Food Service

Jeff Swenson, Manager Guest Services
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Current Condition

• Since the start of the current contract (Oct 2016), operations from food service have lost over $700k.
• Metz Culinary submitted 1 year notice to terminate (Aug. 9th)

• Recent history of food service sales:

[Bar chart showing total food sales (2018 estimated)]

- Starbucks Bldg 400
  - Opened 1/1/08
- Micro Market Bldg 400
  - Opened 10/1/15
- Micro Market Bldg 740
  - Opened 3/1/17
Food Service Support

• Priority is to support the User community.
  ▪ Many with limited transportation options
  ▪ Many working off-normal shifts

• On-site catering is important to support:
  ▪ Conferences and meetings
  ▪ Reviews
  ▪ Employee events

• Employee daily service
Short Term Need

Outside consultant to provide certain expertise:

• Understand the planned growth over the next 4-5 years
  ▪ Discovery Park
  ▪ Retail growth in local area

• Reality of certain conditions:
  ▪ FAR Requirements
  ▪ Food service union contract
  ▪ Declining sales – participation - habits
  ▪ Cafeteria model outdated….what should be provided
  ▪ Size of the campus
  ▪ Randolph Sheppard Act

• What gets us thru the next 4-5 years (recognizing current conditions).
• Catering from local vendors (if needed).

*Cini-Little contracted (11/15/18) to provide a Food Strategy Summary.*
Recommendations

Cini-Little first confirmed, through developing its own step analysis for right sizing the campus food service model, that:

- Consideration of the challenges a 5300-acre sprawling campus brings including how spread-out the buildings are in proximity to the primary building 488 cafe.
- Other contributors in the evaluation were the current Collective Bargaining Agreement and FAR regulations.
- Profitability utilizing a standard food service contractor would be very difficult to achieve.
- Randolph Shepperd Act, by Federal Requirement, will need to be considered.
Path Forward

• New York State Commission for the Blind was contacted. Under Federal Requirements, they have the right of first refusal.
  • The Commission has expressed interest in full operation of food service at BNL.
  • They are currently evaluating their business model to the needs of BNL.
  • The Commission has a contractor, Virtual Hospitality Group, that operates food service for government agencies and private industry.
Path Forward

Virtual Hospitality Group:

• Privately Owned
• Experience as Food & Beverage & Micro-Market Operators at:
  • State Government Office Buildings & Campuses
  • United States Postal Facilities
  • Social Security Administration Facilities
  • Private Sector Manufacturing, Medical & Office complexes
  • Recreation & Leisure facilities
  • Colleges (BCC, Vaughn College)
• Training with strong track record of working with NY State
• Strong Catering / Special Event Credentials
• Experience with State, Federal, and Private Sector Contracts
Path Forward

• Conducted site visit to the IRS Building in Holtsville, existing customer of Virtual Hospitality Group (was positive).

• Partnering with BHSO to explore possible contracting methods.

• Planning for August 9th termination of the Metz Culinary contract with a full transition plan.