

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Seattle Parks and Recreation	Theresa Burns/684-8008	Justin Hellier/206-327-5684

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to Seattle Parks and Recreation; authorizing the Superintendent of Parks and Recreation to execute, for and on behalf of the City, a Concessions Agreement with Compass Group USA, Inc., doing business as Canteen, to provide food and beverage vending machine service in City park facilities identified in the Agreement and additional City park facilities and locations approved by the Superintendent.

Summary and Background of the Legislation:

SPR's previous long-term vending Agreement with Canteen was approved through legislation (Ordinance 123765) and expired on January 31, 2022. Compass Group USA, Inc., (Canteen) was selected as the vending machine concessionaire following a competitive Request for Proposal (RFP) process advertised both in print media and on the Internet in three languages (Spanish, Chinese, and English). The Vending Services Evaluation Panel was unanimous in its selection of Canteen's proposal based on the level and quality of service, the variety of healthy products offered, and the financial terms of the proposal.

The proposed legislation authorizes the Superintendent of Parks and Recreation to enter into a five-year Concession Agreement with Compass Group USA, INC D/B/A Canteen. Under the terms of the Agreement, Canteen will provide healthy food and beverage vending machine services to designated SPR public park facilities, including community centers, teen centers and pools. The proposed agreement includes an option to extend the agreement for another five years at the mutual consent of both parties.

The financial terms require Canteen to pay the City 25% of all beverages sales and 28% of all food gross sales or a minimum of \$25,000 per year, whichever is greater, for SPR public service vending machines. Furthermore, Canteen is required by this Agreement and Washington State Law (RCW 74.18.230 and WAC 67-35-160) to enter into a separate Agreement with Washington State Department of Services for the Blind (DSB) for all SPR administrative vending service locations. Canteen will pay DSB the equivalent percentage required by the City for the total gross sales for food and beverages for all SPR administrative vending machine locations.

The total estimated revenue to SPR from this Agreement is forecasted to be approximately \$40,000 annually beginning in 2022.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

N/A

Summary Attachments:

Summary Attachment A - Vending Locations