



## Interoffice Memorandum

February 14, 2017

TO: Mayor Teresa Jacobs  
and the Board of County Commissioners

FROM: *CM* Carrie Woodell, Manager, Procurement Division

CONTACT: Lee Isbell, Senior Monitoring and Evaluation Coordinator, Fiscal and  
Operational Support Division  
407-836-0208

SUBJECT: Award of Invitation for Bids Y17-159-MV, Vending Machines at  
Corrections Department

### ACTION REQUESTED:

Approval to award Invitation for Bids Y17-159-MV, Vending Machines at Corrections Department, to the low responsive and responsible bidder, Aramark Correctional Services, LLC for a 3-year term. Further request authorization for the Procurement Division to renew the contract for two additional 1-year terms. This is a revenue generating contract. The gross revenue estimate is \$200,000 annually with 15% payable to the County on commissionable machines.

### PROCUREMENT:

To provide beverage and snacks for purchase by the general public, inmates and County employees. The services include a combination of commissionable and non-commissionable machines.

### FUNDING:

This is a revenue generating contract; funds will be deposited into accounting lines 0001-081-3801-4195 and 1660-081-3830-4195.

### APPROVALS:

The Corrections Department and Business Development Division concur with this recommendation.

### REMARKS:

Two bids were received in response to Invitation for Bids Y17-159-MV, and were evaluated for responsiveness, responsibility and price. Contract award is recommended, on a revenue percentage basis, to the responsive and responsible bidder offering the highest percentage of revenue to the County, Aramark Correctional Services, LLC in accordance with the terms and conditions of the solicitation.

Y17-159-MV Vending Machines at Corrections Department

Compass Group USA, Inc. by and through its Canteen Vending Services Division was deemed non-responsive for modifying the terms and conditions of the Invitation for Bids.

Challenges:

It is important that our staff maintain ready access to snacks and beverages while working in the Corrections Department's 24/7 environment. Staff and inmate safety, custody, control and security create the need for very stable, routine and consistent vending services. There are many secure buildings, elevators, multiple floors and other logistical challenges involved in moving around with large carts and supplies within the corrections facilities. The vendor must maintain site dedicated staff to stock and service machines. The staff must be knowledgeable of the security procedures, facility machine locations and parking arrangements. Because vending staff must access secure areas, a comprehensive background check is required for each staff assigned to service the facilities. Vehicles must be security checked each time they enter the corrections compound. Machines and equipment must be moved in and out when they break or the contract ends.

The Corrections Department set the snack and beverage prices at reasonable rates for staff and the term of the contract based upon the vendors upfront costs involved with providing newer equipment. This was important to help the vendor recognize a fair return on their upfront capital investment. The contract allows the vendor an opportunity to recuperate some of the upfront capital equipment investment. An added benefit to newer equipment is the reduction in machine downtime and maintenance and higher energy efficiency due to more advanced technology.

To ensure an open and competitive bid process, the Invitation for Bids was posted on the Orange County website. In addition, e-mail notification was sent out to 12 firms who are in the vending machine business.

Queries from staff to potential bidders who declined to bid resulted in the following findings:

- a. Southeast Break Room Solutions – Internal transition would not allow the company to meet requirements at this time.
- b. Quick Snacks Vending – Unable to bid due to family emergency.
- c. The Vending Station – Set prices for drinks and snacks were too low and commission required will keep the business from making a profit.
- d. Healthier 4U Vending - Unavailable affiliates in the local area.

Y17-159-MV Vending Machines at Corrections Department

Recommendation for award is therefore made to Aramark Correctional Services, LLC.

The bid tabulation is as follows:

<u>Company Name</u>	<u>Percentage Payable to the County</u>
Aramark Correctional Services, LLC	15%
Compass Group USA, Inc. by and through its Canteen Vending Services Division	Non-Responsive



Interoffice Memorandum

**BUSINESS DEVELOPMENT DIVISION**

February 2, 2017

TO: Melisa Vergara, Senior Purchasing Agent  
Procurement Division

FROM: Kesi Warren, Senior Contract Administrator  
Business Development Division

SUBJECT: Business Development Division Bid Evaluation

PROJECT: IFB #Y17-159-MV, Vending Machines at Corrections Department

The Business Development Division evaluated the **1 bid** submitted for this project and found that the **1 bidder is not an** Orange County Certified Minority Women Business Enterprises. Hence, the bid preference program in accordance with the County's M/WBE Ordinance, Section 17-324 can not be applied.

c: Sheena Ferguson, Manager, Business Development Division