

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Parks and Recreation and other City Departments

AGENDA DATE: September 15, 2009

CONTACT PERSON/PHONE: Terrence Freiburg X4313

DISTRICT(S) AFFECTED: All

SUBJECT:

That the City Manager be authorized to sign a Contract between the City of El Paso and Pepsi Bottling Group located in El Paso, TX. Contract # 2009-108 Soft Drink Vending Machine Services for Parks and Recreation and other City Departments. This is a 36 month contract with the option to exercise two additional years.

BACKGROUND / DISCUSSION:

Pepsi Bottling Group offered the better total monetary considerations. This is a revenue generating contract expected to produce about \$65,150 annually in vending machine revenue. Vendor will provide a variety of carbonated soft drinks, water, sports and juice drinks in the machines at various locations. This contract can be utilized by other departments.

PRIOR COUNCIL ACTION:

A contract for Soft Drink Vending Machine Services was awarded to Pepsi Bottling Group in 2006.

AMOUNT AND SOURCE OF FUNDING:

This is a revenue contract. Revenues for the Parks Department will be deposited into 51010362/01101/51000/405069.

BOARD / COMMISSION ACTION:

Enter appropriate comments or N/A

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____

FINANCE: (if required) _____

DEPARTMENT HEAD: _____

(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA: _____

CITY MANAGER: _____

DATE: _____

PROJECT FORM

DATE: September 10, 2009

PROJECT: Soft Drink Vending Machine Services
BID NO: 2009-108 DEPARTMENT: Parks & Recreation
BUDGET NO: Revenue Generating
FUNDING SOURCE: Revenue Generating
REPRESENTATIVE DISTRICT(S): All

RECOMMENDATION: VENDOR: Pepsi Bottling Group
El Paso, Texas
ITEM(s): Group I, Item #1, #2, #3, #4, & #5
Group II Item #1
Group III, Item #1
AMOUNT: \$65,150 (estimate revenue annually)

Financial Services, Purchasing Division and Parks and Recreation recommend award as indicated to the vendor with the best total monetary offer meeting specifications, from responsible parties.

Vendor offers the City the option to extend the term of the contract for two (2) additional years if the option is exercised prior to the expiration of the original term of the contract.

This is a Revenue Generating Type Contract with an initial term of Thirty-Six (36) months.

BIDS SOLICITED- 12 (11 local)
BIDS RECEIVED- 02
"NO BID" RECEIVED 00

CURRENT TAXED PAID-
OUT-OF-TOWN- xx

TOTAL ESTIMATED REVENUE RECOMMENDED: \$176,450.00

COUNCIL APPROVED _____ REJECTED _____ CITY CLERK _____

APPROVED:

COUNCIL MEETING DATE: SEPTEMBER 15, 2009

Terrence Freiburg
Purchasing Manager

CITY OF EL PASO BID TABULATION

BID ITEM: SOFT DRINK VENDING MACHINE SERVICES

BID DATE: MAY 20, 2009

BID # 2009-108

DEPARTMENT: PARKS AND RECREATION

			MAGNOLIA COCA-COLA BOTTLING COMPANY EL PASO, TX			PEPSI BOTTLING GROUP EL PASO, TX			DEPARTMENT: PARKS AND RECREATION		
GROUP I - PRODUCTS											
ITEM NO.	EST. QTY.	ITEM DESCRIPTION	VENDING PRICE	% PAID TO CITY FROM VENDING REVENUE	ANNUAL ESTIMATED INCOME	VENDING PRICE	% PAID TO CITY FROM VENDING REVENUE	ANNUAL ESTIMATED INCOME			
1.	2,250 CASES	12 OZ/24 CNS (CARBONATED SOFT DRINKS)	\$.75	25%	\$9,290.00	\$.75	30%	\$12,150.00			
2.	2,250 CASES	12 OZ/24 PLASTIC BOTTLES (CARBONATED SOFT DRINKS)	\$1.25	25%	\$15,483.00	\$1.25	30%	\$20,250.00			
3.	750 CASES	20 OZ/24 PLASTIC BOTTLES (WATER)	\$1.25	25%	\$5,160.00	\$1.25	30%	\$6,750.00			
4.	750 CASES	20 OZ/24 PLASTIC BOTTLES (SPORTS DRINKS)	\$1.25	15%	\$3,096.00	\$1.50	30%	\$8,100.00			
5.	500 CASES	20 OZ/24 PLASTIC BOTTLES (JUICE DRINKS)				\$1.50	30%	\$5,400.00			
			(15.2 OZ PLASTIC BOTTLE-JUICE)								
			\$1.50	15%	\$2,477.00						
			(WE WILL MAINTAIN VEND RATE PRICING FOR 3 YRS. - RESERVE RIGHT TO INCREASE YEARS 4 & 5 - IF DEEMED NECESSARY.)								

APPROVED BY:

Denise Buzby

DATE:

5/28/09

2009-108 SOFT DRINK VENDING MACHINE SERVICES - PARKS AND RECREATION DEPARTMENT

CITY OF EL PASO BID TABULATION

BID ITEM: SOFT DRINK VENDING MACHINE SERVICES

BID # 2009-108

BID DATE: MAY 20, 2009

DEPARTMENT: PARKS AND RECREATION

		MAGNOLIA COCA-COLA BOTTLING COMPANY EL PASO, TX		PEPSI BOTTLING GROUP EL PASO, TX			
GROUP II: VENDING MACHINES							
ITEM NO.	ITEM DESCRIPTION	MINIMUM ANNUAL GUARANTEE TO THE CITY OF EL PASO	TOTAL	MINIMUM ANNUAL GUARANTEE TO THE CITY OF EL PASO	TOTAL		
1.	ANNUAL SUM FOR EXCLUSIVE USE OF CONTRACTOR'S DISPENSERS (VENDING MACHINES) AND PRODUCTS (SEE GROUP I)	NONE STATED (PER MACHINE)	NONE STATED	(YEAR 1 UPFRONT) \$166.66 (75 UNITS) (PER MACHINE)	\$12,500.00		
GROUP III: SUPPORT ACTIVITIES							
ITEM NO.	MINIMUM ANNUAL GUARANTEE TO THE CITY OF EL PASO						
1.	SUPPORT FOR PARKS AND RECREATION PROGRAMS INCLUDING OUTREACH, SPECIAL PROMOTIONS, SENIOR GAMES AND OTHER SPECIAL EVENTS.	END OF YEAR 1 - \$15,000 END OF YEAR 2 - \$5,000 END OF YEAR 3 - \$5,000 END OF YEAR 4 - \$5,000 END OF YEAR 5 - \$5,000		(YEAR 2 & 3) \$3,000.00 PER YEAR \$6,000.00 TOTAL			
FIRST YEAR ESTIMATED REVENUE		\$50,506.00		\$65,150.00			
THREE YEAR ESTIMATED REVENUE		\$131,518.00		\$176,450.00			

APPROVED BY: JB

DATE: 9/9/09

CITY OF EL PASO BID TABULATION

BID ITEM: SOFT DRINK VENDING MACHINE SERVICES

BID DATE: MAY 20, 2009

BID # 2009-108

DEPARTMENT: PARKS AND RECREATION

	MAGNOLIA COCA-COLA BOTTLING COMPANY EL PASO, TX	PEPSI BOTTLING GROUP EL PASO, TX	
O P T I O N	VENDOR AGREES TO ALLOW OTHER CITY DEPARTMENTS TO ACQUIRE ADDITIONAL VENDING MACHINES/LOCATIONS IN A QUANTITY ESTIMATED AT <u>50</u> PER YEAR, BUT NOT TO EXCEED THE SAME TERMS AND CONDITIONS IN THIS BID.	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
THE CITY AT ITS SOLE DISCRETION, MAY EXERCISE ANY OPTION TO EXTEND THE TERM OF THE AGREEMENT, BY GIVING THE CONTRACTOR WRITTEN NOTICE WITHIN THE TIME PERIOD NOTED ON THE SELECTED OPTIONS. BIDDER OFFERS THE CITY THE OPTION OF EXTENDING THE TERM OF THE CONTRACT FOR: ONE (1) ADDITIONAL YEAR AT THE SAME UNIT PRICE(S), IF THE OPTION IS EXERCISED PRIOR TO THE EXPIRATION OF THE ORIGINAL TERM OF THE CONTRACT.		<input type="checkbox"/>	<input type="checkbox"/>
TWO (2) ADDITIONAL YEARS AT THE SAME UNIT PRICE(S), IF THE OPTION IS EXERCISED PRIOR TO THE EXPIRATION OF THE ORIGINAL TERM OF THE CONTRACT.		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
NO OPTION OFFERED.		<input type="checkbox"/>	<input type="checkbox"/>
PAYMENT TERMS		NONE STATED	NET - 30 DAYS
BIDDER AGREES TO ACCEPT PAYMENT BY PROCUREMENT CARD.		YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
BIDS SOLICITED: 12		BIDS RECEIVED: 2	BIDS LOCAL: 11
			NO BIDS: 0

APPROVED BY: DB

DATE: 9/10/09

2009-108 SOFT DRINK VENDING MACHINE SERVICES - PARKS AND RECREATION DEPARTMENT

ESTIMATED REVENUE

	Coca Cola	Total	Pepsi	Total
Group I	Year I	3 yrs	Year 1	3 yrs
1	\$9,290.00	\$27,870.00	\$12,150.00	\$36,450.00
2	\$15,483.00	\$46,449.00	\$20,250.00	\$60,750.00
3	\$5,160.00	\$15,480.00	\$6,750.00	\$20,250.00
4	\$3,096.00	\$9,288.00	\$8,100.00	\$24,300.00
5	\$2,477.00	\$7,431.00	\$5,400.00	\$16,200.00
Group II	No bid		\$12,500.00	\$12,500.00
Group III				
Year I	\$15,000.00	\$15,000.00		
Year 2		\$5,000.00		\$3,000.00
Year 3		\$5,000.00		\$3,000.00
	\$50,506.00	\$131,518.00	\$65,150.00	\$176,450.00

* 1st year only

MAGNOLIA COCA COLA
BOTTLING CO.
11001 GATEWAY WEST
EL PASO, TX 79926

WESTERN BEVERAGES
6590 MONTANA AVENUE
EL PASO, TX 79925

VENDING MACHINES
1507 JAMES WATT DRIVE SUITE#7
EL PASO, TX 79936

EL PASO SNAX CO
1101 KESSLER STREET
EL PASO, TX 79936

AVS FOOD SERVICES
10816 NOTUS LANE
EL PASO, TX 79935

FRITO LAY INC.
7170 INDUSTRIAL
EL PASO, TX 79915

PEPSI COLA BOTTLING
COMPANY OF EL PASO
0841 PELLICANO DRIVE
EL PASO, TX 79935

KALIL BOTTLING CO
7328 BOEING DRIVE
EL PASO, TX 79925

B & H WHOLESALE
3706 MATTOX STREET
EL PASO, TX 79925

~~ALAMEDA BEVERAGE DEPOT~~
~~716 ALAMEDA~~
~~EL PASO, TX 79905~~ *UTF*

FLOWER FOODS SPECIALITY GROUP
5087 SOUTH ROYAL ATLANTA DRIVE
TUCKER, GA 30084

MARY SNACK
ATTN: MARIA RIOS
11796 HENRY PHIPPS
EL PASO, TEXAS 79936