June 22, 2004

TO: Mark Lewis, City Manager

FROM: Nicky Stanke, Director
       Department of Library Services

SUBJECT: REQUEST FOR PROPOSAL (RFP) FOR COFFEE SERVICE PROVIDER FOR CHAVEZ CENTRAL LIBRARY

RECOMMENDATION

It is recommended that the Council authorize the City Manager to issue a Request for Proposal (RFP) for a Coffee Service Provider for the Chavez Central Library, Department of Library Services.

DISCUSSION

Background

For the last year, the Department of Library Services has been undergoing remodeling at the Cesar Chavez Central Library, 605 N. El Dorado Street, Stockton. One of the features of the remodeled facility is space created to accommodate a coffee kiosk service point for the customers and staff at the Library. The space is now nearly complete and has been carefully planned to conform with Public Health requirements.

Current Situation

Working with Velocity Marketing, the Library recognizes that the potential for mutual benefit exists in the commercial provision of coffee and specialty coffee drinks in the Chavez Central Library. At the minimum, a collection of commercial rent for the space being utilized will gain for the Library much-needed revenues for materials. Velocity Marketing will work with the Library to negotiate a partnership that may bring, beyond the cash revenues, increased community interaction and marketing opportunities. Going to the open market to find the best possible solution now would facilitate an early opening of the coffee service after the project is completed at the end of July.

Findings


Among its provisions are exceptions to competitive bidding requirements for contracts that exceed City Manager authority when the City Council has approved findings, which support and justify exceptions to the competitive bidding process. The following findings support the Request for Proposal (RFP) process:

a) The City seeks the most advantageous partnership possible.

b) The service by the corporate partner may be in the form of cash, in-kind support, public relations and/or any combination of the above.

AGENDA ITEM 6.15
c) That a competitive bidding process requiring detailed specifications would not afford the City the ability to obtain the services, quality, and unique expertise required for this service and would therefore not be in the best interest of the City.

FINANCIAL SUMMARY

It is estimated that this solution could bring in rent revenues and / or significant in-kind services.

Respectfully submitted,

Nicky Stanke
Director, Department of Library Services

APPROVED BY CITY MANAGER

MARK LEWIS ESQ.
GENERAL INFORMATION OF PROGRAM

The City of Stockton (City) is soliciting interested businesses with experience and
interest in an exclusive rights agreement to provide specialty coffee services at Cesar
Chavez Central Library, City of Stockton, with all rights and entitlements subject to any
applicable law, regulations and policies.

The selection process shall include a review of proposals by a selection panel of a
Councilmember, City staff assigned by the City Manager, and any other person(s)
designated by the City and oral interviews scheduled at mutual convenience. The City
may request in writing further information and/or expansion or modification of proposals
by one or more businesses responding to this RFP.

You are invited to submit proposals to:

NICKY STANKE, DIRECTOR OF LIBRARY SERVICES
CHAVEZ CENTRAL LIBRARY
605 N. EL DORADO STREET
STOCKTON, CA  95202

DUE DATE:

Copies required: Six (6) copies and one (1) unbound original of your proposal,
signed by an authorized representative, and shall be delivered to:

NICKY STANKE, DIRECTOR OF LIBRARY SERVICES
CHAVEZ CENTRAL LIBRARY
605 N. EL DORADO STREET
STOCKTON, CA.  95202

No later than 2:00 p.m. on August 12, 2004.

PRE-PROPOSAL CONFERENCE

A Pre-Proposal Conference will be held with interested companies on Monday, August
2, 2004, at Cesar Chavez Central Library, 605 N. ElDorado Street, Stockton, at 2:00
p.m.. The purpose of the Pre-Proposal will be to review, in detail, the proposed
Contract intent, requirements, administration and other relevant information. Details will
also be provided for pre-proposal site inspections if required. A conference call line will
be available if the proposer is not able to attend the conference in person.

BACKGROUND

The Cesar Chavez Central Library was built in 1964 and is currently
(Spring/Summer2004) undergoing a significant interior remodeling. At one time an
entrance on the second level was open to the public, but due to security and staffing considerations, that entrance/exit was closed. The main entrance to the Library during open hours is on the first (lower) level. The former entrance on the second level offers a balcony-type patio and a colorful mosaic tile lobby area between glass doors into the Library. The area was surveyed by Public Health as a potential coffee service location, and during the remodel the appropriate adjustments were made as to certify the space for such purpose.

The patio space described above is approximately 370 square feet plus; the lobby space is approximately 260 square feet in a “chevron” shape; and the adjacent storage room is 81 square feet with triple sink, floor drain and ample electricity. A possible seating area in the Library could also be negotiated.

**POTENTIAL BUSINESS DEVELOPMENT OPPORTUNITIES**

The City intends to provide a specialty coffee operation located in Cesar Chavez Central Library at 605 North El Dorado Street at the intersection of Oak Street, in downtown Stockton, California. There are approximately 400 City staff in and around the Library daily, including those in City Hall, Community Development, Parks & Recreation, and Library personnel. In addition, the average number of visitors to the Library over the past three years is 414,800 annually. The Library is currently open Monday through Thursday, 10:00 a.m.– 8:00 p.m., Friday 10:00 a.m. – 6:00 p.m. and Saturday 10:00 a.m. – 5:00 p.m. The space is such that its hours of operation could differ from those of the Library with minor additions to the facility.

**N.B.** The City of Stockton currently has an exclusive rights contract with Coca Cola that includes soft drinks and bottled water; it is expected that the successful proposer for this venture would not violate the terms of that contract. (Contract attached).

**PROPOSAL CONTENT AND FORMAT**

1. **SUBMITTAL FORMAT**

Proposals should be single sided, bound and on 8.5 x 11 paper. Typing shall be single spaced with a font no smaller than 10 point. 11 x 17 paper may be used for mechanical drawings and should inserted as an attachment to the proposal. There is no need for promotional or advertising information.

For purposes of ensuring that all information is received and reviewed, it is requested that all respondents to this Request for Proposal (RFP) submit their information using the following uniform format:

Section 1: Identification of the Proposer
A. Legal name and address of proposer
B. Legal form of proposer (partnership, corporation, joint venture, etc.). If joint venture, identify the members of the joint venture and provide all information required under this section for each member.
C. If proposer is a wholly owned subsidiary of a "parent company," identify the "parent company."
D. Name, title, address and telephone number of the person to contact concerning the submittal.

Section 2: Experience of the Proposer

Describe proposer's experience in providing similar services. List and describe no more than three (3) completed or in-process contracts of similar nature with name, address and phone number of company contact, project type, total value of contract and MBE/WBE participation requirements and proposer's performance against these requirements.
Section 3: Organization and Key Personnel

Describe organization and identify responsibilities of key personnel that will be assigned to work with the City and/or other Agencies. Indicate extent of commitment of key personnel for the next year.

Section 4: Business Approach
Outline your business approach to the project. Highlight innovative ideas your business may have to create a unique program for the Central Library in a resurgent downtown.

Describe in detail the type of specialty coffee operation you would provide at the Library including, but not limited to, equipment, menu, pricing, and utility requirements. Detail your best offer of a financial agreement with the Central Library including projections of sales and a marketing plan.

Section 5: Other information deemed appropriate by the Proposer.

CORPORATE CO-DEVELOPMENT PROGRAM

This Request for Proposal is issued in conjunction with the City's Corporate Co-development Program (CCDP). The CCDP seeks opportunities for the City to generate revenue from partnerships with the corporate community. Respondents to this RFP are encouraged to consider furnishing the goods and services based upon a Marketing Partnership with the City.

The City defines a Marketing Partnership as a mutually beneficial business arrangement between the City and a third person, wherein the third person provides cash and/or in-kind services to the City in return for access to the commercial marketing potential associated with the City.

GENERAL TERMS AND CONDITIONS:

Firm is not an Employee of City

It is understood that firm will not act hereunder in any manner as an employee of City, but solely under this Agreement as an independent consultant, and City shall not under any circumstances be liable to firm or any person or persons acting for or under it or to any person injured for any deaths, injuries, or property damage received or claimed, unless any such liability arises by virtue of negligence by City, its officers, agents, or employees, and firm agrees to defend and hold City free and harmless from liability therefor which is not due to any fault of City, its officers, agents, or employees.
Hold Harmless Clause

The firm shall indemnify and save harmless the City against all loss, cost or damage on account of any injury to persons or property, including employees or property of the City, occurring in the performance of the contract.

Insurance Requirements

Proof of insurance coverage for personal injury and property damage, including commercial general and automobile liability and contractual liability shall be provided in the amount of $1,000,000 and in a form acceptable to the City. The City shall be named additional insured by separate endorsement. Carrier shall provide notice of any change in or limitation of coverage or of cancellation no less than 30 days prior to the effective date. Proof of worker's compensation coverage pursuant to statutory requirements and professional liability coverage ($1,000,000) shall also be provided. All coverages shall be provided by a carrier authorized to transact business in California and shall be primary.

Right of Rejection

The City reserves the right to reject any and all proposals and the right to elect not to proceed with the project.

Product Ownership

Any documents or drawings resulting from the contract will be the property of the City of Stockton.

Licensing Requirements

Any professional, operating or business licenses required will be the sole cost and responsibility of the firm.

Proposal Development Costs

The cost of preparing and submitting a proposal is the sole responsibility of the proposer and shall not be chargeable in any manner to the City.
Selection

Proposals received by the City will be reviewed by the selection committee. Upon the basis of the proposal content, the committee will select one or more firms for oral presentations and interviews.

Additional information and/or site visits may be requested of one or more firms responding to this RFP.

The following criteria will be used in evaluating the proposals:

1. Experience of team working together on previous projects.
2. Creative approach to marketing opportunities of the program.
3. Satisfactory record of performance on similar program.
4. References.
5. Conformance with proposal guidelines and format outlined in this Request for Proposal.
6. Revenue opportunities for the Library.

The selected firm will enter into contract negotiations with the City.
RESOLUTION AUTHORIZING THE ISSUANCE OF A REQUEST FOR PROPOSAL (RFP) FOR A COFFEE SERVICE PROVIDER FOR THE CHAVEZ CENTRAL LIBRARY

WHEREAS, the City of Stockton seeks to obtain a coffee service provider for the Chavez Central Library through the Request for Proposal (RFP) process; and

WHEREAS, Section 3-105 of the Stockton Municipal Code ("SMC") requires that findings be made prior to the issuance of the RFP; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. Pursuant to SMC section 3-105, the City Council hereby approves the following findings which support the use of the RFP process and a negotiated contract following solicitation of competitive proposals for obtaining a coffee service provider:
   a. The City seeks the most advantageous partnership possible.
   b. The service by the corporate partner may be in the form of cash, in-kind support, public relations, and/or any combination of the above.
   c. That a competitive bidding process requiring detailed specifications would not afford the City the ability to obtain the services, quality, and unique expertise required for this service and would therefore not be in the best interest of the City.

2. That based on these findings, the City Council hereby declares that an exception to the competitive bidding process is justified and authorizes the use of the RFP process for the project.

3. That the City Council hereby approves the RFP for the project and that the City Manager is hereby authorized and directed to solicit responses to the RFP and return to the Council with a recommendation on the provider to be retained.
4. That a City Councilmember will be appointed to serve on the Selection Committee along with representatives as deemed appropriate by the City Manager.

PASSED, APPROVED and ADOPTED ____________________

ATTEST: ____________________
GARY A. PODESTO
Mayor of the City of Stockton

KATHERINE GONG MEISSNER
City Clerk of the City of Stockton