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***Request for Proposals  
for  
Vending Services***

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***City of Sioux Falls, South Dakota  
Proposal Request No. 17-0124***

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# **Request for Proposals for Vending Services for the City of Sioux Falls Parks and Recreation**

## **Section 1 Introduction and Instructions**

### **1.01 Purpose of the RFP**

This Request for Proposals (RFP) is issued by the City of Sioux Falls (hereinafter referred to as the “City”). The purpose of this RFP is to establish a contract with a qualified firm to provide vending services to the City of Sioux Falls Parks and Recreation.

### **1.02 Contact Person, Telephone, Fax Number, and Email**

Matthew Newman is the point of contact for this RFP. Unauthorized contact regarding the RFP with other City employees may result in the firm being disqualified.

Matthew Newman, Business Analyst, Finance department

Phone: 605-978-6881

Fax: 605-367-8016

Email: [mnewman@siouxfalls.org](mailto:mnewman@siouxfalls.org)

### **1.03 RFP Schedule of Events**

This schedule of events represents the City’s best estimate of the schedule that will be followed for this RFP. If a component of this schedule such as the deadline for receipt of proposals is delayed, the rest of the schedule will be shifted by the same number of days.

The approximate RFP schedule is as follows:

- RFP issued: November 3, 2017
- Deadline for questions: November 10, 2017, 5 p.m.
- Proposals due: November 16, 2017, 2 p.m.
- Review of proposals: November 17–22, 2017
- Intent to award: November 30, 2017
- Execute contract: December 2017

#### **1.04 Return Mailing Address and Deadline for Receipt of Proposals**

Proposers must submit one (1) original hard copy (marked "Original") and three (3) hard copies of the proposal in a sealed envelope or package, and one (1) digital copy of the proposal on a CD or USB thumb drive. **Proposals shall be limited to a maximum of ten pages.**

Envelopes or packages containing proposals must be clearly addressed as described below to ensure proper delivery and to avoid being opened by the City before the deadline for receipt. Envelopes or packages must be addressed as follows:

City of Sioux Falls Engineering Office  
Attention: Matthew Newman  
Vending Services for the City of Sioux Falls Parks and Recreation  
RFP No. 17-0124  
224 West Ninth Street  
P.O. Box 7402  
Sioux Falls, SD 57117-7402

Proposals must be received by the Engineering Office at the location specified no later than **2 p.m., Central standard time, on November 16, 2017.** Proposals will not be publicly read at the opening.

Proposals may not be delivered orally, by facsimile transmission, by other telecommunication, or electronic means.

Proposers assume the risk of the method of dispatch chosen. The City of Sioux Falls ("City") assumes no responsibility for delays caused by any delivery service. Postmarking by the due date will not substitute for actual proposal receipt by the City. A proposer's failure to submit its proposal prior to the deadline will cause the proposal to be rejected. Late proposals or amendments will not be opened or accepted for evaluation.

#### **1.05 Questions and Addenda**

Questions regarding this RFP shall be submitted in writing to Matthew Newman, Business Analyst, at [mnewman@siouxfalls.org](mailto:mnewman@siouxfalls.org). Answers to questions will be posted to the City's website. The deadline for questions is **5 p.m., Central standard time, Friday, November 10, 2017.**

If deemed necessary, addenda to the RFP will be issued and will be emailed to the proposers. No addenda will be issued after 5 p.m., Monday, November 13, 2017.

Responding proposers are prohibited from communicating in any other manner about this project with any other City employee from the date of issuance of this proposal until the final selection, unless otherwise directed in writing by the Business Analyst. Other means of communications or contact may disqualify the submitting proposer.

## **Section 2 Scope of Work**

### **2.01 Introduction**

The purpose of this RFP is to establish a vending service company (hereinafter referred as "Concessionaire") to provide, operate, and maintain soda (with at least one-third competitive product), water, candy, and food snacks in vending machines at City-managed Parks and Recreation locations and other various City locations.

### **2.02 Scope of Work**

Concessionaire shall provide all vending equipment, food, and beverage items (beverages, candy, food, and nutritional snacks) that may be sold as approved by Parks and Recreation.

The Concessionaire shall pay for all necessary equipment, fixtures, electrical service modifications, or site modifications needed to place services in operation. All modifications to facilities must be approved by the City department where the equipment will be placed and meet Sioux Falls City building codes.

The Concessionaire will pay the City a percent of the gross receipts (the commission rate) from all sources derived from the operation of this concession payable at the end of each calendar month.

The Concessionaire will keep accurate account books showing all income received by this concession. The City may inspect the books at any reasonable time. A quarterly report may be required and will be submitted according to a format approved by the City.

The Concessionaire shall establish and detail the process to handle all refund claims.

The Concessionaire shall not sell, mortgage, assign, or parcel out any rights under this agreement without the written consent of the City. The purpose and spirit of this agreement is to grant rights to the Concessionaire. These rights are not exclusive and are not meant to imply absolute exclusivity.

The Concessionaire shall provide vending machines which accept bills or credit cards. All machines shall be routinely inspected and maintained. The vendor shall have two business days to repair a broken machine once the need is reported to the vendor.

The Concessionaire may set a reasonable fee for the products offered. All pricing shall be comparable to the local market rate.

The Concessionaire shall comply with all applicable state and local regulations.

See Exhibit A for equipment installation locations.

### **2.03 Contract Term**

The length of contract will be three years with one 3-year extension.

### **2.04 Indemnification**

To the fullest extent permitted by law, the Concessionaire, its subcontractors, agents, servants, officers, or employees, shall indemnify and hold harmless the City of Sioux Falls, including, but not limited to, its elected and appointed officials, officers, employees, and agents, from any and all claims brought by any person or entity whatsoever, arising from any act, error, or omission of the Concessionaire during the Concessionaire's performance of the Agreement or any other agreements of the Concessionaire, entered into by reason thereof. The Concessionaire shall indemnify and defend the City of Sioux Falls, including, but not limited to, its elected and appointed officials, officers, employees, and agents, with respect to any claim arising, or alleged to have arisen, from negligence and/or willful, wanton, or reckless acts or omissions of the Concessionaire, its subcontractor, agents, servants, officers, or employees, and any and all losses or liabilities resulting from any such claims, including, but not limited to, damaged awards, costs, and reasonable attorney's fees. The indemnification shall not be affected by any other portions of the agreement relating to insurance requirements. The Concessionaire agrees that it will procure and keep in force at all times at its own expense insurance in accordance with these specifications.

### **2.05 Insurance Requirements**

The Concessionaire shall secure the insurance specified below. All insurance secured by the Concessionaire under the provisions of this section shall be issued by insurance companies acceptable to the City. The insurance specified in this section may be in a policy or policies of insurance, primary or excess. Certificates of all required insurance shall be provided to the City upon execution of this agreement.

1. Workers' compensation insurance providing the statutory limits required by South Dakota law. In addition, it shall provide Coverage B, Employer's Liability Coverage, of not less than \$1,000,000 each accident, \$1,000,000 disease-policy limits. The required limit may be met by excess liability (umbrella) coverage.
2. Commercial general liability insurance providing occurrence form contractual, personal injury, bodily injury, and a property damage liability coverage with limits of at least \$1,000,000 per occurrence, \$2,000,000 general aggregate, and \$2,000,000 aggregate products and completed operations. The required limit may include excess liability (umbrella) coverage. The policy shall name the City and its representatives as an additional insured. If "occurrence form" insurance is not available, "claims made" insurance will be acceptable. The policy shall be maintained for three years after completion of this agreement.
3. Automobile liability insurance covering all owned, nonowned, and hired automobiles, trucks, and trailers. The coverage shall be as broad as that found in the standard comprehensive automobile liability policy with limits of not less than \$1,000,000

combined single limit each occurrence. The required limit may include excess liability (umbrella) coverage.

The Concessionaire will provide the City with at least 30 days' written notice of an insurer's intent to cancel or not renew any of the insurance coverage. The Concessionaire agrees to hold the City harmless from any liability, including additional premium due because of the Concessionaire's failure to maintain the coverage limits required.

The City's approval or acceptance of certificates of insurance does not constitute the City's assumption of responsibility for the validity of any insurance policies nor does the City represent that the above coverages and limits are adequate to protect any individual/group/business, its consultants' or subcontractors' interests, and assumes no liability therefore.

## **2.06 Contract Award**

It is the City's intent to enter into a contract with a Concessionaire who best demonstrates the ability to provide vending services for the City of Sioux Falls Parks and Recreation. After review of the proposals, if the City decides to not enter into contract, the City will notify all Concessionaires.

## **Section 3 Proposal Format and Content**

### **3.01 Submittal Requirements**

The Concessionaire shall provide a proposal in a straightforward manner addressing all the minimum needs listed below. The proposal shall include the following items:

- A cover letter. Provide name and address of the Concessionaire and project contact person with address, telephone number, and email address. Summarize your understanding of the project. Provide a statement indicating your ability to provide the services and meet the requirements listed in the RFP. Indicate your acceptance of the requirements of this RFP. Provide a one-page summary of the benefits you believe the City would receive from selecting your Concessionaire.

The cover letter **must be signed** by a duly authorized official of the Concessionaire. Consortiums, joint ventures, or teams submitting proposals must establish contractual responsibility rests solely with one company or one legal entity. Each submittal should indicate the entity responsible for execution on behalf of the proposal team.

- Proposed commission rate and projected annual return to the City of Sioux Falls Parks and Recreation.
- Detail the time frame associated with the transition and installation of your vending machines.

- Detail the suitability, nutrition, and variety of items that you are willing to offer in your vending machines.
- Detail the proposed placement and types of vending equipment to be offered at each location and the proposed schedule for refreshing and restocking products. Please specify the age of the machines proposed, type, size, energy efficiency, power requirements, and maintenance, if any. (See Exhibit A for the locations.)
- Detail your company’s policy for service requests, service response time, and an escalation matrix.
- Activities, events, or promotions that your company is willing to contribute as part of this service.
- Include a minimum of three written references who can verify your firm’s qualifications and experience.

**Section 4**  
**Review of Proposals and Selection of Finalists for Interviews**

**4.01 Selection Criteria**

Upon receipt of the proposals, an evaluation team will determine the best proposal deemed most qualified based on the following criteria:

The evaluation team will rely on the information contained and presented in the proposals to select the most qualified Concessionaire to provide vending services for the City.

Selection criteria will be based on:

**Evaluation Criteria (100-Point Potential Score)**

**Pricing** **40 pts.**

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- a) Reasonableness of the commission rate.
- b) Product pricing compared in relation to the local market rate.
- c) Payment options (credit card and cash).
- d) Refund process.

**Approach to Scope of Services** **40 pts.**

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- a) Transition, installation, and time frame plan.
- b) Suitability, nutrition, and variety of products offered that meet the needs of the City.
- c) Ability to provide high quality products, services, and equipment.
- d) Proposed schedule for refreshing and restocking products.
- e) Age of machines, type, size, energy efficiency, power requirements, and maintenance, if any.
- f) Service response time and escalation matrix.



## **Promotions**

**10 pts.**

- a) Activities, events, or promotions to be sponsored by the Concessionaire.

## **Qualifications, Experience, and References**

**10 pts.**

- a) Proposer's qualifications and experience in successfully providing the specified services for similar operations and/or entities.
- b) References.

Upon review of the proposals, the City will score the proposals. The highest ranking Concessionaire may be asked to enter into contract negotiations with the City of Sioux Falls. If an agreement cannot be reached with the highest ranked Concessionaire, the City may move to the next highest ranked Concessionaire. The same process will be repeated with the other ranked Concessionaires if no such agreement can be reached. The City of Sioux Falls reserves the right to not select a Concessionaire as part of this process if an agreement cannot be reached or for any other reason.

### **4.02 Special Conditions**

Excluding proprietary information, the successful Concessionaire's proposal and contract are deemed public records and shall be available to the public upon request. In addition, the City shall maintain a "Register of Proposals for this Contract," which shall contain the names of companies who submitted a proposal and the name of the company who was awarded the contract; however, the proposals of the submitting Concessionaire(s) not awarded the contract are nonpublic records and will remain confidential.

## **Section 5 Standard Proposal Information**

### **5.01 Authorized Signature**

An individual authorized to bind the Concessionaire to the provisions of the RFP must sign all proposals.

### **5.02 City Not Responsible for Preparation Costs**

The City will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

### **5.03 Conflict of Interest**

Concessionaires must disclose any instances where the Concessionaire or any individuals working on the contract has a possible conflict of interest and, if so, the nature of that conflict (e.g., employed by the City of Sioux Falls). The City reserves the right to cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the Concessionaire's proposal. The City's determination regarding any questions of conflict of interest is final.

#### **5.04 Offeror's Certification**

By signature on the proposal, the Concessionaire certifies that it complies with:

- The laws of the state of South Dakota.
- All applicable local, state, and federal laws, codes, and regulations.
- All terms, conditions, and requirements set forth in this RFP.
- A condition that the proposal submitted was independently arrived at without collusion.
- A condition that the offer will remain open and valid for the period indicated in this solicitation and any condition that the Concessionaire and/or any individuals working on the contract do not have a possible conflict of interest (e.g., employed by the City of Sioux Falls).

If any Concessionaire fails to comply with the provisions stated in this paragraph, the City reserves the right to reject the proposal, terminate the contract, or consider the Concessionaire in default.

#### **5.05 No Contact Policy**

Any contact with any City representatives, related officials, or representatives other than those outlined in the RFP is prohibited. Such unauthorized contact may disqualify the Concessionaire from this procurement.

#### **5.06 Proposal as a Part of the Contract**

Part or all of this RFP and the successful proposal may be incorporated into the contract.

#### **5.07 Special Conditions**

The City of Sioux Falls reserves the right to reject any and all proposals, to waive formalities, and to select the proposal that in the City's sole discretion is in the best interests of the City of Sioux Falls, South Dakota.

The City reserves the right to:

- a) Amend, modify, or withdraw this RFP.
- b) Revise any requirements under this RFP.
- c) Require supplemental statements of information from any responding party.
- d) Extend the deadline for submission of responses hereto.

- e) Negotiate or hold discussions with any bidder to correct insufficient responses that do not completely conform to the instructions contained herein.
- f) Waive any nonconformity with this RFP.
- g) Cancel, in whole or in part, this RFP if the City deems it is in its best interest to do so.
- h) Request additional information or clarification of information provided in the response without changing the terms of the RFP.
- i) Waive any portion of the selection process in order to accelerate the selection and negotiation with the top-ranked Concessionaire.
- j) Not award a contract as a part of, or result of, this RFP process.

The City may exercise the foregoing rights at any time without notice and without liability to any offeror, or any other party, for expenses incurred in the preparation of responses hereto or otherwise.

## **Exhibit A Locations**

Kuehn Pool	Sherman Park Ice Rink
Drake Springs Family Aquatic Center	Campus Park Ice Rink
Terrace Park Family Aquatic Center	McKenna Ice Rink
McKenna Wading Pool	Frank Olson Park Ice Rink
Pioneer Wading Pool	Tuthill Park Ice Rink
Frank Olson Pool	Memorial Ice Rink
Laurel Oak Family Aquatic Center	McKenna Park Tennis Court
MariCar Community Center	Park Administrative Office
Kuehn Community Center	Falls Park Visitor Center
Oyate Community Center	Downtown Library
Kenny Anderson Community Center	Oak View Library
Morningside Community Center	Prairie West Library
City Administration Building	Ronning Library