



Report to the Governor, Chairmen of the House Appropriations and Senate Finance Committees and the Six-Year Capital Outlay Plan Advisory Committee

Virginia Alcoholic Beverage Control Central Office & Warehouse Property Study

November 1, 2017

**Prepared by the Virginia Department of Alcoholic Beverage Control (ABC) and
Department of General Services (DGS)**



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November 1, 2017

Governor McAuliffe,
Delegate S. Chris Jones,
Senators Thomas K. Norment, Jr. and Emmett W. Hanger, Jr. and
Members of the Six Year Capital Outlay Plan Advisory Committee:

During the 2017 Session, the General Assembly adopted budgetary language directing the Virginia Department of Alcoholic Beverage Control and the Virginia Department of General Services to develop a plan to provide cost-effective, efficient, turnkey options for a new ABC warehouse and administrative offices. Pursuant to paragraph B. and E. of Item C-52.45 of Chapter 836:

B. The plan will be a comprehensive plan for an ABC warehouse and administrative offices. At a minimum the plan will include real estate development approaches to achieve operationally ready, "turn-key", cost effective and efficient solutions to meet ABC's operational and business requirements. Solutions may include, but not be limited to, lease or construction of new facilities, acquiring existing facilities through lease or purchase, a combination of new construction and existing facilities, and must include at least one option for using the existing location for the new or retrofitted warehouse and administrative office building.

E. Private sector developer options are to be included in the ABC plan. DGS is tasked and authorized to publicly solicit proposals (i.e. Request For Proposal, Request For Information or by other public solicitation method), to evaluate requirements in paragraphs B and D of this item, from the private sector developer community interested in providing solutions that meet ABC's operational, business, and cost effectiveness and efficiency requirements.

Pursuant to this language, enclosed please find the Virginia Department of Alcoholic Beverage Control's Central Office and Warehouse Property Study.

Respectfully submitted,

Travis G. Hill
COO, Secretary to the ABC Board



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Executive Summary

- Virginia ABC has outgrown the existing location. Moving is the best solution from both an operational perspective as well as financial perspective.
- ABC and DGS issued RFPs for Central Office and Distribution Center
 - o Office requirements according to DGS standards
 - o Distribution Center requirements developed with logistics consultants
- RFP was for a “turnkey” solution – ready to operate on Day 1. Proposals required:
 - o Site
 - o Building Design and Construction
 - o Material Handling Equipment
 - o Warehouse Management System
 - o Financing
- The RFP process provides greater confidence in the cost estimates for relocating the warehouse and central office. Initial cost estimates are lower than last year’s requested budget amount.
- The private sector demonstrated a significant interest and ability to provide relocation options that came in below the original report’s requested budget number.
- DGS review determined that the RFP process produced competitive proposals and found that the proposed project costs were more favorable than if ABC project was developed using conventional capital outlay process.
- 15 companies submitted proposals, 6 companies brought forward for interviews
- Various financing options considered – Lease then purchase is likely most favorable solution
- Remaining at the existing location, whether by renovation and expansion or use of a multi-DC approach, is not a cost effective solution over the long term.
- Other state owned land does not provide as competitive a solution as private proposals due to undesirable location or difficulties locating a distribution center on the specific parcels.
- Given that net revenues from ABC operations are anticipated to be sufficient to cover the related debt service on any VPBA bonds, the ABC could request the Debt Capacity Advisory Committee to exempt from inclusion in the debt capacity model any bonds issued for this purpose.
- Approval and funding to move forward in Spring 2018 would most likely result in building occupancy in Spring/Summer of 2021.

Based upon analysis completed as part of this report, Virginia ABC and DGS share the opinion that the best course of action for Virginia ABC operations is to pursue the private sector developer options currently under consideration to relocate the Virginia ABC central office and warehouse. This approach is the most cost effective from the standpoint of utilization of state financing to achieve a new facility that will allow for further revenue growth while also achieving operational efficiencies. Such a solution will provide for the continued growth and profitability of Virginia ABC for at least 20-30 years while other options explored do not provide as long of an operational time horizon while requiring sizeable investments to achieve results not in line with the level of expenditure.

The project scope, cost, and financing information provided in this report require refinement and more detail to make a final decision on selecting a solution to relocate ABC operations. In order to obtain the necessary level of detail, Virginia ABC and DGS will proceed with next steps in the private sector developer option process undertaken as described in this report, including engaging in negotiations with developers and further short-listing the developer options. Virginia ABC and DGS will move quickly, from the date of this report, to analyze and further understand key components of the proposals in order to have a final solution for consideration during the 2018 budget and legislative session.

1 – Background (Summary of Property Project History)

The Issue

Virginia ABC operations are housed in a warehouse that is more than 50 years old and a central office that is 40 years old. Both internal and external studies have determined that the warehouse and central office are at capacity and will require substantial investments to maintain current levels of operation. Investments in the current facilities will not render a significant increase in capacity or operational efficiencies in either facility. Planning for future growth is key to increasing revenue.

Urgency

The current warehouse is at 90% capacity. Independent logistics consultants, F. Curtis Barry Company (FCBCO), indicate that from an efficiency perspective, warehouse capacity should not exceed 80% to 85%. The capacity constraints affect profits by limiting the possibility of new products and constrict product variety. Additionally, key warehouse equipment is nearing its end of life and use of external warehousing will add cost and inefficiencies. Assuming appropriation during 2018 legislative session, new construction would not be ready for occupancy until 2021, leaving ABC in a constrained position for three more years. Further delay will add to construction costs and further impede profits.

Significance

Virginia ABC's current business strategy is to continue to open new stores, approximately 16 every two years, and actively seek opportunities to profitably expand product selection. Typically, new store growth accounts for one-third of ABC's year over year growth. Having set profit records for 20 consecutive years, Virginia ABC has come to be seen as a dependable source of growing revenues. In order to continue in this role, Virginia ABC will need to be able to efficiently and effectively supply its growing retail store network. Failing to plan for our future distribution needs will constrict growth and limit profitability.

Running less efficiently will impact the customer experience, potentially drive up product prices and negatively impact companies providing spirits products to Virginia ABC. Operating at capacity, Virginia ABC will be less able to incorporate new products into its portfolio, including the growing number of Virginia products coming to market.

Action

Capacity needs have been reviewed by resources internal to Virginia ABC as well as independent consultants. The agency evaluated several options to prepare for future growth; these options included the renovation of the current central office and warehouse facility, the potential for multiple distribution centers, third party fulfillment or public warehouse, and the feasibility of new construction.

All reviews concluded that new construction provides the most cost effective and efficient means for growth. An independent financial analysis completed in 2016 concluded that the Commonwealth will be better off by approximately \$50 million between FY 2017-FY 2025 and \$94 million between FY 2017-FY 2045 by pursuing a 'Move Now' option that contemplated relocation in 2020. The primary reasons for this significant cost difference are required interim operating and capital cost under the 'Move Later' option, which contemplated Virginia ABC remaining in the current facility until 2025, as well as the assumption that the cost of constructing a new facility will increase by at least 3% annually and that a new facility will still be required in 2025 due to continually increasing demand.

The Appropriations Act of 2017 (Item C-52.45) directed the Department of General Services (DGS) and Virginia ABC to develop a plan for submission by November 1, 2017 to provide cost-effective, efficient, turnkey options

for a new ABC warehouse and administrative offices. The General Assembly appropriated \$500,000 to support actions taken by DGS and ABC to satisfy the intent of the budget language.

2 – Summary of Approach

As directed by Item C-52.45, Virginia ABC partnered with DGS to develop cost-effective, turn-key capital project options for both its central distribution facility and administrative headquarters. A variety of solutions were considered, to include:

- Lease or construction of new facilities from private-sector developers
- Purchase or lease of existing properties, adapted to ABC’s operational needs
- Renovation of all or part of the current facilities

Preliminary Work

ABC and DGS began with a strategic review of operational and business needs, followed by technical studies to specifically define the project requirements:

- DGS prepared a refined office space program in accordance with state guidelines
 - Estimated area for compact, efficient, modern office space for current operations and projected expansion requirements for future growth
- ABC consulted with FCBCO to develop requirements for the logistics functions
 - Assisted in projection of future product volumes
 - Prepared technical addenda for solicitations
 - Warehouse technical requirements and design parameters
 - Guidelines for material handling and warehouse management software
- ABC conducted additional freight analysis and an employee drive time study to develop a preferred search area
 - See Preferred Search Area Exhibit A
- DGS searched portfolio for surplus and underutilized state-owned property within or near the preferred area that may satisfy any part of the requirements due to the size of the site
 - Four tracts of land were identified
 - See State Owned Property Exhibit B

2.1 Private-Sector Solicitation

DGS advised ABC that the most appropriate avenue for developing private-sector solutions in response to this initiative would be two Requests for Proposals: the first for the distribution center (Attachment 1 – Distribution Center), the second for the administrative headquarters (Attachment 2 – Administrative Headquarters).

Developers had the opportunity to propose a solution for either the distribution center alone, administrative headquarters alone, or both to satisfy the combined requirements. ABC expressed a preference in the RFP documents to keep its operations consolidated, but this independent structure was chosen to maximize flexibility and to give the greatest possible viability to adaptation of existing buildings and potential cost savings. The RFPs included information on relevant state-owned property which could be made available for this project.

Both requests solicited full turn-key solutions, defined in the RFPs as to:

Deliver, by purchase or lease, fully designed and constructed new facilities, or acquire and deliver existing facilities that are compliant with requisite zoning and building codes for the operational purposes described within this solicitation; and, are inclusive of necessary furniture, fixtures, equipment, telecommunications, warehouse management system and other facility needs that result in operationally move-in ready facilities.

Providing a turn-key distribution solution required five major components, all of which would be furnished by the proposing entity acting as a prime contractor:

- Site Selection
- Building Design and Construction
- Material Handling Equipment (MHE)
 - Mechanical equipment used for movement, storage, control and protection of materials and products throughout the facility
- Warehouse Management System (WMS)
 - Comprehensive software suite designed to optimize and manage the movement of materials and resources entering, exiting or within facility. Requires extensive integration with Material Handling Equipment.
- Financing
 - Proposers would be responsible for financing all costs, providing the facility to ABC via a lease agreement

The requirement for a turn-key solution including these systems has several advantages:

- Lowers costs
 - Project started from the inside out: optimizing the layout for material handling, then designing the building to fit around it.
 - Minimizes construction costs and maximizes operating efficiency and space utilization
- Condenses project timeline
 - By soliciting all elements of the project concurrently, design and vendor selection can be completed quickly and efficiently.

A pre-RFP notice (Exhibit D) outlining the basic project requirements and critical dates was published 3 weeks before the RFP issue date by the DGS contract broker. The notice was sent to more than 1,200 contacts including commercial real estate agents, real estate developers, economic development officials, engineers, architects, material handling designers and other professionals with disciplines relevant to the initiative.

A requirement of submitting a proposal was that at least one member of the final project team attended a kickoff presentation by ABC and DGS held on-site at the existing facility, followed by a tour of the warehouse operation. This approach provided additional context for proposal expectations and an opportunity for the various professional disciplines to connect with one another. 109 individuals from 67 companies attended the meeting/tour. A roster including the name and company of those present was provided to each attendee.

A summary timeline of the RFP process used is shown below:

- Pre-RFP Notice Distributed 5/19/17 & 5/30/17
- RFPs Issued 6/9/17
- Kickoff Presentation/Tour of Current Warehouse 6/20/17
- Written Questions Due 6/30/17 & 7/21/17*
- RFPs Due 8/11/17

*ABC/DGS elected to open a second round of written Q&A, which allowed proposers to create additional questions after having received answers to the first round. The answers to all written questions received were distributed to everyone who attended the kickoff meeting/tour.

2.2 Commonwealth's Design/Construction Conventional Capital Outlay Process

DGS has evaluated the project costs received under the Private Sector solicitation process described in this document to the Commonwealth's conventional capital outlay process. DGS, using project scopes described in received proposals, developed conceptual cost estimates using its statewide capital outlay cost estimating processes and procedures. DGS developed its project cost estimates using the square footages submitted in received proposals for the warehouse and the office space, and requirements outlined in September 12, 2016 by Wiley/Wilson and F. Curtis Barry & Company report.

DGS cost estimates do not include the warehouse management system required by ABC (DGS does not have historical nor current competitive pricing for the unique WMS required by ABC), it does include a 40-acre site, and cost for the warehouse material handling equipment as described in ABC's September 12, 2016 report. Multiple conceptual project costs estimates were calculated based on varying sizes of the warehouse and the office building to compare the impact of variable costs associated with the various project scopes proposed.

Conceptual project costs developed by DGS included warehouses sizes of 307,000, 315,000 and 380,000 square feet. The office building sizes for which DGS developed conceptual project costs ranged from 90,000 to 102,000 square feet. The square footage project scope used in the DGS analysis was taken from those varying square footages proposed in the various proposals received and under review.

Findings between the conceptual project costs evaluation DGS performed under the Commonwealth's conventional capital outlay process were compared with that of the Private Sector approach DGS and ABC undertook pursuant to the direction in Item C-52.45 of the 2017 Appropriations Act. The findings validate that project costs in received proposals are competitive. In addition, DGS's analysis of the proposed project costs provided in the RFP responses indicates the current approach more favorable than if the ABC project would be developed using the Commonwealth's conventional capital outlay process.

3 – Summary of Proposed Options

3.1 Private-Sector Proposals Received

15 different proposers made submissions in response to the RFPs:

- 11 proposers responded to both the distribution center and office RFPs
 - 7 of these proposers offered complete submissions which provided for all five of the major components (Site Selection, Building Design and Construction, MHE, WMS, Financing).
 - One of the seven was later disqualified after the MHE designer withdrew from the process

- One proposer made a complete office submission but an incomplete distribution center submission. This proposer withdrew their office submission before the interview stage.
- 2 proposers responded only to the distribution center RFP
 - Neither provided a complete proposal
- 2 proposers responded only to the office RFP
 - Both provided complete proposals (Site Selection; Building Design and Construction)

There was substantial overlap in the choice of MHE/WMS providers for the distribution center. Of the 6 qualifying distribution center proposers, each used the design from one of two teams of MHE/WMS vendors, both of which are sizeable participants in the market with demonstrated project completion and implementation (referred to as Design A and Design B). Both vendors proposed solutions that incorporated modern logistics concepts that will increase efficiencies and throughput in the facility.

- 3 proposers utilized Design A
 - 307,000 square foot warehouse with 36' clear height
 - Projected to require a 60,000-80,000 SF building expansion for additional racking after 10 years
 - Scalable automation solution for 20 year needs
- 3 proposers utilized Design B
 - 380,000 square foot warehouse with 38' clear height
 - Projected to require no building expansion for 20 year needs
 - Scalable automation solution for 20 year needs

Upon receiving initial RFP responses, the DGS contract broker began developing a summary matrix of the complete proposals and coordinated multiple rounds of questions to clarify the proposals. During this period, ABC consulted with FCBCO to study the material handling designs, evaluating the claimed system and storage capacities.

After fully evaluating the proposals, a joint panel of representatives from ABC, DGS and the DGS contract broker requested in-person interviews with qualifying proposers:

- 6 proposers offering both office and distribution center solutions
 - All were design/build
 - 4 proposed 3 story office buildings detached but adjacent to the distribution center
 - Significantly more windows/natural light – allowing for greater use of internal space
 - Layout provided for adaptive space utilization with changing workforce
 - Smaller footprint
 - Greater flexibility in future use (sale, sub-leasing or expansion)
 - 2 proposed an attached 2 story office
- 2 proposers offering office solutions
 - One existing multi-tenant building, utilizing 3 to 4 non-contiguous floors
 - One design/build based on the developer's 3 story template spec building

The interview sessions focused on ensuring that proposals were comprehensive and that the proposers had the appropriate experience and capacity to execute the project. The interview sessions revealed additional information was needed from all proposers. Following the interviews, the proposers refined and revised their

offers, including an update to Design B which greatly lowered projected operating costs over the initial proposals. Proposers were also asked to respond to the following purchase option scenarios:

- 10-year lease with fixed price options to purchase
 - Options to purchase after 1 year, 5 years and 10 years
 - Allows Commonwealth to purchase the project and refinance with public debt
- 15 or 20-year lease with nominal bargain-sale option (\$10 purchase) at the end of the term
 - Developer would sell the leased project as an absolute-net investment with a credit tenant
 - Being backed by the state and with ownership transferring at the end of the term, this operates in practice much like a bond
 - Lease would be subject to legislature appropriations

3.2 State Owned Property Availability for ABC Facility

The RFP provided information regarding the Commonwealth surplus property currently being marketed and other property that has been identified as underutilized by the Commonwealth and could be available for development for ABC. Proposers, in their response to the RFP, could identify a Commonwealth site or a private sector site as part of their response. This approach enabled private sector developers to determine what they believe to be the most cost effective and efficient location for the ABC project. The Commonwealth has four sites that would appear to be possible solutions for ABC; however, each site had concerns such as additional site work costs, acquisition costs, poor access or higher freight costs than the private sector sites proposed. Only one Proposer considered the Commonwealth property as a possible viable option. Following the review of submissions and proposer interviews, the team concluded that any land acquisition savings achieved through the use of state-owned land are outweighed by the additional operating costs incurred at these locations over the useful life of the facility. See Exhibit C for additional information for each site.

3.3 Existing Location Option Summary

The RFP included language that specified that proposals utilizing the existing VA ABC property would be considered. No responses were received for this option. There are significant challenges to temporarily relocating operations while a renovation could be completed. It is possible that the Respondents recognized those challenges and associated risks to the business. To satisfy the budget language, VA ABC, DGS, and PFM provided input into the evaluation of two stay scenarios summarized below.

3.3.1 “Multi-DC/Stay” Scenario

In 2016, PFM worked with ABC’s management to evaluate the alternative of extending the useful life of the Hermitage Road facility. The Property Analysis Report identified ways to extend the life of the facility which includes renting additional temporary warehouse space, implementing a second shift at the current facility beginning in late FY 2018 and locating a second Distribution Center. Each of these modifications has both operating and capital cost implications. However, it is extremely important to note that even with these proposed modifications, ABC’s management still believes that a new facility will be required by 2025 to meet the projected demand.

Virginia ABC and PFM evaluated a multi-DC approach in an effort to determine the feasibility of staying at the current facility. In order to remain at the existing location, without compromising the ability to respond to growth, Virginia ABC would need to acquire an additional small distribution center. This “Multi-DC/Stay” approach has numerous difficulties from an operational perspective as well as duplicates expenses.

Challenges include the following:

- Logistical concerns regarding the Multi-DC approach
 - o Multi-DC approach is counter to trend within distribution industry toward achieving efficiencies through consolidation
 - o Maintenance of adequate product inventory made more difficult for vendors and distributors
 - o Current operating systems are not designed to accommodate this method (i.e. increased cost of IT solutions)
 - o Increased freight cost expected due to contract re-negotiations
 - o Increased costs due to the duplication of logistics' management personnel
- Limited availability of additional warehouse space to meet ABC's needs

Some of the costs of staying include the following:

- Additional unforeseen maintenance costs may be incurred given the age of the existing facility
- The implementation of a second shift is estimated to cost \$1.2 million per year
- Known additional capital expenses to the central office include -
 - o Numerous maintenance projects have been deferred due to the uncertainty of remaining or relocating – specifically roof, parking, and sidewalk repair, as well as air handler replacement, electrical upgrades, and a variety of infrastructure replacements
- Staying in the existing warehouse does not remove the need for new material handling equipment (MHE) nor the warehouse management system (WMS), these systems are currently at end of life and will need to be replaced in either the existing or newly constructed warehouse
 - o If staying in the existing facility, the replacement of the MHE and WMS requires the temporary relocation of the distribution center to an offsite location. This can be done, and was partially done in the last replacement in 2006. However, it poses significant challenges including securing a suitable off site location, proper planning for the temporary relocation, and a change in processes (which will lead to a substantial increase in operating expense).

The previous PFM analysis estimated the costs associated with an initial additional distribution center and needed central office improvements amounted to approximately \$30 million. Despite the above modifications and costs, as a long term strategy, Virginia ABC would need to continue to add distribution centers to accommodate growth, each time further increasing the logistical complexity of operations

It should be noted that Virginia ABC has taken a proactive approach to mitigate the immediate space constraints in an effort to reduce the need for a second shift or an additional distribution center *prior to the anticipated move in date, should the budget request be approved*. These steps and results include the following:

Space Constraints

- Updated the existing warehouse design to include consolidated storage areas and modifying some aisles and pick locations. These changes resulted in the addition of approximately 700 additional pallet storage positions.
- Beginning in spring 2018, Virginia ABC will implement new storage guidelines for the top 30 skus reducing the days of supply in the bailment warehouse from four to six weeks down to three to four weeks. This change should mitigate the need to rent additional storage space in the Richmond area until the calendar year 2019.

Shipping Throughput

- The Property Analysis Report outlined a throughput capacity goal of 22,000 cases per day. Within the last year, this goal has been achieved by consolidating the shelf pick area and increasing employee engagement through a change in management style.

- Examples of the change in management style include implementing a monthly employee meeting, employee of the month, employee warehouse round table, absenteeism and tardiness scorecard/point system, employee cross-training, and updating the incentive system.

These mitigation steps will not address the capacity constraints past the time of the anticipated move in date, should the budget request be approved.

3.3.2 “Renovate/Stay” Scenario

Despite the lack of responses to this scenario, the Virginia ABC/DGS team opted to evaluate the stay option using available estimates.

Challenges associated with renovating the current facility include the following:

- Since no proposals were received for this option, Virginia ABC would need to further investigate the proper path to obtain firm redevelopment options.
 - o The demolition of the existing property would need to be addressed. Demolition costs can be substantial. Similar projects indicate that these costs could be approximately \$6.5M. Furthermore, the age of the existing facility poses increased risk in demolition, which typically translates to increased costs.
 - o The feasibility of a workable design solution on the existing space would need to be determined.
- Staying in the existing warehouse does not remove the need for new material handling equipment (MHE) nor the warehouse management system (WMS), these systems are currently at end of life and will need to be replaced in either the existing or newly constructed warehouse.
 - o Given that this scenario would involve relocating out of the existing facility for up to 3.5 years, the business would need to evaluate if a manual shipping process is feasible or if an automated process would be required. A manual process would increase manhours and labor costs. An automated process would pose the challenge of setting up an automated solution in the temporary location which may not be financially prudent. Depending on whether a manual or automated process is selected, the additional expense of a temporary move is estimated at \$10.3M to \$14.8M (cost includes items such as moving expenses, lease of a temporary facility, wiring, lighting).

The redevelopment of the existing location would result in significant cost impact.

- Approximately the same cost of construction as the proposals that were received (assuming that one of the developers who submitted a proposal would be willing and able to build on the exiting Virginia ABC site)
- An increase in demolition costs
- An increase of moving and temporary location costs
- A decrease in the cost to purchase land. This would be offset by the loss of revenue from the sale of the existing land (current proposals indicate the cost of land of the proposed locations is less than the estimated value of Virginia ABC’s existing location).

Both stay scenarios present significant operational challenges and expense. The “Multi-DC/Stay” scenario has a shorter downtime regarding the use of temporary warehouse space for the primary operations, however, does not present a desirable permanent solution and will increase annual operating expense by \$4.2M. The “Renovate/Stay” scenario presents a substantial period of time utilizing temporary facilities, however, it does offer a long term solution once Virginia ABC were to be able to move back into the renovated space. Due to the numerous complications and increased costs associated with both stay options, it is not the recommendation of the Virginia ABC/DGS team to further pursue either scenario.

4 –Relocation Option Summary

4.1 Separate Distribution Center and Office Financial Scenario

As stated previously, to maximize the flexibility of the Proposer’s ability to respond, the RFP’s were written in a way to allow respondents to provide a DC solution and/or a central office solution.

Reviewing Virginia ABC operations, the team found that there are inefficiencies associated with separating the central office from the warehouse. These include -

- Complications produced from the interaction of employees, such as IT support/Logistics’ management team/store stocking employees, with the warehouse
- The potential for the duplication of employee positions (such as security personnel in both locations)
- Inefficiencies are also created by duplicated office space
 - o The Logistics’ management team would likely need office space in both the central office as well as the warehouse location
 - o IT support staff would need some level of space in both locations
 - o Meeting rooms in the warehouse (not needed in the combined option)

Due to the aforementioned inefficiencies, the separated option should only be considered if a financial advantage is present. The office only scenarios that were received were financially comparable to the new space provided in the combined (central office and DC) options. RFP responses received gave no indication of potential savings with the separate option.

Further complicating this scenario is the concern of the changing office space rental market. It is unlikely that the central office would move prior to the warehouse relocation. If the separate office space scenario was selected, it is likely that a new RFP for office space would have to be developed closer to the timing of the warehouse relocation.

4.2 Combined Distribution and Office Financial Scenario

4.2.1 Financing Proposals

Five proposers that submitted responses to the ABC RFP were asked to provide ABC with a variety of financing options ranging from shorter term leases with a purchase option at the one-year, five-year and ten-year anniversaries to longer-term leases (15-year and 20-year terms) with ABC owning the facilities at the end of the lease term. Table A summarizes the various financing proposals:

Table A

Proposer	A	B	C	D	E
Lease then Purchase:					
1 Year Lease	X	X		X	X
5 Year Lease				X	
10 Year Lease				X	
Lease then Own:					
15 Year Lease			X	X	
20 Year Lease			X	X	

Public Financial Management, PFM, was brought in to assist ABC in evaluating the various alternatives and has summarized its findings below:

4.2.2 Lease then Purchase Option

Under the Lease then Purchase Option, ABC would enter into a short-term lease with the developer for a defined period of time (1, 5 or 10 years), at the end of the short-term lease ABC would purchase the completed facilities. Should ABC select one of the financing options to purchase the facilities after an initial lease period, ABC would request to finance the purchase through a debt issuance by the Virginia Public Building Authority (“VPBA”). A financing through VPBA could offer ABC very attractive borrowing rates which should be less than a developer’s cost of capital.

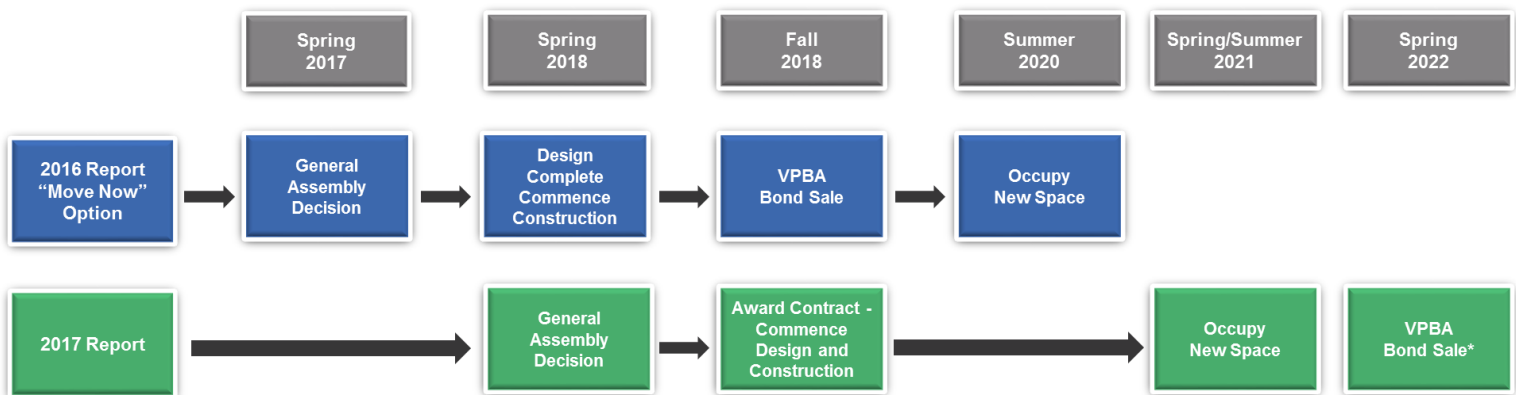
As shown in the table above, ABC received four lease for 1 year and then purchase options and all options were less than the total project budget from that in the 2017 proposed amended budget. It should be noted that the original projected budget from 2017 did not take into account the expected at least 3% annual escalations in building costs and was not for a complete turnkey solution as is being considered here. Details of total project budget proposals from developers have not been included in this report to avoid compromising ABC’s on-going negotiations with selected proposers.

4.2.3 Lease then Own Option

Two proposers offered ABC the option of leasing the project for a defined period of time (15 or 20 years) and then at the conclusion having the right to purchase the facilities for a nominal cost (i.e. \$10). Under this approach, the developers pass through to ABC their financing costs and taxes associated with the property (real estate and machinery).

4.2.4 Timing

In the September 2016, Virginia ABC Property Analysis report, a schedule was outlined under the “Move Now” option that envisioned occupying the new facilities by Summer 2020. As shown by the graphic below, as a result of the work accomplished to date, the current time schedule contemplates an occupancy date of Spring/Summer 2021.



*Timing of bond sale if 1 year Lease then Purchase option is selected.

4.2.5 ABC Net Profit Impact

In comparing the current proposals to our pro-forma from last year, it appears that there have been some positive variances that should improve ABC's Net Profit. Of course the actual forecast will depend upon the total project cost and financing option selected. However, these variances could likely include:

- Lower project cost than originally estimated
- Reduction to required financing amount given developers' willingness to fund project during construction. Prior report assumed ABC would fund construction and capitalize interest during construction period which increased the overall borrowing amount.
- Under proposed schedule, first debt service payment is delayed until FY 2023 versus original projection of 2021.

4.3 Financing Options Conclusion

A previous PFM financial analysis clearly concluded that it was in the Commonwealth's best financial interest to relocate to a new facility. Pursuant to direction in the 2017 Acts of Assembly, ABC has received proposals from a variety of qualified firms. ABC, in consultation with PFM, requested that the proposers provide a range of financing options with the ultimate objective that ABC would own the facility. The proposers provided options ranging from ABC having the right to purchase the facility after 1, 5 or 10 years to 15-20 year lease to own. Although the actual proposal and total project cost details are not included in the report so as to not compromise ABC's on-going negotiations with selected proposers, ABC and PFM have concluded at this time that received proposals under consideration provide for a more favorable total project cost than what was originally projected in the 2016 ABC Property Analysis Report. As a result, ABC's new pro-forma shows greater net profits that could flow to the Commonwealth.

As outlined in the schedule above, if the General Assembly gives ABC the authority to move ahead, ABC would move to finalizing negotiations with a selected developer by the end of 2018. The anticipated design and construction period is approximately 24 months, based on schedules received from developers, so the targeted occupancy date would be Spring/Summer of 2021. Under all of the financing proposals, ABC would be able to lease the facility for the first year which would delay the need for a VPBA bond financing to purchase the project to 2022 (FY2023). Given that net revenues from ABC operations are anticipated to be sufficient to cover the related debt service on any VPBA bonds, Virginia ABC could request the Debt Capacity Advisory Committee to exempt from inclusion in the debt capacity model any bonds issued for this purpose.

5 – Findings/Next Steps

Over the previous 8 months Virginia ABC worked with DGS, PFM, and FCBCO to further examine Virginia ABC's facility needs and the potential alternatives available to maintain a profitable, growing operation. In providing these findings, the team examined the assumptions and conclusions from the previous report as well as utilized the information developed from the RFP process. The conclusions are as follows:

- Virginia ABC has outgrown the existing location. Moving is the best solution from both an operational perspective as well as financial perspective.
- The RFP process has resulted in a greater confidence in the cost estimates associated with relocating the warehouse and central office. The initial cost estimates are lower than last year's requested budget amount.

- The private sector demonstrated a significant interest and ability to provide relocation options that came in below the original report's requested budget number.
- Remaining at the existing location, whether by renovation and expansion or use of a multi-DC approach, is not a cost effective solution over the long term.
- Other state owned land does not provide as competitive a solution as private proposals due to undesirable location or difficulties locating a distribution center on the specific parcels.
- Given that net revenues from ABC operations are anticipated to be sufficient to cover the related debt service on any VPBA bonds, the ABC could request the Debt Capacity Advisory Committee to exempt from inclusion in the debt capacity model any bonds issued for this purpose.

Based upon analysis completed as part of this report, Virginia ABC and DGS share the opinion that the best course of action for Virginia ABC operations is to pursue the private sector developer options currently under consideration to relocate the Virginia ABC central office and warehouse. This approach is the most cost effective from the standpoint of utilization of state financing to achieve a new facility that will allow for further revenue growth while also achieving operational efficiencies. Such a solution will provide for the continued growth and profitability of Virginia ABC for at least 20-30 years while other options explored do not provide as long of an operational time horizon while requiring sizeable investments to achieve results not in line with the level of expenditure.

The project scope, cost, and financing information provided in this report require refinement and more detail to make a final decision on selecting a solution to relocate ABC operations. In order to obtain the necessary level of detail, Virginia ABC and DGS will proceed with next steps in the private sector developer option process undertaken as described in this report, including engaging in negotiations with developers and further short-listing the developer options. Virginia ABC and DGS will move quickly, from the date of this report, to analyze and further understand key components of the proposals in order to have a final solution for consideration during the 2018 budget and legislative session.

Appendix

Exhibit A - Preferred Search Area

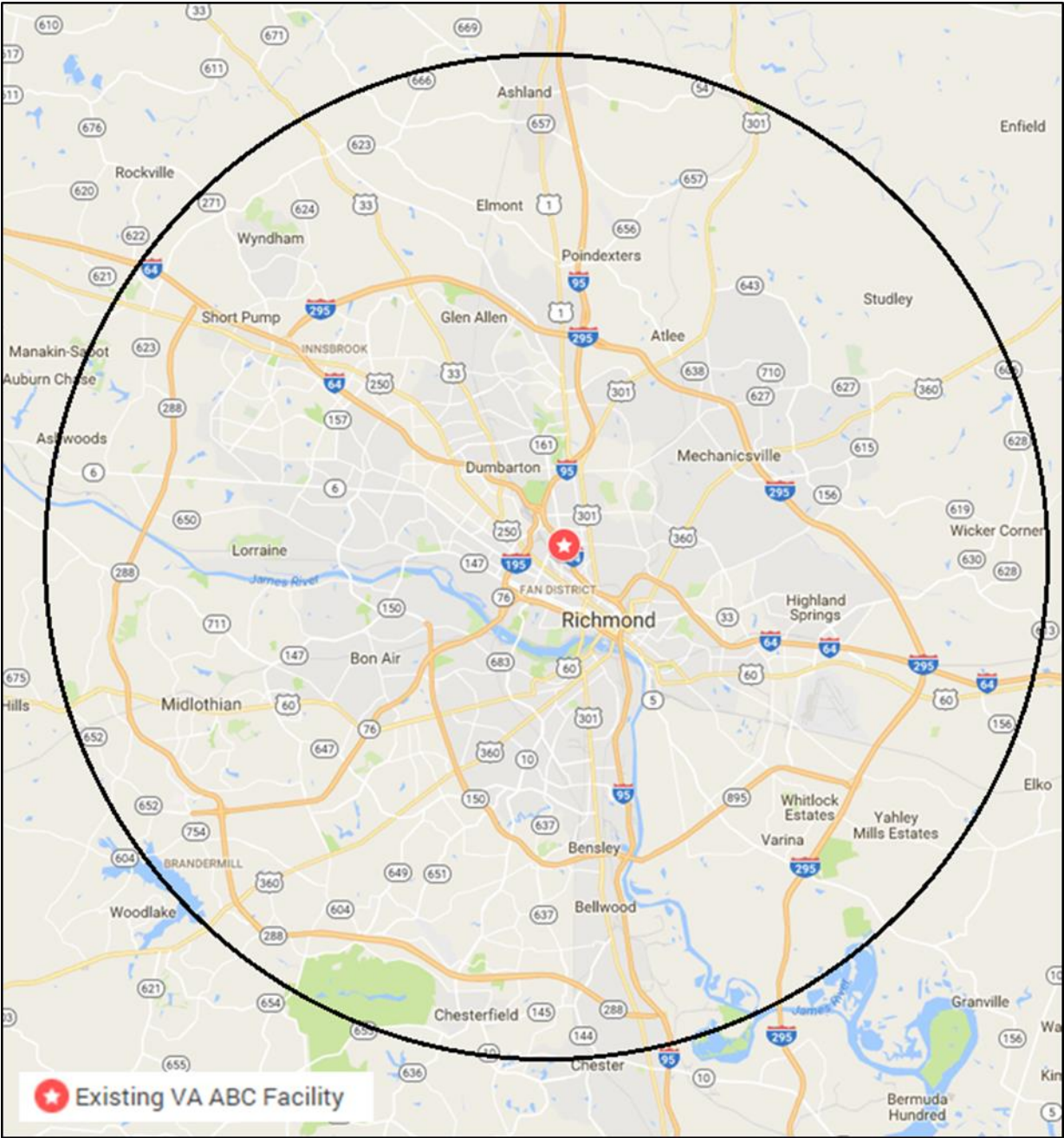


Exhibit B – State Owned Property Map

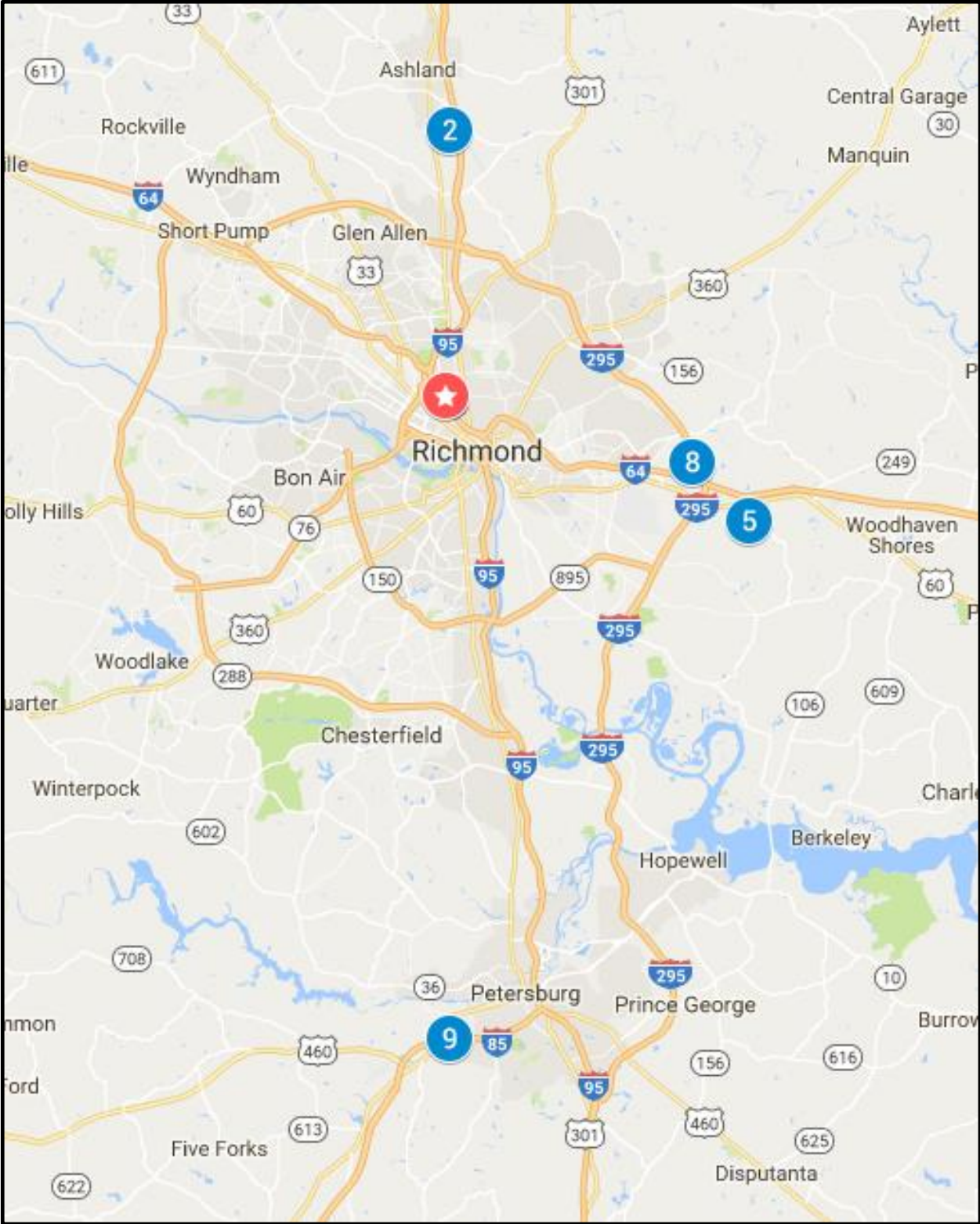


Exhibit C – State Owned and Private Site Matrix

Private						
Criteria	Site #1	Site #3	Site #4	Site #6	Site #7	Site #10
Estimated Freight Cost Impact	(\$94,000) annual decrease**	\$328,000 annual increase**	\$311,000 annual increase**	\$464,000 annual increase**	\$486,000 annual increase**	\$19,000 annual increase**
Quality of Truck Access	Good	Very Good	Excellent	Good	Fair	Very Good
# of Stoplights	Two	None	One	One	One	Two
Type of Road	Four Lane	Four Lane	Two lane	Two lane	Two lane	Four lane
Employee Drive Time Impact	410/431 live within 60 miles*	414/431 live within 60 miles*	411/431 live within 60 miles*	407/431 live within 60 miles*	98/101 live within 60 miles*	413/431 live within 60 miles*
20 mins (or less) drive =	46%	30%	40%	33%	32%	32%
30 mins (or less) drive =	73%	70%	81%	77%	65%	64%
40 mins (or less) drive =	89%	84%	88%	88%	79%	85%
Distance to Highway Access	0.8 miles to major divided highway	1 mile to major divided highway	0.25 mile to major divided highway	0.5 mile to major divided highway	1 mile to major divided highway	.125 Miles to major divided highway
Ease of Access	Yes	Yes	Yes	Yes	Potential congestion	Yes

Commonwealth				
Criteria	Site #2	Site #5	Site #8	Site #9
Estimated Freight Cost Impact	N/A	\$399,000 annual increase**	\$297,000 annual increase**	\$923,000 annual increase**
Quality of Truck Access	Very Good	Good, contingent on road connection	Poor	Excellent
# of Stoplights	Two	None	None	None
Type of Road	Four lane	Four lane, divided	Two lane	Two
Employee Drive Time Impact	318/327 live within 60 miles*	411/431 live within 60 miles*	410/431 live within 60 miles*	147/431 live within 60 miles*
20 mins (or less) drive =	33%	24%	31%	5%
30 mins (or less) drive =	65%	63%	68%	10%
40 mins (or less) drive =	86%	84%	88%	37%
Distance to Highway Access	.125 Miles to major divided highway	2.5 miles to major divided highway	2.8 miles to major divided highway	0.25 miles to major divided highway
Ease of Access	Yes	Yes	No	Yes

Commonwealth Property Concerns

Site #2 - Site is too small

Site #5 - Control issues associated with the site

Site #8 - Soil/wetland study required

Site #9 - Annual freight cost increase is cost prohibitive

*Note employee drive time impact - number of employees varies based on if a combined central office/warehouse combination or if an "only warehouse" or "only office" scenario

**Note freight cost impact – calculated based on Virginia ABC's current operation and the mileage variances between the potential new sites and Virginia ABC store locations




UPCOMING REQUIREMENTS: GREATER RICHMOND, VA

- Two separate Requests for Proposals (RFPs) will be issued on **June 9, 2017**
 - First requirement will be for a **375,000 square foot distribution center** delivered turn-key, to include design/installation of specialized material handling and warehouse management solution
 - Second requirement will be for **80-95,000 square feet of office space** delivered turn-key
- Both requirements can be satisfied on the same property or independent of one another
- Build-to-Suit or turnkey delivery of second generation space
- A **mandatory** pre-proposal conference for respondents will be held on **June 20, 2017** in the greater Richmond area
- Final RFP responses will be due on **August 18, 2017**

If you received this email directly you are on the list to receive the RFP notice on June 9, 2017. If this email was forwarded to you and you wish to receive the RFP notice, please email your name, title, company name, and email address to projectsaturn@divaris.com.

Further details will be provided when the RFP is issued. Please respect that no questions can be accepted or advance information provided prior to RFP issuance.



Attachment 1 – Distribution Center

Attachment 2 – Administrative Headquarters



COMMONWEALTH of VIRGINIA

Department of General Services

June 9, 2017

1100 Bank Street, 3'd Floor
Richmond, Virginia 23219
Telephone: (804) 225-3874
Fax: (804) 225-4673

The Commonwealth of Virginia Department of General Services (DGS) is issuing, through its contract broker Divaris Real Estate, Inc. and in collaboration with the Virginia Department of Alcoholic Beverage Control (ABC), this solicitation to receive responses from the private sector to provide ABC administrative office and warehouse facilities solutions. DGS and ABC have been authorized and directed to undertake this initiative in the Virginia Acts of Assembly - Chapter 836, Item C-52.45 (see next page). It is expected that solicited solutions from the private sector will result in warehouse and administrative office solutions that: 1) meet ABC's operational and business needs; and, 2) are cost effective and efficient. The processes used to consider responses are those used by the Commonwealth established by Code of Virginia for the acquisition of real property § 2.2-1149.

Responses from the private sector are to provide "turn-key" facilities solutions. For the purposes of this initiative "turn-key" is defined as:

Deliver, by purchase or lease, fully designed and constructed new facilities, or acquire and deliver existing facilities that are compliant with requisite zoning and building codes for the operational purposes described within this solicitation; and, are inclusive of necessary furniture, fixtures, equipment, telecommunications, warehouse management system and other facility needs that result in operationally move-in ready facilities.

Facility solutions will be solicited using two separate solicitation documents: 1) administrative headquarters space solicitation Transaction #1449; and, 2) distribution center solicitation Transaction #1450. The issuance of two solicitation documents enables the private sector to develop a solution for either the administrative headquarters alone, distribution center alone, or solution that meets the combined requirements of the administrative headquarters and distribution center facilities.

Responses received to the released solicitations will be evaluated by ABC and DGS to determine the private sector's ability to deliver cost effective and efficient "turn-key" facility solutions meeting ABC's operational needs. If it is determined after initial evaluation and selection of short-listed responses that a solution – or combination of solutions – meets ABC's operational needs, solutions will be further developed through a deliberate negotiated collaborative process between the short-listed private sector entity(ies), ABC and DGS.

Due to the complexity and level of interest in this project, all questions pertaining to this solicitation must be submitted via email to projectsaturn@divaris.com.

VIRGINIA STATE BUDGET

2017 Session

Budget Amendments - HB1500 (Conference Report)

Bill Order » Item C-52.45 #1c

DGS / ABC - Plan New Warehouse & Admin Building

Item C-52.45 #1c	First Year - FY2017	Second Year - FY2018	
Central Appropriations			
Central Capital Outlay	\$500,000	\$0	GF

Language

Page 509, after line 9, insert:

*C-52.45 Planning: Acquire or Construct ABC Central Office and Warehouse Facility	\$500,000	\$0
Fund Sources: General	\$500,000	\$0 *

*A. The Department of Alcoholic Beverage Control (ABC) and the Department of General Services (DGS) shall develop and deliver a plan to provide capital project options for a new ABC warehouse and ABC administrative offices.

B. The plan will be a comprehensive plan for an ABC warehouse and administrative offices. At a minimum the plan will include real estate development approaches to achieve operationally ready, "turn-key", cost effective and efficient solutions to meet ABC's operational and business requirements. Solutions may include, but not be limited to, lease or construction of new facilities, acquiring existing facilities through lease or purchase, a combination of new construction and existing facilities, and must include at least one option for using the existing location for the new or retrofitted warehouse and administrative office building.

C. In developing a new construction option for office space, an infill design concept should be considered, which initially would accommodate not more than a ten percent increase in central office staff beyond the number currently located in the headquarters building, with further growth in staff beyond the ten percent to be accommodated through less-expensive infill construction.

D. The Department of General Services (DGS) shall analyze and include options in the ABC plan for the use of state-owned real property declared surplus and existing underutilized state-owned real property.

E. Private sector developer options are to be included in the ABC plan. DGS is tasked and authorized to publicly solicit proposals (i.e. Request For Proposal, Request For Information or by other public solicitation method), to evaluate requirements in paragraphs B and D of this item, from the private sector developer community interested in providing solutions that meet ABC's operational, business, and cost effectiveness and efficiency requirements.

F. ABC is tasked to include in the plan financing options for the capital project options.

G. The plan shall be delivered to the Governor, Chairmen of the House Appropriations and Senate Finance Committees, and the Six-Year Capital Outlay Plan Advisory Committee (§ 2.2-1516) no later than November 1, 2017.

H. Funds authorized to the Department of General Services for this item may be used to accomplish the necessary tasks to prepare, develop, complete, and execute the ABC plan.*

Explanation

(This amendment provides funding to plan for a new ABC warehouse and administrative office.)

REQUEST FOR PROPOSAL

Office Space

TENANT: COMMONWEALTH OF VIRGINIA,
VIRGINIA ALCOHOLIC BEVERAGE CONTROL (VA ABC)
(hereinafter referred to as the "Commonwealth" or "Tenant")

LEASE NUMBER: *Transaction #1449*

ISSUE DATE: *June 9, 2017*

CONTACT: *Debbie Wake or Fred Karp* *Email: projectsaturn@divaris.com*
Divaris Real Estate, Inc.
1100 Bank Street, 3rd Floor
Richmond, VA 23219

The Commonwealth of Virginia, Virginia Alcoholic Beverage Control ("VA ABC", "Tenant" or "Commonwealth") seeks to lease commercial space in the **greater Richmond**, VA area for an **administrative headquarters**. Information about the Tenant can be found at www.abc.virginia.gov.

There will be a mandatory meeting for all intended Proposers on **June 20, 2017** at the existing facility located at 2901 Hermitage Road, Richmond, Virginia, 23220. Pre-registration for the meeting is required; registration form must be received by projectsaturn@divaris.com by **June 13, 2017 4:00PM EDST**.

The existing Tenant administrative headquarters and distribution center facilities are physically connected and share a common parcel. The significant growth experienced by the Tenant in recent years is challenging the current capacity of the existing facility. Tenant is issuing two (2) separate Request For Proposals for replacement facilities:

1. Replacement of the administrative headquarters
2. Replacement of the distribution center

These solicitations are being issued concurrently. Tenant prefers but does not require adjacency of these functions, and will consider second generation space or new construction. Respondents are encouraged to respond to either or both of the requirements; however, proposals for the administrative headquarters and distribution center requirements must be submitted separately for independent evaluation. Pursuant to the Virginia Acts of Assembly - Chapter 836, Item C-52.45, submittals utilizing the existing ABC location will be considered. Any response related to the redevelopment of the existing facility must include a detailed explanation of how Tenant operations will continue without any disruption.

This solicitation is seeking **office space** for the **administrative headquarters** to lease with an ongoing option to purchase. To access the separate solicitation for the distribution center requirement, [click here](#).

Evaluation of proposals will be based on lease/purchase costs, site location, accommodation of Tenant's operational and business needs, relevant experience of development team and other quality factors.

REQUEST FOR PROPOSAL

If you are interested in offering the commercial space as described in this document, please:

1. Register for and attend the mandatory kickoff meeting at the existing facility. Double-click the icon below to open the registration form (save the document on your computer before attempting to use the icons, file may open in a separate application).



6-20-17 Meeting
Registration.xlsx

2. Provide a written response addressing the information contained in each of the “Response” boxes in this document
3. Complete the Property Data Sheet as attached in Exhibit B
4. Return your signed proposal to the Contact identified above no later than:
 - 4:00 PM (Eastern Daylight Savings Time);
 - **August 11, 2017**

Proposals may be received via e-mail, overnight express (such as UPS or FedEx), or US Mail and all proposals must be signed. Incomplete and unsigned responses may not be considered. The burden to deliver the proposal by the deadline shall be on the Proposer.

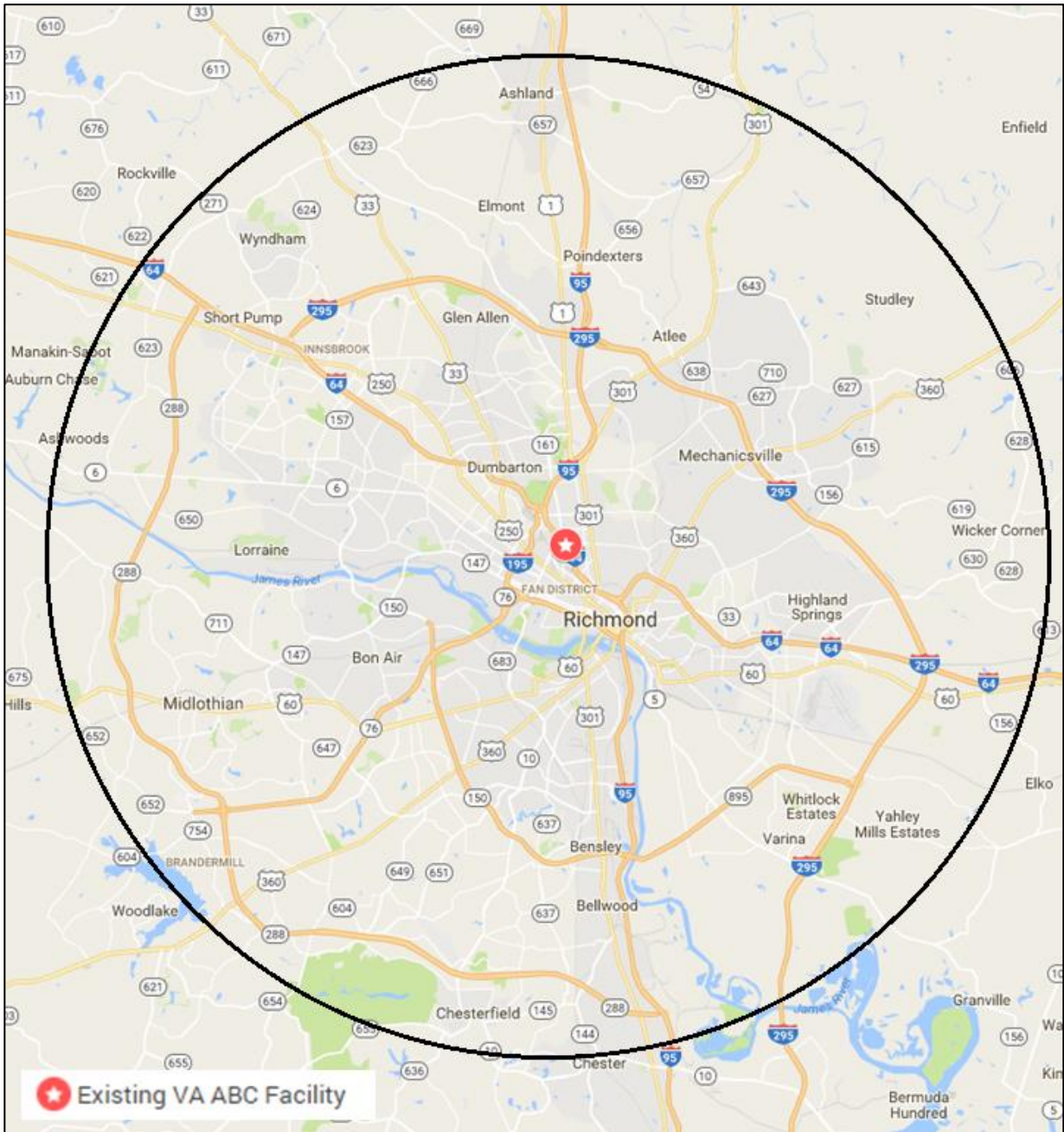
Proposals are subject to the provisions of the Virginia Freedom of Information Act, Code Section 2.2-3700, et seq. Please indicate in advance if any information to be provided is of a confidential nature. Proposers will be advised if confidentiality is legally permissible and under what conditions.

- Questions about this Request for Proposal shall be submitted via email to projectsaturn@divaris.com.
 - Deadline for submittal of questions is **6/30/17 4:00PM EDST**. The Commonwealth will respond to all questions by 7/14/17.
-

REQUEST FOR PROPOSAL

Please provide a written proposal in the shaded fields within the “Response” Boxes addressing the information requested and on the Property Data Sheet. The Proposer may also provide separate documents to respond or supplement the proposal response.

1. Preferred Location: The search area location of this space is within the greater Richmond metropolitan area (limited to the Counties of Chesterfield, Goochland, Hanover, Henrico, New Kent, and Powhatan along with the City of Richmond), with preference given to property near the intersection of I-95 and I-64 as generalized by the radius map below:



REQUEST FOR PROPOSAL

The circle was drawn based on a variety of Tenant’s operational and business interests and concerns, including:

1. Managing freight expenses which are driven by
 - a. easy access to major North/South and East/West transportation corridors,
 - b. travel time to the largest concentrations of ABC stores throughout the Commonwealth,
2. Mitigating the potential disruption of the existing workforce, as this can result in a loss of institutional knowledge, expertise, and increased recruitment and training expenses.

Submittals will be reviewed, in part, with the above operational and business interests enumerated.

The Virginia Department of General Services markets surplus real estate on [this website](#). Additionally, DGS has identified underutilized real property owned by the Commonwealth which may qualify for this project that is not displayed on the website. Please contact Hugh Hubinger at hugh.hubinger@dgs.virginia.gov for more information about these properties. See Exhibit F for more information.

<i>Response</i>	Does the proposed location meet this preference? <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>
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2. Space Need / Premises: The Tenant has a need for approximately 80,000-95,000 usable square feet of office space. See Exhibit D for more information.

<i>Response</i>	<i>Please complete Exhibit B – Property Data Sheet</i>
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3. Lease Term / Rental Rate / Purchase Option: The Tenant prefers the Proposer to offer full service (see Section 9) flat rental rates for the lease terms and any option terms with an ongoing right to purchase. Please answer for each potential term length.

<i>Response</i>	Proposed Annual Rental Rate for 120 month term: <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>
	Proposed Annual Rental Rate for 180 month term: <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>
	Proposed Annual Rental Rate for 240 month term: <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>
	Proposed structure of purchase option: <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>

REQUEST FOR PROPOSAL

4. Lease Commencement: Describe the time required between a final ratified instrument such as a lease and delivery of the premises with a certificate of occupancy, ready for possession.

<i>Response</i>	Estimated Time Required: <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>
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5. Options to Extend: Tenant requests four (4), five (5) year options to renew the lease upon six (6) months notice to Landlord. Options shall be at ninety-five (95%) of the prevailing market rate for similar premises, considering allowances and other incentives, not to exceed 102% of the then current rent. All options shall include a refurbishment allowance for at minimum new carpet/flooring and paint.

<i>Response</i>	Agree (Y /N) <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
	Refurbishment Allowance Amount <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
	Alternate Proposal <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>

6. Parking: Parking should be in close proximity to the leased premises and all costs associated with parking must be included in the rent. Tenant requires number of parking spaces for the following:

Staff: 400 Fleet Vehicles: 30 Visitors: 20

Total : 450

<i>Response</i>	Parking : Exclusive or Non Exclusive <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
	Number of Parking spaces available: <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
	Location of Parking spaces: <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
	Is parking included in the rental rate: (Y/N) <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
	In some cases an agency’s parking needs may exceed the minimum standard. How would the property or Landlord accommodate? <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>

7. Signage: Specify interior and exterior signage rights available to Tenant, including building, monument, lobby, and suite signage.

<i>Response</i>	Sign Availability: <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>
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8. Technology and Tele-communications: If available, Landlord shall provide a carrier facility survey noting what internet services are available to the building / space in order for the Commonwealth to evaluate the capacity of the building to provide appropriate service.

Landlord shall provide Tenant and/or its telecommunications companies, the right of access to, from and within the building including pathway(s) to the premises for the installation and operation of Tenant’s telecommunications systems.

Tenant may request permission to place certain telecommunications equipment on the roof. Please indicate if this will be permissible and under what conditions.

<i>Response</i>	Which internet service provider(s) supports the Premises? <input style="width: 100%; height: 15px;" type="text"/> Carrier survey (shows capacity/service type, may reference as separate attachment): <input style="width: 100%; height: 15px;" type="text"/> Tenant shall have access to building and roof for installation/maintenance technology and telecommunications (Y/N): <input style="width: 100%; height: 15px;" type="text"/>
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9. Property Operating Expenses: For office spaces, a full service lease is preferred; however, if the Proposer can demonstrate a potential cost savings to the Commonwealth by providing for a net lease, the Proposer can provide an itemized breakdown of estimated operating expenses and state how Landlord proposes to manage operating expense charges to Tenant. In some instances the Commonwealth may choose to use the state electric service contract provided the space is separately metered.

<i>Response</i>	Is this a proposal for a full service lease? (Y/N) <input style="width: 100%; height: 15px;" type="text"/> Which of the following operating costs are included with the rent: <input type="checkbox"/> Property Taxes <input type="checkbox"/> Property Insurance <input type="checkbox"/> Electricity <input type="checkbox"/> Gas / Heating <input type="checkbox"/> Water / Sewer <input type="checkbox"/> HVAC Services <input type="checkbox"/> Security Services <input type="checkbox"/> Interior Janitorial Service <input type="checkbox"/> Interior Trash Removal <input type="checkbox"/> Exterior Janitorial Services <input type="checkbox"/> Exterior Trash Removal <input type="checkbox"/> Landscaping <input type="checkbox"/> Snow Removal For those operating expenses not included with the rent, please attach documentation of recent pass through costs of utilities and services.
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10. Janitorial Service: Landlord will provide Tenant with janitorial service to the premises five (5) days per week with certain areas of the Premises that must be cleaned during regular work hours.

<i>Response</i>	Agree (Y/N) <input style="width: 100%; height: 15px;" type="text"/>
	If available, include the building cleaning schedules and maintenance specifications below or reference attachments <input style="width: 100%; height: 40px;" type="text"/>

11. Space Planning: The Landlord is willing, upon being notified that their property is a finalist, to pay in advance to have a space planner approved by the Commonwealth develop a conceptual space layout, sometimes referred to as a "test fit", and one revision for the Tenant. The layout must reflect the room and cubicle count from the Office Space Questionnaire and adjacencies identified by the agency.

The plan will indicate all walls, doors, and workstation locations in addition to fixed spaces such as electrical panels, mechanical rooms and janitor closets. Spaces must be labeled with designated use. An overall BOMA usable square footage number must be provided.

The Landlord must provide accurate as-built drawings to the space planning contractor in an AutoCAD format, submitted electronically. If accurate as-built plans are not available, the Landlord shall also bear the expense of having such plans developed and made available to the space planning contractor.

Reimbursable expenses including the creation of 'as-built' drawings, travel, reproduction of drawings, courier, express mail, etc. shall be invoiced to the Landlord at cost.

<i>Response</i>	Agree (Y/N) <input style="width: 100%; height: 15px;" type="text"/>
	Are accurate as-built drawings available in and AutoCAD format? (Y/N) <input style="width: 100%; height: 15px;" type="text"/>

12. Tenant Improvements: Tenant expects Landlord to contract for and construct tenant improvements. Landlord must competitively bid the Tenant improvement work for the space. Evaluations of proposals, in part, will be based on proposed tenant improvement allowance included with the base rent. Tenant Improvement Guidelines are attached as Exhibit E.

<i>Response</i>	Describe the base condition of the space prior to the application of the tenant improvement allowance (warm lit shell, second generation office etc.) <input style="width: 100%;" type="text"/>
	What amount of Tenant Improvement allowance is included in the rent? <input style="width: 100%;" type="text"/>
	Please describe proposed tenant improvement allowance <input style="width: 100%; height: 40px;" type="text"/>

13. Final Turn-key: Upon selection as a finalist and after the development of the test-fit plan as described above, Tenant will further request that the space be delivered in turn key condition.

Full turn-key proposals consider that Landlord must:

- Deliver construction documents and all planning A&E services
- Competitive bid tenant improvement project
- Contract for tenant improvements
- Manage construction of tenant improvements
- Provide data and telecommunications cabling
- Provide amortized allowance of \$3,000,000 for purchase of furniture, fixtures and equipment

Tenant shall provide construction guidelines, general specifications and notes with an approved space plan for finalist consideration for a turn-key project.

<i>Response</i>	Landlord to consider delivery of the space in full turn-key condition, including furniture, fixtures and equipment allowance? (Y/N) <input style="width: 100%;" type="text"/>
	Please describe any conditions associated with providing the space full turn-key, including the annual interest rate applied to amortized furniture, fixtures and equipment allowance: <input style="width: 100%; height: 40px;" type="text"/>

14. Access to Premises: Landlord agrees to provide Tenant with access to the Premises upon the commencement of any tenant improvements.

<i>Response</i>	Agree (Y / N) <input style="width: 100%;" type="text"/>
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15. Incentives: State the proposed rent abatement, moving allowance or other incentives and or refurbishments offered to Tenant, including the initial and option terms.

<i>Response</i>	Rent Abatement <input style="width: 100%;" type="text"/>
	Moving Allowance <input style="width: 100%;" type="text"/>
	Other Incentives <input style="width: 100%;" type="text"/>

16. Right of First Offer: Tenant requests an on-going first right of refusal on contiguous available space on Tenant’s floors and adjacent floors throughout the Initial Term and any renewals

<i>Response</i>	Agree (Y /N) <input style="width: 100%;" type="text"/>
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17. Regulatory and Environmental Conditions: Please confirm the building and premises comply with applicable laws, ordinances and codes and ADA requirements. In the lease, the Tenant will require the Landlord to warrant and represent that the building and premises are free of friable asbestos, other hazardous or toxic materials, and EMF radiation.

<i>Response</i>	Does the building and premises comply with all applicable laws, ordinances and codes and ADA requirements? (Y/N) <input style="width: 100%;" type="text"/>
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18. Other Location Features: *Pursuant to Executive Order 19 (2011), DGS/ABC may give preference to facilities having the attributes below*

If the proposed space is located in a metropolitan area where public transit is available, is the space within a quarter mile of a bus, trolley, Metro, or commuter rail stop?

<i>Response</i>	Yes / No (if yes, indicate the locations of relevant stops) <input style="width: 100%;" type="text"/>
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Does the proposed facility meet the U.S. Green Building Council’s LEED rating system or the United States Environmental Protection Agency/Department of Energy’s “Energy Star” rating?

<i>Response</i>	Yes / No (if yes, indicate certification type) <input style="width: 100%;" type="text"/>
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Is the facility pedestrian and bicycle accessible (sidewalks, ramps, bike racks, etc.)

<i>Response</i>	Yes / No <input style="width: 100%;" type="text"/>
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19. Existing Commercial Leases: Please list any existing leases the Landlord currently has with the Commonwealth of Virginia (COVA). Include any properties under related ownership, such as LLCs with different location names.

<i>Response</i>	Other Leases and Locations <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>
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20. Small, Women and Minority-Owned Business Subcontracting and Evidence of Compliance: If the Landlord is a qualified Small, Women and Minority-Owned (SWAM) Business, provide a copy of the certification. Where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the Landlord is encouraged to offer such business to small, women, and/or minority-owned (SWAM) businesses. If SWAM subcontractors are used, the Landlord agrees to report the use of SWAM subcontractors by providing the DGS purchasing office at a minimum the following information: name of firm, phone number, total dollar amount subcontracted, category type (small, women, or minority-owned), and type of product/service provided

<i>Response</i>	Is Proposer SWAM Certified? (Y/N) If so, include SWAM ID #. <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
	Agree to document and report any use of SWAM businesses? (Y/N) <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>

21. Deed of Lease Form: It is a requirement that a standard Commonwealth of Virginia Deed of Lease form be utilized for all Commonwealth lease transactions. A list of Prohibited Lease Terms is provided in Exhibit A to this RFP. A sample lease can be provided upon request. Any lease is subject to review and revision on a continuing basis. Should Tenant and Landlord reach agreeable terms, Tenant shall prepare the lease using the template form as a base for Landlord’s review and signature; followed by Tenant’s approval process and signatures through the Governor’s Office. Substantive revisions to the template lease form may require additional legal review from the Commonwealth and may result in a delay of the lease approval process.

<i>Response</i>	Acknowledge (initial below, typed is acceptable) <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
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22. Assignment and Sublease: Tenant shall have the right to sublet or assign all or part of the premises to any other state agency.

<i>Response</i>	Agree (Y/N) <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
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23. Non-Disturbance: At Tenant’s option prior to the signing of any lease, Tenant may require Landlord to provide Tenant with a non-disturbance agreement acceptable to Tenant from each mortgage holder then in existence, if any.

<i>Response</i>	Agree (Y/N) <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
-----------------	--

REQUEST FOR PROPOSAL

24. Brokerage Disclosure: Divaris Real Estate, Inc. (“Divaris”) represents the Commonwealth of Virginia, its agencies and subdivisions as a Tenant representative in leasing transactions. As a licensed real estate broker, Divaris or its designated affiliate, provides this disclosure that it may represent more than one party in the subject real estate transaction, specifically Landlord and Tenant. If Divaris or its designated affiliate, acts as a dual representative, it may not disclose to either party, or such party’s designated representative, any information that has been given to the dual representative by the other party within the confidence and trust of the brokerage relationship, except as otherwise required or permitted by applicable law to be disclosed. The undersigned do hereby acknowledge and consent to the disclosed potential dual representation by Divaris or its designated affiliate.

The parties each acknowledge and agree that Divaris Real Estate, Inc. is representing the Tenant. Divaris shall be paid four percent (4%) of the gross revenue of the lease over the term by the Landlord, less revenue attributed to Furniture, Fixtures, and Equipment which shall be paid 50% at lease execution and 50% upon occupancy.

<i>Response</i>	Acknowledge brokerage disclosure (initial below, typed is acceptable) <input type="text"/> Agree to commission agreement (Y/N): <input type="text"/>
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25. Relevant Experience: Describe any prior representative projects the Proposer has completed which demonstrate the capability to meet the requirements of this RFP.

Please attach summary as a separate document.

26. Other

1. Only the Department of General Services, the Division of Real Estate Services (DGS/DRES), or its contractor as identified above is authorized to negotiate the terms and conditions of a proposed lease agreement. The Proposer shall communicate directly with DRES (or its designee) and/or the contactor(s) identified above and shall not rely on communications with or information provided by field personnel or any other source.
2. Tenant is credit-worthy and will not pay a security deposit.
3. Tenant will pay rent and additional charges required by the lease in arrears. In order for a Landlord to do business with the Commonwealth and receive payment from the Commonwealth, they must be set up in the Commonwealth's accounting system. To do so, the Landlord must complete and return a Commonwealth of Virginia Substitute W-9 form which will be provided during lease negotiations.
4. Leasing is subject to approval by the Governor of Virginia and availability of funding by the General Assembly. Additionally, the Commonwealth reserves the right to reject any and all offers, to negotiate separately with competing Proposers, and to cancel this solicitation at any time. If, in the opinion of the Commonwealth, lease negotiations with a selected proposer cannot be concluded in a timely manner following the selected Proposer's receipt of a draft lease agreement, the Commonwealth may, at its sole discretion, immediately discontinue negotiations and commence negotiations with any other interested Proposer.
5. Exhibit A provides certain disclosures related to leasing and doing business with the Commonwealth of Virginia.
6. Leases that may be considered "capital leases" will require approval of the General Assembly and/or the Governor. Also, pursuant to §10.1-1188 of the Code of Virginia, leases considered a "major state project" by the Department of Environmental Quality will require the preparation and submission of an Environmental Impact Report (EIR), which requires approval on behalf of the Governor. Addition information may be required by the Commonwealth under either of these circumstances.
7. Possession or carrying, whether open or concealed, of any firearm by any person is prohibited in and on State Offices. This prohibition does not apply to law enforcement officers, authorized security personnel, or military personnel, when such individuals are authorized to carry a firearm in accordance with their duties and when they are carrying the firearm within that authority.

**Proposal Submitted
By:**

Name	<input type="text"/>
Company:	<input type="text"/>
Phone:	<input type="text"/>
E-Mail:	<input type="text"/>
Signature:	<input type="text"/>
Date:	<input type="text"/>

EXHIBIT A - PROHIBITED LEASE TERMS

Due to the variety of specific Commonwealth laws and/or the doctrine of sovereign immunity, departments, agencies and institutions cannot agree to certain terms commonly found in real estate leases, agreements and contracts. The prohibited terms include:

1. Any express or implied waiver of the sovereign immunity of the Commonwealth of Virginia, any department, agency or institution, or any of its or their officers, agents or employees.
2. Any agreement or promise to indemnify, defend or hold harmless any person or entity.
3. Any agreement to provide or maintain insurance or insurance coverage to or for the benefit of any person or entity.
4. Any agreement that provides for binding arbitration or other binding dispute resolution.
5. Any estoppel against the Commonwealth or a department, agency or institution, or any agreement which requires the execution of an estoppel certificate, or any provision that would prevent the Commonwealth from making claims or establishing any defense against claims.
6. Any agreement that constitutes a waiver of subrogation or waiver of subrogation rights.
7. Any agreement requiring or providing for the payment of any costs, penalties or liquidated damages.
8. Any agreement purporting to grant security interests in property of the Commonwealth of Virginia; and, any agreement providing default provisions that provide for or authorize (1) Landlord to use any self-help remedies, (2) the distress or seizure of property of the Tenant, or (3) the blocking of the right of Tenant's access to and removal of property and records of the Tenant from the Leased Premises.
9. Any provision prohibiting collection of debt by the Commonwealth of Virginia or any of its agencies under Virginia Code §58.1-520 et seq (Setoff Debt Collection Act)
10. Any provision that seeks to over-ride, constrain, alter or amend the requirement for appropriation of funds to be paid by the Commonwealth of Virginia or any its agencies, departments or institutions.
11. Any provision that requires paying rent in advance
12. Any provision that makes the Commonwealth liable for actions of visitors or invitees.
13. Any provision that alters a requirement of law that is binding on State agencies.
14. Any provision that requires the Commonwealth to agree to execute or abide by any future document. Examples are subordination agreements that may be required by the lender, or modifications to the building's rules and regulations. We can accept such provisions only if our agreement is subject to the approval of the document by the Attorney General's office at the time such document is made available. No limitations should be placed on the review or approval by the Attorney General's office.

These issues are non-negotiable (except as noted), and any contrary provisions in a lease, contract or agreement are unenforceable against the Commonwealth or its agencies. If the Landlord refuses to abide by these restrictions, contact the DRES Real Estate Legal Specialist.

EXHIBIT B - Property Data Sheet

Building or Project Name: [text box]

Street Address: [text box]

City and Zip Code: [text box]

City / County of [text box]

Approximate total square footage of building: [text box]

Rentable SF of proposed space: [text box]

Usable SF of proposed space: [text box]

Pertinent description of the proposed premises to be leased to Tenant (floor #, suite # etc.):

[text box]

Does current Zoning permit this type of use? [text box]

Year of Original Construction: [text box]

Year of Last Major Improvement: [text box]

Describe the construction of the roof and its age: [text box]

Describe the construction of the HVAC system and its age: [text box]

Property Owner Information: Provide the legal name of the entity holding title to the property proposed (this is the Landlord’s information that transfers to the lease document):

Owner: [text box]

Mailing address: [text box]

Phone: [text box]

FAX #: [text box]

Email address: [text box]

Please indicate that the following required documents are attached as part of the submission of the RFP.

- Copy of the existing floor plan or floor plate
- Current tax assessment of building/land
- Aerial and/or marketing flyer indicating location
- Copy of deed, operating agreement, corporate resolution and/or other documentation as evidence of the Landlord’s authority to execute a lease for this property

REQUEST FOR PROPOSAL

EXHIBIT C – Letter of Representation



COMMONWEALTH of VIRGINIA
Department of General Services

Division of Real Estate Services

1100 Bank Street, 3rd Floor
Richmond, Virginia 23219
Telephone: (804) 225-3874
Fax: (804) 225-4673

June 9, 2017

TO WHOM IT MAY CONCERN

Project Description:

**Virginia Alcoholic Beverage Control ("ABC")
Administrative Headquarters and Distribution Center
2901 Hermitage Road, Richmond, VA
Virginia Acts of Assembly – Chapter 836, Item C-52.45**

The Commonwealth of Virginia, through the Department of General Services, has appointed Divaris Real Estate, Inc. ("Divaris") to represent us as our tenant agent in the above cited real estate transaction.

We authorize Divaris to represent the Commonwealth of Virginia in all negotiations with the landlord and any of the landlord's agents or representatives. We request that all such prospective landlord representatives cooperate fully and coordinate all related activities through Divaris.

We understand and expect the landlord/owner of the property will pay Divaris a commission or other fee that is normal and customary in the marketplace for representation of tenants in the event the transaction is completed. Proposal(s) or contracts resulting from such representation should provide for such payment.

Should you have any questions I can be reached by telephone at 804-371-4327 or by email at holly.eve@dgs.virginia.gov. The contact for Divaris is Debbie Wake and she may be reached by telephone at 804-225-4010 or by email at dwake@divaris.com.

We look forward to working with you on this transaction.

Sincerely,

A handwritten signature in blue ink, appearing to read "Holly Law Eve".

Holly Law Eve, Director
Division of Real Estate Services

EXHIBIT D – Description of Office Space Needs
ABC Administrative Headquarters: Conceptual Space Use

Current Needs

Item	SF Each	# Units	Total SF
Private Office	196	5	980
Private Office	150	12	1,800
Private Office	120	4	480
Open Workstation	96	51	4,896
Open Workstation	64	276	17,664
Open Workstation	48	23	1,104
Reception Area	600	1	600
Small Conference Rooms (10 people)	250	17	4,250
Large Conference Rooms (25 people)	475	2	950
Retail Special Use (tastings, regional managers)	700	1	700
Board Room (40 people)	700	1	700
Project Rooms (medium size) for long term projects	325	4	1,300
Seminar Seating - Training Room (75 people)	1,125	1	1,125
Auditorium Seating - Hearings Room (200 people)	2,000	1	2,000
Copy Room	80	18	1,440
Central File Room	2,250	1	2,250
File Storage Areas (distributed as appropriate)	2,100	1	2,100
Breakrooms	500	3	1,500
IT Storage Room	1,000	1	1,000
IT Closet	250	1	250
Server Room	350	1	350
Computer Lab	700	1	700
Office Storage (distributed as appropriate)	3,450	1	3,450
Enforcement Confiscation Room	2,500	1	2,500
Secure Storage	250	1	250
Janitorial (distributed as appropriate)	350	1	350
Communications Media Room	120	1	120
Mail Room/Print Shop	1,200	1	1,200
Lactation Room	80	1	80
Security Desk and Surveillance	300	1	300
Board Suite	1,500	1	1,500

Room SF	57,889
Circulation Factor	35%
Current USF	78,150

Growth Needs

Item	5 Years	10 Years	15 Years
Total USF	81,849	87,141	92,825
Incremental Growth	3,680	5,292	5,684

IMPORTANT NOTE: Conceptual Space use does not include estimates for necessary restrooms. Ample space for this use should be considered during planning and pricing.

EXHIBIT E

GUIDELINES FOR INTERIOR TENANT IMPROVEMENTS

ADA Accessibility

- All facilities shall comply with applicable ADA codes and regulations for access and ability to work in a barrier free space.
- Accessible facilities to include parking, building entrance, elevators, toilets and other ancillary spaces as well as Tenant office areas.

Environmental

- The building is to be free of friable asbestos, or friable asbestos must be properly abated prior to occupancy. ACM's must be managed under an appropriate management plan. Only low VOC adhesives, paint and other materials to be used.
- Space to be mold free.

Ceiling

- Lay-in acoustical 2' x 2', 2' x 4' tiles with suspended grid, with minimum NRC of 0.65 **or building standard**.

Lighting

- Luna 2' x 4' recessed indirect light with narrow 4" perforated center basket fluorescent fixtures with energy efficient lamps (T-8 or better) and electronic ballasts shall be provided **or building standard**. Fixtures shall be capable of producing and maintaining a uniform lighting level of 50-foot candles at working surface height throughout the space. Indirect lighting to be suspended when ceiling height allows.
- Restroom lighting shall be 30 foot candles measured at counter height and 20 foot candles measured at the floor in enclosed corridors.
- Dimmable ballast fluorescent shall be provided for conference/training rooms and reception areas.
- Emergency egress lighting as required by applicable life safety codes shall be provided throughout the entire space.

Walls

- Gypsum wallboard, minimum thickness of 5/8" with studs at a maximum of 24" on center, level 4 finish.
- Acoustical treatment in walls for all conference/meeting/training rooms, e.g. 3 1/2" sound attenuation batt insulation.
- Walls to be finished with primer and one finish coat of paint. Color to be selected by Tenant.

Windows

- 1" wide, metal blade mini blinds shall be provided and installed.

Doors

- Flush solid wood core.
- Minimum 3'-0" wide x 7' high.
- ADA compliant lever hardware.
- Locks and closers provided as required in compliance with ADA and as specified by Tenant.

Floor

- Finished floor to be ½" over 10 feet level and clean, ready to receive carpet or resilient flooring.

Carpet

- Branded 100% nylon with minimum density of 6,000.
- Minimum face weight for carpet tiles to be 20 oz. per sq. yd.
- Minimum face weight for broadloom products to be 26 oz. per sq. yd.
- Color to be selected by Tenant.

Resilient Flooring

Acceptable:

- If Vinyl Composition tile is specified/used – 12" x 12", Armstrong, Tarkett, or equal.
- If Ceramic Tile is specified/used – thinset in 12" x 12" Crossville or equal.

Vinyl Base

- Shall be 1/8" gauge x 4" high, cove profile in longest lengths possible, continuous roll preferred. Color to be selected by Tenant.

Casework

- To meet A.W.I. Standard for custom grade.
- High pressure plastic laminate on all exposed surfaces.
- To be designed and constructed to meet ADA codes.
- Solid surface countertops on all toilets having multiple fixtures.
- Storage shelving as required by Tenant.

Electrical Power

- 7.5 watt per square foot.
- Clean source power available, free of distortion and harmonics.
- Core drills as needed for Tenant systems furniture layout.

Sprinkler System

- Certified, compliant, fully operational sprinkler system to be provided to meet local building codes

Breakroom

- Coffee bar
- Water lines for supply and drainage.
- Casework and power for appliances.

Cabling/Telecommunications/Electrical

- Accessible and appropriately sized conduit from the demark location to all occupied floors.
- Core drills as needed to accommodate Tenant systems furniture layout.
- 1" conduit within the premises.

Server Room

- Full height insulated walls.
- Door Vent for air circulation.
- Separate electrical panel with an emergency shut off button within the server room.
- 10 KVA with a 60 minute run time capacity Uninterruptible Power Supply (UPS).

Security

- Card reader access system with electric strikes as identified on Tenant's space plan.
- Security glass as required by Tenant in reception area.

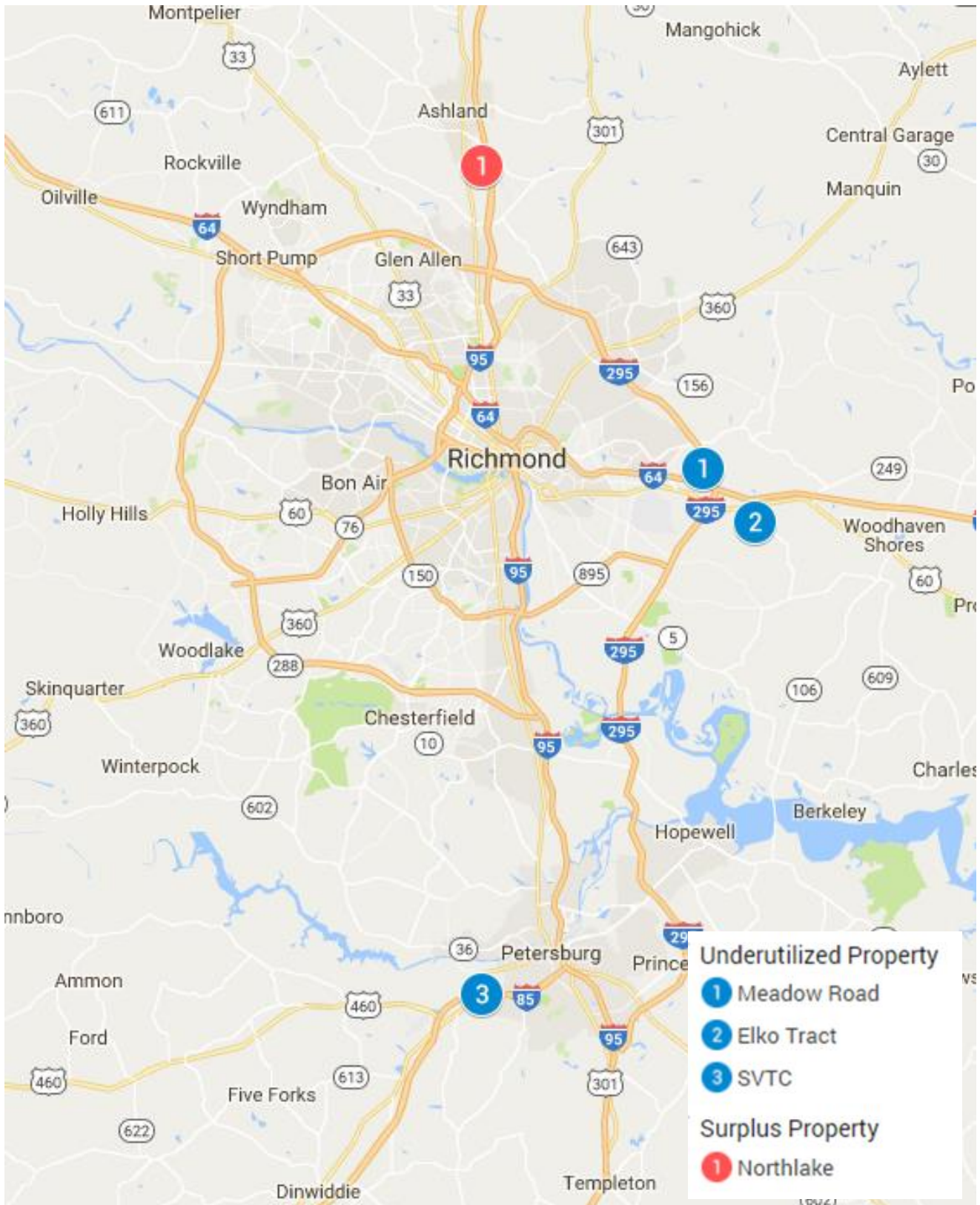
Voice/Data Cabling

- Voice/Data plan will become available once the space plan has been completed.

Enforcement Confiscation Room

- 2,500 square feet
- Cinderblock walls
- Conditioned space
- Heavy duty steel exterior door

EXHIBIT F – State Owned Property





COMMONWEALTH of VIRGINIA

Department of General Services

June 9, 2017

1100 Bank Street, 3'd Floor
Richmond, Virginia 23219
Telephone: (804) 225-3874
Fax: (804) 225-4673

The Commonwealth of Virginia Department of General Services (DGS) is issuing, through its contract broker Divaris Real Estate, Inc. and in collaboration with the Virginia Department of Alcoholic Beverage Control (ABC), this solicitation to receive responses from the private sector to provide ABC administrative office and warehouse facilities solutions. DGS and ABC have been authorized and directed to undertake this initiative in the Virginia Acts of Assembly - Chapter 836, Item C-52.45 (see next page). It is expected that solicited solutions from the private sector will result in warehouse and administrative office solutions that: 1) meet ABC's operational and business needs; and, 2) are cost effective and efficient. The processes used to consider responses are those used by the Commonwealth established by Code of Virginia for the acquisition of real property § 2.2-1149.

Responses from the private sector are to provide "turn-key" facilities solutions. For the purposes of this initiative "turn-key" is defined as:

Deliver, by purchase or lease, fully designed and constructed new facilities, or acquire and deliver existing facilities that are compliant with requisite zoning and building codes for the operational purposes described within this solicitation; and, are inclusive of necessary furniture, fixtures, equipment, telecommunications, warehouse management system and other facility needs that result in operationally move-in ready facilities.

Facility solutions will be solicited using two separate solicitation documents: 1) administrative headquarters space solicitation Transaction #1449; and, 2) distribution center solicitation Transaction #1450. The issuance of two solicitation documents enables the private sector to develop a solution for either the administrative headquarters alone, distribution center alone, or solution that meets the combined requirements of the administrative headquarters and distribution center facilities.

Responses received to the released solicitations will be evaluated by ABC and DGS to determine the private sector's ability to deliver cost effective and efficient "turn-key" facility solutions meeting ABC's operational needs. If it is determined after initial evaluation and selection of short-listed responses that a solution – or combination of solutions – meets ABC's operational needs, solutions will be further developed through a deliberate negotiated collaborative process between the short-listed private sector entity(ies), ABC and DGS.

Due to the complexity and level of interest in this project, all questions pertaining to this solicitation must be submitted via email to projectsaturn@divaris.com.

VIRGINIA STATE BUDGET

2017 Session

Budget Amendments - HB1500 (Conference Report)

Bill Order » Item C-52.45 #1c

DGS / ABC - Plan New Warehouse & Admin Building

Item C-52.45 #1c	First Year - FY2017	Second Year - FY2018	
Central Appropriations			
Central Capital Outlay	\$500,000	\$0	GF

Language

Page 509, after line 9, insert:

*C-52.45 Planning: Acquire or Construct ABC Central Office and Warehouse Facility	\$500,000	\$0
Fund Sources: General	\$500,000	\$0 *

*A. The Department of Alcoholic Beverage Control (ABC) and the Department of General Services (DGS) shall develop and deliver a plan to provide capital project options for a new ABC warehouse and ABC administrative offices.

B. The plan will be a comprehensive plan for an ABC warehouse and administrative offices. At a minimum the plan will include real estate development approaches to achieve operationally ready, "turn-key", cost effective and efficient solutions to meet ABC's operational and business requirements. Solutions may include, but not be limited to, lease or construction of new facilities, acquiring existing facilities through lease or purchase, a combination of new construction and existing facilities, and must include at least one option for using the existing location for the new or retrofitted warehouse and administrative office building.

C. In developing a new construction option for office space, an infill design concept should be considered, which initially would accommodate not more than a ten percent increase in central office staff beyond the number currently located in the headquarters building, with further growth in staff beyond the ten percent to be accommodated through less-expensive infill construction.

D. The Department of General Services (DGS) shall analyze and include options in the ABC plan for the use of state-owned real property declared surplus and existing underutilized state-owned real property.

E. Private sector developer options are to be included in the ABC plan. DGS is tasked and authorized to publicly solicit proposals (i.e. Request For Proposal, Request For Information or by other public solicitation method), to evaluate requirements in paragraphs B and D of this item, from the private sector developer community interested in providing solutions that meet ABC's operational, business, and cost effectiveness and efficiency requirements.

F. ABC is tasked to include in the plan financing options for the capital project options.

G. The plan shall be delivered to the Governor, Chairmen of the House Appropriations and Senate Finance Committees, and the Six-Year Capital Outlay Plan Advisory Committee (§ 2.2-1516) no later than November 1, 2017.

H. Funds authorized to the Department of General Services for this item may be used to accomplish the necessary tasks to prepare, develop, complete, and execute the ABC plan.*

Explanation

(This amendment provides funding to plan for a new ABC warehouse and administrative office.)

REQUEST FOR PROPOSAL

Distribution Center

TENANT: COMMONWEALTH OF VIRGINIA,
VIRGINIA ALCOHOLIC BEVERAGE CONTROL (VA ABC)
(hereinafter referred to as the "Commonwealth" or "Tenant")

LEASE NUMBER: *Transaction #1450*

ISSUE DATE: *June 9, 2017*

CONTACT: *Debbie Wake or Fred Karp* *Email: projectsaturn@divaris.com*
Divaris Real Estate, Inc.
1100 Bank Street, 3rd Floor
Richmond, VA 23219

The Commonwealth of Virginia, Virginia Alcoholic Beverage Control ("VA ABC", "Tenant" or "Commonwealth") seeks to lease commercial space in the **greater Richmond**, VA area for a **distribution center**. Information about the Tenant can be found at www.abc.virginia.gov.

There will be a mandatory meeting for all intended Proposers on **June 20, 2017** at the existing facility located at 2901 Hermitage Road, Richmond, Virginia, 23220. Pre-registration for the meeting is required; registration form must be received by projectsaturn@divaris.com by **June 13, 2017 4:00PM EDST**.

The existing Tenant administrative headquarters and distribution center facilities are physically connected and share a common parcel. Significant growth and functional obsolescence are challenging the current capacity of the existing facility. Tenant is issuing two (2) separate Request For Proposals for replacement facilities:

1. Replacement of the administrative headquarters
2. Replacement of the distribution center

These solicitations are being issued concurrently. Tenant prefers but does not require adjacency of these functions, and will consider second generation space or new construction. Respondents are encouraged to respond to either or both of the requirements; however, proposals for the administrative headquarters and distribution center requirements must be submitted separately for independent evaluation. Pursuant to the Virginia Acts of Assembly - Chapter 836, Item C-52.45, submittals utilizing the existing ABC location will be considered. Any response related to the redevelopment of the existing facility must include a detailed explanation of how Tenant operations will continue without any disruption.

This solicitation is seeking to lease **warehouse space** for a **distribution center** with an ongoing option to purchase. To access the separate solicitation for the administrative headquarters requirement, [click here](#).

REQUEST FOR PROPOSAL

Evaluation of proposals will be based on lease/purchase costs, site location, feasibility of solution, accommodation of Tenant's operational and business needs, systems design, relevant experience of development team and other quality factors.

If you are interested in offering the commercial space as described in this document, please:

1. Register for and attend the mandatory kickoff meeting at the existing facility. Double-click the icon below to open the registration form (save the document on your computer before attempting to use the icons, file may open in a separate application).



6-20-17 Meeting
Registration.xlsx

2. Provide a written response addressing the information contained in each of the "Response" boxes in this document
3. Complete Exhibits B1, B2, B3, and B4
4. Return your signed proposal to the Contact identified above no later than:
 - 4:00 PM (Eastern Daylight Savings Time);
 - **August 11, 2017**

Proposals may be received via e-mail, overnight express (such as UPS or FedEx), or US Mail and all proposals must be signed. Incomplete and unsigned responses may not be considered. The burden to deliver the proposal by the deadline shall be on the Proposer.

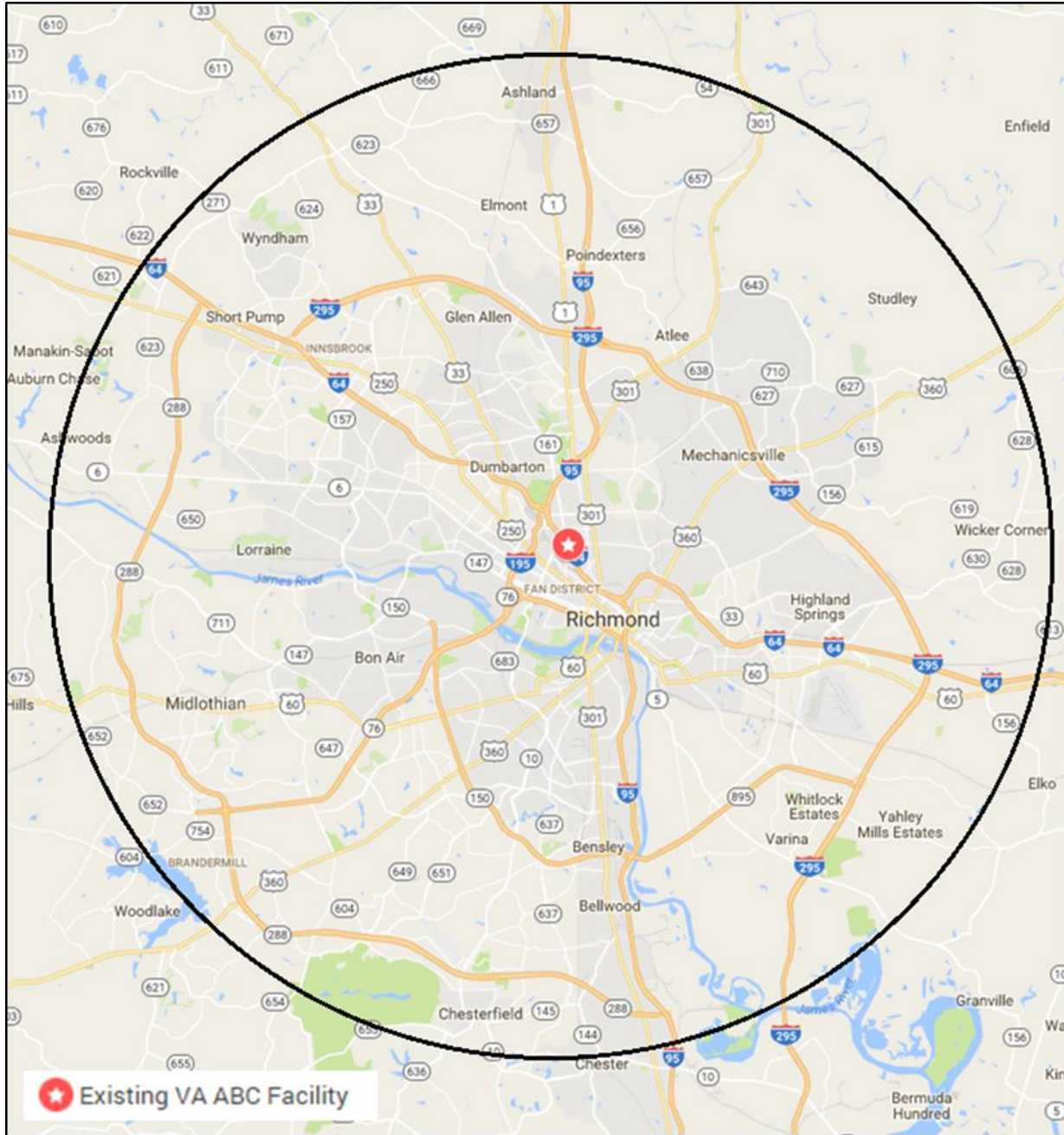
Proposals are subject to the provisions of the Virginia Freedom of Information Act, Code Section 2.2-3700, et seq. Please indicate in advance if any information to be provided is of a confidential nature. Proposers will be advised if confidentiality is legally permissible and under what conditions.

- Questions about this Request for Proposal shall be submitted via email to projectsaturn@divaris.com.
 - Deadline for submittal of questions is **6/30/17 4:00PM EDST**. The Commonwealth will respond to all questions by 7/14/17.
-

REQUEST FOR PROPOSAL

Please provide a written proposal in the shaded fields within the “Response” Boxes addressing the information requested and supply information requested in Exhibits B1, B2, B3, and B4. The Proposer may also provide separate documents to respond or supplement the proposal response.

1. Preferred Location: The search area location of this space is within the greater Richmond metropolitan area (limited to the Counties of Chesterfield, Goochland, Hanover, Henrico, New Kent, and Powhatan along with the City of Richmond), with preference given to property near the intersection of I-95 and I-64 as generalized by the radius map below:



REQUEST FOR PROPOSAL

The radius was drawn based on a variety of Tenant’s operational and business interests and concerns, including:

1. Managing freight expenses which are driven by
 - a. easy access to major North/South and East/West transportation corridors,
 - b. travel time to the largest concentrations of ABC stores throughout the Commonwealth,
2. Mitigating the potential disruption of the existing workforce, as this can result in a loss of institutional knowledge, expertise, and increased recruitment and training expenses.

Submittals will be reviewed, in part, with the above operational and business interests enumerated.

Access from the proposed site to an “expressway” (divided highway with partial control of access) or “freeway” (divided highway with full control of access) must be suitable for heavy truck traffic and is preferred to be 3 miles or less.

The Virginia Department of General Services markets surplus real estate on [this website](#). Additionally, DGS has identified underutilized real property owned by the Commonwealth which may qualify for this project that is not displayed on the website. Please contact Hugh Hubinger at hugh.hubinger@dgs.virginia.gov for more information about these properties. See Exhibit G for more information.

<i>Response</i>	Does the proposed location meet this preference? <div style="background-color: #e0e0e0; height: 40px; width: 100%;"></div>
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2. Space Need / Premises: Tenant is seeking a turn-key distribution center solution capable of meeting both its current and future needs. The core components of this solution are outlined as follows:

- Warehouse space sufficient to meet 10 year planned growth with expansion available to meet 20 year growth
 - Estimated 375,000 square feet of warehouse space (based on 42’ clear height) for 10 year plan
 - Final size of warehouse should be based on the product volume and velocity requirements described in Exhibit F and in Addendums 1-12
 - Refer to Addendum 1, to see the estimated square feet needed by year, by functional area from the initial preliminary planning study.
 - Preliminary planning for this project indicated optimum efficiency at 42’ clear height for this facility for new construction. Proposer should independently determine the most cost efficient design; proposals which include existing buildings with less than 42’ clear height and satisfy the capacity needs of Tenant will be considered.
 - See Exhibit E – Construction Guidelines for New Work and Exhibit F – MHE, WMS and Other Design Guidelines for more detail
- Truck yard
 - Secure (fenced and lit) paved lot for truck and trailer storage and circulation
 - See Exhibit F for more detail

- Material Handling Equipment
 - Mechanical equipment used for movement, storage, control and protection of materials and products throughout the facility
 - Includes but not limited to racking, pick modules, lift trucks, and dock levelers.
 - Proposal is expected to include the design and installation of all physical equipment and software necessary to operate the distribution center. See Exhibit F for more information.
- Warehouse Management System
 - Comprehensive software application designed to optimize and manage the movement of materials and resources entering, exiting or within facility. Requires integration with Material Handling Equipment.
 - See Exhibit F for more information.
- 9-11,000 useable square feet of office space, not inclusive of restrooms
 - Office space for logistics administrative staff along with breakroom and restroom facilities for all employees.
 - See Exhibit D (Description of Office Space Needs) for more information.

<i>Response</i>	<i>Please complete Exhibits B1, B2, B3 and B4</i>
-----------------	---

3. Lease Term / Rental Rate / Purchase Option: The Tenant prefers the proposer to offer flat rental rates for the lease terms and any option terms with an ongoing right to purchase. Please answer for each potential term length.

<i>Response</i>	Proposed Annual Rental Rate for 120 month term: <div style="background-color: #e6f2ff; height: 40px; border: 1px solid black;"></div>
	Proposed Annual Rental Rate for 180 month term: <div style="background-color: #e6f2ff; height: 40px; border: 1px solid black;"></div>
	Proposed Annual Rental Rate for 240 month term: <div style="background-color: #e6f2ff; height: 40px; border: 1px solid black;"></div>
	Proposed structure of purchase option: <div style="background-color: #e6f2ff; height: 40px; border: 1px solid black;"></div>

4. Lease Commencement: Describe the time required between a final ratified instrument such as a lease and delivery of the premises with a certificate of occupancy, ready for possession.

<i>Response</i>	Estimated Time Required: <div style="background-color: #e6f2ff; height: 40px; border: 1px solid black;"></div>
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5. Options to Extend: Tenant requests four (4), five (5) year options to renew the lease upon six (6) months notice to landlord. Options shall be at ninety-five (95%) of the prevailing market rate for similar premises, considering allowances and other incentives, not to exceed 102% of the then current rent. All options shall include a refurbishment allowance for at minimum new carpet/flooring and paint.

<i>Response</i>	Agree (Y /N) <input style="width: 100%;" type="text"/>
	Refurbishment Allowance Amount <input style="width: 100%;" type="text"/>
	Alternate Proposal <input style="width: 100%; height: 40px;" type="text"/>

6. Parking: Tenant requires 200 passenger vehicle parking spaces for the following (area is not required to be secured and should be separate from truck yard).

<i>Response</i>	Number of Parking spaces available: <input style="width: 100%;" type="text"/>
	Location of Parking spaces: <input style="width: 100%;" type="text"/>
	In some cases parking needs may exceed the minimum standard. How would the property or landlord accommodate? <input style="width: 100%;" type="text"/>

7. Signage: Specify interior and exterior signage rights available to Tenant, including building, monument, lobby, and suite signage.

<i>Response</i>	Sign Availability: <input style="width: 100%;" type="text"/>
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8. Technology and Tele-communications: If available, Landlord shall provide a carrier facility survey noting what internet services are available to the building / space in order for the Commonwealth to evaluate the capacity of the building to provide appropriate service.

Landlord shall provide Tenant and/or its telecommunications companies, the right of access to, from and within the building including pathway(s) to the premises for the installation and operation of Tenant’s telecommunications systems.

Tenant may request permission to place certain telecommunications equipment on the roof. Please indicate if this will be permissible and under what conditions.

<i>Response</i>	Which internet service provider(s) supports the Premises? <input style="width: 100%;" type="text"/>
	Carrier survey (shows capacity/service type, may reference as separate attachment): <input style="width: 100%;" type="text"/>
	Tenant shall have access to building and roof for installation/maintenance technology and telecommunications (Y/N): <input style="width: 100%;" type="text"/>

9. Property Operating Expenses:

<i>Response</i>	<p>Which of the following operating costs are included with the rent:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Property Taxes <input type="checkbox"/> Property Insurance <input type="checkbox"/> Building Maintenance <input type="checkbox"/> HVAC System Maintenance <input type="checkbox"/> Landscaping <input type="checkbox"/> Snow Removal <p>For those operating expenses or portions of operating expenses not included with the rent, describe estimated costs below or provide reference to a separate attachment.</p> <div style="background-color: #e0e0e0; height: 50px; width: 100%;"></div>
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10. This section has been intentionally left blank

11. Space Planning: The Landlord is willing, upon being notified that their property is a finalist, to pay in advance to have a space planner approved by the Commonwealth develop a conceptual space layout for the office component (as described in Exhibit D), sometimes referred to as a "test fit", and one revision for the Tenant. The layout must reflect the room and cubicle count from the Office Space Questionnaire and adjacencies identified by the agency (to be provided upon notification as a finalist).

The plan will indicate all walls, doors, and workstation locations in addition to fixed spaces such as electrical panels, mechanical rooms and janitor closets. Spaces must be labeled with designated use. An overall BOMA usable square footage number must be provided.

The Landlord must provide accurate as-built drawings to the space planning contractor in an AutoCAD format, submitted electronically. If accurate as-built plans are not available, the Landlord shall also bear the expense of having such plans developed and made available to the space planning contractor.

Reimbursable expenses including the creation of 'as-built' drawings, travel, reproduction of drawings, courier, express mail, etc. shall be invoiced to the Landlord at cost.

<i>Response</i>	<p>Agree (Y/N)</p> <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div> <p>Are accurate as-built drawings available in and AutoCAD format? (Y/N)</p> <div style="background-color: #e0e0e0; height: 20px; width: 100%;"></div>
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12. This section has been intentionally left blank

13. Final Turn-key: Tenant expects Landlord to contract for and construct all tenant improvements to be delivered in turn key condition.

Full turn-key proposals consider that Landlord must:

- Deliver construction documents and all planning A&E services
- Competitive bid tenant improvement project
- Contract for tenant improvements
- Manage construction of tenant improvements
- Provide data and telecommunications cabling
- Provide and install Material Handling Equipment
- Provide and install Warehouse Management System
- Provide amortized allowance of \$400,000 for purchase of furniture, fixtures and equipment not included in Material Handling Equipment such as office furniture.

All work is to be completed in accordance with the construction guidelines, general specifications and other notes within and attached to this RFP.

<i>Response</i>	Landlord to consider delivery of the space in full turn-key condition, including furniture, fixtures and equipment allowance? (Y/N) <input style="width: 100%; height: 15px;" type="text"/>
	Please describe any conditions associated with providing the space full turn-key, including the annual interest rate applied to amortized furniture, fixtures and equipment allowance: <input style="width: 100%; height: 40px;" type="text"/>

14. Access to Premises: Landlord agrees to provide Tenant with access to the Premises upon the commencement of any tenant improvements or construction.

<i>Response</i>	Agree (Y / N) <input style="width: 100%; height: 15px;" type="text"/>
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15. Incentives: State the proposed rent abatement, moving allowance or other incentives and or refurbishments offered to Tenant, including the initial and option terms.

<i>Response</i>	Rent Abatement <input style="width: 100%; height: 15px;" type="text"/>
	Moving Allowance <input style="width: 100%; height: 15px;" type="text"/>
	Other Incentives <input style="width: 100%; height: 40px;" type="text"/>

16. This section has been intentionally left blank

17. Regulatory and Environmental Conditions: Please confirm the building and premises comply with applicable laws, ordinances and codes and ADA requirements. In the lease, the Tenant will require the landlord to warrant and represent that the building and premises are free of friable asbestos, other hazardous or toxic materials, and EMF radiation.

<i>Response</i>	Does the building and premises comply with all applicable laws, ordinances and codes and ADA requirements? (Y/N)
	<input style="width: 100%;" type="text"/>

18. Other Location Features: Pursuant to Executive Order 19 (2011), DGS/ABC may give preference to facilities having the attributes below

If the proposed space is located in a metropolitan area where public transit is available, is the space within a quarter mile of a bus, trolley, Metro, or commuter rail stop?

<i>Response</i>	Yes / No (if yes, indicate the locations of relevant stops)
	<input style="width: 100%;" type="text"/>

Does the proposed facility meet the U.S. Green Building Council's LEED rating system or the United States Environmental Protection Agency/Department of Energy's "Energy Star" rating?

<i>Response</i>	Yes / No (if yes, indicate certification type)
	<input style="width: 100%;" type="text"/>

Is the facility pedestrian and bicycle accessible (sidewalks, ramps, bike racks, etc.)

<i>Response</i>	Yes / No
	<input style="width: 100%;" type="text"/>

19. Existing Commercial Leases: Please list any existing leases the landlord currently has with the Commonwealth of Virginia (COVA). Include any properties under related ownership, such as LLCs with different location names.

<i>Response</i>	Other Leases and Locations
	<input style="width: 100%;" type="text"/>

20. Small, Women and Minority-Owned Business Subcontracting and Evidence of Compliance: If the landlord is a qualified Small, Women and Minority-Owned (SWAM) Business, provide a copy of the certification. Where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the landlord is encouraged to offer such business to small, women, and/or minority-owned (SWAM) businesses. If SWAM subcontractors are used, the landlord agrees to report the use of SWAM subcontractors by providing the DGS purchasing office at a minimum the following information: name of firm, phone number, total dollar amount subcontracted, category type (small, women, or minority-owned), and type of product/service provided.

<i>Response</i>	Is Proposer SWAM Certified? (Y/N) If so, include SWAM ID #.
	<input style="width: 100%;" type="text"/>
	Agree to document and report any use of SWAM businesses? (Y/N)
	<input style="width: 100%;" type="text"/>

21. Deed of Lease Form: It is a requirement that a Commonwealth of Virginia Deed of Lease form be utilized for all Commonwealth lease transactions. A list of Prohibited Lease Terms is provided in Exhibit A to this RFP. Any lease is subject to review and revision on a continuing basis. Should Tenant and Landlord reach agreeable terms, Tenant shall prepare the lease using the template form as a base for Landlord’s review and signature; followed by Tenant’s approval process and signatures through the Governor’s Office.

<i>Response</i>	Acknowledge (initial below, typed is acceptable) <input style="width: 100%;" type="text"/>
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22. Assignment and Sublease: Tenant shall have the right to sublet or assign all or part of the premises to any other state agency.

<i>Response</i>	Agree (Y/N) <input style="width: 100%;" type="text"/>
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23. Non-Disturbance: At Tenant’s option prior to the signing of any lease, Tenant may require landlord to provide Tenant with a non-disturbance agreement acceptable to Tenant from each mortgage holder then in existence, if any.

<i>Response</i>	Agree (Y/N) <input style="width: 100%;" type="text"/>
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24. Brokerage Disclosure: Divaris Real Estate, Inc. (“Divaris”) represents the Commonwealth of Virginia, its agencies and subdivisions as a Tenant representative in leasing transactions. As a licensed real estate broker, Divaris or its designated affiliate, provides this disclosure that it may represent more than one party in the subject real estate transaction, specifically landlord and Tenant. If Divaris or its designated affiliate, acts as a dual representative, it may not disclose to either party, or such party’s designated representative, any information that has been given to the dual representative by the other party within the confidence and trust of the brokerage relationship, except as otherwise required or permitted by applicable law to be disclosed. The undersigned do hereby acknowledge and consent to the disclosed potential dual representation by Divaris or its designated affiliate.

The parties each acknowledge and agree that Divaris Real Estate, Inc. is representing the Tenant. Divaris shall be paid four percent (4%) of the gross revenue of the lease over the term by the landlord, less revenue attributed to Furniture, Fixtures, and Equipment, Material Handling Systems and Warehouse Management Systems which shall be paid 50% at lease execution and 50% upon occupancy.

<i>Response</i>	Acknowledge brokerage disclosure (initial below, typed is acceptable) <input style="width: 100%;" type="text"/>
	Agree to commission agreement (Y/N): <input style="width: 100%;" type="text"/>

25. Relevant Experience: Describe any prior representative projects the Proposer has completed which demonstrate the capability to meet the requirements of this RFP.

<i>Please attach summary as a separate document.</i>
--

26. Other

1. Only the Department of General Services, the Division of Real Estate Services (DGS/DRES), or its contractor as identified above is authorized to negotiate the terms and conditions of a proposed lease agreement. The Proposer shall communicate directly with DRES (or its designee) and/or the contactor(s) identified above and shall not rely on communications with or information provided by field personnel or any other source.
2. Tenant is credit-worthy and will not pay a security deposit.
3. Tenant will pay rent and additional charges required by the lease in arrears. In order for a landlord to do business with the Commonwealth and receive payment from the Commonwealth, they must be set up in the Commonwealth's accounting system. To do so, the landlord must complete and return a Commonwealth of Virginia Substitute W-9 form which will be provided during lease negotiations.
4. Leasing is subject to approval by the Governor of Virginia and availability of funding by the General Assembly. Additionally, the Commonwealth reserves the right to reject any and all offers, to negotiate separately with competing proposers, and to cancel this solicitation at any time. If, in the opinion of the Commonwealth, lease negotiations with a selected proposer cannot be concluded in a timely manner following the selected proposer's receipt of a draft lease agreement, the Commonwealth may, at its sole discretion, immediately discontinue negotiations and commence negotiations with any other interested proposer.
5. Exhibit A provides certain disclosures related to leasing and doing business with the Commonwealth of Virginia.
6. Leases that may be considered "capital leases" will require approval of the General Assembly and/or the Governor. Also, pursuant to §10.1-1188 of the Code of Virginia, leases considered a "major state project" by the Department of Environmental Quality will require the preparation and submission of an Environmental Impact Report (EIR), which requires approval on behalf of the Governor. Additional information may be required by the Commonwealth under either of these circumstances.
7. Possession or carrying, whether open or concealed, of any firearm by any person is prohibited in and on State Offices. This prohibition does not apply to law enforcement officers, authorized security personnel, or military personnel, when such individuals are authorized to carry a firearm in accordance with their duties and when they are carrying the firearm within that authority.

**Proposal Submitted
By:**

Name	<input type="text"/>
Company:	<input type="text"/>
Phone:	<input type="text"/>
E-Mail:	<input type="text"/>
Signature:	<input type="text"/>
Date:	<input type="text"/>

EXHIBIT A - PROHIBITED LEASE TERMS

Due to the variety of specific Commonwealth laws and/or the doctrine of sovereign immunity, departments, agencies and institutions cannot agree to certain terms commonly found in real estate leases, agreements and contracts. The prohibited terms include:

1. Any express or implied waiver of the sovereign immunity of the Commonwealth of Virginia, any department, agency or institution, or any of its or their officers, agents or employees.
2. Any agreement or promise to indemnify, defend or hold harmless any person or entity.
3. Any agreement to provide or maintain insurance or insurance coverage to or for the benefit of any person or entity.
4. Any agreement that provides for binding arbitration or other binding dispute resolution.
5. Any estoppel against the Commonwealth or a department, agency or institution, or any agreement which requires the execution of an estoppel certificate, or any provision that would prevent the Commonwealth from making claims or establishing any defense against claims.
6. Any agreement that constitutes a waiver of subrogation or waiver of subrogation rights.
7. Any agreement requiring or providing for the payment of any costs, penalties or liquidated damages.
8. Any agreement purporting to grant security interests in property of the Commonwealth of Virginia; and, any agreement providing default provisions that provide for or authorize (1) Landlord to use any self-help remedies, (2) the distress or seizure of property of the Tenant, or (3) the blocking of the right of Tenant's access to and removal of property and records of the Tenant from the Leased Premises.
9. Any provision prohibiting collection of debt by the Commonwealth of Virginia or any of its agencies under Virginia Code §58.1-520 et seq (Setoff Debt Collection Act)
10. Any provision that seeks to over-ride, constrain, alter or amend the requirement for appropriation of funds to be paid by the Commonwealth of Virginia or any its agencies, departments or institutions.
11. Any provision that requires paying rent in advance
12. Any provision that makes the Commonwealth liable for actions of visitors or invitees.
13. Any provision that alters a requirement of law that is binding on State agencies.
14. Any provision that requires the Commonwealth to agree to execute or abide by any future document. Examples are subordination agreements that may be required by the lender, or modifications to the building's rules and regulations. We can accept such provisions only if our agreement is subject to the approval of the document by the Attorney General's office at the time such document is made available. No limitations should be placed on the review or approval by the Attorney General's office.

These issues are non-negotiable (except as noted), and any contrary provisions in a lease, contract or agreement are unenforceable against the Commonwealth or its agencies. If the Landlord refuses to abide by these restrictions, contact the DRES Real Estate Legal Specialist.

EXHIBIT B1 – Site Location Data Sheet

Park/project name (if applicable):

Tax Parcel ID Number(s):

Street address or name:

Mailing city and zip code:

City / County of

Approximate acreage of site:

Approximate driving distance to expressway or freeway:

Provide the legal name of the entity holding title to the property proposed:

Does current zoning permit the proposed use?

Electric capacity to site:

Water capacity to site:

Sewer capacity to site:

Natural Gas capacity to site:

Describe proposed storm water system:

Describe any offsite improvements or proffers required or expected (traffic lights, deceleration lanes/lane widening, storm water or utility improvements etc.):

Please indicate that the following required documents are attached as part of the submission of the RFP.

- Aerial image showing an outline of the proposed site area and relevant tax parcel lines
- Current tax assessment for the parcel
- Copy of deed, operating agreement, corporate resolution and/or other documentation as evidence of the current owner's authority to execute a lease or sale of the site
- Copy of instrument demonstrating Proposer's ability to lease the site to the Commonwealth

EXHIBIT B2 – Building and Improvements Data Sheet

Describe the basic building construction type (concrete tilt up, pre-engineered steel etc):

[Empty text box for basic building construction type]

Describe exterior finish and expected economic life:

[Empty text box for exterior finish and expected economic life]

Describe roof system and expected economic life:

[Empty text box for roof system and expected economic life]

Clear height of warehouse:

[Empty text box for clear height of warehouse]

Clear span of warehouse:

[Empty text box for clear span of warehouse]

Total span of warehouse:

[Empty text box for total span of warehouse]

Total length of warehouse:

[Empty text box for total length of warehouse]

Year Built (if existing)

[Empty text box for year built]

Architectural firm(s) engaged:

[Empty text box for architectural firm(s) engaged]

Civil engineering firm(s) engaged:

[Empty text box for civil engineering firm(s) engaged]

Describe the method of providing warehouse expansion space:

[Empty text box for method of providing warehouse expansion space]

Please indicate that the following required documents are attached as part of the submission of the RFP.

- Scaled conceptual site plan showing at minimum: parcel area, building footprint, building expansion footprint, vehicle ingress/egress and circulation, dock locations, truck yard with trailer storage layout, passenger vehicle parking area with striping layout, estimated size and location of any on-site storm water retention

EXHIBIT B3 – MHE and WMS Technical Report

Material Handling Equipment (MHE) and Warehouse Management Systems (WMS) are critical components of the Tenant's operations. The effectiveness and efficiency of these systems and the ability of ongoing support for these systems directly impact the ultimate performance of the facility and Tenant's business.

As part of their response, Proposer is expected to include a report prepared by their MHE and WMS technical consultants explaining the proposed operation and capacity of the warehouse as well as a summary of the equipment and systems. The report should include:

- Executive summary of the proposed logistics process and methods used
- Explanation of the WMS solution
- Detailed sections for each of the functional areas which describes their operation, size, relevant operational capacities and lists the proposed equipment required
- Scalability for 20 year capacity needs should be discussed in this report

Sections or subdivisions may be added or arranged as the Proposer deems appropriate to enhance the quality and clarity of the report.

The report should be in accordance with all of the construction guidelines, general specifications, projected volumes/capacities and other notes within and attached to this RFP.

Tenant is seeking creativity in developing a comprehensive solution that meets the projected operational requirements while minimizing the building area, labor and operating costs. The report should demonstrate where appropriate the value and benefits of the systems and methods chosen and be sufficiently comprehensive for Tenant to evaluate the systems and methods to determine their suitability. It is the responsibility of the Proposer to ensure completeness of this report.

EXHIBIT B4 – MHE and WMS Qualifications Report

Tenant will be evaluating the Material Handling Equipment (MHE) Integration consultants and Warehouse Management System (WMS) consultants as part of the Proposal. As part of this evaluation, these are the essential skill sets that the MHE Integration Consultant (MHE Consultant) and WMS Consultant must have for the VA ABC distribution center project:

- Provide leadership in all aspects of the Supply Chain requirements that will be considered to meet VA ABC's goals. This goes beyond just the material handling equipment (MHE) and systems.
- Experience in selecting, sourcing and implementing the material handling solution, and WMS solutions, that best fits the VA ABC distribution environment.
- Project Management throughout the process of selection, sourcing, and implementation for a turn-key solution.
- Fulfillment consulting to recommend and assist VA ABC to adapt changes in processes and systems which optimizes the Supply Chain and the costs.
- To provide knowledge on the after-installation support for the various subsystem providers for hardware, software, and maintenance for the life of the warehouse.

Key Criteria for Consideration

- The quality of the consultant's response to the RFP.
- Consultants or consultant teams must have proven management experience working in the retail and wholesale consumer distribution field.
- An overall effective and efficient cost structure for the consulting services provided.
- Project management team and implementation team availability.
- Demonstrable capabilities to maximize efficiencies through facility layout, process and equipment plans.
- Willingness to be a partner and be a subcontractor to the selected design/build team selected by VA ABC for this project.
- Demonstrable capabilities to deliver turn-key MHE and WMS solutions in partnership with facility design/build teams.

Each consultant (WMS and MHE) must provide the following information as part of the Proposal:

Company General Background

- How long have you been in business? Please provide a brief description of the warehouse and distribution optimization services, or WMS solutions, you and/or your team provide.
- Please describe your food and beverage distribution experience.
- How long has your company been providing warehouse and distribution network optimization services as described above?
- How many employees do you have that specifically work on warehouse and distribution center consulting?
- Please describe your financial history and outlook, including information about your parent company, if necessary.
- Please list any relevant strategic alliances. Which ones do you receive a finder's fee or commission for when recommending their equipment and services?

REQUEST FOR PROPOSAL

Current Client Information

- How many active food and beverage clients is your company currently engaged with to provide warehouse and distribution center or WMS services?
- Describe projects completed in the last 12 months that are a good parallel to the solution that VA ABC may need in terms of pick modules and accumulation conveyor. Please describe the process you followed and key benefits experienced from implementation. These must be identified by the company and be able to be referenced/confirmed.
- Please identify retail and/or wholesale clients, indicate how long they have been a client, and to what extent they are using or have used your services.
- Please list five clients we may contact for a reference that have completed projects with your company within the last five years.

Project Approach and Deliverables

- Please outline your project approach, milestones and key deliverables to this engagement, including, but not limited to an outline of the high-level tasks organized by phase, and tools you might use to gather and organize information.
- Will the selected automation providers collaborate with your firm and provide assurances that the automation, conveyance and pick models will perform at the peak performance rates in this RFP? Provide detail examples of the deliverables (e.g. detail configuration blue prints). Please explain their involvement.
- What are the milestones that VA ABC will sign-off on with you as the turn key solution provider to be sure that the project stays on track in terms of objectives and financial goals?

Project Team

- With this lead time, we realize it is difficult to determine specific individuals that will work on this project. However, with a project of this magnitude, what would be the team structure, their typical education level, experience level in DC automation, years with your company, etc.
- What will be the qualifications for the project manager that is leading your team to implement a turn-key solution?
- Will there be additional personnel that have fulfillment consulting expertise to assist in the process development for the new solution and system?

EXHIBIT C – Letter of Representation



COMMONWEALTH of VIRGINIA
Department of General Services

Division of Real Estate Services

1100 Bank Street, 3^d Floor
Richmond, Virginia 23219
Telephone: (804) 225-3874
Fax: (804) 225-4673

June 9, 2017

TO WHOM IT MAY CONCERN

Project Description:

**Virginia Alcoholic Beverage Control ("ABC")
Administrative Headquarters and Distribution Center
2901 Hermitage Road, Richmond, VA
Virginia Acts of Assembly – Chapter 836, Item C-52.45**

The Commonwealth of Virginia, through the Department of General Services, has appointed Divaris Real Estate, Inc. ("Divaris") to represent us as our tenant agent in the above cited real estate transaction.

We authorize Divaris to represent the Commonwealth of Virginia in all negotiations with the landlord and any of the landlord's agents or representatives. We request that all such prospective landlord representatives cooperate fully and coordinate all related activities through Divaris.

We understand and expect the landlord/owner of the property will pay Divaris a commission or other fee that is normal and customary in the marketplace for representation of tenants in the event the transaction is completed. Proposal(s) or contracts resulting from such representation should provide for such payment.

Should you have any questions I can be reached by telephone at 804-371-4327 or by email at holly.eve@dgs.virginia.gov. The contact for Divaris is Debbie Wake and she may be reached by telephone at 804-225-4010 or by email at dwake@divaris.com.

We look forward to working with you on this transaction.

Sincerely,


Holly Law Eve, Director
Division of Real Estate Services

EXHIBIT D – Description of Office Space Needs

ABC Distribution Center Office Component: Conceptual Space Use

Current Needs

Item	SF Each	# Units	Total SF
Private Office	150	1	150
Private Office	120	-	-
Open Workstation	96	10	960
Open Workstation	64	37	2,368
Open Workstation	48	5	240
Reception Area	450	1	450
Conference Rooms (15 people)	325	2	650
Copy Room	80	1	80
Breakrooms	600	1	600
IT Storage Room	80	1	80
IT Closet	120	1	120
Server Room	80	1	80
Computer Lab	160	1	160
File Storage Areas (distributed as appropriate)	210	1	210
Janitorial (distributed as appropriate)	80	1	80
Security Desk and Surveillance	300	1	300

Room SF	6,528
Circulation Factor	35%
Current USF	8,813

Growth Needs

Item	5 Years	10 Years	15 Years
Total USF	9,266	9,887	10,599
Incremental Growth	454	621	711

IMPORTANT NOTE: Conceptual Space use does not include estimates for necessary restrooms. Ample space for this use should be considered during planning and pricing.

EXHIBIT E – Construction Guidelines for New Work

The following guidelines are provided to indicate the Tenant’s desired level of quality and finish for new construction. Respondent should indicate where its proposal departs in a material fashion from these guidelines.

Proposals that include existing structures which do not or cannot be confirmed to conform to these guidelines should indicate the current condition of the improvements and demonstrate that the existing conditions, and any anticipated improvements, are adequate to accommodate the Tenant’s business and operational needs.

After initial evaluation and selection of short-listed responses, greater detail will be added to these guidelines to further define the scope, expectations and cost of the project.

1. Division 1 - General Requirements

1.1. Summary of the Work:

1.1.1. The project consists of developer proposals to get approval for funding from the Commonwealth of Virginia.

1.1.2. Building construction shall meet the criteria contained in this Basis of Design.

1.2. Property Insurance: Developer shall obtain and pay for Builder’s Risk Insurance on the building during construction insuring VA ABC, Architect, Engineer, General Contractor, Subcontractors, and Sub-subcontractors as their interests may appear.

1.3. Permits, Fees and Licenses: The Developer shall obtain and pay for all permits, fees and licenses as may be required for the construction work. Sewer, water, electrical and phone connection fees to be paid for by the Developer.

1.4. Temporary Utilities: The Developer shall arrange and pay for telephone service used in the course of construction. Temporary electricity and water will be supplied by the Developer as required until permanent power is available, at which time, the VA ABC will pay for service. Permanent service will be required by a reasonable period of time in the construction, at a date to be determined.

1.5. Inspections and Testing: Testing and inspection required during design and construction shall be paid for by the Developer.

REQUEST FOR PROPOSAL

1.6. Record Drawings: Upon completion of the work As-Built CADD drawings shall be furnished to the VA ABC incorporating locations of all new underground and otherwise concealed conduit, pipe, and duct lines which are not installed as shown on the construction drawings. The VA ABC shall also receive two copies on CD's and six sets of full size drawings.

1.7. Warranty:

1.7.1. The Developer shall warrant that all materials and equipment furnished for the project will be new, unless otherwise specified, and that all work will be of good quality, free from faults and defects and in conformance with the Construction Documents.

1.7.2. The Developer shall further warrant that the work shall be free from defects in material and workmanship for a period of one (1) year following Substantial Completion.

1.8. Codes:

1.8.1. Work shall be performed in accordance with the 2012 Virginia Construction Code, effective date July 14, 2014 (2012 International Building Code) including latest amendments in effect at the date of this specification, and with applicable federal, state and local requirements in effect at the date of this specification.

1.8.2. Virginia Uniform Statewide Building Code designations shall be determined by the developer.

1.8.3. Required permits and regulations include but are not limited to:

- 1.8.3.1. Construction General Permits
- 1.8.3.2. Virginia Stormwater Management Program (VSMP) Regulations
- 1.8.3.3. Virginia Erosion and Sediment Control Law and Regulations
- 1.8.3.4. Land Disturbance Permit.
- 1.8.3.5. Preliminary Construction Permit.
- 1.8.3.6. Construction Permit.
- 1.8.3.7. Occupancy Permit (or Temporary Occupancy Permit).

1.8.4. The work includes providing financing, site selection, building design and engineering, material handling equipment, and all materials, labor, superintendence, tools, equipment, and incidentals necessary to construct the project as outlined herein and in the attached Exhibit F by FCBCO.

2. Existing Conditions

2.1. None Included

3. Concrete

3.1. Conform to the following:

3.1.1. Virginia Statewide Uniform Building Code

3.2. Design foundations per guidelines provided in geotechnical engineering report.

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3.3. Design the floor slab using ACI 360 R to support the pallet rack and lift truck loading as provided by the materials handling supplier, but no less than 200 psf.

3.3.1. Load Safety Factors: 1.7 for pallet racks, 2.0 for lift trucks.

3.3.2. Position of loading for pallet racking: internal, edge, and corner unless joint spacing exceeds 50 ft, in which case only the internal position need be considered.

3.3.3. Position of loading for lift trucks: internal, edge, and corner, unless design puts all joints on column lines, in which case only the internal and edge positions need be considered.

3.3.4. Office areas and restrooms within the warehouse, shall have the same floor slab design as the rest of the warehouse.

4. Masonry

4.1. Concrete masonry shall conform to ASTM C90, 2000 psi minimum compressive strength.

4.2. Mortar shall use Portland cement-masonry cement conforming to ASTM C270, Type S for exterior masonry and ASTM C270, Type N for interior masonry.

5. Metals

5.1. Structural Frame Design Criteria based on VSUBC. Building Risk Category II.

5.1.1. Roof loads: Minimum 20 psf, no reduction.

6. Wood, Plastics, And Composites

6.1. Rough Carpentry: Include all nailers, grounds, furring and hardware for attaching coping and roof curbs. Wood shall be pressure treated against termites and decay.

6.2. Interior Casework – Architectural Woodwork Institute (AWI) Standard 400B, high pressure decorative laminate, clad, flush overlay construction.

7. Thermal And Moisture Protection

7.1. Comply with International Energy Conservation Code Section C402.

7.2. Membrane Roofing shall be twenty (20) year warranty.

7.3. A roof hatch with access ladder will be provided for access to the roof for maintenance purposes.

7.4. Wall Insulation: R-10, continuous.

8. Openings

8.1. Exterior windows shall be tinted double glazed, fixed sash, aluminum thermally broken frame.

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- 8.2. Interior windows shall be clear single panes, with hollow metal frames. Window or door lights shall be wire glass, and tempered or fire rated glass as necessary.
- 8.3. Exterior overhead doors shall be electrically operated with a chain hoist backup operator, sectional steel door insulated with vision panels.
- 8.4. Personnel doors shall be flush hollow metal in hollow metal frames, insulated where temperature change requires. Exterior doors shall have non-rising pins, weather caps.
- 8.5. Provide skylights in accordance with IECC C402.3.2. If not required, provide minimum skylight area to daylight zone under skylights of not less than 1% with a skylight VT of at least 0.40.

9. Finishes

- 9.1. Walls, interior - gypsum wall board over metal studs. Provide moisture resistant in wet areas such as toilets, Janitors Closets, etc.
- 9.2. Ceilings, hard – gypsum wall board on galvanized ceiling track system. System supported from overhead on wire or black iron support. Provide moisture resistant in wet areas such as toilets, Janitors Closets, etc.
- 9.3. Ceilings lay in – 2' x 2' acoustical lay in ceiling panels, tegular edges, powder coated steel support system. System supported from overhead on wire or black iron support.
- 9.4. Flooring, Vinyl Composition Tile – Class 2, smooth non-porous surface, 1/8" thick, 12" x 12" size with vinyl base. Color and pattern selected from manufactures standard color selections.
- 9.5. Flooring, Ceramic Tile – standard grade, interior ceramic tile, thinset. Provide in toilets.
- 9.6. Wall covering, Ceramic Tile - standard grade, interior ceramic tile, thinset. Provide in toilets.
- 9.7. Painting, Exterior Concrete Masonry – provide primer, block fill, 2 coats low luster acrylic final finish.
- 9.8. Painting, Interior Concrete Masonry – provide primer, block fill, 2 coats low luster acrylic final finish.
- 9.9. Painting, Interior, gypsum wall board – provide primer, 2 coats egg shell latex final finish.
- 9.10. Painting, interior, epoxy finish – provide primer, 2 coats epoxy finish.
- 9.11. Painting exterior precast concrete – provide primer, 2 coats elastomeric.

10. Specialties

- 10.1. Toilet Partitions – Solid phenolic SP, stainless steel hardware, and overhead supported.
- 10.2. Toilet Accessories – Satin finish stainless steel, ADA compliant where required.
- 10.3. Flagpoles – Seamless, extruded aluminum tubing, 1 piece construction, internal halyards, 40' tall with lighting.

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- 10.4. Exterior Signage: Provide building signage and directional signage for cars and truck traffic.
- 10.5. Interior Signage – Wall mounted ADA compliant signs designating permanent room numbers, room names, tactile graphics, and universal graphics.
- 10.6. Fire Protection Specialties: Provide fire extinguishers as required by Code.
- 10.7. Lockers: 12" x 18" x 24" three-tier metal lockers.

11. Equipment

- 11.1. For dock requirements, see attached Exhibit F.

12. Furnishings

- 12.1. Provide sufficient sinks, counters, refrigerators, cabinets, tables and chairs, lockers, whiteboards and cork boards.
- 12.2. Provide walk-off mats at Employee Entrance.

13. Special Construction

- 13.1. None Included

14. Division 14 - Conveying Systems

- 14.1. None Include

15. Fire Suppression

- 15.1. Automatic fire protection systems shall be provided in accordance with the requirements of the National Fire Protection Association (NFPA 13). The system shall be serviced by the public water supply through a detector check and back flow prevention device.

- 15.2. The system requirements are as follows:

Office, Break Room, Toilets	Light Hazard .10 / 1500
Warehouse	ESFR

- 15.3. In addition to these systems, hose stations, fire department connections and other necessary equipment and appurtenances shall be provided.

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16. Plumbing:

- 16.1. All plumbing work shall be in accordance with the 2012 International Plumbing Code (IPC).
- 16.2. Vitreous china lavatories (countertop in office, wall hung in remote areas), urinals, and water closets. Water closets and urinals shall be wall mounted with flush valves (infra-red sensors) in office area. Lavatory faucets shall be provided with 0.5 gpm aerators and shall have infra-red sensor operation. Water closets in remote areas shall be floor mounted with flush valves (infra-red sensors). Fiberglass service sink shall be provided in janitor’s closet. Provide water hammer arrestors as required by code.
- 16.3. Freestanding Emergency shower/eyewash combination unit shall be provided at battery charging area. Provide water heater and mixing valve per code requirements.
- 16.4. Provide sand interceptor at all scrubber pit drains. Unit shall have removable top inlet grate, side outlet, and be steel construction. Provide hose bibb at all scrubber pits (accessible from inside of pit enclosure).
- 16.5. Floor drains shall be provided in toilets, mechanical rooms, fire rooms and below all ice makers. Provide memory rubber, trap maintenance devices at all floor drains.
- 16.6. Water source will be public water system. Provide backflow prevention as required by code. Provide pressure reducing valve if incoming water pressure exceeds 80 psi. Provide domestic water booster pumping system if site pressure is not adequate to provide code minimum pressures at the most remote plumbing fixtures.

17. Heating, Ventilation, And Air Conditioning (Hvac)

17.1. HVAC

17.1.1. All design HVAC load calculations shall be made utilizing computer methodology.

Outside Conditions:	Summer 95 FDB & 76 FWB	Winter 12 FDB
Inside Conditions:	Summer	Winter
Breakroom, Restrooms, Shipping Office, Secure Trucker Area:	72 FDB & 50% RH +/- 2 Degrees, +/- 10%	Same
Climate Controlled Storage:	68-77 FDB +/- 2 Degrees	Same
Warehouse Area	2-3 air changes hour	60 FDB
Electrical Rooms	80 FDB, +/- 5 Degrees	60 FDB

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17.2. Heating

17.2.1. Heating source shall be natural gas for the warehouse and conditioned spaces. Heat pumps with electric heat may be substituted where noted. Electric resistance heat shall be reused in select spaces.

17.3. Ventilation: 2012 Virginia Mechanical Code (VMC)

17.3.1. Mechanical ventilation shall be used for all spaces.

17.3.2. Ventilation and exhaust rates shall be per Chapter 4 of the VMC. The minimum exhaust rates of certain spaces are provided below:

17.3.2.1.1.1.	Toilets	50	cfm/fixture
	exhaust		
17.3.2.1.1.2.	Janitors Closet	2	cfm/sf exhaust
17.3.2.1.1.3.	Battery Charging Areas	Dilution Exhaust for H-2	

17.4. Cooling And Space Ventilation Equipment:

17.4.1. Provide warehouse area exhaust fans and intakes to provide 2-3 air changes per hour depending on warehouse height.

17.4.2. Provide 100% outside air, direct combustion, natural gas forced air heating units with long throw distribution devices.

17.4.3. Provide High Volume Low Speed (HVLS) fans in warehouse area. Number and spacing per building layout and manufacturer guidelines. Coordinate fan installation with MHE equipment and fire protection system.

17.4.4. Provide lift truck battery charging area exhaust system and hydrogen detection system.

17.4.5. Provide shipping office heating and cooling unit. Unit type shall be unitary roof top unit (DX cooling / gas heating) or split system heat pump. Ventilation air shall be provided per 2012 VMC.

17.4.6. Provide secure trucker area heating and cooling unit.

17.4.7. Provide break room / restroom heating and cooling unit.

17.4.8. Provide Climate Controlled Storage Area mechanical equipment to allow the storage of product between 68-77 FDB. Equipment sizing shall consider transfer cooling load requirements of newly stored product.

17.4.9. Electrical room spaces shall utilize exhaust fans and electric unit heaters if remotely located.

17.4.10. The HVAC system for the building shall have DDC electronic controls.

18. Electrical

18.1. Scope: Provide complete electrical lighting and power system

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- 18.2. Code: Virginia Uniform Statewide Building Code and 2011 National Electrical Code (NFPA 70)
- 18.3. General Provisions
- 18.3.1. Provide temporary power for construction until permanent facility power is in place
 - 18.3.2. Provide panel and circuit identification at all devices with permanent marker inside cover plate and on outside of cover plate.
- 18.4. Building Electrical Service
- 18.4.1. Main electrical service from the utility company shall be underground to pad-mounted transformers. If not furnished by the utility company, provide primary conductors, conduit, concrete encasement if required, transformers and miscellaneous devices for a complete system in accordance with local utility company requirement
- 18.5. Power Distribution
- 18.5.1. Power distribution within the facility will consist of 480Y/277V, three phase, four-wire panels for warehouse equipment; and 208Y/120V, three phase, four-wire panels for miscellaneous power loads. All sub panel boards to contain six spare circuits.
 - 18.5.2. All wiring shall be copper conductors in overhead conduit. Power required for dock equipment may be run under-slab in the pour-back area and concealed conduits run in the preformed walls slabs. Conduit to be run overhead just under the joist top chord, located to avoid interference with ESFR sprinkler heads. Conduits serving items along dock wall may be run under slab.
 - 18.5.3. Feeder and branch circuit conductors shall be adequately sized to accommodate voltage drop due to excessive lengths.
 - 18.5.4. Provide 277V power circuits to one exterior illuminated site signs.
 - 18.5.5. Provide 120 or 480V power circuits as required for all dock levelers and dock equipment and motor operated OH doors.
 - 18.5.6. Provide surge suppression protective device for each main switchboard and any equipment serving exterior or roof mounted equipment. Surge suppression equipment for main switchboards shall be exterior type, not internal to the switchboard and have a rating of **200** ka per mode.
 - 18.5.7. Provide (1) quad outlet at each dock door position. Connect a maximum of three (3) to a single 20 Amp branch circuit.
 - 18.5.8. Provide 120 volt circuits and 208 volt circuits running down the center of the building at separate columns distributed throughout the warehouse for Tenant's IT infrastructure.
 - 18.5.9. Provide 480V power circuits for all battery charger stations.
 - 18.5.10. Provide 480 volt power and disconnects trash and recycle compactors .
 - 18.5.11. Provide 100 amp, 120/240, 1-Phase volt power for guardhouse.

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18.5.12. Provide 120 volt power for Tenant's security system equipment throughout the facility.

18.5.13. All receptacles and data outlets mounted on the warehouse columns shall be a minimum of 42" AFF.

18.5.14. Provide door bells at trucker entry locations.

18.5.15. All electrical outlets shall include a permanent label affixed to cover plate indicating panel and circuit designation serving the outlet.

18.5.16. Provide diesel generator

18.5.16.1. Fuel supply for minimum 24 hours run time at full operational load.

18.5.16.2. Sufficient capacity (estimated at 230kW) to supply power to at minimum:

18.5.16.2.1. Optional Standby Systems (NEC 702)

18.5.16.2.1.1. IT Closet and Server Room (see Exhibit D) to include Warehouse Management System

18.5.16.2.1.2. All HVAC systems (Exhibit E Section 17)

18.5.16.2.1.3. All interior lighting, to include Warehouse Lighting

18.5.16.2.1.4. Electronic Safety and Security

18.5.16.2.1.5. Dock lighting, dock levelers and dock doors

18.5.16.2.1.6. Charge forklifts

18.5.16.3. Life Safety (NEC 700)

18.5.17. Provide 25kVA Uninterruptible Power Supply (UPS) with a 30 minute run time capacity in the Server Room

18.5.18. Disconnect Switches, Motors and Controls

18.5.18.1. Controllers shall be full voltage across-the-line type with thermal overload protection.

18.5.18.2. Disconnect switches shall be heavy duty type.

18.5.18.3. Fuses shall be dual element, time-delay, class RK5 type.

18.5.19. Conductors: Building wire shall be solid copper with THHN/THWN insulation. Larger than #8 shall be stranded. No wire smaller than #12 shall be used unless otherwise noted. Type MC cable may be used in concealed interior walls with homeruns in conduit.

18.6. Warehouse Lighting

18.6.1. Warehouse lighting shall be LED high-bay type. LED lamps shall be long-life LEDs rated at 100,000 hours at L70. Color shall be 5000K CCT. Motion sensors should be occupancy set for 5 min for highbays. Highbay fixtures should also have photocell for daylight harvesting if located in proximity to skylights.

18.6.2. Open area warehouse lights shall be shall have occupancy sensors mounted on each fixture and be motion controlled.

18.6.3. Lights at warehouse roof level shall be hung by chain and avoid interference with ESFR sprinkler heads. Where minimum clearances cannot be met, install lights above sprinkler heads at roof deck.

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18.6.4. Coordinate warehouse lights with material handling systems and racking so that lights are centered in aisles, easily maintained, and not in conflict with ESFR sprinkler heads.

18.6.5. Provide the following average maintained light levels measured at 36" AFF:

18.6.5.1.	Open Warehouse:	30 fc
18.6.5.2.	Staging Area:	30 fc
18.6.5.3.	Racked Aisles:	25 fc
18.6.5.4.	Battery Charging:	30 fc
18.6.5.5.	Toilets:	25 fc

18.6.6. Dock lights are may be hardwired to dock controller if available. Provide power to all dock equipment as required.

18.7. Emergency & Exit Lighting

18.7.1. Emergency and exit lighting shall be fed from the emergency generator.

18.7.2. Emergency and exit lighting shall be wired independent of the Reloc modular wiring system. Exit lights shall be polycarbonate LED type.

18.7.3. Emergency egress lighting shall be provided by LED wall-packs or downlights over the exterior doors fed from the emergency generator and controlled by photocells.

18.7.4. Provide 1 fc (10 lux) minimum light level for all paths of egress, connected to the generator power system. Provide for all fire exits, warehouse, technical rooms, corridors, toilets, break areas and offices.

18.8. Exterior Lighting

18.8.1. Provide outside lighting utilizing LED area fixtures on 30 to 40 foot high poles with concrete pole base. Locate light poles for truck court areas a minimum of 12' behind the trailer curb.

18.8.2. Minimum maintained foot-candle levels shall be 0.5 in truck court, roads, and trailer storage areas, **1.5** in employee parking areas, **3.0** in pedestrian walk areas, and **10.0** around guard house.

18.8.3. Provide conduit with pull wire from building out to all future auto and trailer parking areas as required to provide power for future lighting.

18.8.4. Parking lot, truck courts, and incoming road lighting shall be controlled by a central time clock and photocell combination through relay panels.

19. Communications

19.1. None Included

20. Electronic Safety And Security

20.1. Security and Access Control

20.1.1. Provide complete IP based CCTV system (modular, microprocessor-based controls, intrusion sensors and detection devices, and communication links to perform monitoring, alarm, and control functions.), with the following locations, at minimum

20.1.1.1. Entrances and exits, including the truck entrance, alleys, and warehouse doors.

20.1.1.2. Entire receiving dock and shipping dock (interior and exterior)

20.1.1.3. Exterior of the building, including the parking lot areas.

20.1.1.4. Entire warehouse (including the conveyor belts).

20.1.1.5. Retail store (if included in the project) with approximately 12 cameras (registers, stockroom).

20.1.1.6. Cameras should include infra-red, and PTZ functions.

20.1.1.7. Employee security screening area

20.1.2. Provide complete PC based central access and intrusion detection control system, with coverage at the following locations, at minimum

20.1.2.1. Reception area for visitors

20.1.2.2. Employee security screening area

20.1.2.3. Entrances and exits

20.1.2.4. Guardhouse (if included in project)

20.2. Fire Detection and Alarm

20.2.1. Provide a fully-addressable fire alarm signaling system with interior occupant notification devices (horns and strobes) throughout the entire facility in accordance with NFPA 72 and all local AHJ requirements.

20.2.2. Locate the main control unit (FACP) in the fire pump room or across from the Main Security Station (panel and conduits to be recessed) if no pump room is required. Where the FACP is installed in the fire pump room, provide and install fully functional remote annunciator across from the Main Security Station (panel and conduits to be recessed). The remote annunciators shall be capable of mimicking all input and output functions of the main FACP.

20.2.3. Where allowed and approved by the local AHJ, the number and arrangement of visual devices may be reduced in the warehouse areas (i.e., perimeter strobe coverage located at the man doors in general warehouse storage areas may be sufficient). In any case, full audible coverage shall be provided throughout the facility.

20.2.4. Interlock fire alarm system with HVLS fans as well as access control systems.

20.2.5. Provide Sprinkler system monitoring and alarm connections to fire alarm control panel.

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21. Exterior Improvements

- 21.1. Required automobile parking shall be provided including all required handicap, and visitor spaces. The ability to expand the parking to meet projected growth shall be provided. Staff and visitor parking shall be separate from the truck yard.
- 21.2. Site landscaping shall meet Local\County minimum requirement, with the exception that site irrigation is to be provided. A clear area around the perimeter of the building shall be provided for camera surveillance.
- 21.3. The entire site shall be secured with 8 foot high, black vinyl coated fencing. Provide three strands of barbed wire at the top of the fence. Provide electronically controlled gates at the guard house.
- 21.4. The perimeter of the parking limits and interior islands shall be lined with curb and gutter.

EXHIBIT F – MHE, WMS and Other Design Guidelines

1. Automation and Material Handling Overview

This end of this RFP document has addendums which can be opened to provide significantly more detail for SKU's, cases and pallets.

1.1. Preliminary Space Planning

In 2016, a high-level preliminary planning study was conducted by F. Curtis Barry & Company at the request of VA ABC to determine the rough square footage required for a new facility. For this study, the parameters were to look at loosely replicating the existing processes and equipment – not to develop a detailed facility design.

This initial study was based on construction of a new facility with 42' clear height.

The total square feet, to support the 10-year plan, from this initial study is approximately 375,000 sq. ft. It is imperative that each bidder evaluates the processes required for each section and the functional area to determine a more exact square footage.

Please refer to Addendum 1 – 20 Year Space Planning, to see the estimated square feet needed by year, by functional area. Each functional area in these requirements provide the estimated square feet from the initial preliminary planning study.

1.2. MHE, Automation and Warehouse Management System (WMS)

Considering this is to be a turn-key project, the MHE and WMS should be included as part of this solution. Details for each are provided below.

1.3. Building and Fire Code

It is incumbent on each bidder to understand and apply all building and fire codes regarding sprinklers and fire suppression for each functional area of the warehouse.

1.4. Air Circulation and Movement

The design process must consider general air quality, ventilation, and circulation. Each work area must have sufficient air flow and circulation for the comfort and well-being of the workers. Please detail out your proposed solutions throughout the warehouse.

1.5. Shifts

VA ABC currently operates with staggered shifts for the various warehouse processes. The following are the operating times for each function:

Replenishment - 5:30 am

Receiving - 6:30 am

Put away - 6:30 am

Picking - 6:30 am

Pack & Load - 6:30 am

* Schedule shift end times are at 3PM, however if the work is finished earlier, they will end early. At peak times, the shift hours will be extended.

For design purposes, it is imperative to design around a single shift for picking and shipping purposes. This single shift is an eight-hour period net of breaks and lunches. There is no plan to operate in a multi-shift environment in the foreseeable future.

Employees by Function	Full Time	Partime	Full time Equivelant
Warehouse Mgr	1		1
Transportation Mgr	1		1
Receiving / Putaway	8		8
Replenishment	3	1	3.5
Picking	15	12	22
Bottle Pick	6	1	6.5
Depal Pick	4	4	6
Conveyor/ Jackpot	4		4
Staging and Loading	7	28	22
Maintenance	3	1	4
Inventory	4		4
Quality Control	2		2
Totals	58	47	84
Total Staff		105	

1.6. Structural Columns

The design process must efficiently utilize the warehouse; the structural columns must balance the need for structural integrity with being spaced smartly for the racking to avoid columns in the aisles etc.

All exposed structural columns must have 365-degree protection to eliminate lift truck damage.

1.7. Overall Safety and Noise Reduction

Overall design must minimize total decibel levels in the facility. Consideration will be given to designs that specifically target ways to reduce noise in the facility.

All applicable OSHA guidelines, as well as state and federal laws, must be adhered to for worker safety.

1.8. ERP Environment

Currently, VA ABC is in the process of evaluating and replacing the current ERP environment. The final vendor has not been selected. We understand that this may create questions that may not be able to be answered easily. As discussed further in the requirements, VA ABC is looking for each bid to include architectural and data integration requirements.

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1.9. Expansion

Bids must detail how VA ABC will be able to expand the facility beyond Year 10. This would include how and where the bulk pallet storage would grow, adding additional pick modules if necessary, additional lift charging, etc. Every aspect of the facility must be considered for expansion without disrupting material flow – or providing limitations on throughput.

Each bid must fully detail how and where you see expansion capabilities in the facility.

2. Truck Yard

2.1. Overview

The design of the truck yard will need to include secured fencing along the perimeter with a guard shack at the entrance/exit of the property. The layout of the parking area needs to separate staff parking from the truck yard.

The receiving and shipping yard should support the same volume of trailers and weights. Please assure that the receiving and shipping yards are sized with an anticipated trailer volume increase of 3% per year over the next 10 years.

For outbound deliveries, 48' trailers are primarily used, however during peak season, 53' trailers are utilized as well. Besides the difference in trailer length, the 48' trailer has a side door that is utilized for store deliveries, the 53' trailer does not. For outbound shipping, there are three other trailer sizes utilized (42', 40' and PUP's), but in much smaller volumes.

Most inbound deliveries are comprised of full trailer loads. A smaller portion of the inbound deliveries are LTL, small package (UPS and FedEx) and a few small distilleries delivering their own product. Please account for 75 trailers at max for year 1 in the yard.

2.2. Trailer Length

The average number of trailers used by VA ABC in 2016 was 50-60 trailers per day and the maximum volume at peak was 70-75 trailers. Most of these trailers are 48' and 53'. The 53' trailers are primarily used September thru December, and account for 17% of trailers used at peak. There is a small set of trailers used that represent 42', 40' and PUP's. At peak, these trailer volumes represent 13% of total used. The percent of 48' trailers used at peak and non-peak represents 70%-80% of overall volume.

2.3. Trailer Weight

The average trailer weight of a 43' and 53' is 45,000 lbs., with a maximum weight of 80,000 lbs. The 40' and 42' average weight ranges between 30,000-40,000 lbs. with a maximum weight of 80,000 lbs. PUP's average weight is 25,000 lbs. with a maximum weight of 60,000 lbs.

3. Inbound Receiving

3.1. Overview of Current Process

Currently, VA ABC utilizes eight (8) dock doors for receiving. All deliveries are appointment based and scheduled two weeks in advance. The average number of full trailers delivered daily is 17-19. Typically, 75% of the inbound appointments are between the 6:30 am – 9:30 am. There is a small portion of deliveries that are LTL (roughly 2-3/day), small package (UPS and FedEx) and a few small distilleries delivering their own product.

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Vendors are required to maintain 4 to 6 weeks of inventory within the VA ABC bailment warehouse. Based on these levels, vendors build their own inbound loads and request a specific delivery date. VA ABC personnel either accepts the shipment, modifies the shipment, or rejects the shipment based on current inventory levels within the warehouse and projected demand.

Once a shipment arrives at the warehouse, the full shipment is unloaded at the dock and staged for receiving. Most deliveries can contain mixed SKU's on a truck, but still only a single SKU per pallet.

Receivers use preprinted bar code labels and apply one label to each pallet, becoming the license plate within the legacy system. With an RF gun associated to specific inbound load, the receiver scans this preprinted label and the bar code on one of the pallet cases. The receiver will verify counts, add any new pallet configuration (TiHi) if what is on the pallet does not match what is in the legacy system, set up new product SKU's, and add a SKU to the shipment if missing from the inbound detail.

Once the entire shipment has been scanned into the system, the receiving paperwork goes to the receiving office and the Support Specialist in the office verifies the shipment, reports any discrepancies, and closes the shipment out in the system. Once the shipment is closed out, the product is then moved to bulk bailment storage. For deliveries of mixed SKU's on a pallet, those receipts are moved directly to the pick bin, in the bottle fulfillment area, once the shipment is closed out.

There are times shipments are set aside on the dock for further research. If a shipment arrives and the product is correct but the UCC has changed, the shipment is set aside as the legacy system needs 24hrs to update with the new product ID. Once updated, the shipment can be putaway.

Full pallets quantities are never directed to a pick location off the receiving dock. The pallet must first be moved and assigned a bulk storage location. Once this task is completed, a replenishment task is created to move the pallet to the pick bin.

3.2. Future State

VA ABC wishes to adopt best practices and streamline the receiving process. As an example, due to the constraints of the VA ABC legacy system, they are unable to replenish directly into the forward pick location and would like to do so. Please provide an outline of best practices that could be adopted to gain efficiencies within the receiving process.

3.3. Dock Size

The current dock space is undersized for the eight (8) doors. There isn't sufficient space to be able to unload full trailers for receiving purposes. With increasing the number of dock doors from 8 to 15, the initial pre-planning study had allocated roughly 17,500 square feet for the dock receiving area. Please indicate whether any changes to this space allocation are necessary.

3.4. Lane Marking

Currently, VA ABC does not have a location system for the receiving area. There is a dedicated area to what VA ABC refers to as a "holding area" that is part of the sq. ft. quoted. This area is for problem shipments that require special handling. In your proposal, detail out best practices for dock location systems, staging and tracking shipments that require special handling.

3.5. Receiving Offices

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VA ABC receiving office is situated at the end of the receiving area and is 200 sq. ft., with four workstations. These work stations are used by receiving personnel to close out shipment loads and research shipment issues. In your proposal please dedicate approximately 300 +/- sq. ft. for this office with 6-8 workstations.

3.6. Secure Driver Area

VA ABC requires a secured dedicated door and waiting area within the warehouse for drivers. This area should be 200 +/- sq. ft. and should be next to the receiving office. Receiving office personnel sign drivers in and provide access to the warehouse when needed.

3.7. Receiving and Shipping Dock Doors and Equipment

These specifications cover dock doors for both receiving and shipping.

3.7.1. Number and Types of Doors

3.7.1.1. Receiving Doors

During the initial pre-planning study, it was determined that the 10-year initial design of the building should accommodate at least 15 dock height doors for the receiving docks. Additional "knock out" sections should be planned for to increase the number to 20 dock height doors in the future.

In addition to the 15 dock height doors, 1 ground height door needs to be provided on the receiving dock. This door should be able to accommodate a wide variety of trucks, including the ability for a flatbed trailer to enter the facility for equipment repairs etc.

Dock height doors should be approximately 8 feet wide and 10 feet high to support a wide range of trailer designs and stack heights – including tall single stacked pallets, to shorter double stacked pallets. The ground height door should be sized appropriately and at least 10 feet wide.

Doors need to be electrically operated for opening and closing. Windows must be incorporated into the door design for visibility onto the dock.

All dock height and ground height doors must incorporate an upward-coiling security grille that can be latched from the inside. These are to be used for increasing ventilation and airflow when appropriate. They must be securable to keep people from entering the facility from outside.

3.7.1.2. Shipping Doors

During the initial pre-planning study, it was determined that the 10-year initial design of the building should accommodate at least 15 dock height doors for the shipping docks. Additional "knock out" sections should be planned for to increase the number to 20 dock height doors in the future.

In addition to the 15 dock height doors, 1 ground height door needs to be provided on the shipping dock. This door should be able to accommodate a wide variety of trucks and trailers.

Dock height doors should be approximately 8 feet wide and 10 feet high to support a wide range of trailer designs and stack heights – including tall single stacked pallets, to shorter double stacked pallets. The ground height door should be sized appropriately and at least 10 feet wide.

Doors need to be electrically operated for opening and closing. Windows must be incorporated into the door design for visibility onto the dock.

Ground height doors must incorporate an upward-coiling security grille that can be latched from the inside. These are to be used for increasing ventilation and airflow when appropriate. They must be securable to keep people from entering the facility from outside.

3.7.2. Dock Door Materials/Construction

Dock doors should be made of impact resistant material, along with consideration for manufacturers that have frame and track designs that are designed to support impacts. This could include a track design where a door can disconnect from the frame and track if hit, to minimize damage.

Insulated door panels should be included as part of the design process to minimize energy loss across all weather conditions.

3.7.3. Dock Levelers

Dock levelers for all inbound and outbound dock doors must be scaled to the weight of the lift trucks that you are specifying, along with the weight of the pallets. All dock levelers must be either hydraulic or air operated. No edge of dock or manual levelers are to be utilized in this facility.

Warranty for equipment must be at least for 5 years.

3.7.4. Dock Trailer Lights

Each dock door should have mounted light fixtures, capable of adequately lighting a 53' trailer. Lights should be mounted to the dock walls, but moveable in all directions including being tilted, etc.

3.7.5. Dock Safety Equipment

VA ABC requires dock locks and safety lights at all dock doors. A fully integrated system is required regarding the safety lights, locks and levelers; either an interlocking or an interconnected design is acceptable.

Safety lights must provide sufficient visual indicators to both the truck drivers and the internal material handlers in the warehouse. Preference would be to a design that includes the safe operation of dock levelers, which would engage the trailer restraint system.

3.7.5.1. Safety Lights

These must utilize the standard red/green communication lights. Lights must utilize automatic interior and exterior high visibility LED red/green communication lights. Caution signs must be mounted in conjunction with lighting, visible to the drivers and material handlers.

3.7.5.2. Trailer Restraint

The design must securely hold the trailer in place. Restraint system must be able to support a wide range of trailers; hooking designs must have both variable horizontal and vertical ranges.

3.7.6. Dock Bumpers

The initial assumption would be a level receiving dock and apron; therefore, dock bumpers should have sufficient projection to protect the structure from trailers. The dock bumpers projection should be adjusted if the design calls for something other than a level dock.

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Dock bumper material should have at least a 10-year warranty. Maximum trailer weight is 80,000 pounds; the bumper material must be able to withstand this amount of pressure and compression. Please provide specification of dock bumpers in your bid.

3.7.7. Additional Dock Safety Equipment

All dock doors must also incorporate balusters on each side of dock doors. Designs need to impact resistant and lagged into the floor. Each door must also incorporate a fall protection system at each door that meets OSHA requirements.

4. Bulk Pallet Storage

4.1. Overview

VA ABC aims to maintain a four to six-week supply of inventory. This inventory is currently stored in floor slotted locations, stacked two to three pallets high (three pallets high is rare). Some of these floor slots are four to five pallets deep, while others are only two to three pallets deep. It is currently floor slotted due to a very low clear height.

Currently there are roughly 7,500 pallets in bulk storage; however, this area is almost at 100% capacity. In the initial pre-planning study, additional pallet locations were built into the plan to operate more efficiently at roughly 70% of capacity. See Addendum 2 – Max Pallet Storage, for bulk pallet projections. These projections include additional pallet positions so that the facility is not operating at 100% capacity.

Based on the initial preliminary planning study, the estimated square footage is roughly 142,000. Please refer to Addendum 1 – 20 Year Space Planning, to see the estimated square feet by year, by functional area. Please detail the square feet required based on your design and material handling equipment proposed, utilizing 42’ clear height. Please refer to Addendum 11 – 2016 Month End Inventory for additional planning information.

4.2. Pallet Characteristics

VA ABC sampled roughly 35% of the unique products in the bulk pallet area. The following data should be used to specify the types, and quantities, or racking in your design.

Pallet Height

<u>% of Pallets</u>	<u>Pallet Height</u>
0.4%	Under 36"
5.85%	37-48"
46.57%	49-60"
44.15%	61-72"
3.02%	Over 73"
The max pallet height was 84"	

Pallet Dimensions

<u>% of Pallets</u>	<u>Pallet Length x Width</u>
0.43%	35" x 43"
0.11%	33" x 43"
99.47%	40" x 48"

Pallet Overhang

<u>% of Pallets</u>	<u>Overhang Amount</u>
90.13%	No overhang
0.20%	up to 1"
3.63%	1" – 2"
4.23%	2" – 3"
1.41%	3" – 4"

0.4% Over 4"

4.3. Future Material Handling and Storage

Currently, VA ABC floor slots all the bulk pallets and utilizes sit down fork trucks to move pallets in this area. These older lift trucks require 12 to 14 foot aisles due to the turning radius. The new design must support the following concepts:

- Maximizing storage density
- Minimizing aisle width
- Support FIFO stock rotation
- Efficient use of cross aisles
- Efficient replenishment of high velocity SKU's

For safety purposes, all racked pallet locations need to utilize wire decking where possible. All rack frames on the ends of rows, and cross aisles, must be protected with some type of end of row guards or column protectors.

The proposal needs to detail the following:

- A breakdown of each type of rack, or storage medium, utilized in the design; and the amount of each type.
- Details regarding aisle width, and the specific lift trucks required to operate in this space.
- The specific rack beams and frames, as well as the technical specifications and capacity ratings.
- Recommendations on location labeling, and label suppliers.
- A separate, optional line item, for the upcharge to either reinforce the leading leg of each frame (upright) – or another type of frame protector to protect each facing leg from fork lift damage.

Refer to Addendum 12 – Pallet Measurements for more pallet information.

5. Order Waving

This high-level overview is to help explain the current processes. It is imperative to remember that the detail order waving may/will change once a new ERP and WMS system is selected and implemented. In general, the concept and overall processes are expected to remain the same.

With regards to stores in waves, there are no two days, or weeks alike. The stores can be in different waves on different days and weeks and don't typically repeat. The factors as to why days and weeks don't repeat is predominantly due to the variability in order sizes, landlord receiving restrictions (unload times), side vs. rear trailer unloading, and then Estes (the current store delivery carrier) does its lineup of what stores will be grouped for delivery in a trailer, and the order they prefer them loaded. It is important to remember:

1. This varies with the number of cases each store will receive, and the size of the trailer Estes is going to use.
2. The size of the group and number of drivers Estes wants to send out.
3. Can also vary because a store is closed, or stores are being renovated.
4. Can vary because of roadwork, bridge closings, etc.

After Estes provides the trailer lineup, VA ABC attempts to process waves in the order Estes has the stores lineup grouped by door numbers. But VA ABC routinely moves the order of doors to best suit a wave size of 1,800 to 2,300 cases per wave across the 8 shipping lanes.

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VA ABC will also split stores to run down more than one shipping lane if the store is receiving more than 500 cases. VA ABC will leave shipping lanes open depending on the manpower in the shipping area if sending 500 cases down a lane. On occasion, VA ABC will have up to 4 shipping lanes open because the other four have 500 cases each coming down them and adding more stores would overwhelm the shipping area employees. This is the main driver for greatly increasing the number of dock doors and finding ways to increase throughput and efficiency while decreasing the dependency on labor in some of the functions. Almost daily there are stores that have over 500 cases and for those stores, VA ABC must split them between multiple shipping lanes.

This current system provides flexibility and is efficient, meeting the needs of the stores, along with the ability or availability of the workforce. It is also imperative that each trailer is maximized and fully loaded for each route.

The following examples help to understand the data and information available for waving orders. The wave numbers run down the first column and the shipping lane numbers run across the top row. Store numbers are at the top of each cell with the quantity they are receiving in parentheses below the store number. For stores receiving more than 500 cases, they will be listed on more than one shipping lane but they will always be beside one another for the employees to coordinate the number of pallets they are building; e.g. Wave 5 doors 1 and 2, highlighted in yellow in the chart below.

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Date: 03/27/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	113 (103)	215 (332)	296 (111)	416 (228)	140 (317)	386 (105)	319 (154)	109 (254)	1604	8	8
2	173 (157)	068 (244)	124 (99)	184 (434)	145 (267)	138 (112)	383 (329)	376 (107)	1749	8	8
3	339 (143)	082 (368)	040 (188)	208 (216)	362 (324)	041 (147)	122 (242)	359 (187)	1815	8	8
4	388 (203)	136 (206)	078 (145)	346 (418)	036 (226)	073 (199)	166 (326)	094 (180)	1903	8	8
5	219 (164)	219 (458)	170 (268)	099 (287)	357 (338)	127 (107)	224 (329)	061 (249)	2200	8	8
6	352 (188)	264 (344)	210 (145)	322 (417)	271 (330)	384 (229)	286 (393)	273 (155)	2201	8	8
7	372 (219)	080 (228)	295 (123)	295 (456)	374 (514)	039 (189)	055 (344)	133 (220)	2293	8	8
8	301 (281)	125 (313)	033 (178)	353 (428)	035 (302)	316 (293)	200 (330)	375 (221)	2346	8	8
9	304 (112)	350 (490)	077 (145)	089 (168)	253 (505)		185 (396)	326 (126)	1942	7	7
Totals	Stores: 9 1570	Stores: 9 2983	Stores: 9 1402	Stores: 9 3052	Stores: 9 3123	Stores: 8 1381	Stores: 9 2843	Stores: 9 1699	18053	16	71
Date: 03/28/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	329 (138)	156 (205)	163 (81)	344 (434)	070 (187)	037 (147)	165 (283)	046 (136)	1611	8	8
2	177 (119)	261 (275)	075 (175)	056 (230)	139 (318)	162 (113)	047 (265)	223 (173)	1668	8	8
3	387 (130)	303 (364)	066 (155)	142 (323)	054 (451)	088 (115)	323 (347)	318 (153)	2038	8	8
4	107 (60)	107 (459)	052 (98)	278 (344)	278 (448)	193 (95)	370 (310)	098 (191)	2005	8	8
5	280 (60)	280 (468)	129 (241)	079 (356)	263 (468)	263 (60)	225 (464)	225 (183)	2300	8	8
6	069 (208)	110 (351)	237 (254)	311 (300)	349 (379)	043 (151)	361 (299)	409 (231)	2173	8	8
7	391 (136)	134 (488)	211 (208)	288 (257)	355 (313)	377 (174)	226 (550)	325 (83)	2209	8	8
8	392 (120)	298 (323)	312 (214)	216 (291)	270 (256)	050 (135)	299 (248)	408 (150)	1737	8	8
9	198 (146)	257 (156)	238 (108)	220 (156)	202 (486)	202 (53)	221 (125)	130 (91)	1321	8	8
Totals	Stores: 9 1117	Stores: 9 3089	Stores: 9 1534	Stores: 9 2691	Stores: 9 3306	Stores: 9 1043	Stores: 9 2891	Stores: 9 1391	17062	15	72

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Date: 03/29/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	093 (216)	049 (302)	368 (124)	241 (322)	234 (337)	260 (193)	231 (401)	203 (111)	2006	8	8
2	044 (148)	076 (202)	268 (61)	268 (456)	245 (175)	085 (157)	248 (261)	103 (135)	1595	8	8
3	083 (118)	358 (289)	378 (193)	183 (218)	267 (468)	212 (96)	168 (231)	397 (181)	1794	8	8
4	084 (170)	235 (270)	111 (151)	090 (294)	371 (250)	042 (208)	228 (402)	063 (137)	1882	8	8
5	313 (190)	062 (369)	064 (248)	120 (269)	294 (372)	369 (176)	209 (286)	131 (193)	2103	8	8
6	095 (201)	121 (203)	074 (82)	159 (373)	243 (290)	072 (193)	151 (346)	108 (127)	1815	8	8
7	407 (131)	060 (353)	300 (237)	255 (276)	334 (332)	118 (170)	114 (326)	310 (175)	2000	8	8
8	232 (241)	086 (265)	393 (138)	190 (384)	284 (276)	236 (206)	104 (291)	317 (163)	1964	8	8
9		116 (416)		315 (315)	251 (135)	385 (118)	330 (314)		1298	5	5
Totals	Stores: 8 1415	Stores: 9 2669	Stores: 8 1234	Stores: 9 2907	Stores: 9 2635	Stores: 9 1517	Stores: 9 2858	Stores: 8 1222	16457	15	69
Date: 03/30/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	365 (87)	137 (335)	194 (85)	201 (382)	058 (196)	343 (183)	360 (304)	364 (175)	1747	8	8
2	135 (171)	191 (318)	096 (182)	153 (192)	356 (365)	345 (156)	132 (267)	141 (172)	1823	8	8
3	213 (165)	309 (301)	410 (113)	186 (337)	291 (264)	277 (199)	337 (308)	324 (162)	1849	8	8
4	395 (166)	266 (353)	279 (221)	067 (237)	259 (424)	229 (147)	289 (260)	195 (175)	1983	8	8
5	187 (145)	182 (289)	347 (126)	180 (405)	287 (215)	281 (190)	252 (355)	400 (143)	1868	8	8
6	314 (115)	314 (486)	150 (199)	348 (280)	152 (326)	178 (123)	097 (302)	354 (124)	1955	8	8
7	254 (198)	207 (198)	205 (114)	305 (297)	366 (213)	292 (186)	242 (313)	308 (110)	1629	8	8
8	331 (55)	331 (487)	171 (224)	101 (275)	169 (450)	169 (169)	102 (272)	332 (225)	2157	8	8
9		285 (222)	160 (127)	389 (173)	057 (158)	390 (85)	247 (227)	321 (155)	1147	7	7
Totals	Stores: 8 1102	Stores: 9 2989	Stores: 9 1391	Stores: 9 2578	Stores: 9 2611	Stores: 9 1438	Stores: 9 2608	Stores: 9 1441	16158	14	71

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Date: 03/31/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	276 (238)	414 (310)	146 (170)	327 (380)	059 (267)	373 (254)	115 (393)	283 (87)	2099	8	8
2	154 (61)	269 (465)	262 (321)	106 (369)	336 (390)	265 (221)	249 (355)	117 (344)	2526	8	8
3		256 (464)	256 (345)	415 (167)	128 (293)	222 (260)	244 (499)		2028	6	6
4	290 (163)	188 (413)	258 (228)	246 (271)	306 (374)	417 (178)	105 (298)	038 (209)	2134	8	8
5	112 (205)	158 (284)	382 (135)	328 (422)	379 (333)	092 (182)	307 (338)	250 (175)	2074	8	8
6	381 (142)	217 (440)	272 (235)	340 (275)	282 (468)	282 (54)	341 (392)	342 (150)	2156	8	8
7	176 (50)	320 (428)	335 (197)	148 (325)	048 (266)	233 (239)	143 (337)	172 (154)	1996	8	8
8	032 (104)	144 (262)	179 (152)	196 (223)	192 (279)	333 (108)	155 (206)	175 (166)	1500	8	8
9		363 (333)		161 (111)	275 (235)		351 (195)	164 (122)	996	5	5
Totals	Stores: 7 963	Stores: 9 3399	Stores: 8 1783	Stores: 9 2543	Stores: 9 2905	Stores: 8 1496	Stores: 9 3013	Stores: 8 1407	17509	15	67
Date: 04/03/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	124 (130)	271 (452)	386 (124)	140 (307)	374 (472)	123 (100)	264 (290)	099 (163)	2038	8	8
2	173 (161)	215 (277)	138 (130)	383 (286)	319 (203)	416 (171)	184 (382)	376 (106)	1716	8	8
3	339 (165)	219 (175)	219 (472)	189 (105)	122 (240)	068 (153)	145 (271)	051 (152)	1733	8	8
4	127 (127)	346 (309)	061 (178)	210 (182)	170 (279)	041 (146)	357 (247)	352 (165)	1633	8	8
5	208 (239)	136 (245)	040 (162)	166 (383)	362 (291)	073 (232)	082 (374)	094 (166)	2092	8	8
6	080 (190)	322 (357)	109 (244)	286 (248)	224 (301)	375 (214)	273 (248)	384 (235)	2037	8	8
7	316 (250)	039 (262)	372 (209)	301 (334)	055 (320)	036 (230)	295 (443)	078 (172)	2220	8	8
8	033 (184)	353 (457)	359 (182)	200 (345)	253 (496)	253 (45)	035 (302)	133 (235)	2246	8	8
9	089 (218)	350 (185)	350 (464)	304 (101)	185 (391)	326 (150)	125 (268)	077 (162)	1939	8	8
Totals	Stores: 9 1664	Stores: 9 2719	Stores: 9 2165	Stores: 9 2291	Stores: 9 2993	Stores: 9 1441	Stores: 9 2825	Stores: 9 1556	17654	16	72

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Date: 04/04/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	070 (149)	261 (321)	046 (134)	270 (325)	075 (255)	047 (248)	323 (327)	227 (125)	1884	8	8
2	318 (150)	142 (347)	066 (195)	139 (282)	054 (372)	181 (104)	167 (240)	056 (211)	1901	8	8
3	387 (185)	037 (209)	193 (131)	293 (256)	329 (203)	163 (167)	303 (380)	052 (113)	1644	8	8
4	391 (192)	409 (336)	377 (198)	098 (324)	370 (390)	088 (134)	129 (296)	299 (239)	2109	8	8
5	110 (246)	237 (261)	225 (116)	225 (495)	288 (278)	211 (246)	278 (464)	278 (181)	2287	8	8
6	274 (141)	361 (414)	043 (185)	349 (371)	079 (380)	050 (159)	311 (272)	069 (239)	2161	8	8
7	392 (166)	165 (289)	408 (165)	355 (343)	202 (503)		280 (477)	280 (53)	1996	7	7
8	226 (174)	226 (448)	263 (54)	263 (469)		107 (564)	134 (495)	134 (63)	2267	7	7
9		298 (461)	240 (116)	312 (279)	216 (285)	198 (170)	257 (199)	053 (169)	1679	7	7
10		238 (102)		149 (138)	221 (100)		130 (99)		439	4	4
Totals	Stores: 8 1403	Stores: 10 3188	Stores: 9 1294	Stores: 10 3282	Stores: 9 2766	Stores: 8 1792	Stores: 10 3249	Stores: 9 1393	18367	16	73

Date: 04/05/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	260 (162)	049 (352)	168 (303)	231 (305)	241 (487)		209 (297)	368 (162)	2068	7	7
2	093 (193)	076 (265)	083 (135)	267 (389)	397 (253)	371 (245)	248 (303)	212 (188)	1971	8	8
3	378 (181)	358 (384)	183 (219)	203 (284)	294 (410)	369 (153)	090 (352)	131 (197)	2180	8	8
4	063 (170)	235 (262)	084 (148)	228 (419)	111 (264)	042 (212)	120 (359)	103 (159)	1993	8	8
5	385 (165)	313 (422)	268 (114)	268 (448)	062 (375)	085 (224)	072 (290)	234 (259)	2297	8	8
6	074 (68)	334 (356)	121 (205)	245 (253)	095 (297)	239 (99)	243 (252)	064 (205)	1735	8	8
7	159 (202)	330 (333)	044 (151)	284 (361)	190 (387)	108 (134)	086 (239)	300 (234)	2041	8	8
8	114 (266)	104 (274)	118 (165)	315 (347)	255 (326)	393 (197)	060 (429)	251 (114)	2118	8	8
9		116 (405)	407 (97)	310 (309)	232 (296)	317 (198)	236 (377)		1682	6	6
Totals	Stores: 8 1407	Stores: 9 3053	Stores: 9 1537	Stores: 9 3115	Stores: 9 3095	Stores: 8 1462	Stores: 9 2898	Stores: 8 1518	18085	16	69

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Date: 04/06/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	174 (128)	087 (423)	206 (173)	360 (364)	197 (381)	230 (151)	199 (283)	247 (276)	2179	8	8
2	096 (204)	345 (293)	218 (126)	356 (394)	201 (383)	135 (190)	058 (236)	343 (217)	2043	8	8
3	153 (161)	191 (341)	347 (183)	132 (226)	067 (300)	277 (169)	291 (299)	141 (172)	1851	8	8
4	195 (233)	213 (234)	309 (115)	309 (456)	337 (271)	364 (174)	259 (484)	410 (72)	2039	8	8
5	126 (127)	266 (403)	229 (221)	289 (260)	186 (345)	160 (188)	279 (272)	287 (198)	2014	8	8
6	399 (262)	348 (276)	354 (158)	152 (411)	097 (320)	281 (207)	180 (409)	187 (170)	2213	8	8
7	150 (262)	182 (286)	308 (98)	252 (338)	314 (456)	314 (122)	305 (312)	205 (139)	2013	8	8
8	332 (226)	171 (288)	102 (320)	169 (234)	169 (495)		331 (449)	331 (121)	2133	7	7
9	390 (81)	338 (342)	338 (448)		101 (338)	057 (169)	207 (275)	389 (189)	1842	7	7
10		254 (277)		242 (345)	292 (290)		366 (369)		1281	4	4
Totals	Stores: 9 1684	Stores: 10 3163	Stores: 9 1842	Stores: 9 3028	Stores: 10 3579	Stores: 8 1370	Stores: 10 3388	Stores: 9 1554	19608	17	74
Date: 04/07/2017											
WAVE	1	2	3	4	5	6	7	8	NUM CNTNRS	NUM TRUCKS	NUM STORES
1	146 (176)	262 (389)	115 (72)	115 (477)	414 (398)	283 (126)	117 (431)	032 (103)	2172	8	8
2	373 (319)	276 (327)	327 (61)	327 (459)	269 (495)	269 (169)	143 (421)	154 (120)	2371	8	8
3	214 (266)	059 (309)	336 (171)	336 (448)	144 (306)	128 (305)	106 (444)	157 (161)	2410	8	8
4	415 (193)	188 (430)	105 (339)	256 (345)	256 (495)		249 (498)		2300	6	6
5	290 (212)	306 (356)	417 (133)	307 (412)	379 (325)	246 (253)	328 (353)	265 (239)	2283	8	8
6	382 (184)	112 (338)	282 (234)	282 (448)	258 (377)	092 (178)	244 (453)	250 (160)	2372	8	8
7	320 (126)	320 (473)	381 (135)	217 (425)	272 (309)	335 (276)	222 (319)	038 (247)	2310	8	8
8	333 (142)	048 (368)	342 (213)	158 (293)	148 (437)		363 (331)	175 (190)	1974	7	7
9		340 (444)	341 (114)	192 (345)	341 (496)		155 (305)	233 (226)	1930	6	6
Totals	Stores: 8 1618	Stores: 9 3434	Stores: 9 1472	Stores: 9 3652	Stores: 9 3638	Stores: 6 1307	Stores: 9 3555	Stores: 8 1446	20122	16	67

Additional Information

- Largest new store shipped was on 2/26/2016 for store 407 with 1469 cases.
- Largest existing store shipped was on 7/8/2016 for store 256 with 1379 cases.
- The largest wave VA ABC processed in 2016 was about 2,850 cases and was pretty evenly distributed across the lanes. There aren't historical records to know how many stores this represented, or if some were split across lanes.

In your design, please consider how VA ABC can begin picking the next wave before the previous is completed from a picking or shipping perspective. Please describe the data and infrastructure requirements that would be needed from VA ABC's ERP system. This is imperative to utilize labor efficiently and minimize downtime to maximize productivity, and drive down labor costs.

6. Bottle Pick Area

6.1. Overview

VA ABC operates a standalone bottle pick area in the existing operation. The bottle pick area supports one off type SKU's from high end small batch spirits where stores may only need a few bottles, etc. These are not high velocity pick locations; otherwise the store would be receiving case quantities. These can also be hard to get items, or very high price point spirits. This area also supports customer special orders where a case may need to be brought in, and the customer's order is picked and sent to the store for pickup; within that store's regular delivery pick wave schedule.

There are 3,012 SKU's (currently 590 without inventory) in this area that resides on case flow rack. This flow rack is 8' deep with multiple levels; each pick bin has a variable width based on the case size of each spirit. Much of the flow rack depth is underutilized due to the slower moving nature of many of the SKU's.

Orders for the bottle pick are included within the current wave, but the picks are separated from the main case pick area. Order waving produces batches by store. A batch pick sheet is produced, picks are made, bottles are ship confirmed, and labels are produced for the carton to be placed on the conveyor. This process is subject to change based on the new ERP or WMS system selected by VA ABC. Some SKU's in the facility will only reside in the bottle pick area.

The finished carton travels a dedicated conveyor lane to a centralized merge point. Each carton is merged and passes through the scanner and scale and on to the sortation. The carton label will direct the sort of the carton down to the specific store lane so that it can be palletized with the other cases.

Based on current SKU and order profile, each bid will need to detail out how the bottle pick area will be supported and efficiently integrated into the new design.

Please consider alternative ideas for storage, cartons and conveyance - including but not limited to the reuse of existing empty spirit cartons – i.e. pick totes that can be reused etc. Configurable internal sleeves to protect individual bottles etc.

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Please refer to Addendum 4 – Bottle Pick Growth, to see the 2016 bottle picks and the intended growth over the next 20 years. The goal is to have this integrated into the overall design and not remain a separate area in the warehouse. Please describe your design plans for supporting this area.

6.2. SKU and Case Characteristics

Max Length Case Dimension	27.94	Inches
Max Width Case Dimension	23.00	Inches
Max Height Case Dimension	24.50	Inches
Average Case Weight	29.50	Inches
Max Case Weight	61.10	Pounds
Min Case Weight	3.00	Pounds

6.3. Future Material Handling and Replenishment

While the current setup utilizes flow rack, VA ABC is not pre-determining what the future design and material handling equipment must be. The new design must incorporate the growth and integrate efficiently with the remainder of the facility. Please ensure that your proposal cleanly details how you intend to support the storage, picking and conveyance of these individual bottle picks.

Please be sure to detail how you intend to support the replenishment of these locations. The design must support FIFO. If flow rack is to be utilized in your design, the design must ensure that partial cases can't tip out at low quantities for bottles that are taller than normal.

Please include options for removing empty corrugate from the picking areas once spirit cases are emptied.

Please consider alternative ideas for storage, cartons and conveyance - including but not limited to the reuse of existing empty spirit cartons – i.e. pick totes that can be reused etc.

VA ABC will consider all options and use of automation; however, vendors must justify the equipment and costs to ensure they are in-line with the volumes.

7. High Volume Case Area (De-palletizing)

7.1. Overview

VA ABC has a special designated area where the fastest moving cases are picked from. This area holds 30 SKU's today, which accounts for 30% of the total case movement in the warehouse. Currently, these picks are included in each Wave and labels are produced. Each case receives a label which is applied manually; the case is then picked and placed on a conveyor. Cases are picked off pallets, labeled and placed on a conveyor in a highly manual process. These labels include information including the SKU, store, etc.

These 30 SKU's are evaluated quarterly to determine if the velocity justifies remaining in this high-volume case pick area. The future design should not be limited to just these 30 SKU's if the velocity shows that more SKU's can be supported efficiently using automation or other equipment.

Currently, at peak times, this area can have volumes of more than 5,500 cases per day for these 30 SKU's. Please reference Addendum 5 – De-Palletizing Volumes for the peak volumes in this area.

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Please reference Addendum 7 – SKU Master File for the individual SKU velocity, as well as Addendum 8 – Case Dimensions, for weights and dimensions.

The conveyor in this area transports each case to a merge point. Once merged, each case passes by a scanner that validates the barcode on the case, to the barcode on the label that was applied by the picker to ensure the right product was picked. It will also pass over an inline scale to ensure the weight is within tolerance. The carton label will direct the sort of the case down to the specific store lane so that it can be palletized with the other cases.

Please detail the square feet required based on your design and material handling equipment proposed, utilizing 42' clear height.

7.2. Future Material Handling and Replenishment

With this area, it is critical to remain creative and innovative in supporting these high-volume picks. VA ABC does not wish to replicate the current processes, or limit the number of SKU's. Instead the design should focus on SKU velocity, and determine the most efficient and cost effective way to de-palletize, label, and load onto a conveyor for scanning/sorting.

Vendors should evaluate the following:

- Is there an opportunity to eliminate the manual application of labels?
- How can labor be reduced, and make it less manual when de-palletizing?
- How to minimize the warehouse footprint required.

Please detail how your design will induct 40% of the volume from such a small number of SKU's. The design must adequately support peak volumes and accumulation without creating bottlenecks, congestion, or slowdowns anywhere from picking to truck loading.

VA ABC will consider all options and use of automation; however, vendors must justify the equipment and costs to ensure they are in-line with the volumes.

8. Picking

Currently VA ABC utilizes three pick modules (two levels high), and a fourth area of pallet rack that is picked by order pickers. Order pickers will pick from multiple levels and induct these cases manually on a separate line. The pick modules are slotted based on velocity from fastest moving cases (excluding the depalletizing area) down to slowest in the pallet area. The pallet area handles the slowest moving cases, please refer to Addendum 7 – SKU Master File, for case velocity; Addendum 3 – Peak Volumes Day & Hour, for the total throughput; and Addendum 6 – Cases Per Pallet.

Order waving for picking is described at the end of this section.

Pick modules are the design preference to maximize the building clear height, and to minimize unnecessary outward growth. However, alternatives to pick modules will be considered.

In the picking area, while not trying to design the area, these items need to be considered and incorporated:

- Must accommodate the 10-year case velocity and throughput rate, on day one
- Must conform to ergonomic standards and reduce the risk repetitive injuries and movements

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- Lighting of each level in a pick module must be at least 30 foot candles and include motion sensors.
- Sufficient air movement throughout the picking areas, and levels.
- Ability to utilize fast moving case locations to support the seasonality of various spirits with minimal efforts
- Maximize the clear height of the facility
- Maximize efficiency to reduce labor costs
- Maintain or improve picking accuracy
- Minimize travel distance of pickers
- Minimize congestion
- Designs must incorporate all applicable OSHA safety requirements
- Consideration for workers being able to quickly exit pick modules, or the building, when using large lengths of conveyor that may prohibit movement.

Bids must describe in detail:

- Case level labeling methodology – i.e. manually applying labels versus print and apply etc.
- Slotting methodology and bin management
- Picking methodology
- Replenishment methodology (including the types, and number of lifts required and aisle widths necessary)
- Number people to achieve the required throughput year one based on a single shift.
- Empty pallet removal
- Shrink wrap and recycling removal versus trash removal
- Amount of conveyor needed in the picking area to ensure throughput without encumbering pickers – this must be able to handle year 10 volumes on day one.

It is incumbent on each bidder to understand and apply all building and fire codes regarding sprinklers, fire suppression and evacuation for all functional areas of the warehouse.

9. Accumulation, Scanning and Sortation

The preference in the design is to have accumulation conveyor and merges utilizing the vertical space of the facility, versus ground level.

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The design must provide for the following:

- Adequate spacing between cases
- Braking where necessary to prevent damage to bottles inside the cases
- Minimizing damage to cases including crushing of sides, and top or side flaps opening due to compression

9.1. Accumulation

Please reference Addendum 7 – SKU Master File for the individual SKU velocity, as well as Addendum 8 – Case Dimensions, for weights and dimensions for design purposes.

9.2. Merge

All designs must be able to support the 10-year volume on day one. Designs must efficiently merge areas containing different volumes of cases, without causing anyone line to backup, or come to a stop. Example, de-palletizing accounts for 30% of the total volume and will merge with other case traffic that is a fraction of the volume.

In your bid, please discuss your preference for how merging of various lines and volumes will occur. i.e. would there be a single merge, or multiple merge points in the design.

Please describe what monitoring capabilities and technology can be implemented in your design, without adding staffing.

9.3. Inline Scanner and Inline Scale

VA ABC currently confirms the correct label was applied to the correct case, through a scan performed on the pick label, and a scan of the case level barcode. If the validation fails, due to a miss-pick, the case is diverted to a jackpot line for review. Cases being diverted to the jackpot line could also be due to a damaged barcode that couldn't be read etc. If it passes, a weight validation using an inline scale is performed to validate the weight. This data is passed to another subsystem where the weights are compared to known internal weights of products. Today this is purely used for billing purposes on outbound deliveries.

In the future, this weight validation needs to perform the same action, as well as real time validation that the weight of the product is within an acceptable tolerance. If not, the case should be diverted to the jackpot line. This will ensure no broken bottles or missing bottles within a case.

VA ABC is open to new processes, technology and methods of performing these types of validation in a new design. Please detail out:

- How you expect the validation will be performed
- What equipment is necessary
- What data you need from VA ABC's ERP system – i.e. weights, dimensions, etc.
- What is the user interface for monitoring the throughput and performance, as well as the diagnosis of issues.

Must accommodate the 10-year case velocity and throughput rate, on day one. Please detail out whether your design incorporates one or more sets of inline scanners and scales to meet the throughput demands.

Please reference Addendum 3 – Peak Volumes - Day & Hour, for peak hour and minute case requirements

9.4. Jackpot Line

VA ABC does not have clear historical data to reflect the number of cases, or the reasons for cases entering the jackpot line. It is understood that most errors occur from a miss-pick or a bad barcode read. Currently there is less than 60 feet in the jackpot line.

Please determine the amount of conveyor required to support the volumes stated, and how you plan to incorporate this in the overall design.

9.5. Sortation

Currently there are 8 outbound shipping lanes, with the sortation directing cases based on the wave and store. VA ABC could operate efficiently with 9 or 10 doors within the current design and equipment. It is imperative that bids consider the 10-year velocity one day one. It is incumbent on the vendors to design a system that supports the stores, and determine how many doors are necessary.

The designs must take into the following:

- 10-year velocity required for peak minute and hour
- Store growth, which may translate to additional doors needed in year 10 versus year 1
- Variances in carton dimensions and weights

Please detail out:

- What equipment is required
- How expandable will the design to accommodate increases in doors/shipping lanes beyond year 10
- What maintenance is required on the equipment

9.6. Recirculation Line

Please detail out how much recirculation conveyor is necessary based on your design, the case volumes, and taking account for future expansion. This should also discuss how cases will be inducted and merged back into the sortation. Please describe what monitoring is available if multiple shipping lanes become congested and the recirculation line is potentially affected.

9.7. Shipping Lane Design

Please detail out how your design will accommodate the volume of cases necessary based on the data provided. VA ABC does not have a preference regarding the design – i.e. down spirals, declined conveyor, etc. The current design limitation is 500 cases per lane per store in a wave. The new design should be able to balance the volume capacity of cases in the shipping line, and minimizing the use of the recirculation line, to remove this limitation.

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9.8. Automation Controls and Server

All bids must provide for easily accessible controls and servers in a clean, dust free, secure environment. Please specify what equipment servers are required in your design. Please incorporate full redundancy in the server specifications (example: hot swap a failed drive) and power supply, this should include backup power to successfully shut down the warehouse control systems in the event of long term power failure to the building. Please do not only rely on the facility backup generators to supply this.

9.9. Emergency Stoppage

In your design, please build in the ability to shut down all or part of a line when a problem is visually identified. How would this impact the design and throughput? Example: A worker in a pick module sees where a photo eye is not operating due to being knocked out of placement. This situation would cause cases to get backed up. How can a worker shutdown this section without impacting the rest of the lines? What controls are in place to support this need? This would also be imperative when unscheduled maintenance or repairs needs to be made to a section of the equipment.

9.10. Bottlenecks and Pinch Points

Please describe where the bottlenecks or pinch points are in your design, and contingency plans for overcoming them. An example is a single merge point that has an equipment failure, etc.

Please indicate all the points where a line could become congested or stopped due to lift gates in a design being left up, etc.

Please also indicate where the design is incumbent on VA ABC workers hitting a certain performance or throughput rate, which when missed could impact the design and throughput.

9.11. Maintenance

Bids need to include a schedule of preventive maintenance by piece of equipment, including when major overhauls or teardowns should be performed. Bids should include costs to train VA ABC employees on the use and operation of all the equipment, as well as the estimated annual maintenance costs for the conveyors, sortation, scanners, scales (calibration) etc.

9.11.1. Spare Parts

Please provide a list, and costs, of all spare parts you would recommend VA ABC stocking to deal with quick fixes and maintenance systems. This would include any electronic components for the conveyor and sortation controls.

9.11.2. Accessibility

The facility design must include either scissor lift access to all conveyor, scales, scanners, sortation etc., or provide catwalk access to all components.

Currently VA ABC budgets roughly \$157,000 in maintenance costs.

10. Shipping Processes and Docks

Currently, VA ABC builds pallets for each shipping lane, for each store, in a wave. These pallets are then shrink wrapped and staged prior to truck loading, which is based on the route plan for Estes. If multiple lanes are used to build pallets for a store order, a pallet is directed to a door based on a scan of any of the barcodes applied during the picking process.

Dock workers utilize a load plan that maps out the store orders and routes by truck. This is utilized to build the trailer once the pallets are built, shrink wrapped and staged on the outbound dock.

Pallets are built by workers placing the larger heavier cases at the bottom, and lighter smaller cases at the top. There is no pre-planned load plan for the pallet configuration based on the wave being processed. Pallet building is left to the employees to build a structurally sound pallet. Each of the eight lanes can accommodate up to four pallets being built simultaneously. This is critical so that pallets can continuously be built with the heavier cases on the bottom.

VA ABC wants to evaluate which method of truck loading is more efficient, and reduce dock employee labor costs. The two options being considered are the current sorting and loading to a pallet, versus bed loading directly to the trailer. Each bid must provide the following:

- Methodology for each option, including the overall process; what equipment or supplies are needed in the trailer for bed loading to separate stops on a route.
- What equipment is necessary for each option, this should incorporate all equipment from the exit sortation to the pallet building, or bed loading.
- What the labor requirements are for each option.
- A recommendation for which method you prefer in your design, and why.
- How many doors are needed within your design through Year 10.

The designs should incorporate the following aspects:

- Reducing overall labor costs on the dock by minimizing the number of people required in the process.
- Not replicating the exact current processes, but finding more efficient ways to build the trucks.
- A design that will facilitate faster truck loading to service more stores and routes in the same shift.
- Use of technology to aid in the process.
- With pallet building, are there ways to aid in the building of pallets – i.e. directing heavier cases to the bottom, etc.
- With bed loading, are there ways to assist with case loading – i.e. directing case movements and building the stop for each route.
- Ways to reduce or eliminate the limitations on the number of cases per store per lane.
- Ways to reduce case/box damage.
- Ways to minimize the amount of floor space required for each option, where applicable.
- Ways to expand the design for future growth, beyond Year 10.

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10.1. Dock Size

Based on the pre-planning study, the dock and the accumulation/recirculation conveyor areas are approximately 41,500 sq. ft. The thought was to fully utilize the 42' clear for the conveyors over the dock. Please evaluate your design against this assumption, and validate the square feet required in your plan. VA ABC understands that each option can present two distinct uses, and sizes, of outbound shipping dock.

10.2. Lane Marking

For pallet building, please indicate how you would mark outbound lanes for organizational purposes; please include any associated costs.

10.3. Shipping Offices

VA ABC shipping office is situated at the end of the shipping area and should be 200 sq. ft., with four workstations. These work stations are used by shipping personnel. In your proposal please incorporate these costs and space.

10.4. Secure Driver Area

VA ABC requires a secured dedicated door and waiting area within the warehouse for outbound drivers. This area should be 200 +/- sq. ft. and should be next to the shipping office. Shipping personnel would sign drivers in and provide access to the warehouse when needed.

11. VAP Promo Items

VA ABC dedicates floor space to an area used to store and pick non-conveyable promo items throughout the year from various distillers. An example of this is retail ready packaging that includes glassware and a bottle of spirit, which could easily be crushed if conveyed along with full cases of spirits from other portions of the warehouse. These promo items are seasonal and volumes increase at peak.

Once orders are picked, this product is moved by pallet jack to the shipping dock. Please reference Addendum 7 – SKU Master File, look for the SKU designator “VAP” to identify these items.

In your proposal, please outline a solution for efficiently processing these store orders and moving them to the shipping dock. In addition, please refer to Addendum 1 – 20 Year Space Planning, for estimates. In the pre-planning study an estimated 7,100 sq. ft. was allocated to support these items – please validate the space based on your design.

12. Quality Control (QC) and Returns

Currently there is dedicated space for QC and returns, this space is forecasted to be roughly 3,800 sq. ft. in the 10-year preplanning study. Today, store orders are spot checked for accuracy and quality of palletizing, etc. Randomly, a store order is selected and pulled aside to the QC area where every pallet on the order is inspected and verified for accuracy. The pallets are then loaded onto the shipping trucks assuming there are no issues. Returns from the stores are also processed in this area. Returns are either damaged or miss-picked cases coming back to the distribution center.

In your bid, please describe how the QC function could be eliminated based on tight auditing and processes that reflect exactly what was picked and entered the shipping lane for a store order.

13.1 Damage Processing

Currently damage bottles and cases are processed within the bottle pick room. Bottles are cleaned and repacked or discarded. The majority of less than case quantity inventory is moved into a bottle pick picking slots. Six foot of shelving is used to store bottles not sold by the bottle. Damage processing encompasses a 20' x 25' area with two computer terminals, shelving, and sink. When laying out the damage processing area, please assure this is adjacent to the bottle pick area.

13. Retail Supplies and Store Fixtures

VA ABC dedicates space for the warehousing of retail supplies and store packaging that is non-conveyable. There is a wide range of items that include but is not limited to, retail bags and boxes, toner cartridges, chairs, fire suppression equipment, etc.

Square footage inside Supply Warehouse:

Mezzanine 43' x 77' = 3,311'

Downstairs 113' x 105' = 11,865'

Breakdown of space used inside the Supply Warehouse for shelving, counters, etc. shown below does not include isle space for shopping carts holding pulled supplies, lift trucks for put away in bulk area, etc.

Inside Supply Warehouse

Upstairs - Mezzanine

Shelving only 1,091square feet- this works out to 9 sections of shelving

Empty box area for packing supplies- 190 square ft.

Work area which includes working counters -850 square feet

Downstairs –

All shelving sections which amount to 10 sections of 3 high shelving, 2,819 square ft.

Battery area for power equipment-25 square ft.

Inside recycling area, this area is for large cages only-25 Square ft.

Storage records & work area-798 square ft.

Work area for warehouse pickup of supplies, 2,898 square ft.

Shopping bags plastic and paper-2,100 square ft.

Office space-621 square ft.

Space used outside of Supply Warehouse

Recycling area (large cages, trash can recycling for paper & plastic, toner cartridges, Shrink wrap, & Cardboard) -2,057Square ft.

Surplus area-190 square ft.

Section for shopping carts & handtrucks-126 square ft.

Please reference Addendum 10 – Retail Supplies to identify these items. Product in this area is picked by store and moved by pallet jack to the shipping dock. In your proposal, please outline a solution for efficiently processing these orders and moving them to the shipping dock.

In addition, please refer to Addendum 1 – 20 Year Space Planning for space planning, in the pre-planning study an estimated 28,500 sq. ft. was allocated to support these items – please validate the space based

on your design. Storage for store fixtures shelving, gondola, and cash registers will be stored in this area. Space allocation is included in the 28,500 sq. ft. estimate.

14. Climate Controlled Storage

VA ABC currently dedicates space for climate-controlled storage. Please reference Addendum 7 – SKU Master File for the individual SKU velocity, as well as case weights and dimensions. Look for the SKU designator Refrigerated to identify SKU's that reside in the climate controlled storage area. The requirements for cooling in this area range between 68-77 degrees Fahrenheit. The SKU base and inventory levels for the climate controlled area are not anticipated to grow. Based on the pre-planning study, VA ABC estimated roughly 5,200 sq. ft. Please validate this assumption for sq. ft.

15. Lift Trucks

VA ABC is not pre-determining the future needs of fork lift equipment. The new design must include the type of equipment and number of units needed to support the 10-year growth plan and operations. Please ensure that your proposal clearly details the type and number of units needed to support each functional area including a detailed description of operation for each area. Please refer to "4.2 Pallet Characteristics" when choosing equipment. VA ABC requires that each proposal will have an initial base line of batteries and charges and include an additional 30% more in batteries and charges to allow for extended periods of shift life. If you do not believe this additional requirement is necessary based on equipment and design proposed, please detail these reasons.

15.1. Lift Trucks and Pallet Jacks

Currently, VA ABC uses forklifts and pallet jacks for most pallet movement as well as order pickers for individual carton pick of slower moving items. VA ABC does not plan to use any of this equipment in the new facility and requires a single manufacturer's fleet of lift trucks to reduce the number of spare parts and maintenance costs.

Vendors should evaluate the following regarding equipment:

- Impact sensors required
- Support maximum pallet weight and stability to 42' clear height
- Define cycle times
- Variable speed controls, with the ability to regulate the upper end for speed
- Turning radius' that supports storage density as well as dock space
- Ergonomics of equipment
- Options for camera systems, please provide details for performance
- Preprogrammed height and tilt indicators
- Use of wire guidance systems if applicable
- Cost of ownership for each type of equipment recommended
- Attachments options for range of utilities
- Vehicle mount data terminals

For equipment included in the bid, please incorporate the following aspects in the design:

- Required ventilation in the charging areas
- Required eye wash and wash down equipment (please refrain from portable stations)

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15.2. Floor Scrubbers

Please detail the number of floor scrubbers needed to assure proper maintenance and upkeep of warehouse floors. If different sizes and types of scrubbers are needed based on functional area, please detail each unit.

The design process must incorporate fresh water access and cleanout drains for maintaining floor scrubbers. Please include the estimated annual maintenance costs that should be budgeted for each unit specified.

15.3. Battery Charging Area

Please detail out in your proposal the total square feet needed for the battery charging area. Determine within the warehouse the most efficient location for the charging area to minimize travel time between this area and the highest usage area of the equipment.

For the charging area please outline the number and type of battery charges needed, keeping in mind the 30% increase required by VA ABC. The proposal must outline the electrical requirements to support the battery charging area as well as providing details for venting and meeting all OSHA requirements for this area.

Please provide details if this area needs to be climate controlled. Include proper material handling equipment to change out batteries within the bid.

15.4. Safety

Assure correct safety equipment is readily accessible and outlined in your proposal regarding this area. Detail out the correct fire extinguisher that is suitable for the battery charging area as well as units needed, along with an eye washing equipment and emergency shower to deal with accidental acid splash. Suggest personal protective equipment (PPE) for the battery charging area. Please refrain from portable eye wash stations etc.

15.5. Maintenance and Repair Shop

VA ABC would like to evaluate two options for equipment maintenance. In your proposal please detail a competitive comparison between the manufacture (or a local dealer) for fleet management/preventative care, versus a budgeted cost if VA ABC manages the repair and maintenance of equipment.

Currently, VA ABC uses \$45,000 per year in fleet management labor.

VA ABC currently has a dedicated space for the maintenance and repair shop. Assuming fleet management is outsourced to a third party; the size of the repair and maintenance shop should incorporate a smaller foot print. Please detail two proposals on shop size based on the two scenarios above – as well as supporting the maintenance for the building and the equipment in your bid.

16. Additional Facility Requirements

16.1. Technology

Please include a full infrastructure plan for your facility design. The goal will be for the new facility to be fully wired for wireless access (no dead zones), paging systems, and hardwired locations for PC's and printers. The facility should also have full 3g/4g wireless coverage from the state contracted

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wireless provider (currently Verizon). Repeaters should be used to expand coverage for dead zones if needed. Please submit this as part of your designs.

16.1.1. Wireless Access Points

VA ABC understands that currently the latest wireless technology is utilizing an 802.11ac signal. Since the desired open date of the facility is several years out, VA ABC understands that technology is constantly changing and this may be obsolete by then. For budgeting purposes, please use 802.11ac as the framework for wireless access points through the entire warehouse.

The infrastructure plan needs to ensure that there are no dead zones anywhere in the facility (Wi-Fi or 3g/4g). This infrastructure should tie back to the overall networking requirements of VA ABC elsewhere in this document.

The planned solution should include the capabilities of supporting double the number of current headcount discussed in the overview section from a handheld device perspective for the new ERP system as this will be the preferred method of connectivity for these units. Please include this in the infrastructure plan, including the equipment and costs.

16.1.2. Paging System

The new facility must utilize a universal paging system over loudspeakers. In addition, bids should incorporate wireless communication between management, staff operating rolling stock, and in the pick areas. The initial headcount for this system should be 25 units, with the ability to add additional handheld units. Please include these aspects in the infrastructure plan, including the equipment and costs.

16.1.3. Voice Technology

Based on your design, and your other work experience, VA ABC would like your recommendations on voice technologies based on the tasks and the design. Aspects of the recommendation should incorporate the following:

- If there is a justifiable ROI, please discuss in detail why or why not.
- What functions are applicable to utilize voice.
- Total Costs and length of ROI.
- Length of time to implement voice technology.

16.1.4. Pick to Light Technology for Bottle Pick Area

Based on your design, and your other work experience, VA ABC would like your recommendations on Pick to Light for the Bottle Pick Area. Aspects of the recommendation should incorporate the following:

- If there is a justifiable ROI, please discuss in detail why or why not.
- Total Costs and length of ROI.
- Length of time to implement Pick to Light.

16.1.5. Handheld Devices for Picking etc.

VA ABC understands that handheld devices are to a large degree, dependent on the exact ERP or WMS system that is selected and implemented (which is independent of this project).

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However, budget estimates need to be included as part of the bid. Based on your design, please provide a recommended number of devices by functional area that should be included based on the functions being performed.

FTE Function	
Receiving / Putaway	8
Replenishment	4
Picking	22
Bottle Pick	7
Depal Pick	6
Conveyor/ Jackpot	4
Staging and Loading	22
Inventory	4
Quality Control	2

16.1.6. Data Interface

VA ABC has supplied the business requirements for the new environment. As previously discussed, the ERP system will be changing, which will mean the entire architecture and process will change. It is anticipated that the following interfaces will likely be required, although since the full future state technology landscape is not yet defined this is an estimate.

Please be sure to detail the following in your bid:

- What data is required based on your design from VA ABC’s ERP system
- The frequency of the data being passed from the ERP system
- High-level understanding of the architecture that needs to be in place to support your design – i.e. databases, FTP sites, etc.
- It is possible that in store inventory will be managed within the WMS system. Please state if this is the design. ABC is looking to achieve fleet wide real time inventory at all locations to support Omni channel sales demand. This means ‘in transit’ to and from store as well as store sales consumption would hit WM inventory

Please refer to Addendum 9 – Future Interface and Architecture.

16.2. Unused Pallet Storage and Accessibility

The design must include the pallet storage methods used and ease of accessibility for each of the functional areas where empty pallets are discarded after they are broken down. For those areas where pallet loads are configured, such as the shipping area, outline optimal pallet accessibility and storage. Must be able to store at least 500 unused pallets in the facility.

16.3. Breakroom and Restrooms

Each design should incorporate breakroom facilities which can accommodate the headcount included below:

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Warehouse Mgr	1
Transportation Mgr	1
Receiving / Putaway	8
Replenishment	4
Picking	27
Bottle Pick	7
Depal Pick	8
Conveyor/ Jackpot	4
Staging and Loading	35
Maintenance	4
Inventory	4
Quality Control	2
Total	105

Bids should include the following:

- Sufficient sinks
- Counter space
- Refrigerators
- Electrical load for up to 4 additional vending machines
- Cabinets for cleaning supplies
- Tables and chairs (cafeteria style or otherwise)
- Secure locker storage for personal items
- Whiteboards and cork boards for company information

Restroom facilities for the break area and throughout the warehouse need to accommodate the stated headcount as well.

17. Recycling and Trash Collection

Each design needs to accommodate collection and processing of recycled materials, as well as trash and refuse. Below are the volumes that needed to be supported.

Representative Month, in Tonnage

Mixed Paper	3.435
Office Pack	.5425
Cardboard	44.02
Mixed	4.633
LDPE	4.435

Annualized Tonnage

Mixed Paper	41.22
Office Pack	6.51
Cardboard	528.24
Mixed	55.59
LDPE	53.22

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17.1. Corrugate Recycling and Compactors

The design must consider conveyance of corrugated throughout the areas of the facility that generate the bulk of broken down cardboard. Currently, VA ABC generates 528 tons of corrugated per year, 44 tons/month.

Please provide pricing for compactors that would detail the difference between using a dock door to access the cardboard compactor verse chutes through a wall to a stationary compactor. Please refer to the following web page for examples: <http://www.jmecinc.com/waste-equipment-installations/>. The preference is not to consume dock doors for this process. If dock doors are to be utilized, please increase the number of dock doors required to accommodate this.

17.2. Trash Collections and Recycling

VA ABC has an extensive recycling program. Please provide best option in the design for trash and recycling collection. This should include equipment and space considerations.

19. Warehouse Management System Requirements

As previously stated, VA ABC is looking to replace the warehouse management system along with the automation and material handling equipment. Therefore, considering this to be a turn-key project, the MHE and WMS should be included as part of this solution. Please utilize the following information to assist with the development of initial budget estimates.

19.1. Order Information

Annual order data and orders by month will come from the other data already included in the requirements document.

Based on most recent 3 months of data Feb – Apr, 2017 only ST orders:

Average number of line items on an order: 224

The largest order line items = 1,177 the smallest = 14

Average number of units on an order: 254

The largest order number of cases = 1,267 cases the smallest = 9

19.2. Staffing Levels

<u>Function</u>	Hand Held	Voice	PC	Peak
Inventory Control	4	0	4	4
Receiving	5	5	0	6
Putaway	3	3	0	4
Replenishment	5	5	0	5
Picking/Packing	36	36	1	38
Shipping	0	0	0	0
Returns	0	0	0	0
RTV	0	0	0	0
QA	1	0	1	1
Management	0	0	14	14
TOTALS	54	49	20	73

19.3. Printers

Label printers: 4

AVG Number of labels printed per day: 17,100 (3 month data ST orders)

Small portable printers: 6

Document Printers: 2

19.4. Receiving

Based on most recent 4 months of data (includes only received vendor inventory):

Average trucks per day: 17

Peak trucks per day: 20

Average cases per day: 18,551

Peak cases per day: 23,413

Average pallets per day: 337

19.5. Inventory and Purchasing

Frequency of physical wall-to-wall inventories: 4

Number of Purchase Orders annually: 4,600

Average number of line items on an order: 8

Average number of units on an order: 1,092

Number of vendors:

Active: 430

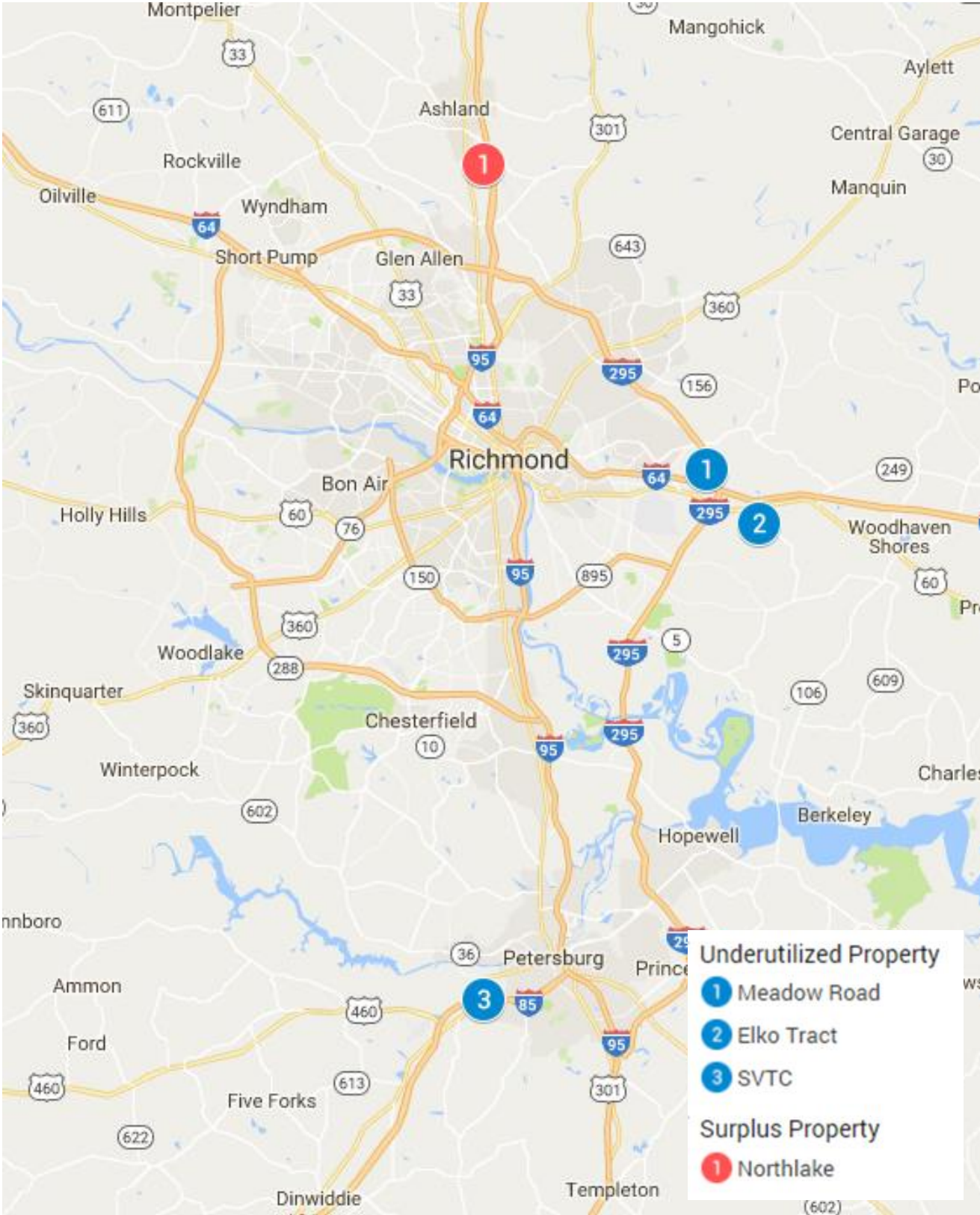
Total: 668

Vendor will need to supply the following pieces of information in their bid:

Important note: please assume that VA ABC would buy and implement an application “plain vanilla” with no modifications, a detailed scoping would occur at a future time.

- A list of WMS packages that have been integrated to other material handling and automation designs that you have implemented.
- Estimated costs for the following:
 - Fees to perform a scope and GAP analysis
 - Application license
 - Application support and maintenance
 - All hardware and servers for the application, database and handheld/voice devices
 - Hosting costs for any hosted solutions
 - Applicable third-party software licenses
 - Applicable third-party software support and maintenance
 - Third party hardware including recommended wireless handheld devices and voice headsets
 - Training and implementation services
 - Project management services
 - Infrastructure hardware (access points etc.) necessary to run all devices
 - File conversion
 - High-level idea of integration costs
- Options for on premise/perpetual licenses versus SaaS license
- High-level timeline for implementation












EXHIBIT G – State Owned Property



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Addendums

Included below are supplementary addendums which contain additional technical information about the Tenant’s capacity needs. Double-click the icons below to open these files.

Addendum 1 – 20 Year Space Planning	 VA ABC - Addendum 1 - 20 Year Space Pla
Addendum 2 – Max Pallet Storage	 VA ABC - Addendum 2 - Max Pallet Storage
Addendum 3 – Peak Volumes, Day & Hour	 VA ABC - Addendum 3 - Peak Volumes - Da
Addendum 4 – Bottle Pick Growth	 VA ABC - Addendum 4 - Bottle Pick Growth
Addendum 5 – De-Palletizing Volumes	 VA ABC - Addendum 5 - De-Palletizing Volu
Addendum 6 – Cases Per Pallet	 Addendum 6 - Cases Per Pallet.xlsx
Addendum 7 – SKU Master File	 Addendum 7 - SKU Master File.xlsx
Addendum 8 – Case Dimensions	 Addendum 8 - Case Dimensions.xlsx
Addendum 9 – Future Interface and Architecture	 Addendum 9 - Interface Architectur
Addendum 10 – Retail Supplies	 Addendum 10 - Retail Supplies.pdf
Addendum 11 – 2016 End Month Inventory	 Addendum 11 - 2016 Month End Inventory
Addendum 12 – Pallet Measurements	 Addendum 12 - Pallet Measurements.xlsx