From: <u>"Singh, Sandra" <Sandra.Singh@vancouver.ca></u>

To: "Direct to Mayor and Council

Date: 6/18/2025 5:45:16 PM

Subject: Question re: Item on Council Agenda today - RTS 17923 - Contract Award for Supply and

Delivery of Food and Beverage for Carnegie Centre and Gathering Place

Good afternoon Mayor and Council,

Please accept my sincere apologies but I believe that this Q&A about a report on the Council agenda today did not make it through to you in advance of the meeting today. The oversight was on my part, not staff's. While the report went on consent this morning, I hope the information below is still of interest.

Re: RTS 17923 - Contract Award for Supply and Delivery of Food and Beverage for Carnegie Centre and Gathering Place

Q: I'm interested to understand more about how the 20% savings are achieved on the referenced in-scope spending. I see the references to affordability. Is it that we are monitoring regularly, ordering more cost effective/cheaper items, less local foods for example or what is the basis for how the savings are achieved?

R: Carnegie Centre and Gathering Place offer affordable meal services to local clientele and residents though their food and beverage operations.

These contracts cover 80% of annual spend on food and beverage operations; they ensure competitive pricing for high value, high volume, and repetitively purchased items and create operating efficiency for the two Centres (e.g. ordering, delivery and payment processes).

The remaining 20% of annual spend (low - value/volume/frequency items) maybe purchased from any other suppliers, most of whom are local or specialty suppliers, without the need to establish contracts or monitor pricing.

The three proposed suppliers will offer competitive quotes on the required lists of products, most of which are sourced locally where available, meeting all or most of the Centre's needs while adhering to all industry standards on food safety and distribution services. However, not all items offered by any one of the proposed suppliers is priced competitively at any given time due to supply chain and market price variations. Pricing will be compared monthly to provide options to order items of equal or better quality at the lowest possible price from each vendor.

The 20% savings estimate is in comparison to the previous year (2024) annual spend for the items inscope. These contracts will help to manage the recent food cost escalation within the available budget.

Thank you,

Sandra

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The City of Vancouver acknowledges the unceded homelands of the x m k y m (Musqueam), S wxwú7mesh (Squamish), and Selílwitulh (Tsleil-Waututh) Nations.