



DISTRICT SCHOOL BOARD OF PASCO COUNTY

Kurt S. Browning, Superintendent of Schools

7227 Land O' Lakes Boulevard • Land O' Lakes, Florida 34638

Purchasing Services

Nicole Westmoreland, MBA, Purchasing Agent

813/ 794-2221 Fax: 813/ 794-2111

727/ 774-2221 TDD: 813/794-2484

352/ 524-2221 e-mail: nwestmor@pasco.k12.fl.us

April 15, 2014

MEMORANDUM

TO: Honorable School Board Members

FROM: Nicole Westmoreland, MBA, Purchasing Agent *nw*

RE: 15-003-DN
Direct Negotiated Contract for Vending Equipment
U-Select-It (USI)

On February 4, 2014, official action (attached) was granted to allow Food and Nutrition services and Purchasing Services permission to negotiate a direct contract with U-Select-It (USI) for the acquisition of vending machines and equipment "as needed" for use throughout the District.

U-Select-It is the sole source manufacturer of the control system that interfaces with our Food and Nutrition software, allowing data to be uploaded to the Food and Nutrition Services point-of-service operations. The Department of Education Rule 6A-1.012(14) allows a district school board, when acquiring high technology resources, to make any acquisition through direct negotiation and contract with a vendor when it is in their best interest to do so.

As indicated in the previous request, the direct negotiated contract (attached) with pricing is being submitted for Board approval. This is a five-year contract, renewable annually based upon mutual consent of both parties. The first year of the contract shall cover the period of April 15, 2014 through April 14, 2015. The anticipated annual expenditures will be approximately \$625,000 using Capital funds to make purchases as needed throughout the District.

Should you have any questions regarding this matter, or if I can be of further assistance, please feel free to contact me at your earliest convenience.

NW/acf
Attachments

Date/Time: April 9, 2014 09:01:00

(813)794-2000 • (352) 524-2000 • (727) 774-2000 • www.pasco.k12.fl.us

The District School Board of Pasco County is System Accredited by AdvancED/Southern Association of Colleges and Schools



DISTRICT SCHOOL BOARD OF PASCO COUNTY

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Food and Nutrition Services
Julia D. Hedine, Director
813/ 794-2435 727/ 774-2435
352/ 524-2435 Fax: 813/ 794-2118
e-mail: jhedine@pasco.k12.fl.us

MEMORANDUM
FNS 049-14

April 2, 2014

TO: Nicole Westmoreland, MBA, Purchasing Agent

FROM: Julie D. Hedine, Director *JDH*
Food, Nutrition and Distribution Services

SUBJECT: Vending Equipment Purchase Request Contract Approval 15-003-DN

When the District's exclusive beverage contract with Coca-Cola expires June 30, 2014, Food and Nutrition Services will be purchasing approximately 150 vending machines using Capital funds to replace those currently operated by Coca-Cola.

FNS requested and received board approval on February 4, 2014 to negotiate with U-Select-It (USI) for discounts from their established dealer price list. We have completed the negotiation process and are requesting approval of the resulting contract.

Thank you for your assistance.

xc: Deb Mateo, Buyer



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PURCHASING SERVICES

Nicole Westmoreland, MBA, Purchasing Agent

Phone: 813.794.2221 FAX: 813.794.2111

e-mail: nwestmor@pasco.k12.fl.us

**Direct Negotiated Contract #15-003-DN
U-Select-It (USI)
For
The District School Board of Pasco County**

Intent of Agreement

This agreement is between The District School Board of Pasco County (DSBPC) and U-Select-IT (USI). DSBPC and USI agree that the following provisions shall govern the establishment and implementation of this contract for "as-needed" purchases of vending machines, technology (proprietary smart control boards), related parts and services. USI acknowledges and confirms it is the copyright holder of the proprietary smart control boards. The vending software works in conjunction with Food and Nutrition Services (FNS) current point of sale (POS) software. POS software accounts for all student and adult meal services and financial tracking. DSBPC or an authorized agent of DSBPC may purchase these items or services as outlined herein by referencing this agreement.

Term of Agreement

This contract shall commence on April 15, 2014 and shall remain in effect through April 14, 2015. The contract may be renewed for four (4) subsequent one-year terms, based upon mutual agreement of both parties under the same terms and conditions.

In addition, the District reserves the option to extend the period of this direct negotiated contract, or any portion thereof, for an additional time not to exceed 365 days from year five of the contract expiration date. This extension, including all terms and conditions of the original contract, shall be by mutual agreement in writing.

Annual Estimated Usage:

It is estimated that approximately \$625,000 may be purchased for the first year under this contract; this is an estimate only and may vary (i.e. greater than or less than) significantly from this amount. The following four (4) one-year renewals periods with any extensions may vary significantly, approximately \$100,000 annually, due to expansions as needed. There are no warranties or guarantee, expressed or implied, that any amount whatsoever will be expended.

Termination of Agreement

Either party reserves the right to cancel this contract at any time during this contract period by providing a written notice at least thirty (30) calendar days prior to the cancellation date without "cause" and ten (10) calendar days with "cause."

Force Majeure

Company shall not be responsible for delays or failure to render services due to causes beyond its control, including but not limited to material shortages, work stoppages, fires, civil disobedience or unrest, severe weather, fire or any other cause beyond the control of Company.

U-Select-It (USI) Initial _____

CONTRACT REVIEWED
AND APPROVED:
NW 4.4.14

Venue:

Venue for any and all legal action regarding or arising out of the transaction covered herein shall be solely in the appropriate court in and for Pasco County, State of Florida. The laws of the State of Florida shall govern this transaction.

Indemnification/Hold Harmless:

As specified in Florida Statute, Section 768.28, the bidder agrees to indemnify and hold the DSBPC harmless from and against all damages of any nature whatsoever which are caused or materially contributed to by the negligent acts of any officer, employee, and agent or other representative of the bidder and which are not caused or materially contributed to by any officer, employee, agent or other representative of the DSBPC.

Locations

Directions to any DSBPC site can be accessed via the District's Internet homepage at www.pasco.k12.fl.us/.

New Locations

Locations may be added to this contract at any time within the contract period. Written verification of addition will follow verbal notification with a purchase order.

Payment Terms

DSBPC normally issues payment for merchandise within thirty (30) days from receipt of invoices, provided the goods and/or services have been received in a satisfactory and proper manner. All discounts must be included in the contract price and should be based on thirty (30) day payment. Except by prior agreement, the DSBPC will not consider special discounts on shorter time intervals, nor will they consider invoices that impose penalties or service charges for periods beyond thirty (30) days.

Fiscal Non-funding

In the event sufficient budgeted funds are not available, Purchasing shall notify USI of such occurrence and the contract shall terminate without penalty or expense to the DSBPC.

Purchases By Other Agencies

With the consent and agreement of USI, purchases may be made under this negotiated contract by other governmental agencies (including school boards) within the state of Florida, all other conditions permitting. All of the same terms and conditions will apply.


Warranty

In the event of the failure of equipment under warranties listed (refer to III of Other Terms and Conditions), USI will provide a replacement part within ten (10) business days from notice of failure. Shipping cost from USI to DSBPC will be paid by USI.


Federal Debarment Certification:

Certification regarding debarment, suspension, ineligibility and voluntary exclusion. As required by Executive Order 12549, Debarment and Suspension, and implemented at 34 CFR, Part 85, Section 85.105 and 85.110-(ED80-0013).

- a) The prospective lower tier (\$25,000) participant certifies, by submission and signature of this Direct Negotiated Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- b) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this Direct Negotiated Contract.

U-Select-It (USI) Initial 

CONTRACT REVIEWED
AND APPROVED:

 4.4.14

Purchasing Card Program:

The DSBPC has implemented a purchasing card program through Regions Bank, using the VISA network. Vendors will receive payment from the purchasing card in the same manner as other VISA purchases. Please indicate your ability to accept VISA in the space provided below.

Yes _____ No ✓

Purchase Order Receiving:

The DSBPC has implemented a new Enterprise Resource Planning (ERP) System. This financial system will provide the District with the ability to send purchase orders to vendors electronically via email.

Bidders must complete the following section regarding your company's preference for receiving purchase orders. Please choose one of the following:

Email ✓ Email Address: CWittern@wittern.com

Mail _____ Mailing Address: _____

Other Terms and Conditions

Terms and conditions noted below for vending machines, parts, and other services will become effective on the date approved by the DSBPC.

- I. The cost for vending machines and related parts is based on current Bid #12-028-DR and the 2013 USI Distributer Price Guide effective October 1, 2013.
 - A. USI has in essence designated DSBPC FNS as a "distributor" and agreed to hold the October 1, 2013 distributor prices through October 1, 2015 based on this long term relationship. This agreement provides the flexibility to FNS to purchase a variety of vending machines that were not within the scope of Bid #12-028-DR. The pricing structure for the vending machines and parts (i.e. Mercato 5000 and Alpine 5000 ST) identified in Bid #12-028-DR remains in effect through September 6, 2014.
 - B. USI has agreed to limit any future price increase per item beyond October 1, 2015 pricing to the applicable Distributor Price Guide or 3.0% annually, whichever is less.
- II. Items not within the scope of the distributor's price guide.
 - A. Smart control board cannot exceed \$1,305.00, however, should this product be discounted in the future and published in the distributor's guide, DSBPC must be offered that discounted price. Discount of additional 8% each applies if ordering 25 or more smartboards (within a twelve (12) month period).
 - B. DSBPC FNS is planning on changing their POS software to Heartland's "Mosaic" for the 2015-2016 school year. Smart Control Boards purchased by DSBPC FNS must be updated for compatibility with the new POS software at no additional cost.
 - C. Debit/Credit Card Readers not to exceed \$275.00 each. DSBPC may purchase these from a third party if price is less.

U-Select-It (USI) Initial

<p>CONTRACT REVIEWED AND APPROVED:</p> <p><u>nw 4.4.14</u></p>
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Other Terms and Conditions: continued

- D. Custom Graphic Wraps (decals) pricing, new and subsequent decal purchases within this agreement are priced as follows:
 - 1. No set-up fee
 - 2. 1-14 machines cost per decal \$400.00
 - 3. 15-29 machines cost per decal \$325.00
 - 4. 30-49 machines cost per decal \$295.00
 - 5. 50 or more machines cost per decal \$225.00
- E. Repair Kit contents, provided free of charge with each 40 vending machines purchased
 - 1. 1 control board generic (non-smart board)
 - 2. 1 bill acceptor Conlux model NBM 3540
 - 3. 2 coin mechanisms Conlux CCM 5G-1
 - 4. 1 vend motor single
 - 5. 1 vend motor double
 - 6. 1 wire harness
 - 7. 1 temperature sensor
 - 8. 1 display board
 - 9. 1 sensor kit
- F. 1 Compressor/condenser, condenser fan motor and thermal relay provided for every 60 refrigerated vending machines purchased.

III. Freight, installation and other considerations.

- A. Pasco will pay 50% of the median price quote of the 3 quotes received by USI for truck load pricing deliveries for the duration of this agreement. In addition, USI provides free of charge a minimum of 1 driver and 1 truck capable of moving at least 2 vending machines at a time to assist in deploying new vending machines from DSBPC warehouse to various sites located throughout the district for initial full truck deliveries as well as for future purchases in this agreement.
- B. Two year warranty on smart control boards.
- C. Two year warranty including parts for vending machines.
- D. Commitment of delivery of new machines on or about July 1, 2014.
- E. Cost of refurbishing vending machines limited to 60% of purchase price.

U-Select-It (USI) Initial

CONTRACT REVIEWED
AND APPROVED:
NW 4.4.14

District School Board of Pasco County Attachment A

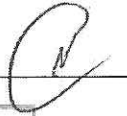
Vending Machine Price Basis - U-Select-It Negotiations

Notes	Machine Type	Distributor Price List 10/1/2013	Distributor Price List extended to 10/1/15 (4)	Estimated initial purchase quantities (9)
(1), (10)	Mercato 5000	3,292.00	3,292.00	5
(1), (10)	Alpine 5000 ST	4,137.00	4,137.00	12
	Summit 500	2,951.00	2,951.00	70
(2)	Mercato 3000	2,674.00	2,674.00	5
(2)	Alpine 3000 ST	3,851.00	3,851.00	68
	Summit 300	2,759.00	2,759.00	
	Summit 300 Satellite	2,086.00	2,086.00	
(4)	Mercato 3000 Satellite	Machine in development	Machine in development	
(2)	Alpine 3000 combi-frozen	5,470.00	5,470.00	
	Smart Board	N/A	1,305.00	

ST stands for single temperature

Notes:

- 1) Distributor price reflects an additional \$156.00, the price of the safety glass.
- 2) Price is without safety glass.
- 3) All prices after October 1, 2015 will be new Distributor pricing limited to no more than a 3.0% increase.
- 4) Future developed vending machines will be at the current or applicable Distributor cost.
- 5) Less than load (LTL) pricing ranges based on the number of machines delivered, based on actual cost-not to exceed \$300.00 per machine.
- 6) All vending machines are ADA ready.
- 7) Refrigerated vending machines are Energy Star rated.
- 8) Factory recondition based on individual machine cosmetic and mechanical needs. Reconditioning cost capped at 60% of new cost.
- 9) Anticipated quantities are not a guarantee.
- 10) Pricing from bid 12-028-DR shall remain in effect through September 6, 2014 for these items, as such new pricing list above shall commence on September 7, 2014.

U-Select-It (USI) Initial 

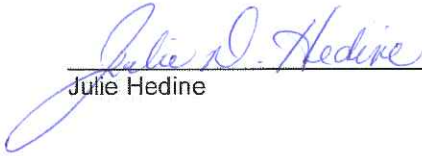
CONTRACT REVIEWED
AND APPROVED:


NW 4.4.14

SIGNATURE PAGE

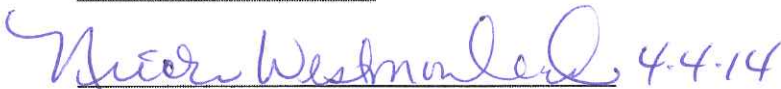
District School Board of Pasco County
Food and Nutrition Services
20430 Gator Lane
Land O' Lakes, Florida 34638
Julie Hedine, RD, LD, SNS
Director, Food and Nutrition Services
813 / 794-2435 Phone
813 / 794-2118 Fax
jhedine@pasco.k12.fl.us

U-Select-It (USI)
8040 University Boulevard
Clive, IA 50325
515 / 271-8450 Phone
515 / 274-0390 Fax
wittern@wittern.com


Julie Hedine
Date 4/2/14


F.A. Wittern III
Date 3/31/2014

District School Board of Pasco County
Purchasing Services Department
20430 Gator Lane
Land O' Lakes, Florida 34638
Nicole Westmoreland, MBA, Purchasing Agent
813 / 794-2222 Phone
813 / 794-2111 Fax
nwestmor@pasco.k12.fl.us


Nicole Westmoreland, MBA
Date 4-4-14

Board Chairperson Date

U-Select-It (USI) Initial _____



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Purchasing Services

Arlene S. Zimney, CPPB, C.P.M., Acting Purchasing Agent

813/ 794-2221 Fax: 813/ 794-2111


727/ 774-2221 TDD: 813/794-2484

352/ 524-2221 e-mail: azimney@pasco.k12.fl.us

February 4, 2014

MEMORANDUM

TO: Honorable School Board Members

FROM: Arlene S. Zimney, CPPB, C.P.M., Acting Purchasing Agent 

SUBJECT: Request Permission to Negotiate
Vending Equipment Purchase
U-Select-It (USI)

On February 7, 2013, official action (attached) was taken to approve the fifth-year of the exclusive beverage contract with Coca-Cola. This term of the contract will expire on June 30, 2014. The Food, Nutrition and Distribution Services Department will be purchasing approximately one hundred-fifty (150) vending machines to replace those currently provided by Coca-Cola.

The Food, Nutrition and Distribution Services Department currently purchases refrigerated and dry vending machine equipment from U-Select-It, herein known as USI, utilizing bid #12-028-DR, Vending Machine Equipment. The third-year of this contract will expire on September 6, 2014.

The Food, Nutrition and Distribution Services Department is requesting assistance in negotiating a new, five (5)-year agreement with USI for the purchase of vending machines currently awarded under bid #12-028-DR, and vending machines that are not included in the current bid. It has been confirmed by the Purchasing Services Department that USI is the sole source manufacturer of the control system that interfaces with our Food and Nutrition software, allowing data to be uploaded to the Food and Nutrition point-of-service operations. Please see the attached memo from Ms. Julie D. Hedine, Director of Food, Nutrition and Distribution Services, for further details.

Under DOE rule 6A-1.012(14), the District is permitted to negotiate for high-technology purchases of this nature, should we choose to do so. We anticipate beginning negotiations immediately upon Board approval. Upon reaching a successful conclusion, copies of the contract and pricing structure will be forwarded to the Board for approval.

If you have any questions or concerns, please feel free to contact Ms. Hedine or me at your earliest convenience.

ASZ/dam
Attachment(s)





DISTRICT SCHOOL BOARD OF PASCO COUNTY

Kurt S. Browning, Superintendent of Schools

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Food and Nutrition Services
Julia D. Hedine, Director
813/ 794-2435 727/ 774-2435
352/ 524-2435 Fax: 813/ 794-2118
e-mail: jhedine@pasco.k12.fl.us

MEMORANDUM
FNS-36-14

February 4, 2014

TO: Arlene Zimney, Acting Purchasing Agent

FROM: Julie D. Hedine, Director *JDH*
Food, Nutrition and Distribution Services

SUBJECT: Vending Equipment Purchase Request to Negotiate

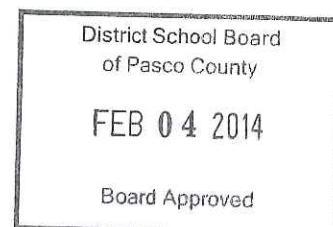
When the District's exclusive beverage contract with Coca-Cola expires June 30, 2014, Food and Nutrition Services will be purchasing approximately 150 vending machines to replace those currently operated by Coca-Cola.

Food and Nutrition Services currently purchases refrigerated and dry vending machine equipment from USI (U-Select-It), the awarded vendor through bid #12-028-DR which is scheduled to expire on September 6, 2014. FNS will require some vending machines that are not included in the current bid. USI is the only manufacturer of vending machines with a control system that will interface with our Food and Nutrition software. This sole source was confirmed when the previous Purchasing Agent contacted other major manufacturers of vending equipment. This technology interface will allow all of the data to upload to our point-of-service operations and allow students and employees to purchase items from the vending machines while utilizing money from their lunch accounts.

The current bid prices for the two models available on bid #12-028-DR are discounted from the USI dealer pricing list. Food and Nutrition Services is requesting permission to negotiate with USI for discounts from their established dealer price list. This will enable us to procure a greater variety of machines to meet the needs of schools and departments both now and in the future.

Thank you for your assistance.

xc: Deb Mateo, Buyer





DISTRICT SCHOOL BOARD OF PASCO COUNTY

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Purchasing Services

Michael J. Woodall, CPPO, Purchasing Agent

813/ 794-2221 Fax: 813/ 794-2112

727/ 774-2221 TDD: 813/794-2484

352/ 524-2221 e-mail: mwoodall@pasco.k12.fl.us

May 7, 2013

MEMORANDUM

TO: Honorable School Board Members

FROM: Michael J. Woodall, CPPO, Purchasing Agent *MJW*

RE: Fifth Year Renewal of Five-Year Contract
RFP #10-019-DR: Exclusive Beverage Contract
Coca Cola Enterprises, Incorporated

On July 28, 2009, official action (attached) was taken to award the above-referenced RFP to Coca Cola Enterprises, Incorporated. This RFP is a five-year contract, renewable annually based upon mutual consent of both parties. Subsequently, the second year of the agreement was awarded on May 4, 2010, the third year was awarded on June 7, 2011, and the fourth year was awarded on April 17, 2012. The fourth year of the agreement will expire on June 30, 2013.

Considering services have been satisfactory, John Creech, District Sales Manager, Coca Cola Enterprises, Incorporated was contacted to verify his willingness to enter into the fifth year of the agreement. As such, John Creech has agreed in writing (attached), to enter into the fifth year of the contract with the possibility of a price increase based on the Consumer Price Index (CPI) published by the Bureau of Statistics, U.S. Department of Labor, using Series ID: #CUUR0000SAF114 Not Seasonally Adjusted as outlined in the RFP using the month of May (final) escalation numbers that will be due in June. The adjustment will not exceed 5% per year.

At this time, it is my recommendation to enter into the fifth year of the agreement with Coca Cola Enterprises, Incorporated with the calculations based on May's CPI percentage numbers effective July 1, 2013. The fifth year of the contract will cover the period of July 1, 2013 through June 30, 2014.

Should you have any questions regarding this matter, or if I can be of further assistance, please feel free to contact me at your earliest convenience.

KDG/dr

Attachments

Date/Time: May 1, 2013 08:29:00

District School Board
of Pasco County

MAY 07 2013

Board Approved

District School Board
of Pasco County

FEB 04 2014

Board Approved

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