



ADDENDUM #1
INFORMAL REQUEST FOR PROPOSALS
No. 2015-FAC-002

Effective: November 12, 2014

Project: Vending Services

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This addendum contains all of the questions submitted by Offerors and the answers thereto by the City for the above referenced project. Questions are not necessarily in the order submitted.

Q-1: What is the internal size of the cages, and what locations have cages?

A: Internal Dimensions are: 48" wide x 41" deep x 84" tall and only Skate Park and Waterpark have cages. However, going forward these cages may or may not be used based on the selected bidder's preference.

Q-2: Do machines have to be on site when a facility is closed (out of season)?

A: Currently the machines are on location throughout the year; however this is an option to be discussed further with the selected bidder.

Q-3: Being that the contract begins when some facilities are closed-out-of-season, do the machines need to be on site at those locations within the 15 day period? (This would greatly help the logistics of the set up process tremendously if we can focus on the sites that need the machines immediately).

A: The schedule can be adjusted to accommodate the schedule of the selected bidder to ensure machines are placed at occupied facilities first.

Q-4: Is there a more detailed 2 year history report available?

A: This is was the report provided by the incumbent vendor to the City for use in this solicitation.

Q-5: The 2 year history report that was provided - is that the gross revenue? Or the revenue AFTER commissions were paid to the city? If so, what was the commission %?

A: The report requested by the City was to show Gross Sales. See Question #6 for commission % break out.

Q-6: What is the commission % currently offered to the city by the incumbent?

A: Currently the City only receives commission on three locations: Water Park, Skate Park and Activity Center.

1. Water Park Commission Breakout: 25% on Soda Machines
2. Activity Center Breakout: 13% on Snack Machine
25% on Left Soda
10% on Middle Soda
25% on Right Soda
3. Skate Park Breakout: 10% on Soda Machines

Q-7: How many other facilities are for seen to need vending services that was not included in the RFP?

A: Currently no other facilities are planned to receive vending services that not already listed in the solicitation. However, as construction & renovations projects are completed in the City additional vending opportunities may occur during the term of the contract.

Q-8: What was the commission paid to Gaithersburg in the previous contract?

A: Please see question #6.

Q-9: What is the process or ability to raise prices of merchandise to counter industry increases and operation costs?

A: Prices for all commodities are fixed for the first one hundred eighty (180) days based on the bidder's proposal. After that the prices can increase if necessary to cover industry price increases or operational cost. If this need occurs a meeting between the vendor and the Contract Administrator would take place to discuss the details as to when, why, how much, and duration of the product increase would be as long as it does not exceed the prices identified in Section 6.8 of the solicitation.

Q-10: According to the RFP, the installment date is 15 calendar days following the contract award. Since the contract award falls before the holidays, what is the maximum allowable time for machines to be installed after contract award?

A: See Question #2 & #3 above.

Q-11: Would it be allowable to submit commission and reports 30 days after the end of the monthly cycle?

A: The City wishes to stick to the requirements as stipulated within the solicitation; however this issue could be revisited once the contract is awarded.

Q-12: Due to the historical decrease in sales when offering more “healthy” vending items, would the city consider a minimum of 30% of items meet “Fit Pick” requirements?

A: The City wishes to stick to the requirements as stipulated within the solicitation; however this issue could be revisited once the contract is awarded and after the promotional taste tests are conducted.

Q-13: Section 8.1 Part A “Describe the Offeror’s legal experience and experience with other government clients and boards of appeals.” Are you asking for legal and government references? Please clarify.

A: Section 8.1 A. II 1. Sub-bullet #3 should read: “Describe the Offeror’s experience with other government and municipal clients.”

Q-14: As far as termination, why would the vendor not have the right to terminate for convenience as well?

A: The City is not offering a termination of convenience right to Offeror’s under the contract.

Q-15: What was the tracking/reporting method the previous company was required to submit? Are all monthly sales accurate on the revenue sheet?

A: The current vendor was to provide only the amount of gross sales per quarter across the City and the amount of the pending commission check. From what we know the sales as provided on the 2-year Gross Sales Report attached to the solicitation is correct.

Q-16: Would tier pricing be permissible?

A: The City would consider this pricing methodology, however if an Offeror decides to offer tiered pricing it needs to be explained in detail in their proposal. No service fees for the installation of the required equipment for vending machines to offer this service shall be passed onto the City. The higher price for credit/debit cannot be positioned as an additional/convenience fee to the consumer. The Offeror must include in their technical proposal how the vending machines will clearly communicate to the consumer that there are two (2) vend prices prior to their product selection. The credit/debit vend price is one price and the cash/coin price is the lower or “discounted” vend price. The City will not accept a discount price of more than \$.25 cents for a cash/coin transaction, however based on industry research the average discount is only \$.10 cents.

Q-17: What were the results of the previous surveys submitted by the current vendor for recommendations on product offerings?

A: The City does not have any formal survey findings from the current vendor on product offerings.

Q-18: Can previous monthly reports submitted by current vendor be made public so that popular and non-popular items that have been selling can be made public to awarded vendor?

A: The structure of the reports that the incumbent provides to the City are neither on the monthly basis or shows a product-by-product dispense from all machines so no further information can be provided to perspective bidders.