

W. 5. E. 1.

AGENDA COVER MEMO

Memorandum Date: September 20, 2010

Order Date: October 5, 2010

TO: Board of County Commissioners

DEPARTMENT: Management Services

PRESENTED BY: David Suchart

AGENDA ITEM TITLE: IN THE MATTER OF CANCELLING CONTRACT WITH BIG GREEN EVENTS FOR PROVIDING FOOD SERVICES AND AWARDING A 3-YEAR REVENUE (\$18K) CONTRACT FOR FOOD SERVICES TO MEYGOO INC.

I. MOTION

Move to cancel contract for Food Services with Big Green Events and award a 3-year revenue (\$18k) contract for food services to Meygoo, Inc.

II. AGENDA ITEM SUMMARY

The County offers cafe food and vending services to the employees within the Public Services Building and County Courthouse. The cafe is also open to the general public. The County contracts with a professional food service provider to operate the cafe and provide catering and vending services. The County collects commissions based upon gross sales from the provider (revenue).

III. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

Request For Proposal #LCP 2009-03 was issued in June, 2009 and advertised on the County website. Three proposals were received and evaluated by a committee comprised of Management Services, Lane County Administration, and State Justice Court staff. Big Green Events was selected as the respondent providing the best overall value and was awarded the contract, however, after six months of operations, Big Green and Lane County have mutually agreed to terminate the contract. Management Services recommends re-opening the Cafe under the management of Meygoo, Inc. as of October 18, 2010. Meygoo, Inc. ranked second in their response to the Food Services RFP.

B. Policy Issues

This item supports the County's competitive selection processes in accordance with Lane Manual Chapter 21.

C. Board Goals

The RFQ and resulting award supports the Revenue Development segment of the Strategic Plan.

D. Financial and/or Resource Considerations

This item supports the goals of providing efficient and effective financial and administrative support and systems and allocating resources strategically.

E. Analysis

After reviewing the survey recently with the current vendor, it was determined that success for either party was not going to occur. Management Services then contacted the second ranked firm and negotiated what it would take to have the operation work for both parties.

F. Alternatives/Options

The primary options to consider include:

1. The County could decide to shut the cafe down altogether.

Advantages:

- The County would spend less in utilities to operate the cafe and would reduce the amount of County managements' time in supervising Contractor performance.

Disadvantages:

- The employees would lose their ability to purchase breakfast and lunch items during their breaks.
- The County would lose at least \$18,000 in minimum revenues earned by allowing a service provider to operate there.

2. The County could allow the 2nd highest RFP ranker the opportunity to run the cafe

Advantages:

- This would most greatly benefit the employees who work at the PSB in providing them an opportunity to purchase breakfast and lunch items where they work. It would also provide a possibility of retaining two things that many of the employees have stated that they enjoy (the television sets and the salad bar – since Meygoo is interested in purchasing them from Big Green.
- Minimum \$18,000 revenue over 3 years, which helps offset other County expenses.

Disadvantages:

- Cost of Management Services time implementing the new set-up

IV. RECOMMENDATION

The Director of Management Services recommends cancelling the current food services contract with Big Green and offering a new contract to Meygoo, Inc.

V. TIMING/IMPLEMENTATION

As of this writing, Big Green can close its operation and vacate the premises by October 1, 2010. Meygoo is prepared to move in, set-up, and conduct a grand opening on October 18th.

VI. FOLLOW-UP

None

VII. ATTACHMENTS

Board Order 10-10-5-X

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO. 10-10-5- X

**IN THE MATTER OF CANCELLING CONTRACT
WITH BIG GREEN EVENTS FOR PROVIDING FOOD
SERVICES AND AWARDING A 3-YEAR REVENUE
CONTRACT (\$18K) FOR FOOD SERVICES TO
MEYGOO INC.**

WHEREAS, Lane County has a need for food and vending services; and

WHEREAS, Request for Proposal LCP 2009-03 was issued on June 10, 2009;
and

WHEREAS, Big Green Events and Lane County have agreed to terminate their contract for food and vending services, and Meygoo, Inc., the second ranked proposer to LCP 2009-03 wishes to operate food and vending services for Lane County ;

NOW, THEREFORE, it is hereby ordered that the Board of Commissioners approves termination of contract 0000232327 with Big Green Events and to award a three-year revenue contract for food and vending services to Meygoo, Inc.; and

BE IT FURTHER RESOLVED, that the County Administrator is delegated authority to execute such a contract.

DATED this 5th day of October, 2010.

Chair, Lane County Board of Commissioners

APPROVED AS TO FORM
Date 9/27/10 Lane County
[Signature]
OFFICE OF LEGAL COUNSEL