

TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE AUGUST 23, 2016
FROM:	WILLIAM C. COXHEAD MANAGING DIRECTOR OF PARKS & RECREATION
SUBJECT:	CONTRACT EXTENSION: C11-119 COLD BEVERAGE VENDING AT CITY FACILITIES

RECOMMENDATION

That, on the recommendation of the Managing Director of Parks and Recreation, the following actions be taken with respect to cold beverage vending at various City of London facilities:

- a) An extension not to exceed six (6) months to the current contract with PepsiCo Beverages Canada (September 15, 2016 to March 15, 2017) **BE APPROVED**, in order to allow the Civic Administration additional time to review beverage vending options; and
- b) that Civic Administration **BE AUTHORIZED** to undertake all administrative acts which are necessary in connection with the contract extension approved in a), above.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

July 19, 2016 Community and Protective Services Committee: Delegation Middlesex London Health Unit - Provide an Opportunity to Share New Innovations or ways to improve Collaboration with Council Outside of the Current Communication Framework

May 3, 2011 Community and Protective Services Committee: RFP 11-07 Cold Beverage Vending

BACKGROUND

The city has cold beverage machines at arenas, aquatic centres, community centres, golf courses, Dearness Home, and City Hall cafeteria that dispense a variety of carbonated and non-carbonated beverages. The commission on the sales from these machines was \$36,000 in 2015.

At the July 19, 2016 Community and Protective Services Committee meeting, the Middlesex London Health Unit made a presentation that covered, among other topics, the dangers of excessive sugar consumption on health, and that sugar sweetened beverages are the largest single contributor to sugar in the diet.

After the presentation Civic Administration made a commitment to review vending beverage options in city facilities in consultation with the Middlesex London Health Unit.

This proposal builds on two of Council's strategic priorities:

- 1) Strengthening our Community - Work with the Middlesex London Health Unit to promote and protect the health of our community;
- 2) Leading in Public Service – Foster collaboration and innovation through a variety of mechanisms.

Purpose

Provision of an extension to the current beverage vending contract of up to six (6) months will allow time for consultation with the Middlesex London Health Unit to review and recommend alternatives to the existing offerings in future contracts for vending services.

FINANCIAL IMPACT

Revenue from the sale of existing products will continue during the six (6) month period. No financial impact.

CONCLUSION

Extending the cold beverage vending contract by six (6) months will allow civic administration to review the beverage mix options that will be available at city facilities in the future while still offering cold beverages during this time.

SUBMITTED & PREPARED BY:	RECOMMENDED BY:
L. SCOTT OLDHAM MANAGER, BUSINESS SOLUTIONS AND CUSTOMER SERVICE PARKS AND RECREATION	WILLIAM C. COXHEAD MANAGING DIRECTOR PARKS & RECREATION

c: John Freeman, Manager of Purchasing and Supply
Chris Ginty, Procurement Officer