



Legislation Text

File #: 21-0249, Version: 1

MOTION TO APPROVE THE DEPARTMENT RECOMMENDATIONS FOR THE FOLLOWING ITEM LISTED ON THE CONTRACTS DATABASE REPORT:

(A) Compass Group USA, Inc. - Food Service Management Services for Charter Schools and Early Development Centers - Charter Schools

SUMMARY EXPLANATION AND BACKGROUND:

1. Pursuant to Section 35.29(F) "City Commission notification" of the City's Code of Ordinances, "The City Manager, or his or her designee, shall notify the Commission, in writing, at least three months in advance of the expiration, renewal, automatic renewal or extension date, and shall provide a copy of the contract or agreement and a vendor performance report card for the contract or agreement to the City Commission."
2. On May 17, 2017, Commission approved the motion to place all contracts from the Contract Database Reports on consent agendas as they come up for contractual term renewal so that City Commission affirms directions to administration whether to renew or to go out to bid.
3. The Agreement shown below is listed on the Contracts Database Report for renewal.

(A) Compass Group USA, Inc. - Food Service Management for Charter Schools and Early Development Centers - Renewal

1. On June 13, 2018, pursuant to the City Commission's approval to award Request for Proposals # ED-17-05, the City entered into an agreement with Compass Group USA, Inc. for an initial one (1) year term which commenced on July 1, 2018 and naturally expired on June 30, 2019.
2. Compass Group USA, Inc. provides Food Management Services for the City of Pembroke Pines Charter Schools and Early Development Centers.
3. Section 3.2 of the Original Agreement allows for four (4) additional, one (1) year renewal terms upon mutual consent, evidenced by a written Amendment.
4. On June 17, 2019 the Parties executed the First Amendment to the Original Agreement to amend the compensation amount and to enter into the first one (1) year renewal term which commenced on July 1, 2019 and expired on June 30, 2020.
5. On July 1, 2019 the Parties executed the Second Amendment to the Original Agreement to include the investment package information for certain improvements to City's premises to facilitate the performance of the food service management program.

6. On May 20, 2020 the Parties executed the Third Amendment to the Original Agreement to amend the compensation amount and to enter into the second one (1) year renewal term which commenced on July 1, 2020 and expires on June 30, 2021.

7. The City of Pembroke Pines Charter Schools Department and the Early Development Centers recommend that the City Commission approve this Fourth Amendment to increase the compensation amount as described in Exhibit B-4, of the Fourth Amendment to the Original Agreement, as amended, and to enter into the third one (1) year renewal term, commencing on July 1, 2021 and expiring on June 30, 2022, as allowed by the Agreement.

FINANCIAL IMPACT DETAIL:

a) **Renewal Cost:** \$2,587,592.88

b) **Amount budgeted for this item in Account No:**

Charter School Site	Account Coding	
East Elementary	170-569-5051-531310-7600-310-0000-00550	\$313,836.67
West Elementary	170-569-5051-531310-7600-310-0000-00551	\$225,629.56
Central Elementary	170-569-5051-531310-7600-310-0000-00552	\$256,168.95
West Middle	171-569-5052-531310-7600-310-0000-00553	\$276,025.50
Central Middle	171-569-5052-531310-7600-310-0000-00554	\$326,316.72
Academic Village	172-569-5053-531310-7600-310-0000-	\$836,373.62
FSU Elementary	173-569-5061-531310-7600-310-0000-	\$301,874.13
	Total	\$2,536,225.15
EDC Site	Account Coding	
West EDC	001-569-5002-552701-0000-000-0000-00208	\$28,502.16
Central EDC	001-569-5002-552701-0000-000-0000-00209	\$22,865.57
	Total	\$51,367.73

c) **Source of funding for difference, if not fully budgeted:** Not Applicable

d) **5 year projection of the operational cost of the project:** In regards to the Charter Schools, the Contract with Chartwells to provide food service is directly related to the revenue the City receives from the Federal Government for the National School Lunch Program. The revenues and the expenditures are all based on a "per meal" basis. Below is the total operational cost for the food service inclusive of overhead operating expenditures. The net result is a net revenue of \$187,320.85 in food service that the Charter Schools utilize to offset other indirect costs to operate the food service program such as utilities, administration, and janitorial services. The total expenditure below of \$2,723,546 is inclusive of the estimated cost of the Chartwells contract and represents the renewal period of the contract.

In regards to the Early Development Centers, the Contract with Chartwells to provide food service is directly related to the revenue the City receives from parents, based on a "per meal" basis. The net revenue of \$803.52 is used to offset other operating expenses, such as snacks for students/campers.

FY2021-2022

Charter School	EDC's	Total
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Revenues	\$	2,723,546.00	\$ 52,171.25	\$	2,775,717.25
Expenditures	\$	2,536,225.10	\$ 51,367.73	\$	2,587,592.83
Net Revenue	\$	187,320.90	\$ 803.52	\$	188,124.37

Please also note that the total meal equivalents may fluctuate each year due to various factors including student participation, hurricane days, enrollment, etc.

e) Detail of additional staff requirements: Not Applicable