

September 16, 2004

05-014

ACCEPT BID/AWARD CONTRACT FOR THE FOOD
VENDING SUPPLIES AND MACHINE MAINTENANCE
SERVICES

PREPARED BY: Avelina D. Gulmatico, Procurement Lead Buyer

FINANCIAL
RESPONSIBILITY: Linda Eden, Director, Auxiliary Services

APPROVED BY: Randy McEwen, Vice-President, Administrative Services
Dr. Preston Pulliams, District President

REPORT: The Food Services Department has a need to continue to outsource food vending supplies and machine maintenance services. The current contract is due to expire on October 1, 2004. The successful contractor shall furnish, deliver, install, maintain and repair all of the food vending machines at the following locations: Portland Metropolitan Workforce Training Center, Washington County Workforce Training Center and Central Portland Workforce Training Center.

The Invitation to Bid (ITB) document was released on August 18, 2004. It was advertised in the Daily Journal of Commerce, State of Oregon Vendor Information Program and published on the PCC Procurement website. A total of three (3) vendors (one of which is an MWESB vendor) received a copy of the ITB. On the due date of September 3, 2004, the College received a total of two (2) bids. The criteria for award will be to the lowest responsive, responsible bid amount on the food items and with highest annual commission rate.

Purchasing and Food Services staff will review the bid(s) and the final recommendation, along with list of bidder(s) and amount, will be presented at the Board of Directors meeting.

RECOMMENDATION:

The Board of Directors accept the bid and award the Vending Services contract to _____. The initial contract will be valid for three (3) years commencing on October, 2004 through October, 2007. And, at the option of the College, the contract may also be renewed for two (2) additional one (1) year periods through October, 2009. The commissions will be deposited to the Auxiliary fund.

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REJECT BIDS RECEIVED FOR THE FOOD VENDING
SUPPLIES AND MACHINE MAINTENANCE SERVICES

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Bidders

Canteen Vending, Inc
Courtesy Vending, Inc*

* Registered as MWESB vendor

After an intensive review, the Department felt that it would be in the best interest of the College to reject both bids received, to revise the award criteria, and then re-issue another competitive process. Both bids submitted used different approaches of pricing: One bid used higher per item costs with higher commission rates (the disadvantage of this bid would be higher prices to students); the second bid used lower per item costs with a slightly lower commission rate (the disadvantage will be lower revenue for the College). The new competitive process will have a different pricing matrix that will have bidders submit bids based on the lower pre-established prices per item, and award based on the highest commission rates offered.

The Department and Purchasing also met with Blind Commission Representatives to discuss the possibility of having them provide this service. As required by statute (ORS 346.220) whenever any of the products or services that can be provided by visually impaired individuals (under the supervision of the Commission of the Blind), including operation of the vending facilities, can meet the public agency's needs, such products and services shall be purchased from the Commission. The Blind Commission chose not to pursue our contract because of the low volume sales.

RECOMMENDATION:

That the Board of Directors reject the bids received and authorize the Department and Purchasing to re-issue another competitive process to determine the lowest responsible, responsive bid that will best meet the College's needs.

Director Margolin moved to approve Resolutions 05-005 through 05-019 and it was approved unanimously.