

PimaCountyCommunityCollegeDistrict
Board of Governors

4905C East Broadway/Tucson, Arizona 85709-1010

ACTION ITEM

Meeting Date: 12/1/14

Item Number:

Item Title	Contact Person
Contract: Food Service License	Dr. David Bea Executive Vice Chancellor for Finance and Administration (206-4519)

Recommendation:

The Chancellor recommends the Board of Governors approve a contract with Follett Higher Education Group (Follett) for the provision of food service operations for students, faculty and staff at five campuses for a five year initial term to begin January 1, 2015. Follett has agreed to provide an attractive stream of commission revenue to the College and approximately \$500,000 in facility investments to upgrade and enhance the current food service areas.

Justification:

In September, the District issued a Request for Proposal (RFP) for the provision of food service at the campuses currently providing such services (East, West, Northwest, Desert Vista and Downtown). The District currently contracts with Sodexo America, LLC (Sodexo) for food services. District staff developed the RFP to identify a qualified vendor to furnish all financial resources, management, equipment, fixtures, labor, goods and supplies necessary to manage and operate professional food services for the District. The District's overall goal in soliciting a vendor was to provide food reflecting the interests of students, faculty and staff by employing creative strategies and ideas to identify and serve these interests. The vendor would demonstrate a strategic approach to food service, focusing on adaptability, data-driven planning and customer satisfaction.

The District proposed to license to the successful vendor for an initial five-year (5) term with one five-year renewal option space identified in the RFP for the vendor to provide food and related services. The District expected the selected vendor to propose additional locations, fixed or mobile, to enable vendor the flexibility to respond to District's service needs while utilizing locally-sourced purveyors, through sub-contracts or relationship agreements, to provide regionally popular foods reflecting a campus' rhythm and the District's overall eclectic diversity. Vendors who proposed cookie-cutter, homogenous, one-size-fits-all solutions would not score favorably.

By utilizing a license approach, the District is transitioning from a profit/loss, commission-based, contracted food service management service model dependent upon District-provided facilities, equipment, and fixtures to one relying on the vendor's expertise to create attractive surroundings offering customer-focused foods and related services without unduly restricting vendor or

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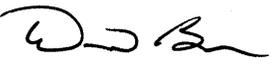
limiting offerings based upon available equipment, internal expenditure restraints or past practices. The District requested that the proposals include allocations for equipment, fixtures and build-out of identified service areas in order to accomplish this transition.

The District received four proposals. A selection committee comprised of District staff and members of the Auxiliary Services Committee, following review of the vendors' proposals identified two vendors to proceed to public presentations after which the committee recommended selection of Follett Higher Education Group, Inc. (Follett). While the contract terms are not yet finalized, Follett will begin services effective December 22, 2014, the end date of Sodexo's contract.

Financial Considerations:

Follett has offered a commission to the College of 4.5% of net sales revenue as well as a commitment to invest up to \$435,000 in upgrades to the food service spaces and another \$72,000 for a new point-of-sale system. These financial considerations were by far the most attractive of the offerings of the four vendors.

Approvals

Contact Person  _____
David Bea, Ph.D.

Chancellor _____
Lee D. Lambert, J.D.