

REQUEST FOR QUOTATION	TROY SCHOOL DISTRICT 1140 RANKIN, TROY, MICHIGAN 48083 248-823-4027 FAX: 248-823-4077	REQUISITION
No. 9734		
DUE DATE 5/22/12 NO LATER THAN 3:30 p.m.		DATE 05/08/12

REQUEST FOR QUOTE – NOT AN ORDER

THIS FORM MUST BE UTILIZED WHEN RESPONDING TO THIS REQUEST
 BID ENVELOPE ENCLOSED

THE RFQ NUMBER MUST APPEAR ON ALL QUOTATIONS AND RELATED CORRESPONDENCE, THIS IS NOT AN ORDER

Quantity	DESCRIPTION	UNIT PRICE	AMOUNT
	<p>Please supply us with your bid to furnish the Troy School District with SNACK VENDING CONTRACT.</p> <p style="text-align: center;"> Copies of the bid are available at: www.troy.k12.mi.us/purchasing/items_out_for_bid.htm </p> <p style="text-align: center;"> Bid recaps will be available at: troy.k12.mi.us/purchasing/index.htm </p> <p style="text-align: center;"><u>FACSIMILE BID IS NOT ACCEPTABLE</u></p> <p>Bids will not be accepted if submitted after the deadline specified (local time) in the advertisement to bid or in the information to bidders. The late submission of a bid makes the bid nonrepsonsive and is a material defect which shall not be waived by the Board of Education. Delays in the mail will not be considered. All Late bids in the mail will be returned to the bidder unopened.</p> <p>Proposal for the submission of alternatives by vendors will be accepted and reviewed. However, if any substitution or departure is not clearly noted and described, it will be understood that the bid intends to exactly meet the specifications.</p> <p>The Board of Education shall be the sole judge as to whether the proposed goods are "equal" or "approved". Quotations must be mailed or delivered to the Purchasing Office, 1140 Rankin, Troy, MI 48083 no later than 3:30 p.m. on the date shown above. Michigan State Sales and Use Taxes and Federal Excise Taxes do not apply unless otherwise indicated. Exemption certificates will be furnished when necessary. This request imposes no obligations on the buyer. The Board of Education reserves the right to accept or reject any or all bids or to split awards by items or to accept bids, which will best serve the Board of Education.</p>		

THIS AREA MUST BE FILLED IN

DELIVERY TIME	PRICES FIRM FOR	NAME OF COMPANY	TELEPHONE NO.
TERMS		NO. & STREET	FAX #
FOB DELIVERED	ALL DELIVERY CHARGES MUST BE INCLUDED IN PRICES SHOWN	CITY, STATE & ZIP CODE	E-MAIL
CONTACT PERSON (PLEASE PRINT)		SIGNATURE	DATE

AFFIDAVIT OF BIDDER

The undersigned, the owner or authorized officer of _____ (the "Bidder), pursuant to the familial disclosure requirement provided in the _____ (the "School District") advertisement for construction bids, hereby represent and warrant except as provided below, that no familial relationships exist between the owner(s) or any employee of _____ and any member of the Board of Education of the School District or the Superintendent of the School District.

List any Familial Relationships:

BIDDER:

By: _____

Its: _____

STATE OF MICHIGAN)
)ss.
COUNTY OF _____)

This instrument was acknowledged before me on the _____ day of _____, 2012, by _____.

,Notary Public

_____ County, Michigan

My Commission Expires: _____

Acting in the County of: _____

**TROY SCHOOL DISTRICT
SNACK VENDING CONTRACT
BID #9734**

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A. SUBMISSION DEADLINE AND REQUIREMENTS

Proposals and inquiries are to be addressed to and received at the:

Troy School District
Attention: Sara Konieczka
4400 Livernois Road
Troy, Michigan 48098-4799
Telephone: (248) 823-4027
Fax: (248) 823-4014
E-mail: skonieczka@troy.k12.mi.us

Until May 22, 2012 at 3:30 p.m. for:

SNACK VENDING CONTRACT

Encompassing the requirements (the "Requirements") of the Request for Proposal (the "RFP"), including particularly Sections A – J, and the Contract Specifications in Section K (the "Specifications").

1. The envelope containing your Proposal should be marked in the lower left hand corner: "PROPOSAL – SNACK VENDING CONTRACT."
2. Each Proposer is responsible for submission of its Proposal. Proposals or Proposal revisions after the date and time specified will not be considered.
3. Proposals will be received in the office of Sara Konieczka, Troy School District, 4400 Livernois Road, Troy, Michigan 48098-4799, until May 22, 2012 at 3:30 p.m. All Proposals received after the time and date above will be returned unopened.
4. SIGNED ORIGINAL PROPOSAL. Each Proposal must be an original and hard copy, and signed by an authorized member of the Proposer's firm. This member should be the highest ranking officer at the local level. FAX proposals will not be accepted.
5. THREE (3) COPIES. The Proposer shall also submit with the signed original of its Proposal three (3) complete copies of the signed original of the Proposal.
6. OPENING OF PROPOSALS. At the specified time and date stated above, all submitted Proposals shall be opened and dated. Any interested parties may attend. No immediate decision will be rendered. All information received will be confidential until after final action by the Troy School District Board of Education, except as required by law.
7. PROPRIETARY INFORMATION. The information provided in the RFP is intended solely for internal use by the Proposer in its response preparation. All information contained herein is proprietary and shall not be distributed to any third party, except as required by law.
8. ADDITIONAL REQUESTS FOR CLARIFICATION. Prospective Proposers may request that the District clarify information contained in the RFP. All such requests must be made in writing to Sara Konieczka at skonieczka@troy.k12.mi.us. The District will not respond to any request for clarification received after the close of business on May 14, 2012. The District's response to any request for clarification will be provided to all parties who have requested an RFP package.
9. ADDENDA TO THE RFP. If it becomes necessary to revise any part of the RFP, notice of the revision will be given in the form of an addendum to all parties who have requested an RFP package. All

addenda shall become a part of the RFP. Each Proposer should in its Proposal, to avoid any miscommunication, acknowledge all addenda which it has received, but the failure of a Proposer to receive, or acknowledge receipt of, any addendum shall not relieve the Proposer of the responsibility for complying with the terms thereof. Acknowledgment by the Proposer should consist of returning a signed copy of each Addendum Cover Sheet as part of the Proposal.

10. RFP/PROPOSAL INFORMATION CONTROLLING. The following process described is intended to ensure that all Proposers have equal access to information relative to the RFP. As part of the RFP preparation (which has included previous discussions with selected prospective Proposers), the District has made every effort to provide prospective Proposers with adequate information in the RFP. Each Proposer shall prepare its Proposal based only on the information contained in the RFP, notwithstanding any information that may have been previously provided. A prospective Proposer noting any inconsistency between the information contained in the RFP and any information previously provided to it should request clarification. [Refer to Section A(8) above.] No information communicated, either verbally or in writing, to or from a Proposer shall be effective unless confirmed by written communication contained in the RFP, an addendum to the RFP, a request for clarification or written response thereto, or in the Proposal.
11. GOOD FAITH DEPOSIT. Each Proposal shall be accompanied by a surety or bid bond or certified check in a form satisfactory to the District in an amount of 2% of the first year's estimated dollar distribution to the District, as a guarantee of Proposer's good faith on the part of the Proposer, to be forfeited as liquidated damages if the Proposer withdraws its Proposal or, upon acceptance of its Proposal by the District, fails to execute. Good faith deposits shall be returned to all Proposers upon the announcement of the District decision of the successful Proposer and no later than **June 30, 2012**. Upon request of a Proposer, the District shall endeavor to enable, as the District deems reasonable and at no cost, liability or risk to itself, the conversion of a certified check to a surety or bid bond, or vice versa, or the deposit of any certified check, with any interest thereon for the benefit of that Proposer.
12. FINALITY OF DECISION. Any decision made by the District, including Vendor selection, shall be final.
13. DISTRICT RESERVATION OF RIGHTS. The District reserves the right in its sole discretion (for this and the other provisions of this section) to accept or reject any or all Proposals with or without cause. The District reserves the right to waive any irregularity or informality in the RFP process, as well as the right to award the Contract to other than the Proposer submitting the best financial Proposal. The District reserves the right to request additional information from any or all Proposers. The District reserves the right to negotiate with the Proposers concerning their Proposals.
14. RELEASE OF CLAIMS. Each Proposer by its submission of its Proposal releases the District from any claims arising out of, and related to, the RFP process and selection of a Vendor.
15. PROPOSER BEARS PROPOSAL COSTS. A recipient of the RFP is responsible for any and all costs incurred by it or others acting on its behalf in preparing or submitting a Proposal, or otherwise responding to the RFP, or any negotiations incidental to its Proposal or the RFP.

B. DEFINITIONS

"Snack(s)" "Snack" or "Snacks" generally means Food Service provided commercially pre-packaged variety of snack products and low-fat snack products through a vending machine.

"Snack" or "Snacks" shall not include: (a) any gum, hard candy or any other snack that does not meet the National School Lunch Program requirements; and (b) snack(s) served, sold or

purchased: 1) by the District's Food Service department; 2) at any school store(s), Booster Clubs and/or at the District's educational dining room located in Athens High School (currently known as the Terrace Café) or any future educational dining rooms opened by the District; 3) by the Troy Foundation for Educational Excellence, a non-profit 501(c)(3) Educational Foundation, and/or clubs, visitors or other groups using the District's facilities for an event or meeting on an ad hoc basis; 4) Beverage(s); and 5) on any District Properties other than through Snack vending machines; (c) any and all snack(s) not purchased through a vending machine.

"Booster Clubs" "Booster Clubs" means any and all Snack(s) served, sold or purchased by any Booster Clubs including, but not limited to, at any or all concessions at District athletic events.

"Contract" "Contract" means the contract resulting from the District's acceptance of the Vendor's Proposal, in a form substantially similar to the Form of Contract attached hereto, that encompasses the RFP and the successful Proposal.

"District" "District" means Troy School District.

"Food Service" "Food Service" refers to operations managed by the District's food service department including, but not limited to, cafeterias, snack bars, carts and Catering, athletic department and non-educational facilities of the District.

"Properties" "Properties" means any facility, land or real estate owned or controlled by the District.

"Proposal" "Proposal" means a response to the RFP submitted in accordance with the RFP.

"Proposer" "Proposer" means any Snack vending company submitting a Proposal to the District for Snack rights in accordance with the RFP.

"Vendor" "Vendor" shall mean the Snack vending supplier awarded a Contract for the provision of Snack vending products to be sold on the District's Properties in accordance with the RFP and the successful Proposal.

C. OVERVIEW AND SCOPE

The District invites prospective Proposers to submit Proposals for a Snack Vending Contract. It is the intent of the District to select a Vendor to provide Snack vending exclusively to the District. The Vendor's Snacks will be sold through vending machines only, as part of the Vendor's services and obligations, as follows:

- a) Placement and full servicing of Snack vending machines within and on District Properties.
- b) The District shall have full rights to determine the manner, extent, location and pricing of Snack vending sales. [See Section K(16).]

USDA Guidelines:

The placement or availability of machines in the District cafeterias must comply with the guidelines of USDA.

D. DISTRICT PROFILE

School Name	# of Staff	Grades	As of 10/5/11
Barnard	40	K-5	508
Bemis	39	K-5	528
Costello	32	K-5	364
Hamilton	43	K-5	442
Hill	35	K-5	331
Leonard	37	K-5	434
Martell	37	K-5	408
Morse	45	K-5	451
Schroeder	39	K-5	517
Troy Union	41	K-5	436
Wass	36	K-5	392
Wattles	41	K-5	471
Elementary Total	465		5,282
Baker MS	58	6-8	733
Boulan Park MS	47	6-8	712
Larson MS	50	6-8	704
Smith MS	48	6-8	723
Middle School Total	203		2,872
Athens HS	121	9-12	1,570
Troy HS	103	9-12	1,942
International Academy East	31	9-12	444
High School Total	255		3,956
Administration Building	23		
Services Building	76		
Rankin	20		
Niles	45		218
Transportation	80		
Grand Total	1,167		12,328

E. EXCLUSIVE RIGHTS

In addition to the creation of increased value for the Vendor resulting from the increased sales of Snacks, the District recognizes and supports the benefit of providing exclusive Snack relationship opportunities for the Vendor. To do so, the District intends to select a single Vendor.

During the entire term of the Contract, and any renewal or extension thereof, the Vendor shall have Snack vending exclusivity rights in and on all District Properties to the following:

- a) Snack vending machines (full service). All Snack products distributed through vending machines shall be the Vendor's products. No Snack products may be sold or dispensed by a competitor, through any vending machines, except for products not available by Vendor.
- b) Marketing. The Vendor shall have the right to advertise Snack products on certain signs at the point-of-sale that are mutually agreed upon between Vendor and the District.

A Proposer should include a detailed list of non-point-of-sale signage and other Snack advertising opportunities that are requested as part of its Proposal, and these requests will be given reasonable consideration by the District. The Vendor shall have the right to promote the fact that the Vendor is a sponsor of the District and any of their affiliated events and programs as mutually agreed upon between Vendor and the District. Notwithstanding anything else herein contained the District shall be under no obligation to participate in any further Snack advertising beyond that on vending machines unless it should so agree in writing with the Vendor.

F. PROPOSER'S PRICING SUMMARY

Each Proposer is expected to summarily explain its pricing elements, amounts, conditions, and assumptions, and also, by separate cost and pricing schedules, to demonstrate and calculate the financial benefits of its Proposal to the District, based upon such pricing elements, amounts, conditions and assumptions. Each Proposer may base its pricing explanation on such pricing elements as it chooses.

As part of its explanation, the Proposer should succinctly state the amount of each pricing element (e.g., the commission percentages rate(s), product costs, etc.) Also, as part of its explanation of each pricing element, the Proposer should state its conditions and assumptions. In particular, each Proposer must state how its prices will vary between a three (3) year contract and on one (1) year renewals not to exceed two (2) additional years.. The pricing explanation may be cross-referenced with the separate cost and pricing schedules in the Proposal or discussion of various Proposer support programs described in other parts of its Proposal.

Examples of pricing elements around which the pricing explanation should be organized are as follows:

- a) Exclusivity (or Sponsorship) Fee.
 - i) Is this a fixed amount, or will it be related to enrollment?
 - ii) Amount to be paid up-front and any conditions to such payment, provided that this fee may not be tied to sales.
 - iii) Amount to be paid over time, and the periodic timing of such payments and any conditions to such payment, provided that this fee may not be tied to sales.
- b) Full Service Snack Vending Commissions.
 - i) What is Proposer's maximum percentage commission to District on full service Snack vending?
 - ii) For what type and size units and what sales prices does this maximum percentage apply?
 - iii) Proposers choosing multiple commission rates must utilize the Vending Commission Schedule. (See Schedule 6.)

- iv) Any conditions applicable to the maximum percentage commission or commissions schedule, such as e.g., machines per student.

Note: The District shall have full rights to determine the manner, extent, location and pricing of Snack Sales and services. [See Section K(16).]

- c) Signage and Advertising Rights. Estimated prices or valuations for non-point-of-sale signage rights and other suggested advertising programs. Actual prices for these rights would be mutually agreed upon by the successful Proposer and the District.
- d) Educational and Community Support Programs and Marketing Programs, etc.

Each Proposer should explain its proposed marketing program, and how that program can be expected to enhance revenues to the District (lower costs, increased commissions or sales, etc.), taking into account community expectations as to the educational role of the District. The Proposer should state its increased sales expectations and its underlying assumptions.

G. EVALUATION CRITERIA

The awarding of a Snack Vending Contract will be based upon a comprehensive review and analysis of the Proposals to determine which best meet the needs of the District. All Proposals shall be based on the District Profile. The specific evaluation criteria, subject to such weightings as the District shall determine and advise the Proposers prior to review of the Proposals, will include the following:

- a) Total Economic Value
 - i) Exclusivity fees.
 - ii) Commissions.
 - iii) Signage and advertising fees.
 - iv) Value of educational and community support programs.
 - v) Value of other Vendor marketing programs.
 - vi) Other financial benefits.
- b) Other Pricing Factors.
 - i) Simplicity and flexibility in the full service vending commission percentage schedule.
 - ii) Willingness to accord District more favorable pricing provisions subsequently accorded other Michigan school districts.
 - iii) Financial support of District's education, scholarship and community programs.
 - iv) Sales assurances.
 - A) Demonstrated past success in achieving sales projections.
 - B) Performance guarantees, possibly in form of minimum commissions or rebates.
- c) Quality of Pricing Proposal.
 - i) Feasibility, innovation, communication, specific ideas and resources enhancing and allocating the revenues from Snack contracting.
 - ii) The Proposer's cooperation and support for the District's conduct of this RFP process.

- d) Quality of Service Proposal.
 - i) Demonstrated capacity to serve the District's size and geographic area and locations.
 - ii) Proposal standards of performance and accountability with respect to filling of vending machines, equipment repair and maintenance, collection of recyclable containers, etc.
- e) Strength and Qualifications of the Proposer.
- f) Committed Staff Expertise and Experience, including evaluation of human resources identified and committed to the relationship.

In addition to the above the District may utilize other objective evaluation criteria which will be made known to the Proposers during the evaluation and consistently applied.

The District will evaluate all the Proposals and may conduct negotiations with one or more Proposers, structuring its evaluation and negotiations to favor the Proposer whose Proposal, as initially submitted, the District deems strongest. In conducting negotiations with one or more Proposers to obtain their best and final offers, the District shall endeavor to avoid disclosure of a Proposer's prices and other terms to the competing Proposers, as provided by the American Bar Association Model Procurement Code for State and Local Governments.

H. CONTRACT FORMATION AND PERIOD

This is a Request for Proposal only. Proposals will be treated as offers to enter into a Contract with the District. The written acceptance of the Vendor's Proposal by the District shall constitute a Contract, even pending formal execution of a formal written Contract satisfactory to both the District and the Vendor.

The Contract period shall begin July 1, 2012. The District plans to award a Contract to the Vendor as a result of this RFP for a minimum term of three (3) years with the option to renew for two (2) additional one (1) year contracts at the option of the District. All equipment installations shall be complete by June 30, 2012, or a mutually agreed upon date.

I. SELECTION TIMELINE

The District's anticipated timeline for its selection process is:

District's Mailing of the RFP document	May 8, 2012
Deadline for written requests for clarifications	May 12, 2012
Deadline for Proposals	May 22, 2012
Proposer interviews and presentations to the District	Week of May 22, 2012
District formal announcement of Contract award to Vendor	June 20, 2012
Implementation of Contract begins	June 20, 2012
Equipment installations completed	June 30, 2012

J. PROPOSAL REQUIREMENTS AND FORMAT

This outlines the information that must be provided by the Proposer and the required format for the Proposal. Any Proposal not providing the required information, or not conforming to the format specified, may be disqualified. Please refer also to the SUBMISSION DEADLINE AND REQUIREMENTS section (Section A) of the RFP for additional requirements.

Proposals must demonstrate an understanding of the scope of work and the ability to accomplish the tasks set forth and must include information that will enable the District to determine the Proposer's overall qualifications. Each Proposal shall also include any other information that the Proposer feels is significant in making an informed decision relative to the Proposal.

Any exceptions to the Requirements or the Specifications contained in this RFP and/or in the attached Contract or any other special considerations or conditions requested or required by Proposer shall be enumerated by the Proposer and be submitted as part of its Proposal, together with an explanation as to the reason the Requirements or Specifications contained in this RFP and/or in the attached Contract cannot be met. Each Proposer shall be required and expected to meet the Requirements and Specifications in their entirety, except to the extent exceptions are expressly noted in its Proposal. All pricing must be clearly indicated in the Proposer's Pricing Summary and the Pricing Schedules provided.

Each Proposer shall submit its Proposal for a minimum term of three (3) years with the option to renew for two (2) additional one (1) year contracts. Each Proposal shall include an implementation schedule.

Each Proposer is encouraged in its Proposal to specifically enumerate any exceptions to the RFP. Lack of Exceptions listed on Schedule 3 will be considered acceptance of all of the terms, conditions and specifications as presented in this RFP.

Accordingly, the following must be provided in each Proposal and in the following order:

(Signatures of one or two Proposer officials, as authorized by the Proposer, must be affixed to Schedules or items where indicated.)

1. Cover letter and/or executive summary prepared on the Proposer's business letterhead with authorized signatures. This should be limited to a brief narrative highlighting the Proposal and should be aimed at non-technical personnel. This item should not include commission/pricing quotations.
2. Proposer's background and local organization support and personnel responsible for carrying out the Contract. (To be referenced as Schedule 1.)
3. Point by point response to RFP Requirements/Signatures. (See attached form of Schedule 2.)
4. Exceptions, including explanations, to RFP Requirements/Signatures. (To be referenced as Schedule 3.)
5. Summary Explanation of Proposer's Pricing/Signatures. (See attached form of Schedule 4.)
6. Summary Charts of Financial Benefits to the District [See attached form of Schedules 5(A) - (B).]
7. Vending Commission Schedule/Signatures, if proposing multiple percentage commission rates; otherwise mark form "NOT APPLICABLE." (See attached form of Schedule 6.) In either case, include a sample monthly report.
8. Proposer's Non-Point-of-Sale Signage and Other Advertising Requests - Details. (See attached form of Schedule 7.)

9. Educational and Community Support Programs and Marketing Programs and Estimated Retail Value. (See attached form of Schedule 8.)
10. Any additional information considered necessary or helpful to the District in determining Proposer's qualifications, including listing of all Snack Products available to the District under the Proposal, the Proposer's dedicated resources and capacity to service the District, and proposed standards of performance and accountability/Signatures. (To be referenced as Schedule 9.)
11. Equipment Installation Schedule. (See attached form of Schedule 10.)
12. Listing of all litigation or regulatory proceedings within the United States and within the past five years as pertain to (i) school districts in which the Proposer has been a party to contracts similar to the proposed Contract, (ii) goods or services of the type which are the subject of the proposed Contract/Signatures, or (iii) non-compliance of the Proposer's goods and services or the Proposer's working conditions and employment practices with the Occupational Safety and Health Act and other applicable state and federal requirements. (To be referenced as Schedule 11.)
13. Reference Information. Provide State of Michigan client list, including contact name, address, telephone number, student enrollment, number of buildings, length of service for public school districts or cooperatives of similar Snack needs. (To be referenced as Schedule 12.)
14. If applicable, signed copies of the addenda cover sheets. (Refer to A-9.)
15. Include required security. (Refer to A-10.)
16. Three (3) complete copies of the signed original Proposal.

K. CONTRACT SPECIFICATIONS

1. PRODUCT SELECTIONS.

The Vendor will identify and provide, or offer to provide, at the District's option, all Snack(s) packaged, produced or distributed by or otherwise available (i.e. through agreements, relationships, alliances or other cooperative efforts) to the Vendor. Unless otherwise specified in the Proposal, it is understood that the Vendor will make available to the District, at the District's option, all current and future Snack(s) offered by the Vendor.

2. REPAIR AND MAINTENANCE.

All Vendor provided Snack vending machines, shall remain the sole property and insurable risk of the Vendor. This equipment shall be completely maintained by the Vendor and kept in constant working order, clean, sanitary, and in good appearance. Malfunctioning equipment must be repaired within forty-eight (48) hours of request, and replaced within forty-eight (48) more hours if not repairable.

Maintenance and repairing of equipment shall be available five (5) weekdays per week (Monday through Friday), and available ten (10) hours per day, from 7:00 a.m. through 5:00 p.m., or other reasonable times with notice by the District or the Vendor to each other.

3. VENDING.

a) Full Service Snack Vending and Pricing.

All equipment must be furnished, installed, and maintained by the Vendor at no cost to the District. Placement, removal, or expansion of vending locations will be determined by the District in consultation with the Vendor, taking into account revenue maximization and resultant commissions. With respect to vending machines placed at locations in or on District facilities and Properties, all such machines shall be, and shall remain during the term of the Contract, the property and insurable risk of the Vendor and shall be serviced by the Vendor on a "full service" basis. The term "full service" shall mean: 1) that the Vendor shall fill all such vending machines with the Vendor's Snacks which Vendor owns and continues to own until purchased by a customer; 2) that the Vendor will deliver on a regular basis, sufficient to ensure that the vending machines are appropriately stocked and operational, enough product to fill the vending machines, leaving no excess inventory; and 3) that the Vendor will collect all monies received for the Snacks dispensed through these machines. The vending price for the Snacks which are to be dispensed through vending machines will be based on the mutual agreement of the District and Vendor. It will be the intent of the District to keep the vending price competitive with the marketplace. Should a vending price increase become necessary, vending commissions will be recalculated based on the commission percentage specified in the Vendor's Proposal.

b) Snack Vending Commissions.

Vending commissions will be computed based on net sales; gross sales less sales tax. Commission payments will be made directly to the District on a monthly basis, based on volume per machine, per building and vend price. Payments will be received within 30 days of the end of the month. Payments will also include back-up support documentation, indicating sales volume per machine per building. The District reserves the right to audit the distribution of commissions. All machines shall have counting devices, and the District shall have access to those devices. Audit requests and requests to access machines' counting devices shall be in writing and shall occur at reasonable times and places.

c) Snack Vending Equipment.

A list of current Snack vending machines, by facility, is provided in **Exhibit A**. All Snack vending machines furnished by Vendor are to be new or like new and in good working condition and at the sole cost and expense of Vendor. It shall be the Vendor's responsibility to install and maintain all such vending machines in good working order at no charge to the District. All vending machines are to be equipped with dollar bill changers and, if requested by the District, timing-of-use restriction mechanisms. Additional vending machine placements will be made by Vendor, at its sole cost and expense, if agreed to by the District pursuant to Section K(16).

The Vendor shall recommend, install and, at its sole cost and expense, upgrade the District's electric power required to operate the Snack vending machines, which includes but is not limited to the cost of providing new outlets, hook-ups or line extensions.

As new technology becomes available in the vending of Snacks, Vendor shall make such new technology, Equipment and vending machines available to the District, at no cost to the District, as soon as Vendor makes such new technology, equipment and vending machines generally available to other similar Michigan educational entities. At such time, Vendor shall, at its sole cost and expense, upgrade District's facilities to accord with the installation of such new technology, Equipment and vending machines.

Each Proposer agrees to remove its equipment within the District's time line from the Properties of the District for which it does not have a contract. The removal of any or all Snack vending equipment required as a result of the awarding of a Contract shall not be made without prior approval of the District. The District shall also cooperate with the Proposers not awarded a Contract regarding the removal of the vending equipment.

4. DESTINATION PRICING.

All prices provided in the Proposer's Proposal are to be F.O.B. destination. All deliveries are to be made to the District Properties and the locations within such Properties and during the regular open hours of each such Property as requested by the District.

5. EXCLUSIVITY FEES.

Exclusivity fees shall be paid periodically in accordance with the Vendor's Proposal to the District.

6. FEDERAL, STATE AND LOCAL LAW COMPLIANCE.

The District shall use its best efforts as reasonably requested by the Vendor to assist the Vendor to comply with any applicable federal, state or local laws, rules and regulations.

The Vendor shall, in the provision of Snacks and in the performance of services pursuant to the RFP and Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, licenses, permits and guidelines, and shall hold the District harmless from any liability from failure of such compliance. The Vendor represents and warrants that the Contract is in compliance with all applicable federal and state law. All goods or services to be furnished by the Vendor and the Vendor's working conditions and employment practices shall comply with all applicable state and federal requirements, including the Occupational Safety and Health Act.

7. TAXES.

Vendor is responsible for sales taxes on full service sales (but not sales made by the District, e.g., Food Services), personal property taxes, and other applicable taxes related to the goods and services provided under the Contract.

8. EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS.

The Vendor shall comply with Equal Employment Opportunity and Affirmative Action requirements as stipulated in Executive Order 11246 and Executive Order 11375 and all subsequent amendments thereto and superseding orders.

9. DISTRICT POLICIES.

The Vendor, including its employees and agents, shall be responsible for knowing the District's policies concerning appropriate behavior of persons in the District's schools and on its Properties, including for example, the prohibitions of sexual harassment and smoking, and shall comply with such policies.

10. RECALL NOTICE AND WARRANTY.

The Vendor shall, within twenty-four (24) hours of its issuing or receiving any notice of product recall, telephone and fax the notice to the District. The Vendor shall indemnify and hold harmless the District and its officials, employees and agents, from any and all claims directly arising out of the Vendor's failure to provide notice in accordance with this Paragraph.

The Vendor further warrants that the goods or services supplied hereunder will be of good workmanship and of proper materials, free from defects.

11. CERTIFICATE OF NO IMPROPER CONSIDERATIONS.

The Vendor certifies that no elected or appointed official or employee of the District has benefitted or will benefit financially or materially from any consideration of its Proposal, the selection of the Vendor, or the Contract.

12. REPAIRS TO PROPERTY DAMAGE.

Any damage to District facilities caused by the Vendor, its agents or employees shall be repaired so that facilities are in as good condition as found. All repairs shall be accomplished at no cost to the District.

13. INSURANCE REQUIREMENTS.

The Vendor shall maintain the following insurance in force at all times during the term of the Contract, with an "A" rated Best insurance carrier acceptable to the District. The District shall be named as additional insured for the minimum limits listed below.

<u>Policy</u>	<u>Minimum Limits</u>
Worker's Compensation	Statutory
Comprehensive General Liability	
Bodily Injury Liability	\$1,000,000 each person \$1,000,000 each occurrence \$2,000,000 aggregate
Property Damage Liability	\$1,000,000 each occurrence
Comprehensive Automobile Liability	
Bodily Injury Liability	\$1,000,000 each person \$1,000,000 each occurrence
Property Damage Liability	\$1,000,000 each occurrence
Excess Umbrella Liability	
Combined Single	\$10,000,000 each occurrence
Limited Bodily Injury and/or Property Damage	\$10,000,000 aggregate

Note: Comprehensive Liability to include, but not limited to:

- i. Consumption or Use of Products
- ii. Existence of Equipment or Machines on Location
- iii. Contractual obligations to Customers

The insurance carrier must notify the District and the Vendor thirty (30) days prior to the expiration, termination or material change of such insurance coverage.

These coverages and limits are to be considered minimum requirements under the Contract and shall in no way limit the liability or obligations of the Vendor under the Contract.

The successful Vendor shall not commence operations under the Contract until the Vendor has obtained all insurance stated in these requirements, all insurance has been reviewed by the District, and Certificates of such insurance have been made available to the District.

14. OSHA COMPLIANCE.

All goods or services to be furnished by the Vendor and the Vendor's working conditions and employment practices shall comply with all applicable state and federal requirements, including the Occupational Safety and Health Act.

15. CONTRACT ASSIGNMENT OR SUB-CONTRACT.

The resulting Contract shall not be assigned, transferred, or sublet by the Vendor in whole or in part without the prior written approval of the District.

16. DISTRICT CONTROL.

The District and Vendor shall mutually agree (with the District having control of the final decision) to determine the manner, number, extent, and location of Snack vending sales or services to be provided on the District's Properties, including control over the selection of Snacks, provided that to the extent Snack-related services are so provided at all, they shall be provided in accordance with this RFP and Contract.

17. GOVERNING LAW.

The Contract shall be governed by and construed in accordance with the laws of the State of Michigan. To the extent permitted by law, the parties agree to the exclusive jurisdiction and venue of courts sitting in Oakland County, Michigan.

EXHIBIT A
Placement of Vending Machines

Building	# of Machines	Location	Timers	Product Line
Athens High School 4333 John R	2	Cafeteria	on 2:23 p.m. – off 7:40 a.m. on 10:43 a.m. – off 12:21 p.m.	Full Snack Line
Troy High School 4777 Northfield Parkway	2 1	Cafeteria Teachers Lounge	on 6:00 a.m. – off 7:45 a.m. on 10:30 a.m. – off 12:30 p.m. on 2:15 p.m. – off 3:30 p.m.	Full Snack Line
Baker Middle School 1359 Torpey	1	Cafeteria	on 11:20 a.m. – off 12:50 p.m. on 2:55 p.m. – off 5:00 p.m..	Low Fat Snacks
Boulan Park Middle School 3570 Northfield Parkway	1	Cafeteria	on 11:15 a.m. – off 12:50 p.m.	Low Fat Snacks
Larson Middle School 2222 E Long Lake Road	1	Cafeteria	on 11:10 a.m. – 1:00 p.m.	Low Fat Snacks
Smith Middle School 5835 Donaldson	1	Cafeteria	on 11:15 a.m. – off 12:50 p.m.	Low Fat Snacks
Niles 201 W Square Lake Rd	1	Cafeteria	None	Full Snack Line
Bus Garage 120 Hart Street	1	Lounge	None	Full Snack Line
Administration Building 4400 Livernois	1	Cafeteria	None	Low Fat Snacks
Service Building 4420 Livernois	1	Cafeteria	None	Full Snack Line

LIST OF SCHEDULES

	Refer to RFP Page	Description
Schedule 1	8	Proposer's Background and Local Organization Support and Personnel Responsible for Carrying Out the Contract
Schedule 2	8	Point-by-Point Response to RFP Requirements/Signatures
Schedule 3	8	Exceptions, Including Explanations, to RFP Requirements/Signatures
Schedule 4	8	Summary Explanation of Proposer's Pricing/Signatures
Schedules 5(A) – (B)	8	Summary Charts of Financial Benefits to the District
Schedule 6	8	Vending Commission Schedule for Various Vend Prices
Schedule 7	8	Proposer's Non-Point-of-Sale Signage and Advertising Requests Details
Schedule 8	9	Educational and Community Support Program and Marketing Programs
Schedule 9	9	Any Additional Information Considered Necessary or Helpful to the District in Determining Proposer's Qualifications/Signatures
Schedule 10	9	Equipment Installation Schedule
Schedule 11	9	Listing of Pertinent Litigation or Regulatory Proceedings/Signatures
Schedule 12	9	Reference Information.

Schedule 1

Proposer's Background and Local Organization Support and Personnel

(To be provided by the Proposer)

Schedule 2

Point by Point Responses to RFP Requirements

	Complete	Incomplete	Reason for Incompleteness
Cover Letter on Proposer's business letterhead			
Schedule 1			
Schedule 2			
Schedule 3			
Schedule 4			
Schedule 5(A)			
Schedule 5(B)			
Schedule 6			
Schedule 7			
Schedule 8			
Schedule 9			
Schedule 10			
Schedule 11			
Schedule 12			
The following Contract Specifications are made and agreed to:			
Product Selections			
Repair and Maintenance			
Vending			
(a) Full Service Snack Vending and Pricing			
(b) Snack Vending Commissions			
(c) Snack Vending Equipment			
Destination Pricing			
Exclusivity Fees			
Federal, State and Local Law Compliance			
Taxes			

	Complete	Incomplete	Reason for Incompleteness
Equal Employment Opportunity Requirements			
District Policies			
Recall Notice and Warranty			
Business Relationship Affidavit			
Repairs to Property Damage			
Insurance Requirements			
(a) Workers Compensation			
(b) Comprehensive General Liability			
(c) Comprehensive Automobile Liability			
(d) Excess Umbrella Liability			
OSHA Compliance			
Contract Assignment or Sub-Contract			
Local Control			
Governing Law			
Form of Contract			

Authorized Signature(s):

Name

Date

Title

Name

Date

Title

Schedule 3

**Exceptions, Including Explanations, to
Request for Proposal Requirements**

(To be provided by the Proposer)

Authorized Signature(s):

Name

Date

Title

Name

Date

Title

Schedule 4

Summary Explanation of Proposer's Pricing

(To be provided by the Proposer and referencing pricing elements, amounts, conditions and assumptions such as those identified in Section F of the Request for Proposal)

Authorized Signature(s):

Name

Date

Title

Name

Date

Title

Schedule 5(A)

Summary Chart of Financial Benefits

Based Upon Proposer's Application of its Pricing Elements, Amounts, Conditions, and Assumptions Under Schedule 4 to Expected Sales Under Proposer's Expected Marketing Program.

	<u>Term: Three (3) Year Contract</u>			<u>Term: First Year Extension</u>			<u>Term: Second Year Extension</u>		
	<u>Amount/ Year</u>	<u>Rate/Student/ Year</u>	<u>Total Term Amount</u>	<u>Amount/ Year</u>	<u>Rate/Student/ Year</u>	<u>Total Term Amount</u>	<u>Amount/ Year</u>	<u>Rate/Student/ Year</u>	<u>Total Term Amount</u>
Exclusivity									
Vending Commissions									
Signage and Advertising Rights									
Education, Community and Marketing Programs									
Other	_____	_____	_____	_____	_____	_____	_____	_____	_____
Total Financial Benefits									

Authorized Signature(s):

Name

Date

Name

Date

Title

Title

Schedule 5(B)
(Optional)
Summary Chart of Financial Benefits

Proposers May Opt to Include This Additional Chart
Based Upon Any Pricing Guarantees

	<u>Term: Three (3) Year Contract</u>			<u>Term: First Year Extension</u>			<u>Term: Second Year Extension</u>		
	<u>Amount/ Year</u>	<u>Rate/Student/ Year</u>	<u>Total Term Amount</u>	<u>Amount/ Year</u>	<u>Rate/Student/ Year</u>	<u>Total Term Amount</u>	<u>Amount/ Year</u>	<u>Rate/Student/ Year</u>	<u>Total Term Amount</u>
Exclusivity									
Vending Commissions									
Signage and Advertising Rights									
Education, Community and Marketing Programs									
Other	_____	_____	_____	_____	_____	_____	_____	_____	_____
Total Financial Benefits									

Authorized Signature(s):

Name

Date

Name

Date

Title

Title

Schedule 6

Vending Commissions/Pricing for Vend Price of \$_.__

[Provide, as Applicable, Separate Signed Schedule for Each Applicable Vend Price; if single flat percentage commission proposed, mark "NOT APPLICABLE." Attach in either case a Sample Monthly Commission Report.]

Full Service Vending Commissions (Product List)	% Commissions
	%
	%
	%
	%
	%
	%
	%
	%

Authorized Signature(s):

Name

Date

Title

Name

Date

Title

Schedule 7

**Proposer's Non-Point-of-Sale Signage
and Advertising Requests**

<u>School Name</u>	<u>Address</u>	<u>Detailed Description Of Request</u>
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Authorized Signature(s):

Name

Date

Title

Name

Date

Title

Schedule 8

Program List and Values

**Educational and Community Support
Programs and Marketing Programs**

Program Name	Found on Page (xx) of Proposal	Value
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$

Authorized Signature(s):

Name

Date

Title

Name

Date

Title

Schedule 9

Additional Proposer Information
(To be Provided by the Proposer)

Schedule 10

Equipment Installation Schedule

<u>District</u>	<u>Facility Name</u>	Equipment Installation <u>Date</u>
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The Vendor shall recommend, install and, at its sole cost and expense, upgrade the District's electric power required to operate the Snack vending equipment, which includes but is not limited to the cost of providing new outlets, hook-ups or line extensions.

Schedule 11

**Listing of Pertinent
Litigation or Regulatory Proceedings**

(To be provided by the Proposer)

Schedule 12

Reference Information

(To be provided by the Proposer)