

Board of Trustees Agenda Item

Board Meeting Date: August 8, 2011

Title of Item: Award Coffee Beverage Services Contract Pursuant to RFP 1370 for De Anza College

Background and Analysis:

The District's Board of Trustees awarded the existing contract for De Anza College Coffee Beverage Services in October 2007. The existing contract expires at the end of July 2011. Therefore, District Purchasing Services and De Anza College staff worked together to write Request for Proposals #1370. The RFP contains information about existing facilities and operations, contractor responsibilities, and the proposal evaluation process. The RFP documents, including the contracts, were reviewed and approved by legal counsel, John Shupe.

The selected Contractor will be responsible for providing all labor, management, supplies, materials, and equipment, beyond that included in the De Anza College Campus Center, that is necessary to provide the specified coffee beverage services at the Campus Center.

Purchasing Services posted the RFP on BidNet. It also advertised the RFP in the San Jose Post Record on May 20 and May 27, 2011. Purchasing Services also sent the RFP to the current contractor and four additional companies.

Proposals for RFP 1370 were due on June 20, 2011. Proposals were received from two companies: KJ's Café a la Carte and Specialty Coffee Services. Specialty Coffee Services is the existing contractor. Both proposals offered the required 20% commission rate.

An evaluation committee led by the De Anza College Campus Center Director, Patrick Gannon, reviewed and scored the proposals. Specialty Coffee Services was the highest ranked proposer.

De Anza College and Purchasing Services recommend that the District award a three-year contract to Specialty Coffee Services pursuant to RFP 1370. The contract will renew for two additional one-year periods unless terminated by either party at least 90 days before the expiration of the initial three-year term. The contract provides that Specialty Coffee Services will make commission payments to the District equal to 20% of net sales; net sales is equal to gross sales minus sales tax. Based upon the commission received in calendar year 2010, the estimated commission revenue is \$45,700.00 per year.

Recommendation: Authorize the Director of Purchasing Services to execute a contract with Specialty Coffee Services pursuant to RFP 1370

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Is backup provided?	No