



# City of Delray Beach

# Legislation Details (With Text)

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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 Report

Date Ver. Action By Action Result

12/4/2018 1 City Commission

TO: Mayor and Commissioners

FROM: Suzanne Fisher, CPRP, Director of Parks and Recreation

THROUGH: Mark R. Lauzier, City Manager

DATE: December 4, 2018

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

## **Recommended Action:**

Motion to approve an increase in the amount of \$50,000 for the purchase of food products for resale at Delray Beach Golf Club bringing the total amount to \$110,000.

## **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.

We are requesting an increase in the amount of \$50,000 to Purchase Order 2019-0000065 bringing the total amount of this purchase order to \$110,000 for the purchase of food products for resale at Delray Beach Golf Club. Cheney Brothers provides products such as meat, seafood, canned goods, appetizers, to name a few, at National Pricing which is approximately a 3% - 8% discount over other

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vendors. These items comprise about 50% of our food and beverage business. Listed below is a three-year historical purchase record:

2018	\$105,601.24
2017	\$70,282.65
2016	\$59,294.63

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 445-75-152-575.52-47 (Municipal Golf Course Fund - Operating Supplies Food).

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

5 Year Spending History										
Vendor	2014		2015		2016		2017		2018	
Cheney Brothers	\$	19,907	\$	5,336	\$	59,294	\$	115,305	\$	105,601
Collins Seafood	\$	635	\$	8,287	\$	10,229	\$	6,098	\$	-
GFS Marketplace	\$	-	\$	17,655	\$	32,769	\$	23,879	\$	29,950
Mainstreet	\$	44,318	\$	35,753	\$	37,689	\$	33,603	\$	32,556
Sysco	\$	78,942	\$	113,561	\$	82,624	\$	28,207	\$	42,853

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

20	14	2015	2016	2017	2018	
\$	772,576	\$ 793,688	\$ 784,423	\$ 763,430	\$	
					745,096*	

<sup>\*</sup>Facility closed October 2017 due to Hurricane Irma.

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

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<u>Timing of Request:</u>
This matter is time sensitive as banquets and weddings continue to be booked at the Delray Beach Municipal Golf Course.