

24. 6. 99

**BOTANIC GARDENS RESTAURANT SUBCOMMITTEE
4 JUNE AND 16 JUNE 1999**

**Meetings of the Botanic Gardens Restaurant Subcommittee
were held on Friday 4 June at 9am and Wednesday 16 June 1999 at 10am**

PRESENT: Councillor Graham Condon (Chairman),
Councillors Carole Anderton and
Paddy Austin (4 June meeting only).

The Subcommittee reports that:

PART A - MATTERS REQUIRING A COUNCIL DECISION

**1. BOTANIC GARDENS RESTAURANT AND KIOSK
TENDER FOR SALE OF LEASE**

RR 10059

Officer responsible Property Manager	Author Property Services Officer, Lewis Burn LO-017-001-207
Corporate Plan Output: Customer Services-consents 9.4.8	

The purpose of this report is to advise the outcome of the tender process for the Botanic Gardens Restaurant and Kiosk catering concession and to seek approval to award the concession to the preferred tenderer.

INTRODUCTION

The Council at its meeting on 25 February 1999 resolved:

- “1. That proposals be called for the sale of a lease by tender of the Botanic Gardens Restaurant and Kiosk together with the immediate surrounds necessary to service the building.*
- 2. That a lease pursuant to section 61 of the Reserves Act 1977 be offered for a term of up to a maximum of 12 years and that the lease be marketed locally and nationally.*
- 3. That a Sub-committee, comprising the Chairman, Councillors Anderton and Austin, be appointed with power to consider tenders received and recommend acceptance of a suitable tender direct to the Council”.*

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MARKETING

Following an invitation to selected real estate agents, Ford Baker First National were engaged on Council's behalf to market the tender nationally. Signs were placed at the Riccarton Avenue and Armagh Street entrances to the Park and prominent notices inserted in the Christchurch Press, Auckland New Zealand Herald, Otago Daily Times and the National Business Review in the period 24 April to 15 May 1999. The business monthly covering the South Island also featured the tender. Ford Baker advised that strong interest was expressed in the tender, the bulk of the interest being from Christchurch. The agents also received enquiries from Auckland and Oamaru while the Council had previously received interest from Dunedin.

TENDERS

Tenders were called on 24 April 1999 and closed 12 noon on Wednesday 19 May 1999. Three written tenders were received from:

1. Nicholas Bray and Susan Ward of the Museum Café as a partnership.
2. Spotless Services (NZ) Limited (the existing operator).
3. Eurest New Zealand, Catering Management Specialists.

Also received in the tender box was a letter from Jane Pasco a local small business owner/operator expressing her interest in the property and conveying her ideas on the tender.

The Subcommittee interviewed the following tenderers on Friday 4 June 1999:

Spotless Services (NZ) Ltd
Eurest NZ

The third tenderers, Nicholas Bray and Susan Ward, were overseas at the time of the meeting and were given the opportunity to appoint an agent to present their proposal to the Subcommittee but declined to do so.

PROPOSED LEASE

Incorporated in the tender documentation prepared by Buddle Findlay is a comprehensive commercial lease providing (inter alia) for public rights of entry during opening hours and the maintenance of best standards of good restaurant practice.

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FINANCIAL OFFERS

Details of the financial offers from each tenderer are contained in the public excluded section of this report.

TENDER SUMMARY

1. Bray/Ward Partnership (current owners of the Council lease for the Museum Café at Canterbury Museum).
 - A café style operation.
 - Indoor and outdoor dining focusing primarily on brunches, morning tea, light lunches and afternoon tea. Seven days a week excluding Christmas Day, Good Friday and ANZAC Day.
 - A “hands-on” approach ensuring continuity and quality of the service.
 - French doors between café and outdoor dining area.
 - Complete refurbishment of the kitchen shop, store room and toilets.
 - Staffing to comprise a mix of seven full time and part time employees with a pool of casual staff as backup.
 - Staff training in customer service and food preparation with catalogued recipes and a cleaning schedule.
 - Café to have its own brochure and logo.
 - Daily menu to include breakfast.

2. Spotless Services
 - Themed as a garden gazebo with a village market approach.
 - Four specific concepts – Andrew Barclay Architects
 1. Garden Shed – sale of locally created food offerings to take home, eat in restaurant or outside priced at up market delicatessen levels.
 2. Country Kitchen – wood furniture, garden plants set up as a specialist bistro offering a food stall or table service.
 3. Waiter serviced outdoor dining.
 4. Kiosk (potting shed) providing takeaway food products/beverages including café style coffee and specialty ice-creams, pies and soup.
 - Three sets of bifolding doors opening onto courtyard covered with canvas sails.
 - New central skylight to the roof apex.
 - New furniture indoor and outdoor reflecting the garden market theme.
 - As an educational feature for children, a live beehive encased in glass.
 - Children’s menu.
 - Breakfast, brunch and lunch menus with a good selection of food and a range of prices.

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- Function catering.
 - Three permanent on site staff positions.
 - Quality improvement programmes.
 - Core business moved from a predominantly catering based operation to a comprehensive provider of a wide range of services other than the food industry.
 - Health and safety practices comply with all current legislation.
 - To carry out an indepth market survey to ensure accurate targeting of services to casual diners café, groups, casual diners restaurant (occasionally evening) evening functions.
 - Pricing discounting packages.
 - References given, including Christchurch Convention Centre, Jade Stadium, WestpacTrust Sports and Entertainment Centre, Ericsson Stadium, Sydney Cricket and Football Stadium.
3. Eurest New Zealand
(formerly Fisher Catering Services Limited) operating throughout New Zealand and part of Compas Group PLC – the world's largest food service organisation.
- Design Concept – Victorian Period, turn of the century style. The Design Team Limited.
 - A café service focusing on a home-baked product theme with traditional morning and afternoon teas, light and healthy salads, hot and cold snack food and drink items with espresso coffee.
 - Brunch and lunch menus, with a good selection of food and a range of prices.
 - Children's menu.
 - Creation of a conservatory as a restaurant over-flow area while offering versatility and capacity for function catering.
 - Kiosk reconfigured and modernised to provide quick service of confectionery, drinks and snacks supplemented in peak times with a mobile snack/drink trolley.
 - Café style restaurant incorporating renovations to total décor, indoor/outdoor providing an extensive range of food products serviced by uniformed staff. Periodic entertainment Sunday lunchtimes, customer loyalty schemes, theme days.
 - Existing entrance widened incorporating larger canopy, brick podium and new timber windows and doors.
 - Minimum hours 10.00 am to 4.30 pm, seven days a week except for June and July when close no earlier than 3.45 pm but any time after this time. Closed Christmas Day, Good Friday and also ANZAC Day if required by law. Later closing to be trialed December to March and after park gate closing time for functions subject to appropriate arrangements with a security firm as may be approved by the Council.

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- Significant commitment to staff development through a formal training programme.
- ISO 9002 certified catering management service.
- Comprehensive hazard management register in the form of a manual that is progressively developed.
- Food safety management programme.
- Client satisfaction surveys.
- 1 – 1.5% of sales budgeted for marketing employing specialist marketing advice. Work in with City festivals and events.
- Impressive references.
- Extensive track record in the catering and food service industry with substantial experience and an impressive list of major clients including Christchurch Gondola, Christchurch Polytechnic, Nga Hau E Wha National Marae, the Old Orchard Wedding and Convention Centre, Universities of Canterbury and Auckland, New Zealand Parliamentary Services, Wellington Festival and Convention Centre, Air New Zealand Koru Lounges and International Ferries.

CONCLUSION

After reviewing the three proposals, the members unanimously concluded that the tender from Eurest was superior in most aspects to the other two tenders

Eurest had presented a substantial package covering all aspects of their intended food operation offering a revitalised facility with flair and imagination. This organisation appeared to be well placed, resourced and able to implement their intent which was to make full advantage of this public dining facility. Financial offer is far superior to the other tenders and will enable the Council to share in potential business growth. Pricing is competitive and food variety is extensive and with provision for all types of function catering.

It will be noted that the Eurest tender proposes the construction of a conservatory on the western side of the kiosk building.

This proposal has been discussed with staff of the Parks and Environmental Services Units.

The building is not listed as a heritage building so any alteration to its existing design is a matter for the building owner to determine having regard to location and purpose. Any addition to the building floor area will require a resource consent and building consent. Structurally the addition of a conservatory to this building should not be a problem. However there are design detail issues that will need attention to ensure weatherproofing, security and efficient use of the conservatory space.

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Recommendation: That the tender proposal from Eurest NZ Ltd for a lease of the Botanic Gardens Restaurant/Kiosk as detailed in the open and public excluded sections of this agenda be accepted subject to:

1. The design and structural particulars of the proposed building alterations being to the satisfaction of the Property and Parks Managers.
2. All statutory consents necessary being obtained by Eurest NZ at their expense.
3. All costs of building alterations, renovations being met by Eurest NZ.
4. A deed of lease for a term of six years, with a right of renewal for a further six years, being executed by Eurest NZ in accordance with the particulars and conditions of tender reference no 99/408.

The meetings concluded at 12.15pm and 11am

CONSIDERED THIS 24TH DAY OF JUNE 1999

MAYOR