

# Meyerson Concession Contract

Arts, Education & Libraries

City Council Committee

April 18, 2005

# Purpose

- Brief the committee on the solicitation process for the new catering contract at the Meyerson Symphony Center
- Provide evaluation results for the RFP
- Give recommendation for award for the new contract

# Background

- A five-year contract with five, one-year renewal options was awarded in August of 1995
- Last one-year renewal expires in August of this year
- The current contract is a combination of a fixed management fee, payable by the City, and a 50/50 revenue split for net revenues on food and beverage sales

# Revenue History

- Since 1995, the revenues (costs) to the City have been:
  - 1995-96 (\$9,959)
  - 1996-97 (\$17,524)
  - 1997-98 \$19,936
  - 1998-99 \$63,133
  - 1999-00 \$141,439
  - 2000-01 \$182,196
  - 2001-02 \$196,163
  - 2002-03 \$256,601
  - 2003-04 \$309,670

# Timeline

- The RFP was issued December 9, 2004
- Proposals were due February 4, 2005
- Proposals were distributed to Committee Members February 11, 2005
- Committee held first evaluation meeting March 2, 2005
- Evaluation process to be completed by March 31, 2005
- Briefing to Arts Education and Library committee April 18, 2005
- Scheduled Council award May 11, 2005

# Evaluation Criteria

- The evaluation Criteria and weighting was published in the RFP:
  - Management Fee 35 pts
  - Quality of food and service 25 pts
  - Experience at similar venues 10 pts
  - Proposed capital investment program 10 pts
  - Availability of resources 10 pts
  - Marketing & catering concepts 10 pts

# Evaluation Committee

- Evaluation committee consisted of the following staff
  - Director of Cultural Affairs
  - Director of Convention and Event Services
  - Director of Business Development and Procurement Services
  - Assistant Director of Equipment and Building Services
  - Manager of Operations for Meyerson Symphony Center
  - City Auditors Office (non-voting)
- Committee also included two members of the staff from the Dallas Symphony Association

# Proposals

- The City received two proposals
  - Culinaire International
  - Wynnwood Culinary Art Expressions

# Taste Test

- Committee felt the only accurate way to gauge service levels and quality was to attend a regularly scheduled event to review the quality of food and service in a actually event setting
- Each proposer submitted available events the committee could observe

# Taste Test

- The available events from the proposers that fit within the timeline were:
  - Culinaire: the Gold Bow dinner, a formal dinner at the Meyerson
  - Wynnwood: Art in Bloom, a sit down lunch at the Dallas Museum of Art
- The committee was instructed to evaluate the events, not in comparison to each other, but rather in the context of the type of event

# Presentations

- Both vendors were offered the opportunity to make a presentation to the evaluation committee
- These presentations also allowed the committee the opportunity to ask specific questions regarding details of the proposals
- Both vendors brought additional marketing and financial projection information as well as more detailed plans of the capital investment required in the RFP

# Management Fee

- Annual fee
  - Wynnwood \$134,775
  - Culinaire \$178,386
- Wynnwood received the maximum 35 points for this criteria
- Wynnwood also projected a revenue increase of a minimum of 10% over the next 18 months
- Culinaire projected a 14% increase in average annual sales
- Average Scores (maximum of 35):
  - Wynnwood 35
  - Culinaire 24

# Quality of Food/ Service

- Overall, both proposers exhibited high quality food and service
- Wynnwood's luncheon menu was excellent, especially considering the very tight time constraints that required the food to be already placed at the tables
  - Committee observed some lack of coordination on the part of the wait staff
- Culinaire's dinner event had few flaws with regard to the quality of food or service
- Average Scores (maximum of 25):
  - Wynnwood                      18.4
  - Culinaire                        24.7

# Experience

- Both vendors had excellent references and good track records of increasing revenues at both the Meyerson and Dallas Museum of Art
- Wynnwood did have less experience in short-turn around (intermission) seated dinner service, they do have a good track record with the DMA restaurant Seventeen Seventeen and other dinner service events
- Culinaire provided overwhelmingly positive references from the Meyerson's major tenant, the Dallas Symphony Association
- Average Scores (maximum of 10):
  - Wynnwood 7.3
  - Culinaire 9.9

# Capital Investment

- Both vendors committed to the 5-year, \$100,000 capital investment requirement
- Wynnwood did include a statement that their standard capital investment plan of 2% of revenues would translate to approximately \$32,000 per year, primarily in equipment, fixtures to improve the operations
- Culinaire committed to make the full investment up-front, with very visible improvements to the furniture and fixtures which will improve the image of the center as a first class venue
- Average Scores (maximum of 10):
  - Wynnwood 6.3
  - Culinaire 9.0

# Availability of Resources

- Committee had significant reservations regarding the lower staffing levels proposed by Wynnwood, primarily that key staff would spend time at both the Meyerson and DMA
  - Committee had concerns the Meyerson would be a lower priority than the DMA
- Culinaire has demonstrated resources as the incumbent
- Average Scores (maximum of 10):
  - Wynnwood 6.6
  - Culinaire 9.7

# Marketing Concepts

- Wynnwood provided an aggressive marketing plan, although the committee had some reservations regarding the feasibility of this due to the limited availability of open dates
- Culinaire proposed to continue the current successful selective marketing of the Meyerson for additional events strategy, and projected continued steady revenue growth through the next five years
- Average Scores (maximum of 10):
  - Wynnwood 7.0
  - Culinaire 8.0

# Conclusions

- The committee expressed concerns that revenues could be affected in the initial years if a new vendor was awarded
- Any new vendor could claim start up costs as allowable expenses for equipment and supplies and could negatively effect the net revenues that would be paid to the City

# Conclusions

- While either vendor would be an excellent provider, the committee felt Culinaire's combination of success at the Meyerson with its unique clientele and strong business plan with an emphasis on up front investment made it the most advantageous proposal for the City
- The committee voted unanimously to recommend award to Culinaire
- Overall Scores:
  - Wynnwood 80.6
  - Culinaire 85.3

# Next Steps

- Recommend Arts, Education, and Libraries committee vote to recommend award to Culinaire
- Place approval of a five-year contract with Culinaire on the City Council agenda for approval May 11, 2005