

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 21, 2017

Item 6, Report No. 10, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on March 21, 2017.

6 CONTRACT AWARD – RFP16-255 PROVISION OF VENDING EQUIPMENT SERVICES

The Committee of the Whole recommends approval of the recommendation contained in the following report of the Deputy City Manager, Community Services and the Director of Recreation Services, dated March 7, 2017:

Recommendation

The Deputy City Manager, Community Services and the Director of Recreation Services, in consultation with the Director of Procurement Services and the Director of Financial Planning and Development Finance and Deputy City Treasurer, recommend:

1. That the revenue based contract for RFP16-255, Provision of Vending Equipment Services at City of Vaughan Facilities, be awarded to Adaria Inc. for a contract term of three (3) years upon signing;
2. That staff be authorized to extend for two (2) additional one (1) year renewal terms subject to satisfactory performance of the contractor; and,
3. That the Mayor and City Clerk be authorized to sign the necessary documents.

Contribution to Sustainability

This report is consistent with the priorities previously set by Council in the Green Directions Vaughan, Community Sustainability Environmental Master Plan, Goal 4, Objective 4.2:

- Ensure that the City of Vaughan attracts businesses and investment that will result in well-paying jobs for Vaughan citizens, a sustainable tax base and continuing prosperity into the 21st century.

Economic Impact

The implementation of RFP16-255 will generate approximately \$199,800 in revenue (excluding taxes) during the initial three (3) year term of the contract. Vending revenue for the three year period (2017-2019) was budgeted at \$153,000; this RFP award results in \$46,800 in additional revenue over 3 years (\$15,600 per year). There are inherent electrical costs associated with any vending program, however to reduce electrical consumption and promote environmental sustainability, contract terms require the vendor to provide Energy Star rated vending machines.

Communications Plan

RFP16-255 was issued on Bids & Tenders website, OPBA and Biddingo on October 31, 2016 with a closing date of November 18, 2016.

Purpose

The purpose of this report is to obtain Council's authorization to enter into a three (3) year contract with an option to renew for two (2) additional one (1) year terms, with Adaria Inc. for the Provision of Vending Equipment Services at City of Vaughan Facilities.

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Background - Analysis and Options

The current contract for Vending Services expires April 30, 2017. The City of Vaughan issued RFP16-255 on October 31, 2016, with a closing date of November 18, 2016. The RFP was publicly advertised on the City Page, and posted on OPBA and Biddingo website. Seven (7) proponents downloaded the document from the Bids and Tenders website and the following five (5) proponents submitted a proposal:

1. Adaria, Inc.
2. Pepsico
3. Eastwood Vending & Office Coffee Services Ltd.
4. Imperial Vending Services Inc.
5. Naccarato Enterprises Limited

An evaluation committee comprised of Recreation Services staff carried out the evaluation process. The City's bid package provided details of the contract, including the following criteria used to evaluate submissions:

Components	Rating
Company Profiles and References	10 points
Overall Business/Operation Plan	15 points
Product and Quality Service	35 points
Revenue	40 points

Adaria Inc. obtained the overall highest score based on evaluation criteria and is therefore recommended as the preferred supplier.

Adaria Inc. has provided quality and reliable vending services since 2010 in the Greater Toronto Area. They offer state-of-the-art Energy Star rated vending machines for drinks, snacks, and coffee. Deploying the latest in vending technology, Adaria offers cashless payment systems that take debit and credit card payment, providing added customer convenience to recreation community centre patrons.

In response to citizen feedback and to align with departmental mandates, contract terms require a product offering that includes a minimum of 25% healthy choice items; with nutritional values that are lower in fat and added sugar content. Contract terms also prohibit the sale of alcohol and tobacco, nut products, chewing gum, unflavoured single-use bottled water and high caffeine or "Energy" snacks or beverages.

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

The recommendations in this report are in line with the following priorities and initiatives for this term of Council:

- Support and promote arts, culture, heritage and sports in the community
- Effective service delivery

Regional Implications

None.

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Conclusion

Awarding RFP16-255 to Adaria Inc. for an initial contract term of three (3) years will provide stable vending services to support the Active Together Master Plan's emphasis on the benefits of multi-services at local community centres.

Attachments

None.

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