



City Council Report

Date: July 8, 2015
To: City Council
Through: Alex Deshuk, Manager of Technology and Innovation
From: Edward Quedens, MPA, C.P.M., CPPO, Business Services Director
Matt Bauer, MBA, CPPO, CPPB, CPSM, Procurement Administrator
Subject: One-Year Renewal of the Term Contract for Concession Services for the Mesa Arts Center **(District 4)**

Purpose and Recommendation

Council is requested to approve the Renewal of the Term Contract for Concession Services as recommended.

The Mesa Arts Center and Purchasing recommend authorizing a one-year renewal with Atlasta Catering Service, Inc. For the management of concessions at Mesa Arts Center, the vendor pays the City a commission percentage of the gross receipts for food, beverage and liquor sales for concession services; and for catering services.

Background / Discussion

This contract provides a qualified and reputable business for the provision of food and beverages (alcoholic and non-alcoholic) for concessions. The company has catering and concessions operations at the Mesa Arts Center, has dedicated onsite staff to manage the food and beverage operations, and maintains strong customer service, image and perception.

Through this contract, the City receives a commission on the percentage of the gross receipts for food, beverage and liquor sales for concession services; and for catering services. The vendor is willing to maintain the same commission structure for the renewal. The City has been satisfied with vendor performance. This contract continues to be advantageous to the City and it is in the City's best interest to renew the contract.

On July 10, 2012, management approved the initial three-year term contract with renewal options. This is the first, one-year renewal with a one-year renewal remaining. Future renewal will be subject to Council consideration.

Alternatives

Council may choose not to authorize the purchase and new bids will be obtained.

Fiscal Impact

The City provides the vendor the exclusive right to provide concession services and non-exclusive right for catering services. The vendor pays commission of all gross receipts for

food, beverage and liquor sales (30% of gross receipts for food, beverage and liquor sales for concession services; and 20% for food and beverage (non-alcoholic) and 30% for liquor sales for catering services).

Coordinated With

Arts & Cultural Department, and Purchasing

PURCHASING INFORMATION

Action: Renewal

Procurement Type: Request for Proposals

Solicitation Number: 2012128

Responses Received: 4 (1 unqualified - had minimum references and limited staffing resources to provide services to similar facilities of comparable size)

Initial Contract Term: Three years

Renewal Term: One Year

Renewal Terms Remaining: One-Year renewal subject to future Council consideration

Proposals received April 26, 2013

Arizona Catering – Mesa, AZ

Atlasta Catering Service, Inc. – Phoenix, AZ

C. Fitch Catering, Downtown Rendezvous – Payson, AZ

Sodexo America, LLC – Altamonte Springs, FL

Proposal Scoring Results

Elements / Maximum Points Possible	Atlasta Catering Service, Inc. Phoenix, AZ	Arizona Catering Mesa, AZ	Sodexo America, LLC Altamonte Springs, FL
Method of proposed operation that will result in high levels of service and high quality products at reasonable prices. This will include a review of proposed products and menus / 25%	215	220	210
Contractor's qualifications, ex-perience and references, including consideration of Health Department Scores achieved in other venues, Reputation of the firm and its principles, operational experience, management ability / 20%	190	190	195
Financial proposal, including proposed City shared percentage / 20%	200	150	150
Creative marketing plan that will maximize revenue / 15%	140	140	135

Contractor's financial condition and stability /10%	95	95	70
Proposal Format and Organization (thoroughness, clarity, organization and presentation) Conformance to RFP Terms and Conditions /10%	85	80	70
Total Points / 850 points	<u>925</u>	875	830

RENEWAL RECOMMENDATION
Atlasta Catering Service, Inc.
Phoenix, AZ

Description
<p>City to provide vendor the exclusive right to provide concession services, and non-exclusive right for catering services. Vendor to pay the City the following commissions of all gross receipts for food, beverage and liquor sales.</p> <p><u>Concession Service</u> Food and Beverage (non-Alcoholic) 30% to the City Liquor sales 30% to the City</p> <p><u>Catering Service</u> Food and Beverage (non-Alcoholic) 20% to the City Liquor sales 30% to the City</p>