

# REQUEST FOR PURCHASE IN EXCESS OF \$20,000/CHANGE ORDER



**To:** Mayor and City Council

**From:** Steven Grausam  
Director of Liquor Operations

**Date:** September 1, 2015

**Subject:** Request for Purchase- Liquor Operations POS System

**Agenda Item #:** IV. D

**The Recommended Bid is**

Within Budget

Not Within Budget

**Date Bid Opened or Quote Received:**  
May, 5 2015

**Bid or Expiration Date:**  
N/A

**Company:**  
RITE- Retail Information Technology Enterprises  
Zabinski Business Services Inc.

**Amount of Quote or Bid:**  
\$48,724.31  
\$36,211.39

**Recommended Quote or Bid:**

RITE  
1001 2<sup>nd</sup> St. S. Suite 100  
Sartell, MN 56377

**General Information:**

Edina Liquor has been using the same POS system (ARSS) since 1993 and in that time we have updated the software 3 times to stay current with the times all the while still maintaining the same operating platform. This system has served us well until the last few years due to the large amount of data that is stored in the data base for our three stores. The POS system has slowed considerably and some of the functions that were useful previously are now outdated and slow. This system is also lacking in its compliance to be PCI certified.

Edina Liquor would like to recommend that council approve the purchase of a new POS system by RITE (Retail Information Technology Enterprises). This system meets all of the needs for our liquor stores now and into the future given that it is based on a Microsoft Operating System. It will allow for better inventory control between our three stores and at each store individually, it will allow us to be more creative in how we are able to run product promotions, it will allow us to develop a loyalty rewards program for our customers to track purchases and alert customers to limited items when we get them. We will have better analytics to project purchasing and track sales trends within our three stores. It also has employee time card software built in allowing us to better track employee hours and also we will be able export employee hours to payroll.

RITE has become one of the top local POS vendors over the past 5 years and has converted a number of municipal liquor operations that were using ARSS over the past few. Municipal stores that have switched to RITE in the past few years are; Spring Lake Park, Columbia Heights, Hutchinson and in the past few months Apple Valley and Richfield. Edina Liquor feels confident that RITE is the right vendor due to their years of experience in this market and that they have worked with many multiple store applications and have been very successful in converting our current system to the RITE POS system. RITE is also very knowledgeable in PCI compliance and they have the latest software and hardware to make sure we meet all of our PCI compliance needs.

With new software comes the need to update old hardware that we have been using. Some of the current hardware is over ten years old if not more and while it still works on our current system some of it may not work on the new system. This old hardware will need to be replaced and this hardware will be less expensive using our IT department and state contracts vs using RITE. The only hardware included in the quote is for credit card terminals which we are not able to purchase on our own.

Additional Hardware to complete project:

Cash Drawers- 5@ \$150 = \$750  
Receipt Printers- 8 @ \$350 = \$2,800  
Touch Screen Monitors – 8 @ \$550 = \$4,400  
Display Pole Monitors – 8 @ \$300 = \$2,400  
Tablets/ Inventory – 6 @ \$300 = \$1,800  
POS (register computers) – 8 @ \$750 = \$6,000

Total Hardware \$18,150

Total Software and Hardware = \$66,874

This project has a budget of \$60,000 and it would be right on track if not for replacing all of the register computers as recommended by IT.