

TO:	CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES COMMITTEE OCTOBER 11, 2017
FROM:	LYNN LOUBERT ACTING MANAGING DIRECTOR, PARKS & RECREATION & LYNNE LIVINGSTONE MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES
SUBJECT:	RFP-17-06 COLD BEVERAGE VENDING

RECOMMENDATION

That, on the recommendation of the Acting Managing Director, Parks and Recreation and the Managing Director, Neighbourhood, Children and Fire Services, the following actions **BE TAKEN** with respect to a consent to enter into an agreement with PepsiCo Beverages Canada:

- (a) That the proposed by-law (attached as appendix A) **BE INTRODUCED** at the Municipal Council meeting to be held on October 17, 2017 for the purpose of entering into an agreement to allow PepsiCo. Beverages Canada to supply cold beverages at the City's three municipal golf courses and for the vending machines at City of London Arenas, Community Centres, Dearness Home, and City Hall, substantially in the form attached and satisfactory to the City Solicitor;
- (b) That the Mayor and City Clerk **BE AUTHORIZED** to execute the Beverage Sales Agreement.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- January 24, 2017 Community and Protective Services: Beverage Vending Machines in City of London Recreation Facilities and City Hall
- August 23, 2016 Community and Protective Services: Contract Extension: C11-119 Cold Beverage Vending at City Facilities
- May 3, 2011 Community and Protective Services: RFP 11-07 Cold Beverage Vending

BACKGROUND

The City of London issued an RFP 17-06 for the provision of cold beverage vending in various city facilities on March 3, 2017. The City was looking for a supplier to be the exclusive provider of cold beverages at the City's three municipal golf courses and for the vending machines at City of London Arenas, Community Centres, Dearness Home, and City Hall.

The submissions were evaluated using the following criteria:

- Project overview and understanding of goals;
- Methodology and approach;

- Healthy Option Mix;
- Product Quality and Servicing Abilities;
- Value added incentives; and
- Revenue

Based on the evaluation of the submitted proposals PepsiCo Beverages Canada scored overall highest of all submissions and offered the City the best financial return.

This contract builds on Council's strategic priority:

Leading in Public Service - vending machine sales revenue defrays some of the cost of services in city facilities.

FINANCIAL IMPACT

It is anticipated that this contract will result in revenue of approximately \$80,000 in year one and \$60,000 in each subsequent year.

CONCLUSION

PepsiCo Beverages offered the City the best revenue options and service in City facilities and administration is recommending they be awarded the contract for a period of three (3) years with an option, at the City's discretion, for a further two (2) year term.

SUBMITTED BY:	RECOMMENDED BY:
L. SCOTT OLDHAM MANAGER, BUSINESS SOLUTIONS AND CUSTOMER SERVICE	LYNN LOUBERT ACTING MANAGING DIRECTOR, PARKS AND RECREATION
RECOMMENDED BY:	
LYNNE LIVINGSTONE MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES	

c. John Freeman, Manager of Purchasing and Supply