

Food Service

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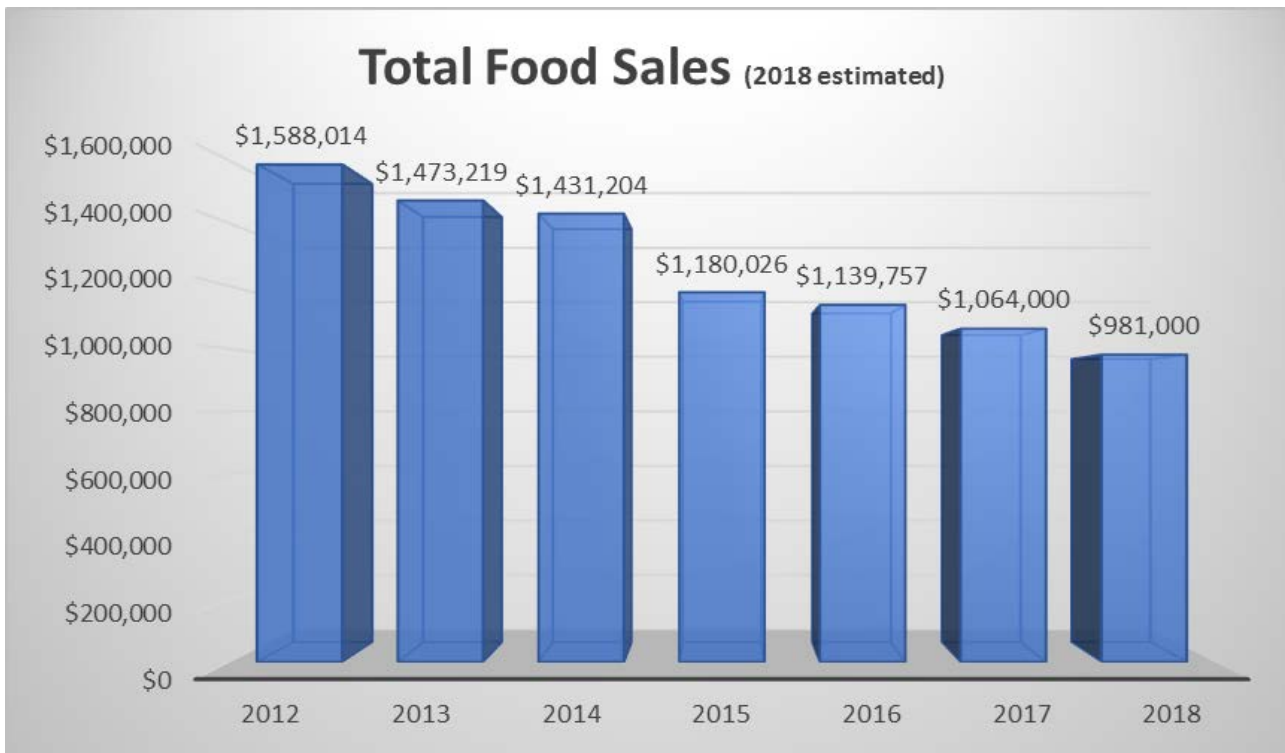
June 2019

BROOKHAVEN
NATIONAL LABORATORY



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:



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 - Cafeteria model outdated....what should be provided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.