



cityofnovi.org

# CITY of NOVI CITY COUNCIL

**Agenda Item E**  
**July 20, 2009**

**SUBJECT:** Approval to extend the Snack Vending Machine Services contract to Don's Vending Service, Inc., at the same product prices and commission as the 2008 contract.

**SUBMITTING DEPARTMENT:** Facility Operations 

**CITY MANAGER APPROVAL:** 

**BACKGROUND INFORMATION:**

In 2008, two companies responded to proposals for snack machine vending services. Services are provided to the Police Department, Civic Center, Meadowbrook Commons, Fire Station #1, and recently, the Field Services Complex.

The vendor is responsible for maintaining, servicing, and cleaning the machines. The contractor remits 18% of gross revenues to the City on a monthly basis (approximately \$450 annually).

Don's has provided excellent service to all locations and will maintain the 2008 contract conditions through 2010.

**RECOMMENDED ACTION:** Approval to extend the Snack Vending Machine Services contract to Don's Vending Service, Inc., at the same product prices and commission as the 2008 contract.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Burke				
Council Member Crawford				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				



## Vending Service, Inc.

7/6/2009

To: City of Novi  
Attn.: William McCusker  
45175 W 10 Mile Road  
Novi MI 48375

Re: Vending Machine Contract

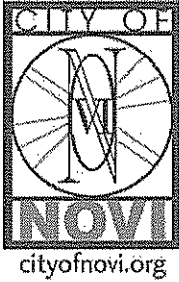
We received an inquiry regarding the extension of our contract for another year.

Don's Vending Service, Inc. would be pleased to continue to provide vending machine service for the City of Novi. We will maintain the current pricing and commissions for the next year.

Thank you,

*Brian Hesse*

Brian Hesse, VP  
Don's Vending Service, Inc.  
30880 Industrial  
Livonia MI 48150



## CITY OF NOVI

### SNACK VENDING MACHINE SERVICES

#### **SPECIFICATIONS**

Consideration will be given based on unit pricing & rate of commission on sales.

#### **LOCATIONS**

Vendor will provide machines for the following locations:

##### **Base Bid**

- ① Parks, Recreation & Forestry Department, 45175 W. Ten Mile Rd., Novi, MI 48375.

Machine services approximately 36 full time employees, 10 part-time employees and participants in events/meetings held daily in Parks, Recreation & Forestry rooms.

2. Staff Lunchroom, Novi Civic Center, 45175 W. Ten Mile Rd., Novi, MI 48375  
Machine services approximately 50 full time employees.

3. Police Department, 45125 W. Ten Mile Rd., Novi, MI 48375  
Machine services approximately 100 employees plus people attending meetings/events held in Training Center.

4. Meadowbrook Commons, 25075 Meadowbrook Rd, Novi, MI 48375  
Machine services approximately 14 employees and 115 residents.

##### **Alternate #1:**

Fire Station #1, 42975 Grand River, Novi, MI 48375

Machine services approximately 10 employees per day (sometimes up to 30 people).

#### **CONTENTS**

The City reserves the right to choose contents of the machines, which could include items such as oatmeal, pastries, cookies, chips, pretzels, crackers, nuts, granola bars, packages of soup, entrees, salad kits, as well as gum, candy & mints. We are requesting

#### **MAINTENANCE**

The vendor will maintain, service and keep the installed vending machines in good working order at all times. The vendor assumes responsibility for the mechanical

operation & cleaning of the machines. The City will notify the vendor of any failure of the machines to work properly.

Vendor will provide a fund of \$10 for each machine to be used for refunds. The vendor shall replenish the fund within 24-48 hours of initial contact by a City employee regarding depletion.

### **ESTIMATED SALES**

<b>Location</b>	<b>Estimated Sales</b>
City Hall (Parks, Recreation & Forestry and Staff Lunchroom)	\$120 per month
Police Department	\$100 per month
Meadowbrook Commons	\$20 per month
Fire Station #1	No figures available. This would be a new location

### **ASSIGNMENT**

The vendor will not sublet, assign or transfer any portion of the contract without the prior written consent of the City.

### **ACCOUNTING**

The vendor shall keep a true and accurate account of all monies received through the operation of the service.

The vendor must be able to provide a means to audit each machine's collection to ensure accurate sales & commissions are being reported. The City reserves the right to request an audit whenever they deem appropriate.

Submission of a commission check shall include a statement of consolidated consumption and commission. This statement should include sales quantities for each product group, gross revenue and commission earned for each location.

### **TITLE OF MACHINES**

The machines installed will remain the property of the vendor. The City will permit only authorized agents of the vendor to remove, open, or tamper with the machines at any time.

The City shall not be responsible for damage to any of the Vendor's merchandise, fixtures and/or equipment, including damage caused by but not limited to fire, theft, accident or other cause.

## **PROPOSAL FORMAT**

**Please submit the required number of copies of your proposal as required.  
Include the following information in the order shown below:**

1. Completed signature sheet , proposal form, and references (pages 16 - 18 of this bid package)
2. Provide a list of all products proposed for machine distribution. Include proposed prices & product sizes. Be sure to include all items specified above. Please include some healthy food choices.
3. Specify exact type of equipment being offered, including make, model, age and whether new or used.



**CITY OF NOVI, MICHIGAN  
PURCHASING DEPARTMENT**  
45175 W. TEN MILE RD.  
NOVI, MI 48375  
(248) 347-0446

**SNACK VENDING MACHINE SERVICES  
SIGNATURE SHEET**

Bid submitted by:

Name (printed) David P. Fella Title: Sales Manager

Company (Legal Registration) Don's Vending Service, Inc.

Address 30880 Industrial Road

City Livonia State MI Zip 48150

Telephone 800-982-8090 Fax 734-524-5106

E-mail dfella@arounddetroit.biz

Signature David P. Fella Date 5-7-08

For information on responding to this bid, contact Sue Morianti – Purchasing Manager, at [smorianti@cityofnovi.org](mailto:smorianti@cityofnovi.org)

Submittal of Bids: Bids must be delivered prior to the due date and time specified above to the City of Novi, Purchasing Department, 2<sup>nd</sup> floor, 45175 W. Ten Mile Rd., Novi, Michigan 48375. Bids must be submitted by person or mail. Faxed quotations will not be accepted.

**THE BID ENVELOPE MUST BE IDENTIFIED WITH THE FULL BID NAME AND DUE DATE.**

**THIS PAGE IS PAGE ONE OF THE PROPOSAL FORM. FAILURE TO SUBMIT PRICING ON THE PROPOSAL FORM PROVIDED BY THE CITY OF NOVI MAY CAUSE THE BID TO BE CONSIDERED NON-RESPONSIVE AND INELIGIBLE FOR AWARD.**

**NOTICE TO BIDDERS:**

The City of Novi officially distributes bid documents through the Michigan Intergovernmental Trade Network (MITN). **Copies of bid documents obtained from any other source are not considered official copies.** The City of Novi cannot guarantee the accuracy of any information not obtained from the MITN website and is not responsible for any errors contained by any information received from alternate sources. Only those vendors who obtain bid documents from the MITN system are guaranteed access to receive addendum information, if such information is issued.

If you obtained this document from a source other than the source indicated, it is recommended that you register on the MITN site, [www.govbids.com](http://www.govbids.com), and obtain an official copy.



**CITY OF NOVI  
SNACK VENDING SERVICES**

**PROPOSAL FORM**

We the undersigned as bidder, propose to furnish to the City of Novi, according to the conditions and instructions attached hereto and made a part thereof according to the attached terms and conditions.

We acknowledge receipt of the following Addendums: \_\_\_\_\_

- |  |                |    |
|--|----------------|----|
| 1. Percentage of gross revenue offered             | <u>18%</u>     |    |
| 2. Frequency of payment to the City                | <u>Monthly</u> |    |
| 3. Proposed delivery schedule                      | <u>6 Days</u>  |    |
| 4. Is price list for all proposed snacks attached? | <u>Yes</u>     | No |
| 5. Acknowledge refund policy in specifications?    | <u>Yes</u>     | No |
| 6. Machine information attached?                   | <u>Yes</u>     | No |

Comments \_\_\_\_\_  
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**CITY OF NOVI  
SNACK VENDING SERVICES BID TAB  
MAY 8, 2008**

	<b>Don's Vending</b>	<b>Phoenix Vending</b>
% of Gross Revenue	18%	4%
Frequency of Payments	Monthly	Monthly
Proposed Delivery Schedule	6 days	every 2 weeks or as needed
<b>Products:</b>		
Gum/Mints	0.60	
Chips- Reg.	0.60	.50 (1 oz bag)
Chips- Large	0.85	
Candy	0.80	0.75
Cookies	0.80	.65 (2 oz pack)
Pastry	0.90	