

## Request for Proposal

For Beverage Services at the Campus of Schenectady County Community College

### Table of Contents:

	Page Number
Introduction	2
General Information	2
Beverage Services Scope of Required Services	
A. Overview	6
B. Personnel	7
C. Pricing	8
D. Product Standards	8
E. Sanitation Standards	8
F. Contractor and Association Responsibilities	9
G. Records and Reports	10
Required Insurance and Indemnification	
A. Insurance	10
B. Indemnification	11
Exhibits	
A. Enrollment	
B. Equipment by Location	
Proposal Form	

## INTRODUCTION

The Faculty Student Association of Schenectady County Community College, Inc., a not-for-profit corporation (hereafter referred to as “the Association”), is soliciting proposals from qualified vending companies for the purpose of selecting a Beverage Contractor hereafter referred to as “the Contractor”) interested in providing Beverage Services on the campus of Schenectady County Community College (hereafter referred to as “the College”).

Schenectady County Community College serves approximately 5,200 students each semester. Schenectady County Community College offers more than 45 degree and certificate programs through its five schools: Hotel Culinary Arts and Tourism; Business, Criminal Justice and Law; Music; Math, Science and Technology; and Liberal Arts and Sciences.

## GENERAL INFORMATION AND PROPOSAL REQUIREMENTS

- A. The Association through contract with Schenectady County Community College is authorized to provide Beverage Services through vending and food service operations on the campus and at specified off campus sites. The Executive Director of the Association administers the Beverage Services program at Schenectady County Community College. The Contractor shall be required to meet regularly with the Executive Director or his/her representative to discuss the performance of the Beverage Services operation.

Beverage Services are defined as pouring rights on the campus of Schenectady County Community College and the sale of beverages at retail and through vending machines. Excluded from the definition of Beverage Services are pouring rights and all beverage services connected with the Culinary Arts Program unless specifically negotiated. Beverages are defined as any carbonated or non-carbonated soft drink, juice, flavored or unflavored tea dispensed through fountain beverage machines and bottled carbonated and non-carbonated soft drink, juice, flavored or unflavored tea and flavored or unflavored water. Excluded from the definition of beverages is any hot beverage including flavored or unflavored coffee, tea, hot chocolate, and all milk and milk products including, yogurt drinks, smoothies, soy milk, almond, rice milk, vegetable milk and the like, beer, wine, wine coolers and any other alcoholic beverage.

Pouring rights are defined as the exclusive sale of fountain beverages throughout the campus and at specified off campus sites. Excluded beverages are as defined above.

Vending rights are defined as the exclusive sale of beverages through vending machines on campus and at specified off campus sites. Excluded beverages are as defined above.

Retail sales are defined as sales of bottled beverages on campus and at specified off campus sites, including cafeteria, college store, café, convenience store, and catering. Excluded beverages are as defined above. Contractors are asked to specify commission rates for both exclusive and non-exclusive retail sales.

Presently, there are a total of 8 beverage vending machines located throughout the campus, and at the Center City site located on State Street. Additional campus satellites

added subsequent to this proposal request shall be negotiated separately at the discretion of the Association. There is a total of one fountain beverage dispenser located in the Campus Center cafeteria. There are a total of six coolers for bottle product sales located in the Campus Center cafeteria (two), College Store (two), and Convenience store (two).

- B. The Association is seeking a Contractor who possesses the following characteristics:
- A high degree of commitment to the Association and the campus community at Schenectady County Community College - the Contractor must provide highest quality products in Beverage Services and be able to assess customer satisfaction and develop programs that meet customer demand. Inherent in the development of a quality program is the Contractor's commitment to customer service as evidenced by the timely attention to product delivery and vending machine servicing.
  - An understanding of its accountability to the Association – the chosen Contractor must understand that it will be held accountable to the Association for the successful operation of Beverage Services. This includes financial accountability and the timely reporting of sales and payment of commissions, as well as operational accountability as it relates to customer satisfaction and cleanliness of vending areas and machines.
- C. By contracting for Beverage Services, the Association is seeking a Contractor who will accomplish the following objectives:
- Improve and enhance the quality of the Beverage Services operations and provide the highest level of customer satisfaction.
  - Increase the financial contribution to the Association by developing beverage sales.
  - Develop marketing strategies for Beverage Services.
  - Develop strategies to assess customer satisfaction and communicate the results of implemented strategies to the Association.
- D. The Association is seeking a Contractor who has demonstrated expertise in providing a full range of Beverage Services in a higher education or corporate environment for at least the past ten (10) years. Expertise may be evidenced by identifying clients of similar size and complexity as Schenectady County Community College. Additionally, firms responding to this RFP must be able to demonstrate financial stability, social responsibility, and a commitment to environmental sustainability.
- E. Prior to the submission of a proposal, a Contractor shall be responsible for examining all cafeteria and vending locations at Schenectady County Community College and satisfying itself as to the conditions under which it shall be obligated to operate. No allowances shall be made subsequently in this connection on behalf of the Contractor for any error or negligence on its part. A tour of the campus and an information session will be scheduled prior to the proposal due date.
- F. The Association will consider several factors when evaluating proposals received. These factors include but may not be limited to the following:

- The Contractor's ability to meet the specified required qualifications.
- The Contractor's plan to meet the stated objectives.
- The Contractor's financial proposal.
- The Contractor's ability to meet its financial obligations.
- The Contractor's references from other organizations of size and complexity similar to the Beverage Services operation at Schenectady County Community College.
- Any other relevant factors that demonstrate the Contractor's ability and commitment to satisfy the needs of the Beverage Services program at Schenectady County Community College.

The Association reserves the right to award this proposal based on overall advantages to the Association. Consideration will be given to the proposal providing the greatest financial return to the Association while providing the best comprehensive service that meets the requirements as specified herein. Past performance, trade reputation and technical ability will also be considered in the awarding of this proposal. The Association reserves the right to reject any and all proposals and to waive any formalities in a proposal.

- G. A contractor who wishes to respond to this RFP may do so by submitting six (6) copies of the written proposal to Donna Tessitore, Executive Director, Faculty Student Association of Schenectady County Community College, Inc., 78 Washington Avenue, Schenectady, NY 12305. All proposals must be received in the executive director's office no later than 9:00 a.m. and will be opened at 9:30 a.m. on Friday April 10, 2015.**

**An information session will be held in the Elston Hall main dining facility Friday March 27, 2015 at 9:00 am. A tour of campus vending and beverage areas will immediately follow. Please RSVP to Donna Tessitore at (518) 381-1281 or at [tessitdl@sunysccc.edu](mailto:tessitdl@sunysccc.edu) if you plan to attend.**

- H. Each Contractor shall be required to include the following information in the proposal relative to the Beverage Services program at Schenectady County Community College:**
- A statement acknowledging the Contractor's understanding of the scope of services to be provided and the objectives to be met and a description of the Contractor's prior experience in providing Beverage Services of the nature requested by the Association.
  - A corporate organization chart that identifies the regional vice-president and all regional personnel who will be assigned to this account.
  - A reference list with a minimum of three accounts of similar size and complexity. The list should be complete and include the contact name and title, address and phone number, length of contract and type of contract (i.e., educational, corporate, etc.), and yearly sales volume. The Association shall verify references through telephone interviews and site visits. The Association shall make arrangements for site visits with full knowledge of the Contractor.

- A list of clients whose contracts have been terminated within the last three years. Include contact name, phone number and reason for termination.
- Information attesting to the Contractor's financial stability and its ability to meet its financial obligations.
- A statement that addresses corporate social responsibility and environmental sustainability.
- A product list with vending prices and retail product cost to the Association's food service provider and bookstore for the length of the contract.
- A commission rate offered to the Association and/or a guaranteed minimum to be received for beverage vending sales.
- A commission rate offered to the Association and/or a guaranteed minimum to be received for non-vended retail sales (in the cafeterias, catering, and bookstore).
- Pouring rights sponsorship funding amount.
- Marketing fund amount to support campus events including but not limited to student and academic events, fall and spring student orientations, commencement, etc.
- Number of complimentary cases of beverages for the Association's use at on-campus activities. A minimum of 250 cases of bottled beverages as specified by the Association is requested
- Number of complimentary cases of bottled juice for use at the Association's day care center.
- A description of Contractor's marketing and promotional strategies.
- A description of the methods that will be employed to assess customer preferences and satisfaction.
- A detailed procedure to be used in the administration of refunds.
- Brochures with color photographs and electrical specifications for the equipment to be used.
- An example of the monthly sales and commission report for both vended and non-vended sales.
- A description of all actual or pending litigation filed against the Contractor within the last three years arising out of the Contractor's provision or delivery of Beverage Services.
- Copies of audited financial statements for the most recent two years.
- A statement that identifies any costs to be borne by the Association.
- The Contractor shall submit any other additional information it believes will demonstrate its ability to operate the Beverage Services program at Schenectady County Community College.
- The Association may request supplementary information as is sufficient in its opinion to assure the Association that the Contractor's competence, business organization and financial resources are adequate to successfully perform the specified services.

**I. The Association is seeking financial proposals that meet the stated objectives. Contractors are encouraged to provide financial proposals that include, but are not limited to the following:**

- **Commission rate on beverage vending sales**
- **Commission rate on retail beverage sales**
- **Guaranteed minimum commission**
- **Pouring rights sponsorship funding amount**
- **Marketing fund amount**
- **Number of complimentary beverage cases**
- **Number of complimentary juice cases (for daycare center)**

**Commissions shall be calculated on gross sales net of sales tax and bottle deposits. On a monthly basis, and no later than the 15<sup>th</sup> of any month, the Contractor shall pay the Association commissions for revenues generated in the previous month. Within four weeks after the close of each contract year, the Contractor shall submit to the Association, a reconciliation report of gross sales, net of sales tax and bottle deposits, earned during the contract year and remit the greater of the stated guaranteed minimum if any, or the stated percentage of gross sales less any amounts already paid to the Association.**

**Contractors are invited to submit alternate proposals.**

**It is the intent of the Association to award the contract for a period of either:**

- 1. Three (3) years.**
- 2. Five (5) years.**
- 3. Five (5) years with the option to renew at the Association's discretion for two additional five (5) year periods.**
- 4. Ten (10) years.**

**The initial term of the contract shall commence on July 1, 2015.**

## **BEVERAGE SERVICES – SCOPE OF REQUIRED SERVICES**

### **A. Overview**

The Contractor selected shall operate Beverage Services on the campus of Schenectady County Community College in a professional manner and provide the highest level of service to the campus community. The Beverage Services program is defined as the provision of beverages for sale to students, faculty, staff and community members through vending machines located on the Schenectady County Community College campus, and the Center City site on State Street in Schenectady. Service shall also include bottled beverages and fountain beverage dispensers in the campus cafeterias, the college store, convenience store, and cafe and at specified satellites. The Contractor shall be required to provide service on a twelve-month basis. The Contractor shall be responsible for purchasing products to be used, product storage, cash handling and collection, and any tasks necessary to provide the specified services. The Contractor

shall operate on its own credit and pay all bills related to the purchase of beverages necessary to provide the specified services.

The Association shall not subsidize or reimburse the Contractor for any losses incurred in the Beverage Services operation. The Contractor shall bear the full responsibility for risk of loss from equipment damage, including equipment leased to and/or from the Association, and money or product loss resulting from vandalism or theft. The Contractor shall not penalize the Association for any such losses. The Association shall in no way be liable for the loss, damage or injury to any beverage equipment, supplies or other properties of the Contractor caused or contributed to by fire, sprinkler leakage, electrical failure, flood, hurricane, rodents, pests, acts of public enemies, strikes, riots, civil disturbances or acts of God. The Association shall provide fire insurance for its facilities and its owned property, but not for the inventory or property of the Contractor.

The Contractor shall be financially responsible for obtaining all required permits, licenses and bonding to comply with pertinent Association Board of Directors and/or College regulations, and municipal, county and New York State and federal laws. The Contractor shall assume the liability for all applicable taxes, including but not limited to, sales and property taxes.

The Contractor shall, at all times, act as an independent contractor. The Contractor's agents, employees or representatives shall not act as or hold themselves out to be agents or representatives of the Association or Schenectady County Community College.

The Contractor shall not transfer, assign, subcontract or otherwise permit another company to operate the Association's Beverage Services program. The Contractor shall not use the name of the Association or the College in any way in its advertising, contracts or on reference lists without prior written approval.

The Contractor shall agree to comply fully with the Americans with Disabilities Act and to assure access for individuals with disabilities to all functions and services it provides to the Association pursuant to this proposal. The Contractor shall be required to make reasonable accommodations to its operations and its employment to assure access for individuals with disabilities.

## B. Personnel

The Contractor shall be required to provide an adequate staff of employees to provide the specified services. The Association reserves the right to interview proposed staff, and to reject any candidate so proposed.

It shall be understood that the Contractor and its employees are not employees of the Association or the College, but shall adhere to rules and regulations of the Association and the College. The Contractor's employees shall, at all times, be courteous and friendly to the students, faculty, staff and guests of the College.

The Contractor's employees shall wear uniforms with nametags. Employee uniforms shall be clean and free from wrinkles at all times.

The Contractor shall not discriminate against any employee or applicant with respect to hiring, promotion or treatment on the basis of race, religion, age, gender, sexual orientation, national origin or disability. The Contractor shall comply fully with the requirements of all applicable state and federal laws and regulations concerning discrimination in employment. The Contractor agrees to act affirmatively to hire and promote women, minorities and individuals with disabilities.

#### C. Pricing

Upon contract award, the Contractor shall provide the Association with a complete product listing with vend prices and costs to the Association's food service provider and college store for resale. All prices shall be subject to the approval of the Association. Any requested price increases shall be submitted in writing to the Executive Director of the Association no later than April 15<sup>th</sup> for the fiscal year beginning July 1<sup>st</sup>. All proposed price increase requests shall state the current price and the justification for the price change. The Contractor shall not change any price or product size without prior approval from the Association.

#### D. Product Standards

The Contractor shall employ procurement methods that insure that only products of the highest quality will be sold through Beverage Services. The Association reserves the right to direct that a specific product type be removed. The Contractor shall, at all times, keep the vending machines, fountain beverage dispensers and bottle coolers, and any other equipment serviced and adequately stocked. Products must be fresh when installed and all dated products must be removed prior to the coded expiration dates. Storage of products and supplies shall be the responsibility of the Contractor. No storage space will be available to the Contractor on campus.

#### E. Sanitation Standards

The Contractor shall practice standards of sanitation necessary to comply with all College, New York State, and Schenectady County Department of Health regulations.

The Contractor shall keep all vending machines clean, free from dirt, accumulated dust, kick marks, scratches, and spills. The Contractor shall provide a minimum of two recycling machines that will accommodate both plastic and glass bottles, as well as cans. Recycling machines should automatically count, tally and return cash deposits to patrons. Vendors must submit full technical specifications for the proposed recycling machines. The Contractor shall remove from campus all containers in which beverage products are delivered to the Contractor, including, but not limited to, cardboard boxes and trays, and plastic trays, pails and wrap. The Contractor shall not use the College's trash bins or receptacles to dispose of such items.



## F. Contractor and Association Responsibilities

The Contractor's responsibilities shall be as follows:

- Furnish all products, supplies, equipment, management, and labor necessary for the provision of Beverage Services. The Association will not provide any storage space on campus for vending products and/or supplies.
- Provide new machines equipped with dollar bill changers and credit card readers. All machines shall be equipped with tamper proof non-resettable meters. All vending equipment shall be new, energy efficient machines equipped with "Vending Miser" or similar energy saving technology.
- Secure the vending machines to each other in uniform banks.
- Provide the Association with an inventory of vending machines with serial numbers for each location. The Contractor shall notify the Association when a machine has been replaced and provide the Association with the ending meter reading from the replaced machine and the beginning meter reading from the new machine.
- Service and fill the vending machines on a daily basis.
- Provide a minimum of two recycling machines that will accommodate both plastic and glass bottles, as well as cans. Recycling machines should automatically count, tally and return cash deposits to patrons. The Contractor shall be responsible for maintaining and emptying the recycling machines.
- Furnish bottle coolers and fountain dispensers for retail beverage sales. One vendor owned fountain dispenser is currently in use in the College's main cafeteria. The Contractor shall be responsible for providing service and maintenance on that equipment.
- Payment for all repair and maintenance on all bottle coolers, fountain beverage, recycling and vending machines. Any machine that is out of service for 24 hours shall be replaced by a comparable machine in working order.
- Cash handling related to vending Beverage Services
- Develop a refund policy and provide the Association with a refund bank. No resources of the Association shall be used for this purpose.
- Payment of all New York State sales taxes on all purchases of equipment, supplies and products and/or on sales of products related to the Beverage Services operation.
- Removal of all boxes and containers in which vending products are delivered to the Contractor. The Contractor shall not use College trash receptacles or bins for the disposal of such materials.

The Association's responsibilities shall be as follows:

- Provide areas on campus for equipment for vending, fountain dispensers and bottle coolers for the provision of Beverage Services. The Contractor shall not alter the locations designated by the Association as vending areas and retail sales areas without prior approval from the Executive Director of the Association.
- Provide the necessary water and electrical utilities for existing vending equipment. The Contractor shall be responsible for the final connection to the

existing utilities. Should the Contractor identify new locations for vending equipment, the cost of providing the necessary utilities and the final connection to the utilities shall be borne by the Contractor.

- Provide the necessary water and electrical utilities for fountain dispensers and bottle coolers. The Contractor shall be responsible for the final connection to the existing utilities.

#### G. Records and Reports

By the fifteenth of each month, the Contractor shall remit payment of commissions generated in the previous month on vending and retail bottle sales. The Contractor shall also provide the Association with a report detailing the performance of each vending machine during the previous month. The report shall list each machine by location and shall include the following information:

- The beginning and ending meter readings for each machine.
- The expected (based on meter readings) sales for each machine.
- The actual sales (cash collected during the month) for each machine.
- The commission paid on each machine.
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The contractor shall also provide detail on the number of retail bottle sales during the month.

Within four weeks after the close of each contract year, the Contractor shall submit to the Association a reconciliation report of gross sales (net of sales tax and bottle deposits) earned during the contract year and remit the greater of the stated guaranteed minimum, if any, or the stated percentage of gross sales, less any amounts already paid to the Association.

The Contractor shall meet with the Executive Director of the Association at a minimum of once per semester to review the Beverage Services performance.

The Contractor shall keep accurate and complete records of sales made in connection with the Beverage Services at Schenectady County Community College in accordance with generally accepted accounting principles. The Contractor's records shall be available for inspection by the Association for a period of five years subsequent to the conclusion of the first contract year.

#### Required Insurance and Indemnification

##### A. Insurance

The Contractor shall maintain during the life of the contract specific insurance as indicated below. The Faculty Student Association of Schenectady County Community College, Inc., State University of New York, Schenectady County Community College and Schenectady County shall all be named as additional insureds and endorsed on all policies. Upon notice of award, the Contractor shall furnish the Association with a

certificate or certificates of insurance evidencing the specified coverages and an endorsement document indicating that the additional insureds have been formally added to the Contractor’s policy. The Comprehensive General Liability insurance certificate shall contain a statement from the insurer that for this contract they waive the care, custody or control exclusion. All policies shall contain a covenant requiring thirty days written notice to the Association before cancellation, reduction or other modifications of coverage. These policies shall be primary and non-contributing with any insurance carried by the Association and shall contain a severability of interest clause in respect to gross liability, protecting each named insured as though a separate policy had been issued to each. In the event that the Contractor fails to maintain and keep in force the insurance as specified, the Association shall have the right to cancel and terminate the contract forthwith and without notice. The Contractor shall advise each insuring agency to automatically renew all policies resulting from this contract until notified that coverage requirements have been revised.

TYPE OF INSURANCE	MINIMUM COVERAGE
Workers’ Compensation	As specified by law
Comprehensive General Liability	\$1,000,000 each occurrence \$3,000,000 aggregate
Comprehensive Automobile (owned and non-owned)	
Combined Single Limit	\$1,000,000 each occurrence
Excessive Blanket Catastrophic Liability	\$3,000,000 each occurrence

**B. Indemnification**

The Contractor shall agree to indemnify and hold harmless the Faculty Student Association of Schenectady County Community College, Inc., State University of New York, Schenectady County Community College, Schenectady County, including all officers, agents, directors, trustees, legislators, employees and students, from and against any and all loss or damage (including reasonable attorney’s fees and other costs of litigation) caused directly or indirectly by any acts or omissions of the agents or employees of the Contractor, including without limitation, loss or damage by reason of injury to any employee of the Contractor. The Contractor further agrees to defend at its sole expense, any suit against the above named parties alleging injuries or damages arising out of the consumption or use of beverages or other goods furnished or sold by the Contractor. Further, the Contractor shall save and keep harmless the above named parties against any and all liability claims and associated costs of any kind for injury to or death of any person or persons and for loss or damage to any property (Association owned or otherwise) occurring in connection with or in any way incident to or arising out of the occupancy, use, service, operations or performance of work in connection with the Beverage Services program resulting in whole or in part from any act or omission of the Contractor and/or employee, agent or representative of the Contractor.

Exhibit A

	FT	PT	FT	PT	Total			
	Headcount	Headcount	Headcount	Headcount	Headcount		FTE	
Year	Spring	Spring	Fall	Fall	Spring	Fall	Spring	Fall
2010	2406	1692	2735	1731	4098	4466	1402	1571
2011	2449	1754	2650	1893	4203	4543	1453	1564
2012	2509	1835	2711	1726	4344	4437	1509	1570
2013	2451	1758	2706	1603	4209	4309	1455	1546
2014	2348	1560	2534	1602	3908	4136	1397	1497

## Exhibit B

### Beverage Service Locations at Schenectady County Community College

#### Vending Machine Locations

- Elston Hall Main Dining Center
- CST Building
- Center City location downtown Schenectady

#### Fountain Soda Machine Locations

- Elston Hall Main Dining Center

#### Beverage Cooler Locations

- Elston Hall Main Dining Center
- The College Store Elston Hall
- Canal Side Convenience Store