



Board Report

File #: 2017-0677, File Type: Contract

Agenda Number: 21.

SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE OCTOBER 19, 2017

SUBJECT: FOOD SERVICE OPERATOR

ACTION: AWARD SERVICES CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a seven-year, non-revenue producing Contract No. PS88880000, beginning January 1, 2018, to CulinArt Group for the operation and management of the Union Station Gateway (USG) and Central Maintenance Facility (CMF) cafeterias, catering services and USG vending machine service, subject to resolution of protest(s), if any.

ISSUE

The current contract with California Dining expires on December 31, 2017. The firm has operated and managed the Metro Café and CMF facility since February 7, 2011.

DISCUSSION

The USG contains a full-service cafeteria (Metro Café), operated by an outside vendor. Metro Café customers include Metro and USG tenants' employees, Board members, and other guests, including the general public. Metro Café also provides vending and catering services inside the USG Building.

CMF contains a smaller cafeteria, also operated by the vendor, which serves breakfast and lunch to employees from CMF and Division 13, as well as a small number of visitors.

Metro's Living Wage/Services Contract Worker Retention Policy applies to employees that work 50% or more of their total working hours on this contract.

CulinArt Group has proposed an initial capital investment of up to \$200,000 for equipment and other facility improvement.

DETERMINATION OF SAFETY IMPACT

Awarding this Contract will have a neutral impact on safety.

FINANCIAL IMPACT

Since this is a non-revenue contract, there will be no cost to Metro.

ALTERNATIVES CONSIDERED

Alternatives to awarding this new contract that have not been recommended include:

1. Removing café services in both locations and repurposing spaces. This has not been recommended as having on-site dining facilitates keeps productivity high by keeping most employees on-site for lunch.
2. Leasing the spaces out to retail food service companies. This has not been recommended because it eliminates Metro's ability to control service quality.
3. Hiring in-house Metro employees to operate the cafeterias. This has not been recommended because Metro would assume all liability in an area that is not our core competency. Food service should be provided by people expert in food service and food safety.

NEXT STEPS

Upon Board approval, staff will execute the new contract with CulinArt Group and work with the incumbent and new cafeteria operator to facilitate a seamless operational transition.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

FOOD SERVICES OPERATOR / PS88880000

1.	Contract Number: PS88880000	
2.	Recommended Vendor : CulinArt Group	
3.	Type of Procurement (check one): <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: April 10, 2017	
	B. Advertised/Publicized: April 11, 2017	
	C. Pre-proposal/Pre-Bid Conference: May 2, 2017	
	D. Proposals/Bids Due: June 21, 2017	
	E. Pre-Qualification Completed: Pending	
	F. Conflict of Interest Form Submitted to Ethics: September 25, 2017	
	G. Protest Period End Date: October 23, 2017	
5.	Solicitations Picked up/Downloaded: 15	Bids/Proposals Received: 6
6.	Contract Administrator: Rommel Hilario	Telephone Number: (213) 922-4654
7.	Project Manager: John Flores	Telephone Number: (213) 922-2770

A. Procurement Background

This Board Action is to approve a contract award in support of General Services to provide cafeteria, catering, and vending machine services to the Union Station Gateway (USG) Building and Central Maintenance Facility (CMF) cafeterias as outlined in Request for Proposal (RFP) No. PS25924. Board approval of contract awards are subject to resolution of any properly submitted protest.

The RFP was issued as a competitive negotiated procurement in accordance with Metro's Acquisition Policy. The new contract does not require any payment from Metro.

Four amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on May 8, 2017, provided pre-proposal documents including agenda, sign-in sheets, and planholder's list;
- Amendment No. 2, issued on May 17, 2017, provided 2016 net sales information for USG and CMF cafeterias;
- Amendment No. 3, issued on May 24, 2017, extended the proposal due date from May 31, 2017 to June 21, 2017;
- Amendment No. 4, issued on June 1, 2017, restated proposal submittal requirements.

A pre-proposal conference was held on May 2, 2017. A total of nine participants representing six firms were in attendance. On June 21, 2017, Metro received six proposals.

B. Evaluation of Proposals

The Proposal Evaluation Team (PET), consisting of staff from General Services, the Office of the CEO, Environmental Compliance/Sustainability, and the Central Maintenance Facility, reviewed proposals based on the technical criteria consistent with the experience and resources necessary to meet the requirements of the RFP. Proposals were evaluated according to the criteria established in the RFP and in compliance with Metro’s Acquisition Policy.

- Skills and Experience 25%
- Operating Plan 20%
- Menus and Pricing 20%
- Staffing Plan 20%
- Site Visit and Food Tasting 15%

The evaluation criteria are appropriate and consistent with criteria developed for other, similar RFPs. Several factors were considered when developing these weights, giving the greatest importance to skills and experience.

The six proposals received were determined to be within the competitive range and are listed below in alphabetical order:

1. Aramark
2. California Dining Services
3. Company Kitchen
4. CulinArt Group
5. Fooda
6. High Rise Goodies Restaurant Group (Trimmana)

Site visits for all proposing firms were conducted by the PET at local sites operated and managed by the proposers in order to observe operations and taste the food. Site visits were scheduled and completed between August 14 and August 23, 2017.

1	FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
2	CulinArt Group				
3	Skills and Experience	97.6	25%	24.4	
4	Operating Plan	93.5	20%	18.7	

5	Menus and Pricing	90.0	20%	18.0	
6	Staffing Plan	90.5	20%	18.1	
7	Site Visit and Food Tasting	98.7	15%	14.8	
8	Total		100.00%	94.0	1
9	Trimmana				
10	Skills and Experience	85.2	25%	21.3	
11	Operating Plan	80.0	20%	16.0	
12	Menus and Pricing	79.0	20%	15.8	
13	Staffing Plan	79.0	20%	15.8	
14	Site Visit and Food Tasting	94.0	15%	14.1	
15	Total		100.00%	83.0	2
16	Company Kitchen				
17	Skills & Experience	95.2	25%	23.8	
18	Operating Plan	71.5	20%	14.3	
19	Menus and Pricing	76.5	20%	15.3	
20	Staffing Plan	76.5	20%	15.3	
21	Site Visit and Food Tasting	89.3	15%	13.4	
22	Total		100.00%	82.1	3
23	Aramark				
24	Skills and Experience	82.4	25%	20.6	
25	Operating Plan	77.5	20%	15.5	
26	Menus and Pricing	81.0	20%	16.2	
27	Staffing Plan	76.5	20%	15.3	
28	Site Visit and Food Tasting	93.3	15%	14.0	
29	Total		100.00%	81.6	4
30	Fooda				
31	Skills and Experience	82.4	25%	20.6	

32	Operating Plan	82.0	20%	16.4	
33	Menus and Pricing	57.5	20%	11.5	
34	Staffing Plan	66.5	20%	13.3	
35	Site Visit and Food Tasting	75.3	15%	11.3	
36	Total		100.00%	73.1	5
37	California Dining				
38	Skills and Experience	82.0	25%	20.5	
39	Operating Plan	60.0	20%	12.0	
40	Menus and Pricing	66.6	20%	13.3	
41	Staffing Plan	64.5	20%	12.9	
42	Site Visit and Food Tasting	80.7	15%	12.1	
43	Total			70.8	6

C. Cost/Price Analysis

There are no costs associated with this contract that will be incurred by Metro. However, it should be noted that the recommended contractor, CulinArt Group, has committed up to \$200,000 in capital improvements for the Metro Café.

D. Background on Recommended Contractor

CulinArt Group is a dining services management company, headquartered in Plainview, NY, with regional offices in Malvern, PA, North Haven, CT, Orange County, CA and Scottsdale, AZ. The firm brings a “Food First” approach to their clients’ dining programs, allowing them to develop menus specifically for their facility. They provide full-scale dining services management — including café, catering, office coffee service and vending — as well as dietary consulting and nutritional services.

CulinArt Group provides dining services at reputable corporate dining accounts such as Intuit, Synaptics, TE Connectivity, TD Ameritrade, Jet Propulsion Laboratory, Thermo Fisher Scientific, Allergan, Pacific Life, Con Edison, Entergy, National Grid, The McGraw Hill Companies, Parker Hannifin, General Atomics, Carefusion, Solar Turbines, Gibson Dunn & Crutcher LLP, Pitney Bowes and Oakley, among others.

DEOD SUMMARY

FOOD SERVICES OPERATOR / PS88880000

A. Small Business Participation

For this non-revenue generating procurement, the Diversity and Economic Opportunity Department (DEOD) determined that a goal is not applicable to this multi-year food services Contract.

B. Living Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) is applicable to this contract. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$17.26 per hour (\$12.08 base + \$5.18 health benefits), including yearly increases. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

C. Prevailing Wage Applicability

Prevailing wage is not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract.