

AWARD OF BIDS (cont.)

RFP #6385 SUMMARY: COLD BEVERAGE PRODUCTS AND VENDING MACHINE SERVICES

Background

Cleveland Metroparks solicited proposals from qualified proposers interested in providing exclusive cold beverage products, cold beverage/vending services, and cold beverage vending machines. Cleveland Metroparks sought proposers with considerable experience in providing this type of product and service. Cleveland Metroparks seeks to enter into a consecutive five and a half (5 ½) year contract with a potential three (3) year renewal. The renewal term is subject to formal negotiation between the parties and will be granted in Cleveland Metroparks sole discretion.

“Cold beverage” means any non-alcoholic carbonated and non-carbonated cold beverage in a bottle, can, box, or post-drink mix from a fountain drink dispenser including soft drinks, isotonic beverages, teas, energy drinks, waters, enhanced waters, high-end specialty drinks, milks, dairy drinks, and juices. If the successful proposer is unable to provide a particular product to meet consumer demand, Cleveland Metroparks reserves the right to provide a product from another vendor other than the proposer.

“Equipment” means the following types of equipment owned and operated by the proposer and used to sell or dispense beverages including, but not limited to, full service vending machines, beverage coolers, and fountain service equipment.

Proposals Received in Response to RFP#6385:

Cleveland Metroparks received proposals from two (2) internationally recognized cold beverage suppliers: 1) ABARTA Coca-Cola Beverages and 2) PepsiCo Foodservice. The following two vendor proposals each met the required RFP criteria.

The proposals are summarized as follows:

	<u>ABARTA</u>	<u>PepsiCo</u>
<i>Financial Support</i>	Corporate Sponsorship: \$120,000 Marketing Support: \$5,000	Corporate Sponsorship: \$150,000 Marketing/Potential Incentives: \$15,000 - \$75,000
<i>Proposal summary</i>	<ul style="list-style-type: none"> • Service response time: no commitment • Sustainability commitment aligns with Cleveland Metroparks mission • Financial support depends on minimum volume purchased for the term of the contract • In-store promotions with retail partners • Truck wrap marketing support • All new equipment • 4% increase on product annually • All Point of Sale needs • Willingness to allow Cleveland Metroparks Zoo to explore alternative water products for guests • Competitive beverage and product supply pricing • Sponsorship based on minimum purchased volume. For example: if we miss volume by 10%, sponsorship reduced by 10% 	<ul style="list-style-type: none"> • Service response time: 4-24 hours • Sustainability commitment aligns with Cleveland Metroparks mission • Purchasing incentives to support our future growth based on annual purchasing volume • Utilization of existing market resources to promote Cleveland Metroparks • All new equipment • Better yield on fountain beverage product (5.0:1) • 4% increase on product annually • All Point of Sale needs • Willingness to allow Cleveland Metroparks Zoo to explore alternative water products for guests • Competitive beverage and product supply pricing
<i>Total Services</i>	\$125,000	\$150,000 - \$225,000

AWARD OF BIDS (cont.)**Evaluation of Proposal**

To provide Cleveland Metroparks with cold beverage and vending services throughout the Park District, Cleveland Metroparks issued RFP #6385 to seek proposals for a ***five and one half year (5 ½) contract term***. In reviewing the submitted proposals, Cleveland Metroparks staff considered the following criteria:

- Equipment and Variety:
 - Variety of product selection with focus on healthy options, sustainability, and service quality;
 - New, state of the art, innovative equipment selections; and
 - Proposal shall include a detailed description and specifications of proposed equipment, along with a schedule for machine maintenance.
- Marketing value:
 - Clear outline of the marketing support Proposer will provide to Cleveland Metroparks supporting Cleveland Metroparks' marketing efforts and enhance its brand exposure in Northeast Ohio.
- Corporate Sponsorship value
- Product Cost:
 - Proposal shall provide a detailed proposed product list with product pricing by size
- Historical Experience:
 - Relevant projects of a similar nature, in particular cost and scope, and projects completed in Park Districts or for other government entities. Include:
 - A description of the project and the products and services your company provided for the project, including key staff and roles;
 - Start and completion dates for each project, along with corporate sponsorship value;
 - Name, title and telephone number of the client contact most familiar with your services on the project; and
 - History of collaboration between the Park District/Government Entity and your company.

Based on the above criteria, staff recommends PepsiCo Foodservice as the vendor of choice for the Cold Beverage Products and Vending Machine Services contract for the following reasons:

- Higher Corporate Sponsorship value;
- Higher marketing support promoting our brand to Northeast Ohio;
- A commitment to specific and responsive service maintenance standards which is critically important in Cleveland Metroparks fulfilling its core value of "guest focus";
- Purchasing incentives to support our future growth; and
- Agreement to not possess exclusivity over water sales and willingness to allow Cleveland Metroparks Zoo to explore alternative and more sustainable water solutions for guests which is critically important in Cleveland Metroparks fulfilling its core value of "sustainability."

AWARD OF BIDS (cont.)

RECOMMENDED ACTION:

That the Board authorize the Chief Executive Officer to enter into an agreement, in a form approved by the Chief Legal & Ethics Officer, between Cleveland Metroparks and PepsiCo Foodservice for its best proposal, as summarized above and maintained in the proposal file for RFP #6385, for the Cold Beverages Products and Vending Machine Services for a five and one half year (5 ½) contract term beginning on or about July 1, 2019 through on or about December 31, 2024, with an option to renew for three (3) additional years in Cleveland Metroparks sole discretion.

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