



## Board Report

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File #: 2017-0677, File Type: Contract

Agenda Number: 21.

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### 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**

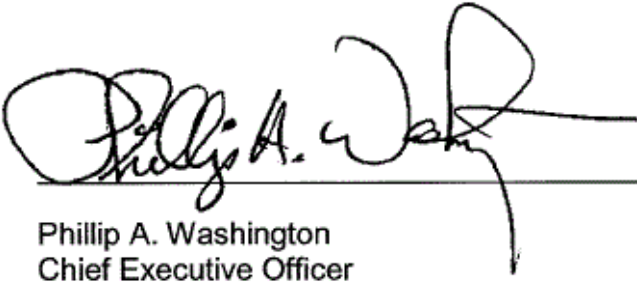
Upon Board approval, staff will execute the new contract with CulinArt Group and work with the incumbent and new cafeteria operator to facilitate a seamless operational transition.

### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - DEOD Summary

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