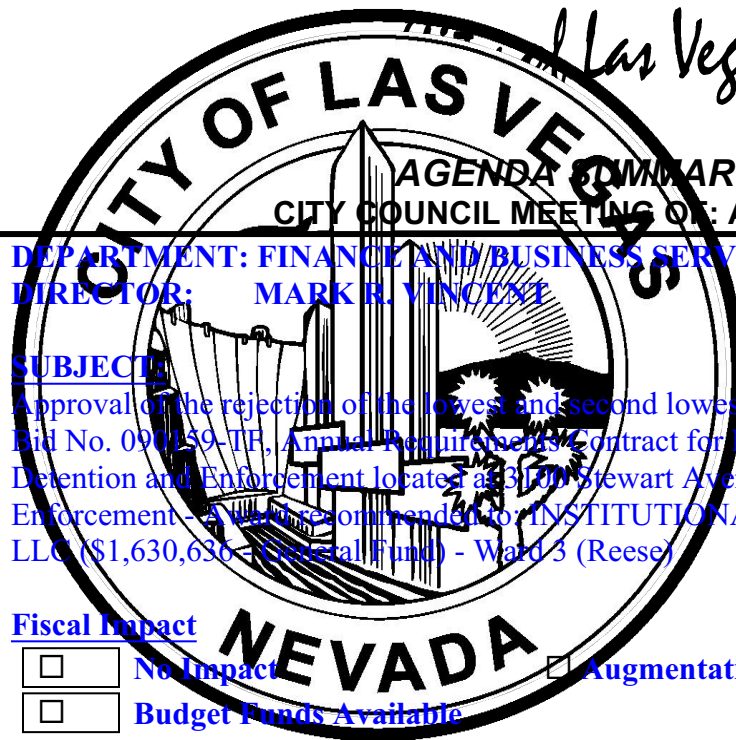




Las Vegas

Agenda Item No.: 25.

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: AUGUST 19, 2009

DEPARTMENT: FINANCE AND BUSINESS SERVICES

DIRECTOR: MARK R. VINCENT

☒ **Consent** ☐ **Discussion**

SUBJECT:

Approval of the rejection of the lowest and second lowest non-responsible bidders and award of Bid No. 090159-TF, Annual Requirements Contract for Food Services for the Department of Detention and Enforcement located at 3120 Stewart Avenue - Department of Detention and Enforcement - Award recommended to: INSTITUTIONAL FOODSERVICE MANAGEMENT, LLC (\$1,630,636 - General Fund) - Ward 3 (Reese)

Fiscal Impact

☐

No Impact

☐

Augmentation Required

☐

Budget Funds Available

Amount: \$1,630,636

Funding Source: General Fund

Dept./Division: Detention and Enforcement

PURPOSE/BACKGROUND:

This request is for an annual requirements contract to provide inmate and staff food services at the Detention and Enforcement facility. Staff recommends rejection of the lowest bidder, Jimmys Cheyenne Market, and the second lowest bidder, Aramark, for their failure to meet the award criteria. Staff recommends award to Institutional Foodservice Management, LLC as the lowest responsive and responsible bidder.

PCC: T. Fernandez

POC: Claude Logan - (702) 386-2138

RECOMMENDATION:

That City Council reject the lowest and second lowest non-responsible bids submitted by Jimmys Cheyenne Market and Aramark and approve award of Bid No. 090159-TF, Annual Requirements Contract for Food Services for the Department of Detention and Enforcement to Institutional Foodservice Management, LLC from award date through August 31, 2011 with two two-year options to renew in the estimated annual amount of \$1,630,636. Authority to execute the Contract is given to the Purchasing Manager per R-48-2006.

BACKUP DOCUMENTATION:

Agenda Memo

Motion made by GARY REESE to Approve

Passed For: 5; Against: 2; Abstain: 0; Did Not Vote: 0; Excused: 0

RICKI Y. BARLOW, LOIS TARKANIAN, STEVE WOLFSON, OSCAR B. GOODMAN, GARY REESE; (Against-STEVEN D. ROSS, STAVROS S. ANTHONY); (Abstain-None); (Did Not Vote-None); (Excused-None)

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Minutes:

This item was pulled from the Consent Agenda at COUNCILMAN REESES request.

COUNCILMAN REESE expressed concern with the bidding process, specifically with the fact that the lowest and second lowest bids for this contract had been rejected. He requested that staff alert him when problems arise with contracts and bids.

KAREN RUSSELL appeared on behalf of Aramark and explained that her company had not been able to submit the required \$250,000 protest bond and, therefore, had not been able to make a formal protest of this contract award to Institutional Foodservice Management, LLC. She thanked the Councilmembers for allowing her to meet with them or their liaisons and express Aramarks position.

KATHY RAINEY, Purchasing & Contracts Manager, explained that the lowest bid by Jimmys Cheyenne Market had been rejected because the company did not meet the experience requirement. The second lowest bid by Aramark had been rejected because the company did not meet the past performance requirement. On four different occasions in the last four years, Aramark did not maintain Grade A status as determined by the Southern Nevada Health District. MS. RAINEY noted that Aramark had received 39 deficiencies and 40 deficiencies would have resulted in the company being shut down. The City requires maintaining a Grade A and Aramark had received a Grade C.

MS. RUSSELL pointed out that Aramark has the current contract for the Clark County Detention Center which also requires that Aramark maintain a Grade A. Regarding the Grade C occasions, MS. RUSSELL stated that all deficiencies had been addressed and Grade A was reinstated. She noted that Aramark serves approximately 600 correctional facilities throughout the country and the state.

MS. RAINEY informed COUNCILMAN ANTHONY that Aramarks bid was approximately \$200,000 less than the bid from Institutional Foodservice Management, LLC. COUNCILMAN ANTHONY expressed concern with the difference in bid amounts and pointed out the support for Aramark by Clark County. He suggested that the contract go to the lowest bidder.

COUNCILMAN BARLOW observed that Aramark had not followed the Citys bid protest process and stated hearing Aramarks protest at this time was inappropriate.

In response to MAYOR GOODMAN and COUNCILMAN BARLOWS comments, CITY ATTORNEY BRAD JERBIC explained that Nevada Revised Statutes (NRS) govern how bid protests are filed and the bid protest timeline has been established by the Council through Resolution. A protest is filed within five days in writing and it is required to include all concerns with the bid and the bid award. He stated that Aramark had not submitted a protest in accordance with the Citys bid process and hearing a bid protest at this time was not appropriate. The Council may hear from staff regarding the reasons a particular bid was rejected, but not in the context of a bid protest.

COUNCILMAN REESE stated that he had explained the bid process to MS. RUSSELL and had requested that this item be discussed to learn the reasons for the rejection of the other bids.

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After meeting with MS. RUSSELL, COUNCILWOMAN TARKANIAN stated that she had researched this bid and learned that Institutional Foodservice Management, LLC, had maintained its Grade A status. Additionally, no action to consider a protest could be taken because Aramark had not submitted a bid protest. MS. RUSSELL expressed her understanding of the bid process and thanked the Council for taking the time to discuss this item.

CITY ATTORNEY JERBIC informed COUNCILMAN ANTHONY that a no vote would indicate he did not support appropriating the money for this particular award.

