

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

16098

Agenda Number

73.

Meeting Date:

June 7, 2012

Department:

Purchasing

### Subject

Authorize award, negotiation, and execution of a ten-year revenue contract with ARAMARK SPORTS AND ENTERTAINMENT SERVICES OF TEXAS, LLC, or the other qualified offeror to RFP PAX0105, to provide catering and concession management services for the Austin Convention Center Department in an estimated annual net revenue amount of \$2,000,000.

### Amount and Source of Funding

Estimated net revenue will be included in the Fiscal Year 2012-2013 Operating Budget of the Austin Convention Center Department.

### Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:

Best Evaluated Proposal.

Prior Council Action:

For More Information:

Sharon Patterson, Senior Buyer, 974-2995

Boards and  
Commission Action:

Related Items:

MBE / WBE:

This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) by meeting the goals with 25.41% MBE and 14.4% WBE subcontractor participation.

### Additional Backup Information

This contract will provide catering and concession management services for the Austin Convention Center Department (ACCD). As part of the contract, Aramark will be responsible for developing and executing a robust marketing plan to attract world class events to the City of Austin. In addition, the contractor will be responsible for creating unique and memorable experiences for ACCD clients that will serve to attract new customers and to entice existing customers to become repeat clients and to establish long term relationships with ACCD and its facilities.

ACCD is comprised of the Austin Convention Center and Palmer Events Center. Located on six city blocks in the heart of Austin's downtown business district alongside Waller Creek, the convention center is located between Lady Bird Lake and historic Sixth Street. The Palmer Events Center is situated in Butler Park, a beautiful, 54-acre City Park located along the shores of Lady Bird Lake. These facilities host nationally-recognized events such as SXSW, Texas Computer Education Association, and the Hospitality Financial and Technology Professionals. Over the past five years, ACCD averaged approximately 270 events per year, with attendance ranging from 1,000 to 25,000 guests over consecutive days.

To ensure, the continued growth and success of ACCD, a Request for Proposal (RFP) was issued in October, 2011, to solicit for a qualified, professional, and experienced catering and concessions management firm to perform services at ACCD. Proposals were evaluated by a committee consisting of representation from the Finance Department, the Department of Small and Minority Business Resources, ACCD, and the Austin Convention and Visitor's Bureau using a two-step evaluation process.

The first step of the RFP concentrated on personnel, financial compensation to the City, and operational approach, applicable experience, legal organization of proposer, financial strength of proposer, marketing and sales program, concessions capability, transitional plan, quality of merchandise, past default of accounts, and proposed capital improvement.

After the initial evaluation, the committee elected to invite back the top-scoring offerors to participate in the second step of the evaluation process which consisted of a presentation of the proposed on-site management team, further demonstration of financial and accounting controls, and a food presentation. Based on the cumulative scores of the first and second evaluations, the committee selected Aramark as the most qualified offeror.

This request allows for the development of an agreement with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that Council may select the other qualified offeror and authorize contract negotiations with this provider.

MBE/WBE solicited: 8/8

MBE/WBE bid: 0/0

#### **PRICE ANALYSIS**

- a. Adequate competition.
- b. One hundred forty-four notices were sent, including 8 MBEs and 8 WBEs. Five proposals were received, with no response from the MBEs or WBEs.

#### **APPROVAL JUSTIFICATION**

- a. Best-evaluated proposal. Aramark Sports and Entertainment Services of Texas, LLC is the current provider of

these services.

- b. The Purchasing Office concurs with the Austin Convention Center Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.