

Date: November 19, 2019
Bid title: Exclusive Beverage Rights for Vending & Concessions
Bid Opening: **Date:** December 9, 2019
Time: 2 pm
Location: City Hall, 910 Main Street Pineville, La.

SPECIFICATIONS

The City of Pineville is seeking the services of an experienced, responsible, capable, and professional Beverage Supplier / Sponsor to be the official and exclusive soft drink provider for the City of Pineville's facilities for a five (5) year term. The selected Contractor will have exclusive beverage sales and distribution rights and exclusive advertising/marketing rights in all COP facilities, as provided for in the contract terms. The selected Contractor's product line will be offered as the exclusive beverage product available at events, activities, vending machines, and other programs in said facilities. This will include carbonated beverages, noncarbonated beverages, fruit drinks, sport beverages and bottled water products, and other products agreed to by the Contractor and the City.

The City of Pineville intends to award a single, exclusive beverage contract for exclusive beverage product sales and beverage advertising as a result of this solicitation.

I. BID FORMAT

- a. Bids must be made in the official name of the firm or individual under which business is conducted (showing official business address) and must be signed in ink by a person duly authorized to legally bind the person, partnership, company or corporation submitting the bid.
- b. Bidders are encouraged to include all applicable requested information and are encouraged to include any additional information they may wish to be considered.
- c. Bidders must submit a clearly identified original and five (5) copies of the bid submission.
- d. Bids are to be mailed or hand delivered to:

City of Pineville
910 Main Street
Pineville, La. 71360
Attn: Rich Dupree

- e. Bidders who desire to receive a statement of the award must include a self-addressed stamped envelope.

- f. Bidders requiring additional information may email or fax their questions so that they will be received at least three business days prior to the bid opening to:

Email: rich@pineville.net Facsimile: (318) 442-8373

An award resulting from this request shall be awarded to the responsive and responsible Offeror whose proposal is determined to be most advantageous to the City, taking into consideration price and the evaluation factors set forth below. However, the right is reserved to reject any and all proposals received, to waive any informalities, and in all cases the City will be the sole judge as to whether an Offeror's proposal has or has not satisfactorily met the requirements of the request for bids.

II. EVALUATION OF PROPOSALS FOR MULTIPLE AWARDS

In addition to other factors, bids will be evaluated on the basis of advantages to the City that might result from making more than one award (multiple awards). For the purpose of making this evaluation, administrative costs to the City for issuing and administering each contract awarded under this invitation will be considered, and individual awards will be for the items and combinations of items which result in the lowest aggregate price to the City, including administrative costs.

III. PAYMENTS DUE THE CITY

The contractor shall pay all taxes, licenses, fees, and other charges which are outstanding and due to the City.

For purposes of this section, "Own" shall mean to be the last record owner of property prior to a tax sale or adjudication.

No contract to which the City is a party shall be awarded to any person who:

- a. Has not paid all taxes, licenses, fees and other charges which are outstanding and due the City, or
- b. Owns any property which is adjudicated to the City or which has demolition liens, grass cutting liens, or any other property standards liens on it; or
- c. Owns more than 25% of a legal entity that owns any property which is adjudicated to the City or which has demolition liens, grass cutting liens, or any other property standards liens on it.
- d. Bids/proposals will not be accepted from or contract awarded to any person, firm, or corporations which have at any time failed to execute a contract that has been awarded to them by the City, or which is in arrears to the City upon debt or contract, or which is a defaulter as surety or otherwise upon any obligation to the City.

Sales in addition to beverage purchases by staff and users of facilities through vending machine purchases will be realized through additional avenues including athletic events, performance events, and other such special events. It shall be understood that, for the privilege of exclusivity, the Contractor shall afford the city a sponsorship premium (payable in installments), continuing sales commissions, and other inducements as may be required or are offered.

IV. EXCLUSIVITY

Exclusivity will be granted to the Contractor for distribution of non-alcoholic, carbonated beverages, noncarbonated beverages, fruit drinks, sport beverages, bottled water products, and other products as agreed upon by City and Contractor. Concession stands are included, but subject to any applicable laws, regulations or policies with respect to the food service program. At present, no known laws, regulations or policies exist (with the exception of applicable Health Department codes) which may have an impact upon the sale of beverages at concession stands.

The successful Contractor may receive exclusive beverage advertising opportunities in City-owned facilities and at City functions to the extent outlined in the contract.

The City will attempt to ensure the benefits described above are exclusive to the Contractor. However, these exclusive rights shall apply only with respect to City-owned and controlled facilities in which the City retains control of space utilization.

V. PRICING

The commission percentage rate on vended products and unit prices for products to be purchased for resale shall be firm for the contract period and shall include all freight and handling charges, F.O.B. Destination. Unit prices for products to be purchased for resale must be competitively priced based on current local market. The Contractor shall include an initial pricing proposal for every product to be offered. The Contractor will be allowed to increase product pricing on vended products once annually after the first year of the contract. However, price increases shall be governed by prevailing market conditions and in no instance shall be greater than any increase experienced in similar markets within the State of Louisiana. Guaranteed fixed pricing for each renewal year must be submitted ninety days prior to the end of the current term of the contract and the guaranteed yearly rates cannot exceed the cost per living percentage for the consumer price index for all urban consumers for non-alcoholic beverages.

VI. VENDING/CONCESSION EQUIPMENT

As soon as possible, but within forty-five (45) calendar days from the effective date of the Contract, the Contractor shall furnish Contractor-owned and manufactured beverage vending machines at all agreed upon locations. By participating in this proposal, the awarded Contractor agrees to coordinate the removal of equipment with any unsuccessful Contractor. The final decision on number of machines per facility shall be agreed to by Contractor and the City.

All vending machines shall be modern and of current mechanical/electronic technology. All machines shall have bill changing capability, be electrically efficient, have unit sales counting capabilities and be aesthetically acceptable to the City.

While the City will make every reasonable effort to assist in minimizing damage and/or loss from vandalism or theft, the City will bear no monetary responsibility for damage to Contractors' property or loss of Contractors' product.

The installation of vending machines and the expense of installation of vending machines shall be the Contractor's responsibility excluding electrical line installation. The City will cooperate with, and support, reasonable requests from the Contractor in this regard.

The City may reject machine signage or logos if deemed objectionable or a distraction to the activities in any City facility or on City property. When requested by City approved concessionaire, the Contractor must assist concessionaire with signage, point of sale advertisement and menu boards at the expense of Contractor at locations as mutually agreed upon.

When requested by the City, the Contractor shall make a reasonable effort to supply coolers and special events trailers for all special events where the Contractor's products are sold.

The Contractor shall maintain the cleanliness of all vending machines. It is the responsibility of the Contractor to clean the inside and the outside of all vending machines, as well as all vending machine areas.

VII. VENDING EQUIPMENT MAINTENANCE

The Contractor shall be responsible for the maintenance and repair of all equipment including, but not limited to vending machines, fountain machines, upright refrigeration units, and all other equipment provided by Contractor for use on City-owned property. The City will exercise prudent care in the handling and operation of any such equipment. The Contractor shall ensure that no vending machine is out of service for more than 24 hours from the time of notification by any City employee. The Contractor shall replace machines that are chronically out of service or malfunctioning as determined in cooperation with the Contractor and the City. The Contractor shall provide a local contact name and number of the individual(s) assigned responsibility for the repair and maintenance of equipment.

VIII. ELECTRICITY

The City will furnish, at no cost to the Contractor, the necessary electricity for the operation of vending machines. A projection of the maximum annual electrical cost and maximum aggregate annual electrical consumption per machine shall be included in the proposal. The City will take reasonable measures to avoid power loss and to restore power if, and when, a power outage occurs.

IX. STORAGE SPACE

The City will not be required to furnish any storage space for beverage products owned by the Contractor. The City may provide temporary storage of concession equipment after athletic or other events without charge. Informal arrangements may be agreed upon between the City and the Contractor for limited storage of product owned by the Contractor. However, the product stored shall only be for the intended use of the site at which it is stored. Additionally, the City will bear no financial responsibility in the event of theft or product damage.

X. SPONSORSHIP PREMIUM PAYMENT/PROCEDURE

As part of a large-scale business partnership with exclusivity terms, a premium in

the form of a series of cash payments and/or capital funding is a strategic component of agreement. The Beverage Provider should expect to pay out at least 50% of the sponsorship premium at the beginning of the term of the contract with the balance paid out equally over successive years of the agreement on a date agreed to by the City and Contractor. Effectively, this premium should be determined by the value of the contract itself, as well as the value added from forward brand loyalty of the City staff and users of city-owned facilities, stadiums and special event venues, as well as any advertising afforded the Contractor.

XI. LOCATION OF VENDING MACHINES

The City will not be required to relocate any electrical outlets in order to provide electrical power to vending machines at desired locations. The use of electrical cords for vending machine power which are longer than ten feet (10') must be approved by the City Maintenance Department. Extension cords or drop cords are NOT allowed. The Contractor shall request, in writing, no later than 45 days after contract award, the desired installation of additional electrical outlets, or movement of existing electrical outlets. However, final decisions regarding the location of electrical outlets and vending machines shall be solely determined by the City. If any site requires additional electrical outlets to accommodate the minimum allowable number of vending machines, the City will provide the necessary labor and materials for installation. However, this is providing there is sufficient excess capacity within the electrical system to bear the additional load. In no instance will the City upgrade a power supply solely to accommodate beverage vending equipment.

XII. PROGRAM PLANNING

The Contractor shall meet periodically at such times as mutually agreed upon, with a designated City representative. The meeting purpose will be to plan and coordinate the services provided under the Contract.

XIII. EXCLUSIVE BEVERAGE ADVERTISING BENEFITS

The Exclusive Beverage Advertising Benefits shall include principally the following benefits:

- a. Point-of-Sale Advertisement
- b. Signage at Facilities
- c. Product Cups/Containers
- d. Promotions
- e. Sponsorship of Events and programs
- f. Complimentary Print Advertising (including printed material, such as programs and scorecards)
- g. Other Advertisement Opportunities as included in the respondent's proposal –subject to final contract negotiation, including but not limited to, web-sites, video boards and other such advertising.
- h. The City will have final approval regarding quantity, positioning, placement, size and content of all advertisement.

The above benefits shall be inclusive of, and not in addition to, any existing advertising of a similar nature being received by the proposer for which payment has not yet been made.

The Contractor will have the right of first refusal for sponsorship of any long-standing event previously sponsored by a beverage company. The Contractor shall notify the City in writing of any such refusal.

XIV. ATHLETIC SCOREBOARDS

Recognizing that beverage providers and the City are not in the signage or sports scoreboard industry, as part of any exclusivity agreement, the City requires the selected Beverage Provider to supply the signage and the sports scoreboard assets supplied by the selected Beverage Provider in city-owned facilities. In facilities now using equipment provided by another beverage provider, funds will be needed early in the life of the agreement to purchase replacement and removal of their signage/logos or purchase replacement assets direct from Contractor or a third party. With respect to the purchase of replacement assets, this can also be accomplished by the Contractor providing equivalent, or better equipment/signage from its sources understanding that the Provider will be expected to provide on-going maintenance. In any event, it is critical that this is managed in a way as to not disrupt activities planned in city-owned facilities.

XV. FINANCIAL INCENTIVES

In addition to any other offers (financial or otherwise) presented by the respondents, each proposal shall include, without limitation, independent offers relating to the following incentives:

- A. Sponsorship Premium: The proposal shall include a cash amount offered by the respondent as a payment for the five (5) year award of exclusive beverage vending rights as outlined in this document. The Sponsorship Premium will be in the form of a lump sum payment equal to at least 50% of the total premium at the beginning of contract with the balance paid out equally over successive years of the agreement at a date agreed to by the City of Shreveport and the Contractor.
- B. Full Service Revenue: The proposal shall include a percentage offered by the respondent as commission on monthly vending machine sales. The commission percentage offered shall be based upon gross sales amounts. The commission percentage shall remain firm regardless of vending prices. *Respondents are encouraged to offer such additional revenue as Activity Fees (rebates) – based upon an amount for each case of product sold to the City or its contractors, and, Growth Revenue – based upon an amount for each case of product sold to the City after specified volume levels have been reached. Both types of revenue are to be paid to the City annually.*

XVI. COMPLIMENTARY PRODUCTS

Each proposal shall include information regarding annual donations to be provided to each the City as complimentary product.

EVALUATION CRITERIA

Date:

Company Name:

		POINT RANGE	POINTS ASSIGNED
1	Soundness of offeror's approach to the problems and needs presented by the project, including offeror's methodology for achieving specific tasks and objectives. This includes the Customer Service Plan and the Project Plan.	0-20	
2	The quality of performance/workmanship of previous contracts; or references which attest to the specific experiences of others.	0-20	
3	Experience and Proposed fees that will be paid to the City.	0-20	
4	Qualifications of project personnel and offeror's ability to commit a capable staff and support for a project of this size under the time constraints as listed in the Bid Specifications. This includes the offeror's personnel and the personnel of any subcontractor.	0-15	
5*	Proposal including pricing and special promotions.	0-15	
6	Substantial compliance or noncompliance with specifications set forth in the proposal.	0-10	
		POINT RANGE	POINTS ASSIGNED

TOTAL POINTS: 100