**RECOMMENDATION**

That Sysco Canada Inc., Agropur Cooperative (Division Natrel), and J. and D. Foods be approved as single source vendors to be used for food and related supplies for the food service and nutrition programs at Red Hill Family Centre, for a period of three years.

**EXECUTIVE SUMMARY**

Red Hill Family Centre has been satisfactorily using Sysco Canada Inc., Agropur Cooperative (Division Natrel) and J. and D. Foods to procure food and supplies for their food services for the past ten years. This arrangement has been a cost effective and efficient arrangement beneficial to the City of Hamilton. Value-added services that are provided at no additional cost by Sysco Canada Inc. include menu and meal production management resources specific to child care, electronic ordering, and a variety of educational resources for staff training.

A Request for Quotations was sent out to nine bidders that were referred by Purchasing being Lococo’s Fruit and Vegetables, Hamilton Produce, Foodland, Lumeco, Flanagan Foodservices Inc., Rycott Foodservices, Fortino’s, Dairy Queen, and Sealtest. Only one
bidder, Lococo’s Fruit and Vegetables, returned the Form of Quotation. All other bidders were not interested in submitting a Request for Quotation.

Staff recommends continuing Red Hill Family Centres’ relationship with Sysco Canada Inc., Agropur Cooperative (Division Natrel), and J. and D. Foods as a single source for this purpose.

**Alternatives for Consideration – Not Applicable**

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS** (for Recommendation(s) only)

**Financial:** Food and related supplies are purchased within the allocated operating budget.

**Staffing:** There are no staffing implications associated with the recommendation of Report CS11072.

**Legal:** There are no legal implications associated with the recommendation of Report CS11072.

**HISTORICAL BACKGROUND** (Chronology of events)

Red Hill Family Centre has been using Sysco Canada Inc., Agropur Cooperative (Division Natrel), and J. and D. Foods for the past ten years. The contract with Sysco Canada Inc. includes the purchasing of food and related supplies. Since 2000, Red Hill Family Centre has maintained this group purchasing arrangement.

Sysco Canada Inc. and Agropur Cooperative (Division Natrel) are the suppliers used by both Macassa and Wentworth Lodges. Red Hill Family Centre also uses J. and D. Foods. Products available are suited to a child care environment and must comply with the standards and regulations as established by the Day Nurseries Act. Since 2000, the purchasing arrangement has been very satisfactory and has allowed Red Hill Family Centre to control food service costs while maintaining the quality of child care meals. Red Hill Family Centre requires City Council approval in order to continue this advantageous arrangement.

**POLICY IMPLICATIONS**

City of Hamilton’s Purchasing Policy By-law 4.11 – Policy for Negotiations (Single Source)
Policy 11 provides for the recommending of a single source vendor for the supply of a particular good and/or service as it is more cost effective or beneficial for the City.

RELEVANT CONSULTATION

The Corporate Services Department, Purchasing Section, was consulted regarding issuing Requests for Quotations, the report recommendations, relevant policies and content.

ANALYSIS / RATIONALE FOR RECOMMENDATION

Sysco Canada Inc., Agropur Cooperative (Division Natrel), and J. and D. Foods have provided quality and reliable service since 2000. Delivery dates are within 1-2 days of ordering. The total approximate cost of food and supplies purchased through these three distributors in 2010, was $56,870.77

In addition to quality and reliable service, Sysco Canada Inc. provides value-added services in the following areas:

- Risk Management Protocol - All approved food vendors must be HACCP (Hazard Analysis and Critical Control Point) or ISO (International Organization for Standardization) certified. Without exception, only federally inspected meat suppliers are used. There is a stringent recall system and regular distribution inspections and audits.
- An on-line, web-enabled menu management and production program is available that allows customization of menus to meet ordering needs. The program includes seasonal menus, recipes, nutrient and costing information.
- An on-line, web-enabled ordering and inventory management system integrated with the menu planning.
- Education resources are available at no additional charge including a symposium series of workshops on relevant food service topics.

ALTERNATIVES FOR CONSIDERATION

None
Vision: To be the best place in Canada to raise a child, promote innovation, engage citizens and provide diverse economic opportunities.

Values: Honesty, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork

CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)


Financial Sustainability:
- A cost effective way of procuring food and related goods for Red Hill Family Centre which represents value for the City of Hamilton taxpayer

Growing Our Economy:
- Using local supplier J. and D. Foods is supportive of local business.

APPENDICES / SCHEDULES

There are no appendices attached to Report CS11072.