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Meeting.....2016 Apr 25

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2016 April 19

FROM: DIRECTOR FINANCE **FILE:** 5820-20
136-10/11

SUBJECT: CONTRACT EXTENSIONS – FOOD SERVICES

PURPOSE: To obtain Council approval to award three contract extensions for the supply and delivery of food products.

RECOMMENDATION:

1. THAT Council approve a one year contract extension for the supply and delivery of food products at an estimated total cost of \$1,152,809 including GST in the amount of \$54,896 as outlined in this report. Final pricing will be based on actual quantities purchased.

REPORT

In late 2011, a Request for Quotation (RFQ) was issued for the supply and delivery of food products to various locations within the City. The RFQ allowed for up to four one (1) year extensions. This recommendation is for the fourth year contract extension for the period 2016 April 01 to 2017 March 31 for Centennial Food Service, Gordon Food Service British Columbia, and Sysco Vancouver. There is some increase in estimated costs due to the rising food product costs and additional programming events at Burnaby Mountain Clubhouse and Riverway Clubhouse.

All three vendors have a proven track record for the supply and delivery of food products to the City and their prices are competitive and reflective of current market conditions. The Director of Parks, Recreation, & Cultural Services concurs with this recommendation.

Payments for the 2015 contract period to each vendor were: \$160,761.68 for Centennial Food Service, \$471,167.61 for Gordon Food Service British Columbia, and \$520,878.96 for Sysco Vancouver.

It is anticipated that revenues from the food operations will fully recover the costs. The 2016 and 2017 operating budgets reflect the revenues and expenditures for this requirement.

Denise Jorgenson
DIRECTOR FINANCE

GC:JN/kh

cc: Director Parks, Recreation, and Cultural Services
Manager, Business Operations