



City of  
**Peterborough**

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**To:** **Members of the General Committee**

**From:** **Ken Doherty, Director of Community Services**

**Meeting Date:** **March 26, 2018**

**Subject:** **Report CSAD18-002**  
**Award of RFP P-29-17 for Foodservice Operator for Food and Beverage Operations at Various Corporate Facilities**

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## **Purpose**

A report to award, in part, Request for Proposals (RFP) P-29-17 for Foodservice Operator for Food and Beverage Operations at Various Corporate Facilities and to request the extension of the existing Food and Beverage Agreement at the Peterborough Memorial Centre.

## **Recommendations**

That Council approve the recommendations outlined in Report CSAD18-002 dated March 26, 2018, of the Director of Community Services, as follows:

- a) That RFP document P-29-17 for the Foodservice Operator for Food and Beverage Operations at Various Corporate Facilities be awarded in part for the food and beverage and snack vending operations of the Evinrude Centre and Kinsmen Civic Centre to CGC Concessions Group Canada, 150-900 Division St., Cobourg, Ontario, K9A 5V2 for a five (5) year period beginning August 1, 2018 with an option to extend, by mutual agreement of the parties, for an additional period which shall not exceed five (5) years; and
- b) That the Agreement between the City of Peterborough and Brown's Fine Food Services Inc. for the food and beverage operations of the Peterborough Memorial Centre be extended for a period of one (1) year ending May 31, 2019; and

- c) That Administrative Staff Committee be authorized to approve the future award of the food and beverage operations of the Peterborough Sport and Wellness Centre Café, Bowers Park Concession, Peterborough Public Library Café and the future Peterborough Arena and Aquatics Complex.

## **Budget and Financial Implications**

CGC Concessions Group Canada's proposal provides the City with a percentage of gross sales net of applicable taxes and a capital contribution including marketing funds. The commission structure to the City for food and beverage operations is outlined below for the following locations:

- 1) Evinrude Centre Banquet Hall:
  - 25% of gross sales, net of applicable taxes, in Year 1
  - 27% of gross sales, net of applicable taxes, in excess of \$50,000 in Years 2 and 3
  - 30% of gross sales, net of applicable taxes, in excess of \$50,000 in Years 4 and 5
- 2) Evinrude Centre and Kinsmen Civic Centre Concessions:
  - 17% of gross sales, net of applicable taxes, in Years 1 through 3
  - 18% of gross sales, net of applicable taxes, in Year 4
  - 19% of gross sales, net of applicable taxes, in Year 5
- 3) Snack Vending at Evinrude Centre and Kinsmen Civic Centre:
  - 25% of gross sales, net of applicable taxes.

CGC Concessions Group Canada will also make a capital investment of \$25,000 for point of sale systems, marketing and other operating equipment required to carry out their business in these locations.

## **Background**

### **Brief Description of the Work**

The City is seeking to retain the services of an established Foodservice Operator to supply Food and Beverage Operations at various Corporate Facilities. In the past, a request for proposals was issued for the food and beverage operations at the single location of the Peterborough Memorial Centre. For this proposal, staff decided to expand the request for proposals to include opportunities at several corporate facilities.

During the proposal evaluation process, the Evaluation Committee decided against awarding the food and beverage operations of the Peterborough Memorial Centre as outlined in the Request for Proposals due to the pending 2019 floor renovation project

detailed in Report CPPS17-015 dated April 17, 2017. Further planning details of this project estimate that the facility will be closed for a minimum five-month period from May through September 2019. Staff will prepare a new Request for Proposals for this location to align with the anticipated facility re-opening date of October 1, 2019. As a result, Staff is recommending leaving the existing food and beverage operator in place and providing an extension of one (1) year on the existing Brown's Fine Food Services Inc. agreement beginning June 1, 2018.

The award of the Peterborough Sport and Wellness Centre Café, Bowers Park Concession, Peterborough Public Library Café is also being delayed due to the requirement by the City to complete the addition of the required service counters.

Presently, the concessions in the Community Arenas are operated in-house and the Evinrude Centre Banquet Hall allows event organizers to obtain their own caterer for events as required. The Evinrude Centre Banquet Hall space is currently under-utilized with revenues falling below budget targets. A partnership with an in-house food and beverage operator will assist City staff to properly market the space in the community, presenting banquet package options targeted to specific clientele. An in-house food and beverage operator will make event planning and budgeting simpler for customers in one location, eliminating the requirement by customers to coordinate details between the venue staff and catering staff separately. Target marketing, banquet packages and ease of use by clients will positively position the Banquet Hall for greater success resulting in increased revenues.

### **RFP Details, Closing, Prepared by, Reviewed by**

The RFP was issued on November 16, 2017 and closed on January 11, 2018. The RFP was prepared by City staff. The Evaluation Committee comprised of the Arena Division Manager, PMC Facility Manager, Community Arenas Operations Manager, PSWC Manager, Library Manager/CEO and the Manager of Finance.

### **RFP Statement**

This solicitation process was an RFP where a number of criteria were used to evaluate submissions. The criteria and their relative weighting were clearly set out in the RFP document. Part 6, Section 6.4.3.i. of the City's Purchasing By-law 14-127 states that "as price is only one of the criteria evaluated, the award report will show the rating summary for each proponent and the total points. The award report will disclose the price of the recommended Supplier but not the price submitted by other proponents."

### **RFP Evaluation Chart**

Chart 1 below provides a summary of the RFP results based on the award in part for the food and beverage and snack vending operations of the Evinrude Centre and Kinsmen Civic Centre. Due to the removal of the Peterborough Memorial Centre, the Peterborough Sport and Wellness Centre and Peterborough Public Library locations from this award, Chart 1 reflects the score of the proponents for the award of food and

beverage and snack vending operations for Evinrude Centre and Kinsmen Civic Centre only.

### Chart 1 - Bidder Submission Evaluation Chart

#### RFP P-29-17 Foodservice Operator for Food and Beverage Operations - Centre and Kinsmen Civic Centre

Evaluation Criteria	Maximum Score	CGC Concessions Group Canada	Brown's Fine Foods
Compliance with RFP Submission Requirements	5	5	5
Contract Understanding and Approach	10	7	2
Work Plan	20	9	10
Financial Proposal	25	25	15
Personnel Qualifications, Company Resources/Management Team, Sub-contractors/Suppliers, Relevant Experience	25	15	10
References	15	10	3
<b>Rating Total</b>	<b>100</b>	<b>71</b>	<b>45</b>
<b>Ranking</b>			

### Recommended Bidder

Request for Proposals (RFP) P-29-17 for Foodservice Operator for Food and Beverage Operations at Various Corporate Facilities received three bids, one bid was deemed incomplete according to the submission requirements and was disqualified. CGC Concessions Group Canada is recommended as the successful bidder for the partial award of this Request for Proposals. CGC has twenty-seven years experience in restaurant and bar services operating Ricco's Pizzeria and Ricco's Bar & Grill in Cobourg, Ontario, and also operating food and beverage services at several Community Arenas in the southern Ontario area. CGC's references were favourable, relaying that CGC provides an excellent service in their facilities with a high priority on good customer service. The Evaluation Committee believes that CGC has the demonstrated experience to partner with the City of Peterborough through this agreement, assisting to improve the food and beverage services to patrons at the Evinrude Centre and Kinsmen Civic Centre.

### Council Approval Required

Part 8, Section 8.2.1 of the Purchasing By-law 14-127 states Council must approve an award where the expenditure is greater than \$100,000 and is not a Request for Tenders

awarded to the lowest bidder (exception under Section 8.2.2.b.) While award of RFP P-29-17 for Foodservice Operator for Food and Beverage Operations at Various Corporate Facilities does not include an expenditure by the City, the revenue value of this agreement is estimated to be greater than \$100,000 and, therefore, is being treated the same as an expenditure that meets this requirement and must be approved by Council.

### **Timelines**

If the recommendations to award the RFP in part and extend the existing Peterborough Memorial Centre Agreement are approved, agreements will be prepared and are to be signed by the CAO and Clerk, under their delegated authority to do so before the work commences.

### **Summary**

RFP P-29-17 for the Foodservice Operator for Food and Beverage Operations at Various Corporate Facilities has been issued in accordance with the City's Purchasing By-law 14-127. Extending the existing Food and Beverage Operating Agreement at the Peterborough Memorial Centre for an additional one (1) year period will allow a new Request for Proposals to be issued and awarded with a start date following the completion of the 2019 floor replacement project.

Submitted by,

Ken Doherty  
Director of Community Services

Contact Name:

Sue Warrington  
Arena Division Manager  
Phone: 705-742-7777, Extension 2421  
Toll Free: 1-855-738-3755  
Fax: 705-876-9263  
E-mail: [swarrington@peterborough.ca](mailto:swarrington@peterborough.ca)