



Vending Services – Revenue Generating

Presented to: Organizational, Services
& Performance Monitoring Committee

September 10, 2024

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Vending Services – Revenue Generating Project Overview

Convenient Vending, Engaged Workforce

- The Vending Services contract ensures convenient access to snacks for employees across GCRTA locations, generating revenue that supports various employee activities and enhances engagement.

Vending Services – Revenue Generating Project Overview

Scope of Service

- Support Services manages and oversees the vending services contract for all internal district locations, including:
 - The Main Office Building
 - Central Bus Maintenance Facility
 - Hayden District
 - Rail District
 - Triskett District
 - Woodhill District
 - Paratransit District

Vending Services – Revenue Generating Project Overview

Scope of Service, continued

- A total of 43 vending machines are distributed across GCRTA district locations.
- These machines are placed in secure, employee-only areas within each district, except for the first floor of the Main Office Building.

Vending Services – Revenue Generating Project Overview

Justification

- The vending machines provide convenient access to snacks, beverages, coffee, small meals, and healthy alternatives for over 2,000 employees.
- Revenue generated from the vending machines is pooled into funds allocated for employee activities, organized by each district's council group, supporting morale and engagement.

Vending Services – Revenue Generating Project Overview

Justification, continued

- GCRTA is seeking a new revenue-generating vending contract with a commission guarantee, including:
 - Food (including healthy options)
 - Beverages
 - Condiments
 - Paper Products
 - Flatware
 - Napkins

Vending Services – Revenue Generating Procurement Overview

- RFP Issued April 21, 2024
- Proposals were due May 22, 2024
- 15 parties accessed RFP on GCRTA website
- 3 proposals were received

Vending Services – Revenue Generating Procurement Overview

Evaluation Panel Members

- Service Management
- Accounting
- Labor & Employee Relations
- Support Services
- Power & Way District
- Procurement

Vending Services – Revenue Generating Procurement Overview

Evaluation Criteria

- Service Offered: Quality and scope of work
- Commission percentage and expected revenue
- Vendor experience and reputation
- Variety: Food/beverage options and healthy food initiatives
- Planning: Delivery plan for each district location

Vending Services – Revenue Generating Procurement Overview

Recommended Vendor

- Stephen J. Hall dba Firelands Vending
- Sandusky, Ohio
- DBE Goal: 0% (Due to lack of DBE subcontractors)

Vending Services – Revenue Generating Procurement Overview

Financial Breakdown

- Commission: 19% on non-perishable items
- Guaranteed Annual Revenue: \$72,000
- Guaranteed Monthly Payment: \$6,000
- Three-Year Total Revenue: \$216,000
- Five-Year Total Revenue: \$360,000

Vending Services – Revenue Generating Procurement Overview

Company Highlights

- Established in 1994
Over 30 years of experience in the vending industry.
- State-of-the-Art Equipment
Vending machines with features like cashless payment options.
- Proven Track Record
Handling large, multi-location accounts in both public and private sectors.

Vending Services – Revenue Generating Procurement Overview

Current Client Portfolio

- Toledo Area Regional Transit Authority (TARTA)
- Bowling Green State University
- University of Findlay
- Cleveland Clinic
- ProMedica Hospital Systems
- Ohio Veterans' Home
- Lucas County Government
- GCRTA

Greater Cleveland Regional Transit Authority

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Vending Services – Revenue Generating Procurement Overview

Recommendation

- Staff requests that the Organizational, Services & Performance Monitoring Committee recommend to the Board of Trustees an award to Stephen J. Hall dba Firelands Vending to provide vending services to the Authority for a period of three-years with two, one-year options.

Questions?

Greater Cleveland Regional Transit Authority

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