



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Scott P. Johnson

**SUBJECT:** SEE BELOW

**DATE:** May 31, 2006

Approved

Date

6/01/06

**SUBJECT: CITYWIDE VENDING MACHINES SOLICITATION**

## RECOMMENDATION

Authorize the Director of Finance to issue a citywide vending machines solicitation which will include at least 50% healthy food and drink choices for vending machines located throughout the City with the exception of vending machines located in City Libraries that shall control 100% healthy food and drink choices.

## OUTCOME

Offer healthy food and drink options for residents and employees in vending machines located in City facilities throughout the City of San José.

## BACKGROUND

On March 14, Council approved Item 3.4 titled "Amendment to Guidelines for the Vending Machine Contract for the City's Library Department," which directed staff to specify that vending machines located in City libraries shall contain 100% healthy food and drink choices. Additionally, Council directed staff to recommend to Council similar specifications for the citywide vending machine contract.

The current contract includes 97 vending machines in 45 locations. 71 vending machines are accessible to the public at Libraries, Community Service Centers, and the Airport. 26 vending machines are only accessible to City employees at various City facilities such as service yards and training centers. Additionally, vending machines are scheduled to be placed in City Hall, at the parking garage level, and at new branch libraries.

## ANALYSIS

Per the analysis from the current vendor, the most bought items from vending machines are sodas and snacks. The tables on the next page depict a two-week average consumption of vending machine items from vending machines located at various City facilities. In a two week period,

City employees and residents bought close to 2,400 beverages and over 1,000 candy bars, cookies, chips, and other snacks. Further, as can be inferred from the table representing a two-week average of beverage consumption, more than 60% of all beverages purchased through vending machines were sodas versus water, juices, or juice drinks.

**Two-week Average Beverage Consumption**

<b>Beverage</b>	<b>Quantity</b>
Soda 12 oz	840
12 oz Non Carb	96
Soda 20 oz	552
20 oz Non Carb	216
Water	192
Juice 12 oz	168
Juice 16 oz	192
Snapple 16 oz	24
Gatorade 20 oz	108
<b>TOTAL</b>	<b>2,388</b>

Similarly, the most purchased item among Candy and Snacks were chips with over 40% of the purchase volume in this category followed second by pastries.

**Two-week Average of Candy and Snacks Consumption**

<b>Candy and Snacks</b>	<b>Quantity</b>
Chips	431
Candy	130
Snack	83
Big Cookie	95
Pastry	159
Micro Popcorn	1
Gum/Mint	146
<b>TOTAL</b>	<b>1,045</b>

Given the consumption pattern outlined above, staff agrees that at least 50% of the content in vending machines accessible to the public and/or City employees (except for vending machines located at City libraries) shall be healthy food and drink choices as defined in the Memorandum from Councilmember Yeager, dated March 10, titled "Proposed specifications for the Library's vending machine Request for Qualification."

However, traditional vending machine fare should not be eliminated to allow for choices in snack consumption for City employees and the public. The data above clearly demonstrates that City employees and residents choose to drink substantially more soft drinks than water, juices, or juice drinks and that adults using vending machines expect a choice in vending machine fare. On September 7, 2005, the County of Santa Clara adopted a policy titled "Report back on nutrition standards for vending machine beverages and snacks in County buildings and nutrition standard for purchasing or food at County sponsored events or meetings." The policy prescribes that 50%

of food items offered at vending machines placed at County facilities are healthy. The policy reflects a reasonable approach to balancing the need for healthy food choices and other vending machine fare adults expect. Offering at least 50% healthy food and drink choices will provide an opportunity to expose employees and the public to alternative snacks and encourage their consumption while allowing for a choice in vending machine fare.

### **ALTERNATIVE**

In addition to offering 100% healthy food choices at Libraries, staff discussed a 100% selection of healthy food choices at Community Service Centers. In the near future, the City will open up multi-purpose Community Service Centers, which include meeting rooms and recreational rooms attracting different segments of City residents. Therefore, staff's recommendation is based on the premise that the City's vending machines located at Community Service Centers should reflect the needs of these various segments of the population.

### **PUBLIC OUTREACH**

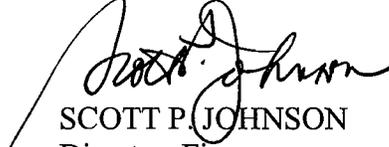
Not applicable.

### **COORDINATION**

This memorandum has been coordinated with the City Manager's Office, the Library, Transportation, and PRNS.

### **CEQA**

Not a project.

  
SCOTT P. JOHNSON  
Director, Finance

For questions, please contact Walter C. Rossmann, Chief Purchasing Officer, at 408 535-7051.