payroll records are reviewed by the project office prior to their transmittal to the corporate office. The corporate office will maintain all employee payroll and earnings records, and will produce the necessary reports including, but not limited to:

- Payroll Register
- Labor Distribution
- Federal and State Unemployment Insurance Reports
- Federal and State Withholding Tax Reports
- Deduction Register
- W-2s Annually

#### 4.2.3 Petty Cash

A petty cash fund will be established at the project site for providing small amounts of cash on hand to pay for miscellaneous, minor, and isolated purchases. The WVABCA operation will have immediately available any funds required to support day-to-day operations.

#### 4.2.4 Payment of Invoices

We will establish support contracts for various required local services in the Nitro area. The corporate office will be responsible for the payment of invoices for goods and services provided by others, such as vehicle repair services, parts, etc... The Project Manager will approve all local purchases up to an amount within the guidelines of the LB&B Accounting Policy Manual.

#### 4.2.5 Actual Versus Planned Performance

LB&B maintains details of actual costs expended on each contract, both "direct" and "indirect," within the limits of contract fund allocations. This detail of a project's cost control measures the adequacy and proper use of management's budget techniques to control personnel, materials, and money.

The budgeting techniques used to affect this control are structured around the following basic control cycle concepts:

- Established the budget based on the contract negotiated costs;
- Divide the budget into discernible element of cost; i.e., labor, burden, materials, subcontracts, and indirect costs;
- Provide reports of actual cost by discernible elements;
- Compare and evaluate actual versus budgeted costs; and
- Adjust performance to retain a balance between actual and budgeted costs.

Our Cost Accounting and Control Codes allow us the flexibility to divide costs into finite elements. This job code system enables us to provide reports detailing manpower resources (i.e. productive hours and nonproductive hours); direct costs such as subcontracts, travel, and materials; and indirect costs (i.e., G&A). This system allows for the derivation of cost reports at several levels, with varying degrees of detail.

Performance will be monitored continuously by both the Project Manager and the Division Manager. Cost elements will be plotted and trends developed as the project progresses. These actions will allow for constant analysis of expenditures and early detection of problem areas, should they develop. With this information, corrective steps may be implemented to ensure that all performance areas remain within the negotiated costs. Our other corporate support functions will provide the same level of detailed support as we've shown here, whenever it is required.



## 5.0 PRICING

LB&B Associates Inc., confirms that all labor costs, direct and indirect, have been determined and included in the proposed cost. Also included are the cost and availability of all equipment, materials, and supplies associated with performing the services described herein have been determined and included in the proposed cost. *We propose to direct, manage and operate the transportation activities of the Alcohol Beverage Control Administration, or its successor agency (hereinafter referred to as the ABCA) at the rate of \$1.62 per standard case of alcoholic liquors delivered to private retail liquor stores for a period of one year commencing on April 1<sup>st</sup> 2012.*

### 5.1 Additional Services

As we mentioned earlier, we have extensive experience in receiving, warehouse configuration and storage, warehouse management systems and vehicle loading. If there are any additional services the WVABCA would like LB&B employees to perform that are not appropriate for "per-case" pricing, we will gladly perform these services at an hourly rate of **\$ 30.00 per hour**, per employee.