

COMMITTEE OF THE WHOLE - JUNE 18, 2007

CONTRACT AWARD – RFP07-050 **VENDING SERVICES AND CONCESSION OPERATIONS**

Recommendation

The Commissioner of Community Services, in consultation with the Director of Recreation and Culture and the Purchasing Services Department, recommends:

- 1) That Contract RFP07-050, Vending Services and Concession Operations, for the lease of space for vending services, concession operations and seasonal mobile concession operations at City recreation facilities be awarded to Fontana Gardens Express for a three-year term effective September 1, 2007, with the option to renew on an annual basis for up to two one year terms, at the discretion of the City; and,
- 2) That a by-law be enacted to authorize the Mayor and City Clerk to execute all documentation necessary to complete the contract.

Economic Impact

No change in economic impact. The implementation RFP07-050 will generate approximately \$400,000 in revenue over the period of the contract.

Communications Plan

RFP07-50, Vending Services and Concession Operations, was publicly advertised on the City Page, Vaughan Citizen/Liberal and posted on City Page, Vaughan Citizen/Liberal; OPBA and ETN on April 19, 2007, with the closing date of May 10, 2007.

Purpose

The purpose of this report is to obtain Council's authorization to enter into a three-year contract with an option to renew on an annual basis for up to two one year terms, with Fontana Gardens Express for the operation of vending services, concession operations and seasonal mobile concession operations at City recreation facilities.

Background - Analysis and Options

The current contract for vending services and concession operations will expire on August 31, 2007, whereas a contract for seasonal mobile concession operations does not currently exist.

The City of Vaughan issued RFP07-050 on April 19, 2007, with the closing date of May 10, 2007. The RFP was publicly advertised on the City Page, Vaughan Citizen/Liberal and posted on OPBA and ETN. The proponents had the option to bid in part, namely Part A for snack and drink vending equipment; Part B for the lease of space for concession operations; and Part C for seasonal mobile concession operations in whole (i.e. Part A, B and C). Twelve companies picked up the RFP documents and the following six proponents responded:

1. Eastwood Le Jardin Food Services Inc.
2. Fontana Gardens Express
3. Mr. Vending Inc. & Global Brand Foods Inc.
4. Global Brand Foods Inc.
5. Naccarato Enterprises Limited
6. Signature Café Canada Ltd.

An evaluation team comprised of the Recreation and Culture, Building and Facilities and Purchasing Services departments was established and the evaluation and selection of the proposals received was based on the following criteria as laid down in the proposal documents:

Components	Rating
Revenue/Payment Terms	40%
Overall Business/Operation Plan	30%
Added Benefits/Incentives	15%
Company Profiles and References	10%
Audited Financial Statement	5%

Fontana Gardens Express obtained overall highest scores for all three parts based on the mentioned criteria and is therefore recommended as the preferred supplier.

Fontana Gardens Express is a food and hospitality operation that serves both the municipal and private sector. With over 25 years of experience in the food industry, its owners and management have become reputable through their wide-ranging service. Fontana Gardens Express has satisfactorily managed the City's Civic Centre cafeteria for over 5 years and also caters to City meetings and functions upon request.

It is our experience that vending services and concession operations are best served together to eliminate undercutting and unhealthy competition at recreation facilities. As the only proponent offering all three parts under their proposal, Fontana Gardens Express will be able to cross-service each venue and offer much-needed consistency in food services at recreation facilities.

Within the current contract for vending services and concession operations, the City has noticed a decline in customer satisfaction over the past few years as a result of inconsistent hours and operating practices. A new Contractor would provide recreation facilities a positive change in atmosphere.

Fontana Gardens Express will provide the City with extensive and innovative marketing plans, including but not limited to, surveying clients to determine the most suitable product lines, providing a suggestion box to obtain constructive feedback, running contests and offering membership cards and coupons to stimulate sales, and offering weekly menu specials to ensure variety. These added benefits will work to establish better customer service and forge customer retention and loyalty in the food services at recreation facilities. As well, in many cases, the product prices listed for both vending and concessions were more competitive than those of other proponents, and also incorporated a significant amount (35%) of healthy beverage and snack options.

Furthermore, seasonal mobile concessions, a new pilot, will provide an innovative and convenient outdoor food service to patrons during scheduled recreational activities, in addition to regulating illegal mobile concession operations at City facilities. All applicable licenses will be required for seasonal mobile concessions.

Relationship to Vaughan Vision 2007

Implementation of this recommendation will pursue excellence in the delivery of core services and have a positive impact on cost effectiveness.

This report is consistent with the priorities previously set by Council and the necessary resources have been allocated and approved.

Regional Implications

None.

Conclusion

Awarding Contract RFP07-050, Vending Services and Concession Operations, for a three-year contract with the option to renew on an annual basis for up to two one year terms, at the discretion of the City, to Fontana Gardens Express will provide stable and proven vending services, concession operations and seasonal mobile concession operations at City recreation facilities.

Attachments

None.

Report Prepared By

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Respectfully submitted,

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