



CITY OF POMONA

COUNCIL REPORT

July 6, 2026

To: Honorable Mayor and Members of the City Council

From: Anita D. Scott, City Manager

Submitted By: Mark J. Gluba, Assistant City Manager

SUBJECT: AWARD OF A CONTRACT FOR ONE YEAR WITH FOUR (4) ONE-YEAR EXTENSION OPTIONS TO FIRST CHOICE REFRESH, INC. FOR OPERATION OF VENDING MACHINES AT VARIOUS CITY FACILITIES IN FY 2026-27

RECOMMENDATION:

It is recommended that the City Council take the following actions:

- 1) Award a retroactive five-year contract to First Choice Refresh, Inc. for the operation of vending machines at various City facilities in FY 2026-27, to commence on July 1, 2026, and end on June 30, 2031; and
- 2) Authorize the City Manager or designee to execute the contract and any amendments or extensions thereto, subject to review by the City Attorney.

EXECUTIVE SUMMARY:

The City currently has vending machines operating at Hope for Home, Metrolink train station, City Hall, Library, City Yard, and various Police Department facilities. Following a formal Invitation to Bid (IFB) and review, it is recommended to award First Choice Refresh, Inc. for a five year contract to operate vending machines at these locations, to commence on July 1, 2026 and end on June 30, 2031

SB1439/GOVERNMENT CODE §84308 APPLICABILITY:

☐ When this box is checked, it indicates the agenda item is subject to the Levine Act SB1439 requirements. Councilmembers are reminded to check their campaign contributions and determine whether they have received a campaign contribution of \$500 or more that would require disclosure and/or recusal from discussing or acting on this agenda item. Campaign contributions of \$500 or more made 1) by any person or entity who is identified in the agenda report as the applicant or proposer or 2) on behalf of the applicant or participant, including a parent, subsidiary or otherwise

related business entity, or 3) by any person who has a financial interest in the agenda item requires a councilmember to comply with SB1439.

FISCAL IMPACT:

Minimal expenditures will be associated with this contract for electricity costs to operate the vending machines. There will be no cost to the City for stocking or for maintenance of the machines. The contractor will pay 30% commission to the City for the sale of food and drinks from the commissioned vending machine(s) located at Metrolink train station, which are utilized by the public, as well as from any future potential locations that may be requested by the City. Vending machine sales commission is estimated to generate approximately \$3,500 to \$4,500 per year in the General Fund. Commission revenue will be deposited to Worktag: [FD101 | CC4201 | 45000 Miscellaneous Revenue | 00000]

PUBLIC NOTICING REQUIREMENTS:

In accordance with Section 2-993.1 (4)a, of the City’s Purchasing Ordinance, a public notice inviting bids was posted on the City’s website on May 14, 2026, and bids were open on June 4, 2026. Three (3) proposals were submitted and reviewed.

DISCUSSION:

On May 14, 2026 a Invitation to Bid (IFB) No. 2026-21 “SNACK AND BEVERAGE VENDING MACHINE SERVICES” was issued on the City’s electronic bidding platform. The solicitation notified 36 suppliers, of which 11 prospective bidders downloaded the IFB, resulting in the City receiving 3 proposals. All 3 proposals met minimum qualifications.

Rank	Vendor	Commission
1	First Choice Refresh, Inc.	30%
2	Intellivend, Inc.	35%
3	Vending One	35%

Staff reviewed the pricing proposals and qualifications from each vendor. The following was noted:

- 1) First Choice Refresh, Inc.’s pricing of certain items were lower than the only other vendor that provided pricing, with a commission rate of 30% for commissioned items.
- 2) Intellivend prices of certain items were higher than the other vendor that provided pricing, with a 35% commission rate.

- 3) Vending One did not provide vending item prices with bid as provided by the other vendors, when received, certain items were higher in price than other vendors, with a 35% commission rate.

In light of these observations, staff recommends that the contract be awarded to First Choice Refresh, Inc. as they provided the complete proposal with food item pricing, per the requirements in the IFB. First Choice Refresh, Inc. pricing also included many items that were more affordable than the other bidders. When comparing item pricing for staff purchase, First Choice Refresh, Inc.'s items were anywhere from 15 to 26% lower than their competitors. Considering the City's socioeconomics and the uncertain economic environment due to current market values, staff believes it is important to have more affordable items available to the public and City staff while maintaining a reasonable and acceptable commission rate.

COUNCIL PRIORITIES & GOALS:

This item supports the 2021-2022 City Council Priority 1: Fiscal and Operational Responsibility – Goal C: Obtain additional grant funding and other revenues to help achieve City goals.

Prepared by:

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Management Analyst

ATTACHMENT(S):

Attachment No. 1 – Agreement for Vending Machine Services