



Health Wellness and Aging Commission

March 13, 2025

Item No. 5.1

ITEM TITLE

Amendment to Council Policy #840-04 on Public Vending Machines in City Facilities

Location: No specific geographic location

Department: Housing and Homeless Services

G.C. § 84308 Regulations Apply: No

Environmental Notice: The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines. Therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required. Notwithstanding the foregoing, the activity also qualifies for an Exemption pursuant to Section 15061(b)(3) of the California Environmental Quality Act State Guidelines. Under the National Environmental Policy Act (NEPA), the activity is exempt pursuant to Title 24, Part 58.34(a)(2)(3) of the Code of Federal Regulations.

Recommended Action

Review the proposed amendment to Council Policy #840-04, allow for public comment, and provide an advisory recommendation to Council.

SUMMARY

The City of Chula Vista has a longstanding commitment to promoting public health, as demonstrated by previous initiatives such as the Healthy Eating, Active Communities (HEAC) initiative adopted in 2006 and the Healthy Chula Vista Action Plan adopted in January 2016. These initiatives included strategies to increase access to healthy food options and overall wellness.

At this time, staff is reviewing the existing Council Policy #840-04 and proposing amendments to ensure that all internal vending machines adhere to sustainable and health-conscious food policies, while still providing flexibility to the City to procure a reliable contractor.

ENVIRONMENTAL REVIEW

The Director of Housing and Homeless Services has determined that the proposed action does not constitute a "Project" under Section 15378 of the CEQA Guidelines and qualifies for an exemption under Section 15061(b)(3). Therefore, no further environmental review is required.

DISCUSSION

Background

In 2006, the City Council approved a variety of policies aimed at fostering a healthier community, including the HEAC initiative, which focused on improving food environments to combat obesity and diabetes. One of the key recommendations was to enhance the nutritional quality of vending machine offerings in City facilities.

The City recognized the importance of providing healthier food and beverage options in public spaces, particularly within facilities that serve children, seniors, and community members who rely on vending machines for snacks and refreshments and adopted Council Policy #840-04 on XX via Resolution No, XX (the "Policy"), requiring all public vending machines in City-owned properties to comply with updated state nutrition standards and guidelines.

Around 2016, upon adoption of the Healthy Chula Vista Action Plan, it was noted that the vending contractor was not in compliance with the Policy and over the next year staff worked with the City's Procurement team to solicit a new contractor and bring the contents of vending machines into compliance with the Policy.

Through the procurement process, the City identified that there was not a single operator that could service all thirty-eight (38) machines within the City and had to enter into two separate agreements with contractors.

Current Challenges

Over the past two year, the City's vending contractors have been less responsive to requests with machine malfunctions, maintenance requests, and general restocking of machines, resulting in the need to procure a new vendor(s).

Pursuant to Municipal Code Section 2.56.090, on February 9, 2024, a request for Proposal (RFP) was issued and advertised under RFP No. P22-2024. The City received two proposals, and selected Compass Group USA, Inc., through its [Canteen Division](#) (Canteen) as the most qualified. Agreement number 2024-267 is effective as of October 1, 2024, through September 30, 2027, with the option to extend for two (2), one (1) year terms through September 30, 2029.

Through discussions with Canteen, staff recognized that factors such as the size of our account, commissioning sharing model, and adjustments to the mix of vending may be required to make financial sense for all parties to contract. Specifically, Canteen has a "[Choice Plus](#)" line which provides healthy alternatives, which closely aligns with nutrition standards already set in the Policy. However, based on existing Canteen contracts and experience providing Choice Plus at 100% in machines, they did not recommend this model nor would service such for Chula Vista. One of the specific criteria that Canteen monitors closely is the average monthly waste (items that have expired and need to be removed and disposed of). Canteen desires less than 2.4% waste across the entire account. A few recent case models that were shared:

- Kaiser – Currently Kaiser does require 100% of Choice Plus contents in their machines and has a 6.2% waste rate. Anecdotally staff at Kaiser often provide negative feedback about contents, even debating whether artificial sweeteners in beverages such as diet soda is 'healthier' than natural sugar beverages.

- Scripps – Maintains 50% of machine contents with Choice Plus.
- UCSD – System provides a Red-Yellow-Green status of machine contents whereby Green meet all Choice Plus standards and red are considered the ‘unhealthy’ items. The net result is also an approximate 50% split in machines.

In October 2024 the City contracted with Canteen and since that time has seen a 1.2% waste rate.

Proposed Amendments

The proposed amendments to Council Policy #840-04, per attachment 1, include the following provisions:

- **Beverage Standards:** 50% of all beverages in each vending machines shall meet Choice Plus standards.
- **Snack Standards:** 50% of all snacks and foods in each vending shall meet Choice Plus standards.

Staff recommends the amendments recognizing the challenges faced in procuring a reliable and responsive contractor that makes financial sense for all parties. The alternative at this time would be for the Commission to repeal the policy since it is not currently compliant with the procured contract.

CURRENT-YEAR FISCAL IMPACT

There is no new fiscal impact through the adoption of amendments to Council Policy #840-04.

ONGOING FISCAL IMPACT

None by this action.

ATTACHMENTS

1. Proposed Redline Amendments to Council Policy #840-04 on Public Vending Machines in City Facilities

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