



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
www.cityofdenton.com

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Procurement  
**ACM:** Christine Taylor  
**DATE:** April 7, 2026

### **SUBJECT**

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a contract with Compass Group USA, Inc., for vending machine services for the City; providing for the expenditure of funds therefor; and providing an effective date (RFP 8959 – awarded to Compass Group USA, Inc., for one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$100,000.00).

### **INFORMATION/BACKGROUND**

The City currently utilizes 49 vending machines located throughout various municipal facilities, along with one micro market at the Development Services Building. This contract provides for the installation and servicing of state-of-the-art, current-model vending machines for beverages and snacks, as well as micro market equipment and ongoing maintenance at designated City locations.

Under the proposed agreement, the vendor will supply all machines at no cost to the City. There are no lease fees or monthly charges associated with the equipment. All machines will remain the property of the vendor and will be removed at the conclusion of the contract term or upon termination. The contract also allows the City to request additional machines at any time to meet operational needs.

The City will receive 18% commission on all beverage vending sales and 18% commission on all snack machine vending sales once gross sales minimums are met. Based on the previous year's sales, the expected commission is approximately \$13,000 per year. The commissions received will be used to offset the allocation to the Procurement division.

Request for Proposals was sent to 303 prospective suppliers, including 25 Denton firms. In addition, specifications were placed on the Procurement website for prospective suppliers to download and advertised in the local newspaper. Four (4) proposals were received, references were checked, and proposals were evaluated based upon published criteria, including qualifications, similar project experience, financial capacity, performance, and price. Best and Final Offers (BAFO) were requested from the top firm. Based upon this evaluation, Compass Group USA, Inc. was ranked the highest and determined to be the best value for the City.

NIGP Code Used for Solicitation:	165, 225, 370, 375, 380, 385, 390, 393, and 740
Notifications sent for Solicitation sent in IonWave:	303
Number of Suppliers that viewed Solicitation in IonWave:	39
HUB-Historically Underutilized Business Invitations sent out:	45
SBE-Small Business Enterprise Invitations sent out:	134
Responses from Solicitation:	4

**RECOMMENDATION**

Award a contract with Compass Group USA, Inc., for vending machine services for the City, in a one (1) year, with the option for four (4) additional one (1) year extensions, in the total five (5) year not-to-exceed amount of \$100,000.

**PRINCIPAL PLACE OF BUSINESS**

Compass Group USA, Inc.  
Charlotte, NC

**ESTIMATED SCHEDULE OF PROJECT**

This is an initial one (1) year contract with options to extend the contract for four (4) additional one (1) year periods, with all terms and conditions remaining the same.

**EXHIBITS**

- Exhibit 1: Agenda Information Sheet
- Exhibit 2: Pricing Evaluation
- Exhibit 3: Ordinance and Contract

Respectfully submitted:  
Lori Hewell, 940-349-7100  
Purchasing Manager

For information concerning this acquisition, contact: Lori Hewell, 940-349-7100.

Legal point of contact: Leah Bush at 940-349-8333.