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.

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs? No.

Are there financial costs or other impacts of *not* implementing the legislation? SPR would forego an anticipated \$40,000 per year in concession revenues. SPR staff and community members would not have convenient access to healthy food and beverage refreshments while visiting SPR facilities.

4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department? $_{\mathrm{No.}}$
- **b.** Is a public hearing required for this legislation? No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?
 No.
- **d.** Does this legislation affect a piece of property? No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public? No impact to vulnerable or historically disadvantaged communities. No language plan is planned at this time.
- f. Climate Change Implications
 - 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No material changes to carbon emissions.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No climate change impacts.

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)? $\rm\,N/A$

Summary Attachments:

Summary Attachment A - Vending Locations