



# City Council Memorandum

*City of Arts & Innovation*

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**TO: HONORABLE MAYOR AND CITY COUNCIL** **DATE: OCTOBER 23, 2018**

**FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT** **WARDS: ALL**

**SUBJECT: VENDING MACHINE REVENUES FOR FISCAL YEAR 2017-18 FROM BOBBY BONDS, BORDWELL, BRYANT, AND ORANGE TERRACE PARKS – SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$3,302.95**

## **ISSUE**

Authorize a supplemental appropriation in the amount of \$3,302.95 for the increased revenue from vending machines located at Bobby Bonds, Bordwell, Bryant, and Orange Terrace Parks.

## **RECOMMENDATIONS**

That the City Council:

1. Authorize an increase in revenue of \$3,302.95 and appropriate funds in the same amount to Recreation Vending Machine Revenue Account Number 0000101-343635;
2. Approve a supplemental appropriation in the amount of \$1,057.25 (from Bordwell and Bryant Parks) to Recreation Professional Services Account Number 5205000-421000;
3. Approve a supplemental appropriation in the amount of \$589.29 (from Bobby Bonds Park) to the Recreation Supplies Account Number 5225000-426500; and
4. Approve a supplemental appropriation in the amount of \$1,656.41 (from Orange Terrace Park) to the Recreation Supplies Account Number 5205000-426500.

## **BACKGROUND**

On September 9, 2003, City Council authorized an annual distribution of revenue collected from vending machines to the Park Advisory groups to benefit the respective community centers where the vending machines are located.

On February 1, 2010, Council approved an agreement with First Class Vending Company to provide refreshments and snacks at various facilities throughout the City; they are still the only vending machine vendor at City parks.

On November 10, 2015, Council adopted the Healthier Food and Beverage Guidelines to offer healthier choices, specifically at City-managed vending machines.

## **DISCUSSION**

Proceeds from vending machines are used by Park Advisory Boards at Bordwell and Bryant Parks to purchase a variety of goods and services for the benefit of their respective community center, such as: sports equipment, uniforms, t-shirts, youth excursions, youth tournament entry fees, special event supplies, admission tickets, and bus transportation.

Bobby Bonds and Orange Terrace Parks do not have an Advisory Board. Funds will be deposited to their respective Recreation Supplies Account to support programming specifically at their sites.

Fiscal Year 2017-18 vending machine revenues were 27% lower as compared with Fiscal Year 2016-17. The decline in revenue is due to the healthier snacks that youth at the community centers do not crave. Table 1 below represents vending machine revenues generated during Fiscal Year 2017-18 as compared to Fiscal Year 2016-17 at each site.

<b>Vending Machine Site</b>	<b>FY 2016-17 Amounts</b>	<b>FY 2017-18 Amounts</b>
Bobby Bonds Park	\$ 994.44	\$ 589.29
Bordwell Park	\$ 477.46	\$ 470.60
Bryant Park	\$ 1,256.34	\$ 586.65
Orange Terrace Park	\$ 1,857.92	\$ 1,656.41
<b>TOTAL</b>	<b>\$ 4,586.16</b>	<b>\$ 3,302.95</b>

## **FISCAL IMPACT**

The fiscal impact from this action is \$3,302.95. Fiscal Year 2017-18 revenues generated from vending machines at Bobby Bonds, Bordwell, Bryant, and Orange Terrace Parks fully offsets the requested supplemental appropriations.

Prepared by: Adolfo Cruz, Parks, Recreation and Community Services Director  
 Certified as to availability of funds: Edward Enriquez, Acting Chief Financial Officer / City Treasurer  
 Approved by: Rafael Guzman, Assistant City Manager  
 Approved as to form: Gary G. Geuss, City Attorney