



Legislation Details (With Text)

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On agenda: 2/6/2018 **Final action:** 2/6/2018
Title: CHENEY BROTHERS: FOOD PRODUCTS FOR RE-SALE AT THE DELRAY BEACH GOLF CLUB
Sponsors: Parks & Recreation Department
Indexes:
Code sections:
Attachments: 1. Agenda COver - Cheney (2), 2. Cheney 5 Year spending history.pdf

Date	Ver.	Action By	Action	Result
2/6/2018	1	City Commission	approved	

TO: Mayor and Commissioners
FROM: Suzanne Fisher, CPRP, Director of Parks and Recreation
THROUGH: Mark R. Lauzier, City Manager
DATE: February 6, 2018

CHENEY BROTHERS: FOOD PRODUCTS FOR RE-SALE AT THE DELRAY BEACH GOLF CLUB

Recommended Action:

Motion to approve a cumulative spending total in an amount not to exceed \$110,000.00 to Cheney Brothers for food products for re-sale at the Delray Beach Golf Club.

Background:

The City of Delray Beach Golf Club provides restaurant and banquet services as one of the essential functions of its daily operations. The City of Delray Beach Golf Club utilizes various food distributors to provide the specific commodities needed to operate a quality food service department. The restaurant and management staff at the City of Delray Beach Golf Club monitors prices from each of the vendors used to ensure that the items needed are purchased from the vendor with the lowest prices and are the best quality products.

The reason for the \$110,000.00 purchase request to Cheney Brothers is due to the fact that the City of Delray Beach Golf Club has decreased spending with Gordon Food Services (GFS) and SYSCO, since 2017. Spending with Collins Seafood has also been suspended for FY17/18. The City of Delray Beach receives National Pricing from Cheney Brothers due to the volume that is currently purchased and receives a 3-5% discount on many products. Cheney Brothers provides quality products and excellent service, both which meet the demands of the Delray Beach Golf Club.

Food for resale is exempt from the competitive bidding process and the purchase of specific food products for the City of Delray Beach Golf Club will be made in compliance with the new Purchasing Policies and Procedure Manual; Section 3; Purchasing Organization and Authority; Exceptions; B (pg. 7); Item ii (Items Purchased for Re-Sale).

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Funding is available from account number 445-75-150-575.52-47 (Municipal Golf Course Fund - Operating Supplies Food).

The five (5) year food expenditure history is as follows:

5 Year Spending History					
Vendor	2013	2014	2015	2016	2017
Cheney Brothers	\$ 26,590	\$ 19,907	\$ 5,336	\$ 59,294	\$ 115,305
Collins Seafood	\$ -	\$ 635	\$ 8,287	\$ 10,229	\$ 6,098
GFS Marketplace	\$ -	\$ -	\$ 17,655	\$ 32,769	\$ 23,879
Mainstreet	\$ 45,064	\$ 44,318	\$ 35,753	\$ 37,689	\$ 33,603
Sysco	\$ 62,528	\$ 78,942	\$ 113,561	\$ 82,624	\$ 28,207

The five (5) year revenue history associated with food sales is as follows:

2013	2014	2015	2016	2017
\$ 751,093	\$ 772,576	\$ 793,688	\$ 784,423	\$ 763,430

The five (5) year Gross Profit Margin history associated with food sales is as follows:

2013	2014	2015	2016	2017
82.14%	81.39%	77.25%	71.62%	72.87%

The anticipated total food revenue for FY17/18 is: \$780,000.00

Timing of Request:

This matter is time sensitive as banquets and weddings continue to be booked at the Delray Beach Municipal Golf Course.

