

## **Auxiliary Services**

In the spirit of transparency, openness, and informed decision making I would like to share background information on Auxiliary Services and how it is accustomed to operating.

Auxiliary Services consists of the Print Center, Food Services, Transportation and Parking, and the Bookstores. These operations, with the exception of the Print Center, are business enterprises, while the Print Center is an internal-service fund. The departments operate under the direction of Linda Eden and are part of Administrative Services. Each department has its own fund, separate from the General Fund of the college, and pays a percentage of revenue back to the General Fund to reimburse the costs the college incurred on behalf of the operations (custodial, utilities, administrative services, etc.).

In June 1998, at the urging of the Multnomah Tax Supervising and Conservation Commission, the Board passed a resolution broadening the purpose of the Auxiliary Funds as follows:

“That the Board of Directors approve using Bookstore, Parking, and Food Services fund resources for transfers and non-recurring expenditures, provided that such transfers and non-recurring expenditures are budgeted in accordance with the Oregon Budget Law.”

Linda Eden has done a good job of working within these parameters to meet the needs of the students while keeping the funds solvent and legally compliant. In recent years transfers between the funds have been infrequent and for smaller dollar amounts.

Auxiliary Services would like to move forward with a remodel of the Sylvania campus food services area that will address several deferred maintenance issues. The cost of this project is estimated to be \$1.5 million and the funding source for the renovation would be a transfer from the Bookstore Fund. Pictures of the improvement needs are included in the attached materials. The Food Services fund balance at the end of June 30, 2015 was \$193,000 or 2% of annual operations. The needed renovations are not budgeted as part of the Bond capital expenditures, Facilities capital expenditures or General Fund capital expenditures.

A transfer from the Bookstore to Food Services to cover these renovations was built into the adopted budget for 2015-17. Completing this transfer would be legal and in compliance with the Board resolution from 1998. The Bookstore fund balance at the end of June 30, 2015 was over \$14.5 million or over 90% of annual operations. For the 2013-15 biennium the Bookstore revenues exceeded expenditures by less than 1% so current pricing models are reasonable to maintain ongoing operations.

The Bookstore fund balance grew to such a high level over years as Auxiliary Services originally believed that they would need to build a Bookstore on the SE Campus. However, the SE Bookstore was built and paid for by the Bond Fund. Even allowing for the Bookstore to address the Sylvania Food Service remodel, to make other equipment needed upgrades, and to allow an adequate fund balance to accommodate for unexpected emergencies and to also cover timing differences between cash inflows and outflows, the Bookstore Fund still has more in reserves than is needed for the foreseeable future.

Opportunities for redeployment of these reserves could include, but not necessarily be limited to the, following options: Retain the funds in the bookstore operations and reduce the balance over time through initiatives to benefit the students (lowered prices, expand rental programs, invest in open educational resources, etc.), return funds to the Bond fund to offset the cost of building the Southeast

Campus bookstore, make one-time investments of resources that benefit students (covering costs of the network redesign process and other technological needs, addressing other key deferred maintenance/safety needs), or addressing other one-time priorities identified in the strategic planning process.

No Board decision is required at this point. We would like to move forward with the planning phase of the Sylvania Food Services remodel with the thought that the project would ultimately require Board approval. Thoughts on the path forward for the remaining fund balance are worth extended time for review and discussion.

June 18, 1998

98-153

RESOLUTION AMENDING THE PURPOSE AND USES OF  
THE ENTERPRISE FUND RESOURCES.

PREPARED BY:

Odie Sarmiento, Budget Manager  
Wing-Kit Chung, Director, Financial Services

APPROVED BY:

Connie Sauer, Vice President, Administrative Services  
Dan Moriarty, President

REPORT:

The College Enterprise Funds include the College Bookstore Fund, Parking Operations Fund and Food Services Fund. The Auxiliary Services Director of the College manages these enterprises, which operate like a commercial business.

During the public hearing on the College Fiscal Year 1998-99 Budget, the Multnomah County Tax Supervising and Conservation Commission objected to the interfund transfers among Enterprise Funds and recommended that the purpose of these funds be amended to allow for broader uses of fund resources.

Staff has researched this issue and recommends that the College broaden the purpose of the Enterprise Funds.

RECOMMENDATION:

That the Board of Directors approve using Bookstore, Parking, and Food Services fund resources for transfers and non-recurring expenditures, provided that such transfers and non-recurring expenditures are budgeted in accordance with the Oregon Budget Law.

Portland Community College

# **Food Services**

## 2016 Renovation Document

**Sylvania  
Food  
Services**

## **Sylvania Campus - Kitchen Design Services**

### **SCOPE OF WORK**

PCC is looking for a professional restaurant design consultant, restaurant designer, or restaurant design firm with experience in restaurant kitchen designs. PCC Food Services has numerous infrastructure issues, such as, water damaged laminate cabinetry, damaged flooring, damaged wall panels, antiquated refrigeration, irreparable built-in hot holding cabinets, damaged furniture and fixtures, and a kitchen exhaust hood system working at an average of 50% airflow, which is not energy efficient or sustainable.

We are looking for a consultant that has experience with layout designs, and who can create the specifications, schematics, and develop equipment bid lists to address the infrastructure issues, including the redesign will be a hood system at the Forest View Dining Center.

The Designer that is chosen for these projects will also work with the Architect, General Contractor and Facilities Management Services (FMS) Project Manager for the duration of these projects.

The food service facilities that will be renovated are located at the PCC Sylvania Campus, 12000 SW 49<sup>th</sup> Avenue, College Center Building (CC Bldg.), Upper & Lower Mall, Portland, OR 97219, per the following:

- ∞ Forest View Dining Center & Chill Smoothie  
CC Bldg., Lower Mall  
Scheduled for remodel: June 2016 – August 2016 (3 month window)
- ∞ River City Café  
CC Bldg., Upper Mall  
Scheduled for remodel: December 2016 (3-4 week window)

## **Sylvania Food Service Renovation History**

The Sylvania Food Service Department was a culinary instructional kitchen built in the 60's. In 1989, the culinary program was discontinued and the operation was designated as a self-operated retail special revenue fund.

At that time, 85% of the equipment was obsolete and parts were no longer available for repair. Power, flooring, walls, plumbing, natural gas, steam, required modification to accommodate new equipment such as ovens, walk-in refrigerators/freezers, steamtables, pizza ovens, 3 compartment sinks, slicers, dishwashers, hand washing sinks, warming ovens, woks, and other food service equipment. Parts for the hood ventilation systems were obsolete resulting in the necessity to shut down all but one ventilation system in the kitchen and consolidate cooking production into one aisle. This action was necessary so that parts could be used from the decommissioned ventilation systems to keep one system operational. The design of the kitchen did not accommodate the use of labor and space efficiently for a retail facility. In addition, the operation did not have air conditioning resulting in subjecting the staff to work in temperatures exceeding 100° F in the summer months, further compounded by heat generating equipment. In November 2000, the bond was passed and the Sylvania food operation was stripped to the studs and remodeled during the summer of 2001.

Currently, the Sylvania Food Service operation is facing similar maintenance/repair issues but not as drastic as the problems faced in the late 90's. The flooring in the servery of Forest View is so worn that the backing is becoming exposed and seams are splitting resulting in mold/mildew growth. This exact situation occurred in the Sylvania production kitchen. There was concern about a posed health risk associated with the mold so FMS replaced this flooring in July 2012 (see following photos).

The exhaust hood fans run 15-hours a day non-stop, wasting energy and utility costs, not to mention sustainability goals. The life-span of the refrigeration units in the servery have expired and parts have to be retro-fitted and custom built to keep these units running. Since May 2013, each of the six refrigeration units in Forest View have been cited by the Multnomah County Environmental Health Department inspector for running too warm, some multiple times. These violations are caused by many malfunctions including, end of life span, defrost cycle stuck, evaporator pan not working, small Freon leak in coils, thermostats malfunctioning, etc. The kitchen and servery equipment has out lived its life-span and there is equipment that was reused from the original kitchen remodel in 2001. In fact, one piece of equipment is well over 40 years old.

Cabinetry in the servery area is falling apart. Specifically, there are sections where plywood is exposed due to water damage creating ideal conditions for mold and mildew growth.

The dining room chairs and tables are scarred from wear and tear along with vandalism, broken and beaten up by movement over the past 14 years.

An estimated 7.5 million customers have been served since the opening of the remodeled Sylvania food operation in September 2001. This does not include students, staff and visitors who use the facilities for such functions as ASPPC events, catering, employee training and the use of the dining room for meals to be eaten from home.

The following photos illustrate the condition of many of the maintenance deficiencies noted; however, the severity of the damage is difficult to see from the photos. Food Services would be more than happy to arrange a tour to view the deficiencies identified in this report.

## CHILL SMOOTHIE

Cabinetry has been water damaged over the past 14 years. Cabinets are made of laminate and plywood, and water has warped the integrity of the structure. Water damage comes from rinsing blender containers for smoothies and miscellaneous coffee equipment. Blender containers are rinsed an average of 200 per day, 6-days a week in this sink.

Drawers have been repaired many times. We have been advised the wear and tear is irreversible.





Cabinetry rotting from water damage, (i.e. water line leaked, coffee spills, moisture from ice, and cleaning towels) have put wear on laminate cabinets. Counter drawer locks cannot be repaired, and the latch notches in the wood are worn and locks will not stay secure.



Refrigeration is in need of compressors; they run hot and need to be on a remote system.



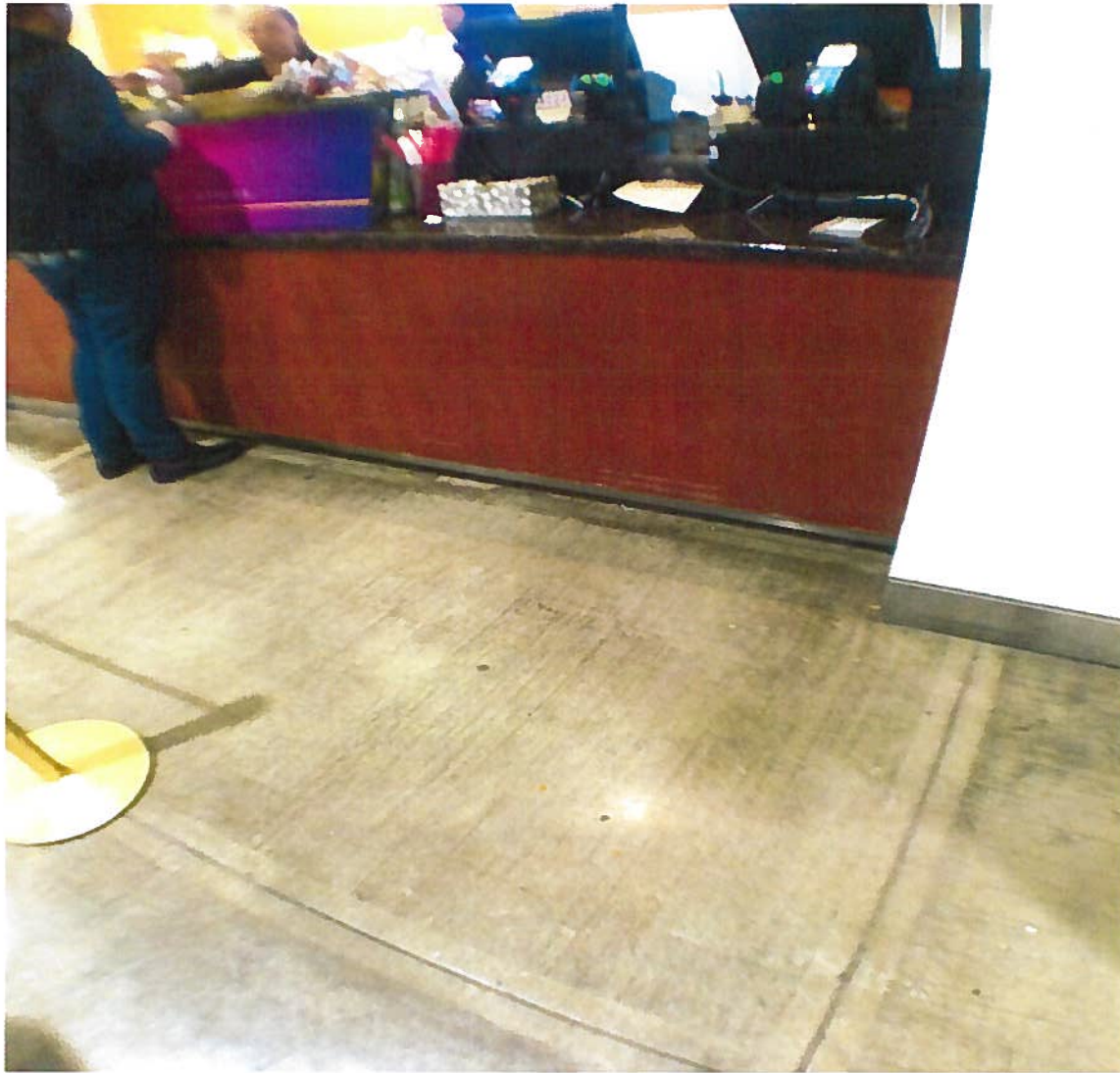
### Refrigerated Units:

Refrigeration units (bottom left) have to be retro-fitted for repairs as there are no replacement parts available on the market, (i.e. evaporator pans, defrost thermostats, coils, etc.).



## Chill Counters

Laminate worn from cleaning equipment running along the surface near the floor.





Laminate counter fronts surface damaged.



## RIVER CITY CAFÉ

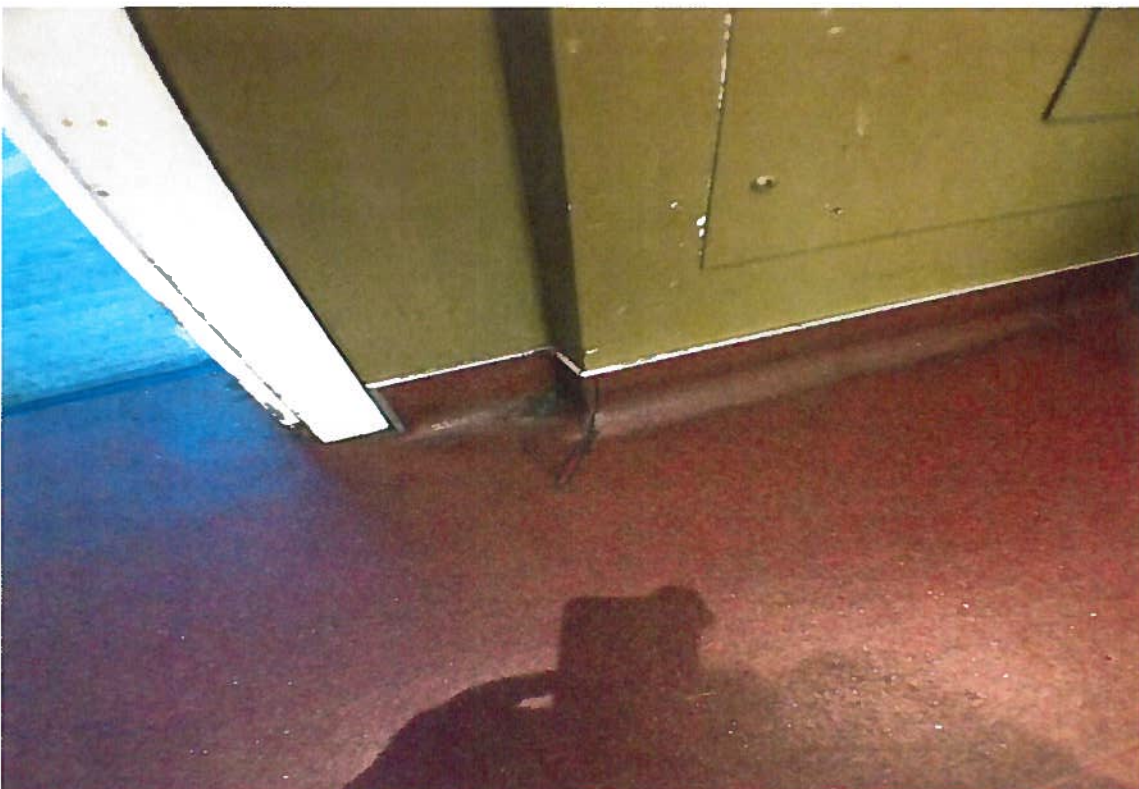
Floor seams are split and flooring is pulling up due to water and debris seeping in between the seam openings. Water damaged flooring in service area is a hazard for mold. Granite counter seams are splitting and will become an environmental health violation should it increase over time. Soup hot wells life-span has expired (10-year life). Refrigeration units have to be retro-fitted for repairs as there are no replacement parts available for the evaporator pans, defrost thermostats, coils, etc.



Flooring water damage comes from leaking pipe and/or evaporator pan overflowing from heater in pan not working.



Floor seams splitting. Water and debris seeping into open crack with the potential of mold spores starting to propagate.

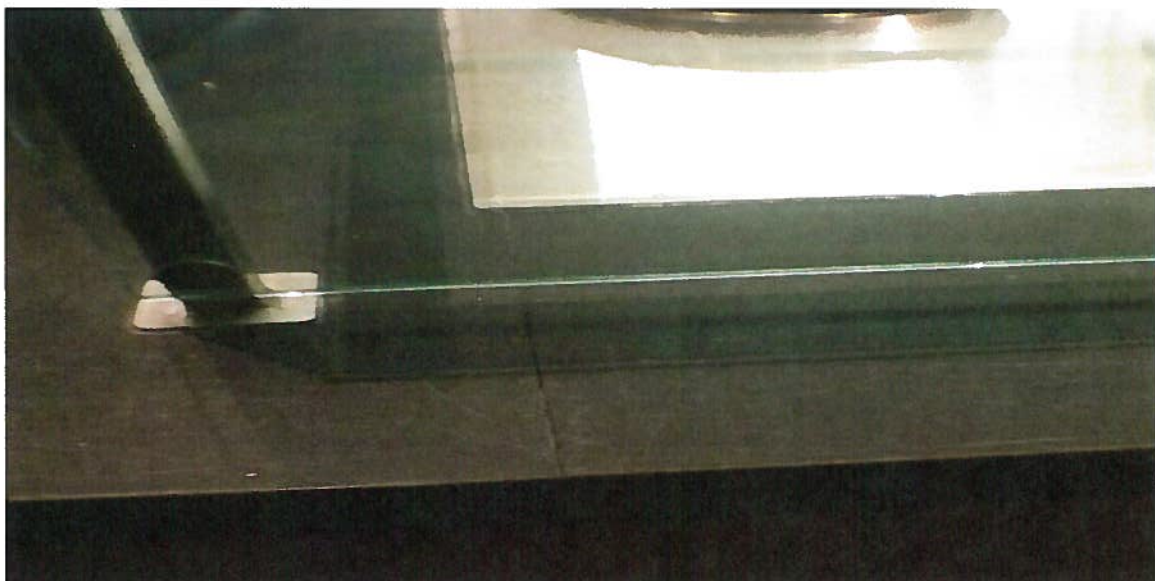




Soup wells need to be upgraded. They leak and thermostat parts are becoming obsolete.



Granite counter starting to split. Potential for seam to harbor bacteria. Staff can only clean minimally in this crack.



## FOREST VIEW

Laminate cabinets are water damaged the same as CHILL. Additionally, custodial cleaning equipment has damaged the cabinetry. Flooring has been patched with gray flooring due to water damage and cleaning equipment. Water damage has come from leaking pipes, cleaning towels, and water from cleaning equipment. The laminate cabinetry was not designed to withstand 15 years of exposure to moisture.

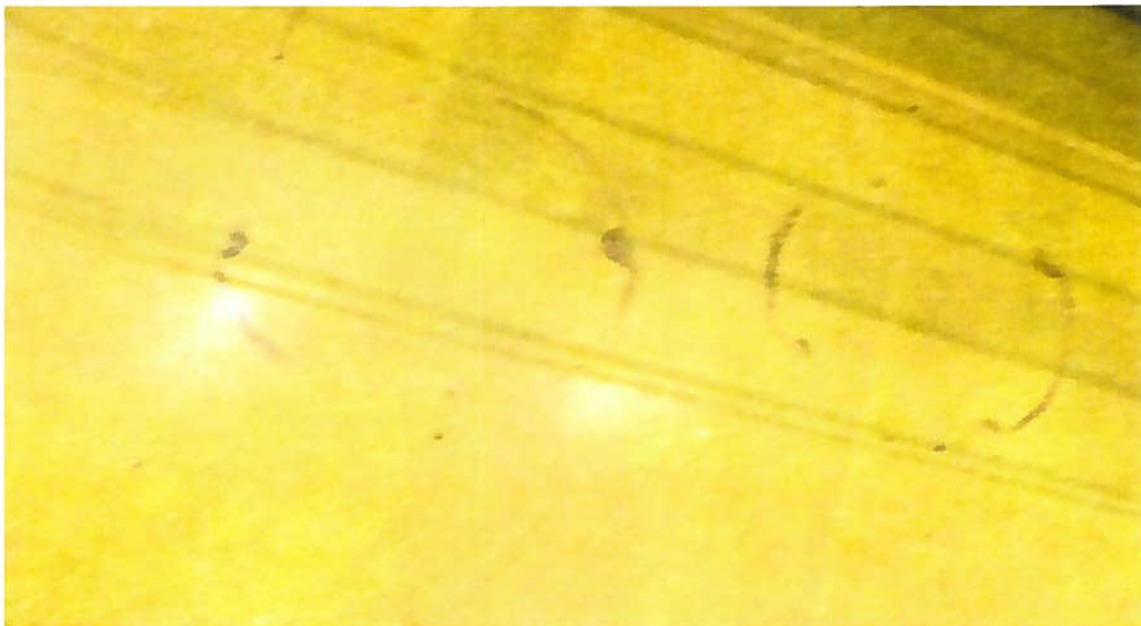




Gray colored flooring represents water damaged repair. Yellow colored flooring stained and scarred.

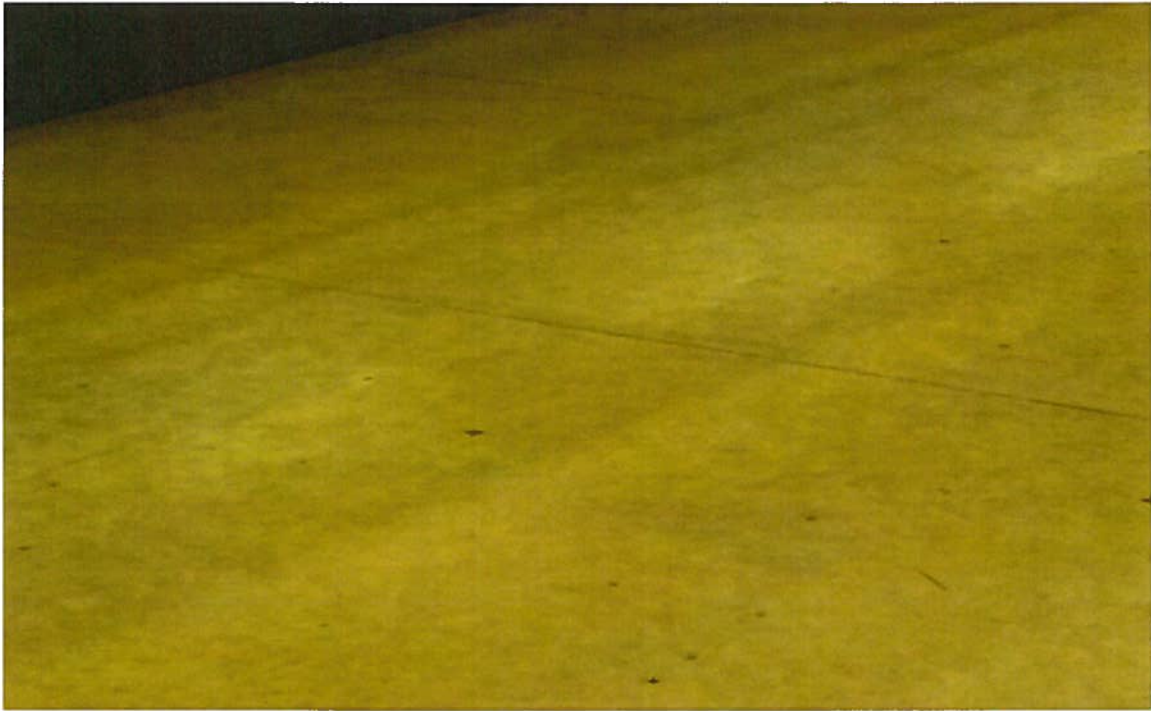


Floors are scarred with marks that cannot be repaired. The flooring been worn to where the backing is starting to expose and will not be cleanable in the near future.

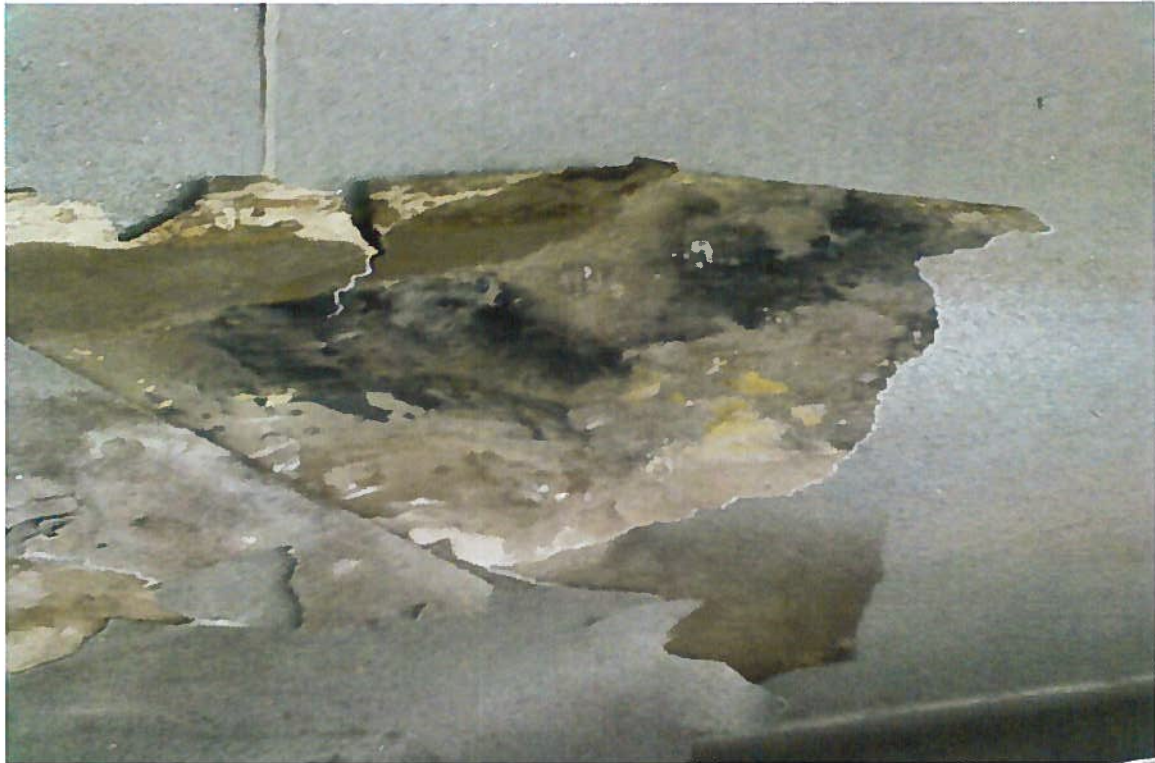




Damaged flooring continued...



Example of mold under kitchen flooring July 2012.





This same flooring that was replaced in the production kitchen in 2012, still exists in the servery (production area of the salad bar).



Dining Room Flooring  
Flooring under the water fountain in dining room.





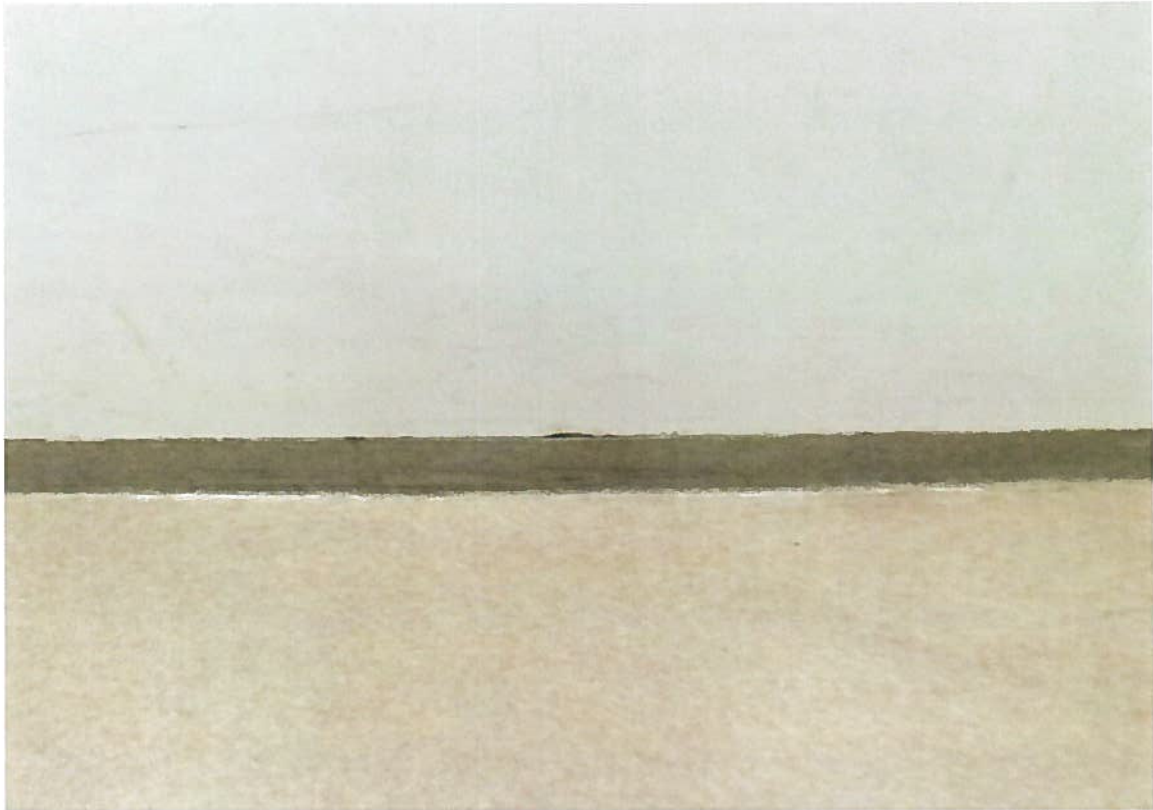
Tray rail seams and fastner damage.



Tray rails were custom built in 2001, fasteners are obsolete and seals between sections have decayed over the years allowing moisture to seep under the glass.

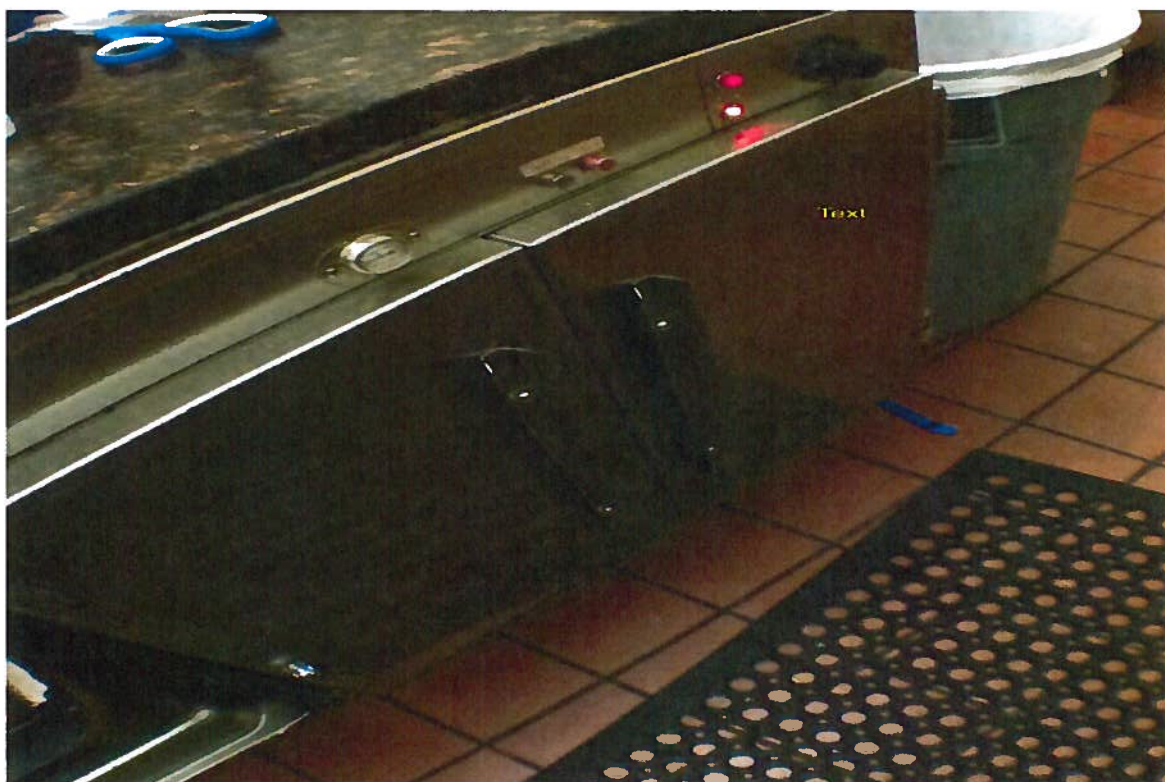


Walls and flooring separating. Kitchen walls have been damaged by wear-n-tear, as well as cleaning equipment.

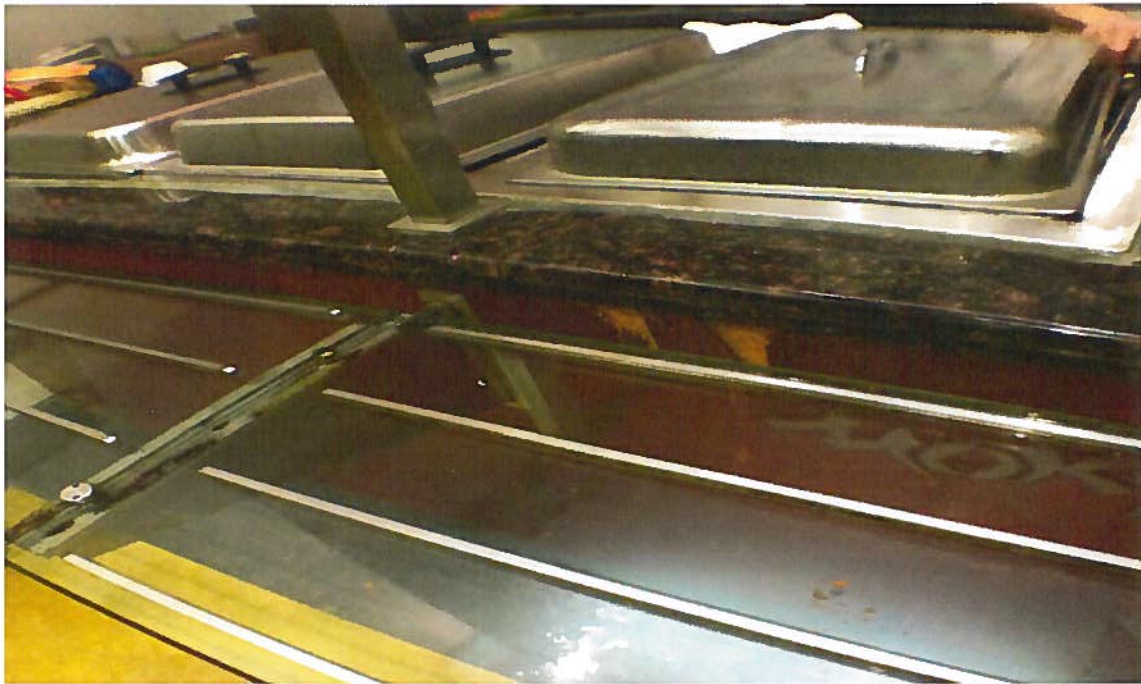




In 2010, the two hot food holding cabinets (top picture) were cited by the health inspector for not holding the correct temperature. The handles were retro-fitted three years after installation, but repairs are costly and we were advised not to repair. The two hot food holding cabinets not been used for 5 years. The hot food holding cabinets depicted in the bottom picture were built into the counters and cannot be replaced because of the custom fit.



Water damaged under granite counter is from the continuous steam from the steam table and moisture when the metal insert leaked.



Ice machines need compressors. Their life span has expired making parts harder to obtain. The heat, noise, and energy can be reduced if the compressors were remote on the roof.





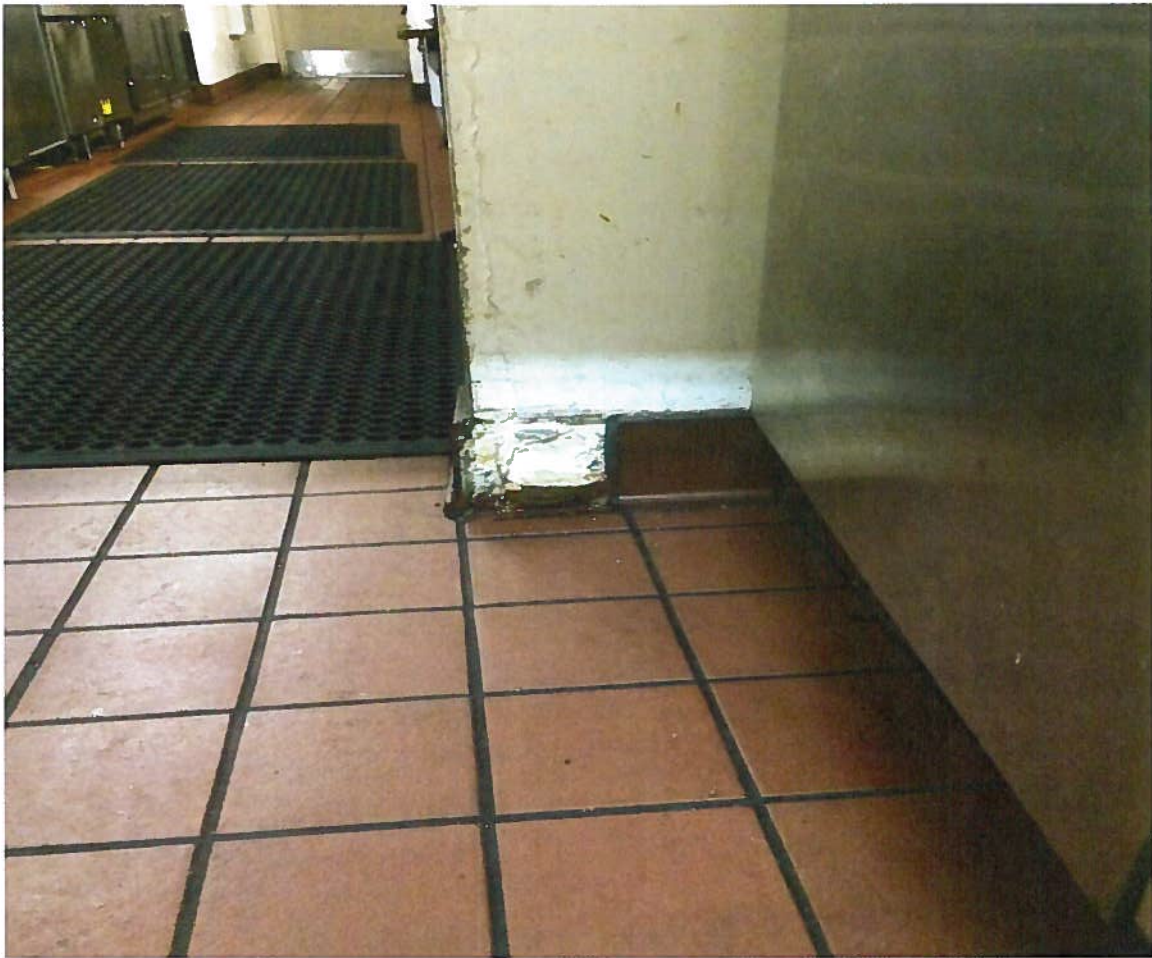
The exhaust hood system does not work to its full capacity, it run 15-hours a day, 7 days a week and can to be retro fitted for energy efficiency.



Fryers life span has expired. Three of the four tanks are working. There are not any replacement parts for these units. Fryer on the right has only one side working.



Quarry tile out dated, in need of repairs, plus it's a slip and fall safety hazard.





Garbage disposal needs to be converted to food scrape collector.

Letter from the City of Portland Environmental Service....

**Food Grinder Devices:** It was also noted during our visit that your facility has a food grinder/garbage disposal. The removal of this device would qualify your facility for an additional surcharge rate reduction. Removal of the grinder in conjunction with the existing waste food composting program would result in a greater surcharge rate reduction.



## DINING ROOM

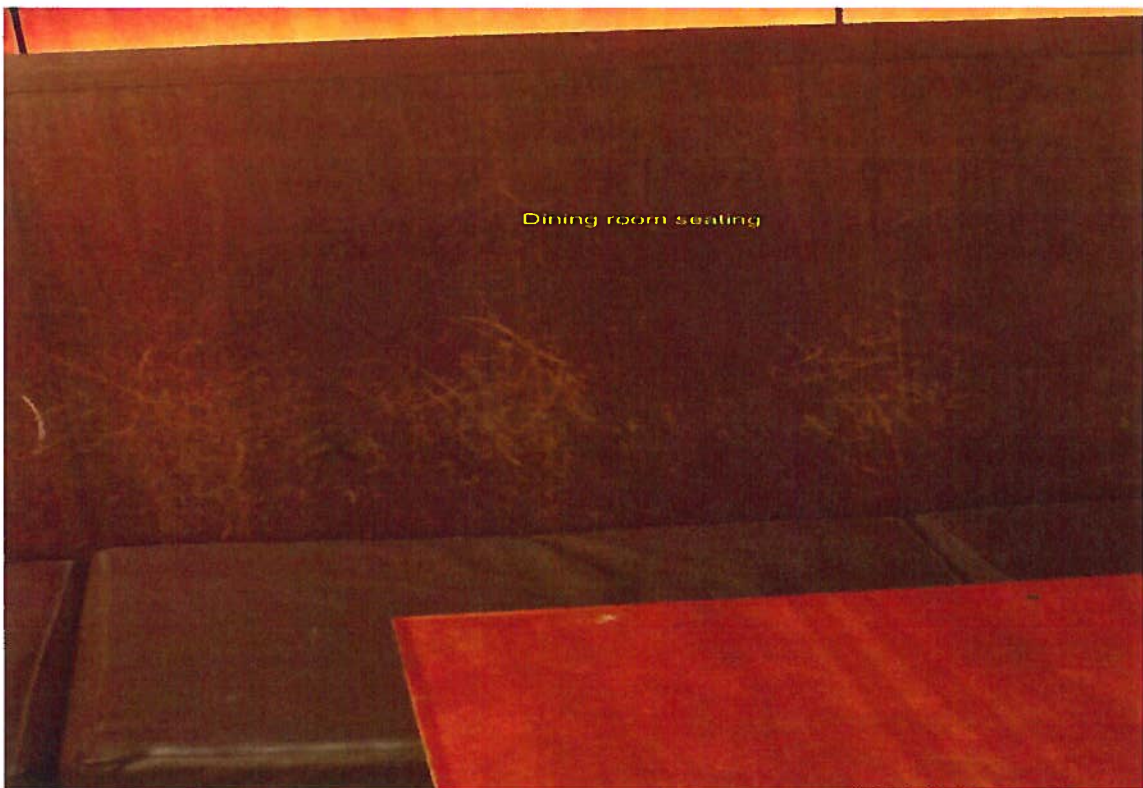
The dining room chairs and tables are scarred, display carvings, worn, broken and beaten up by movement over the past 15 years. They have out lived their life span.

Bench in dining room



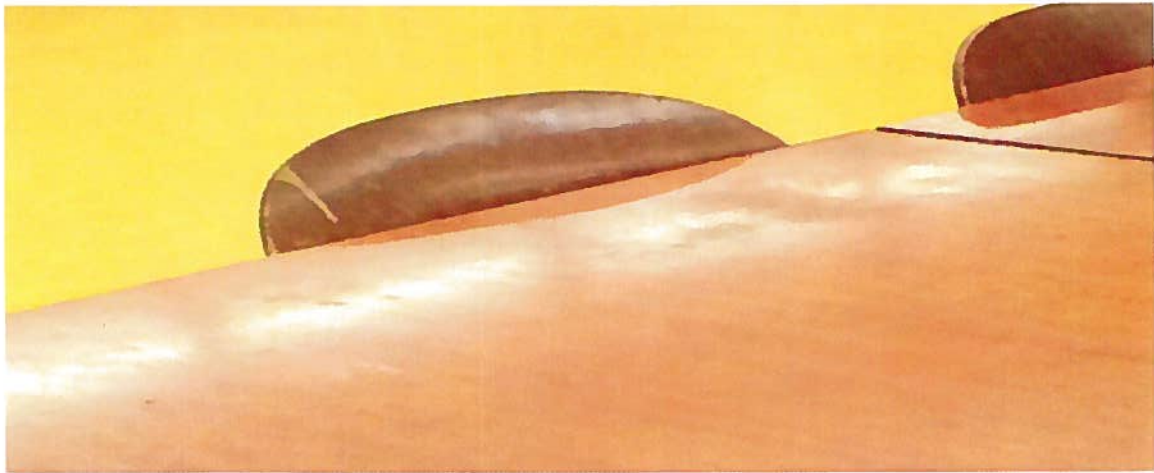


More damaged seating..



Dining room seating

Damaged Dining Room Table & Chairs





More damaged tables.....



## Tree Rooms (Oak, Elm and Fir)

Table and chairs are damaged. They have out lived their life span of 14 years.  
Walls are damaged from cleaning equipement.

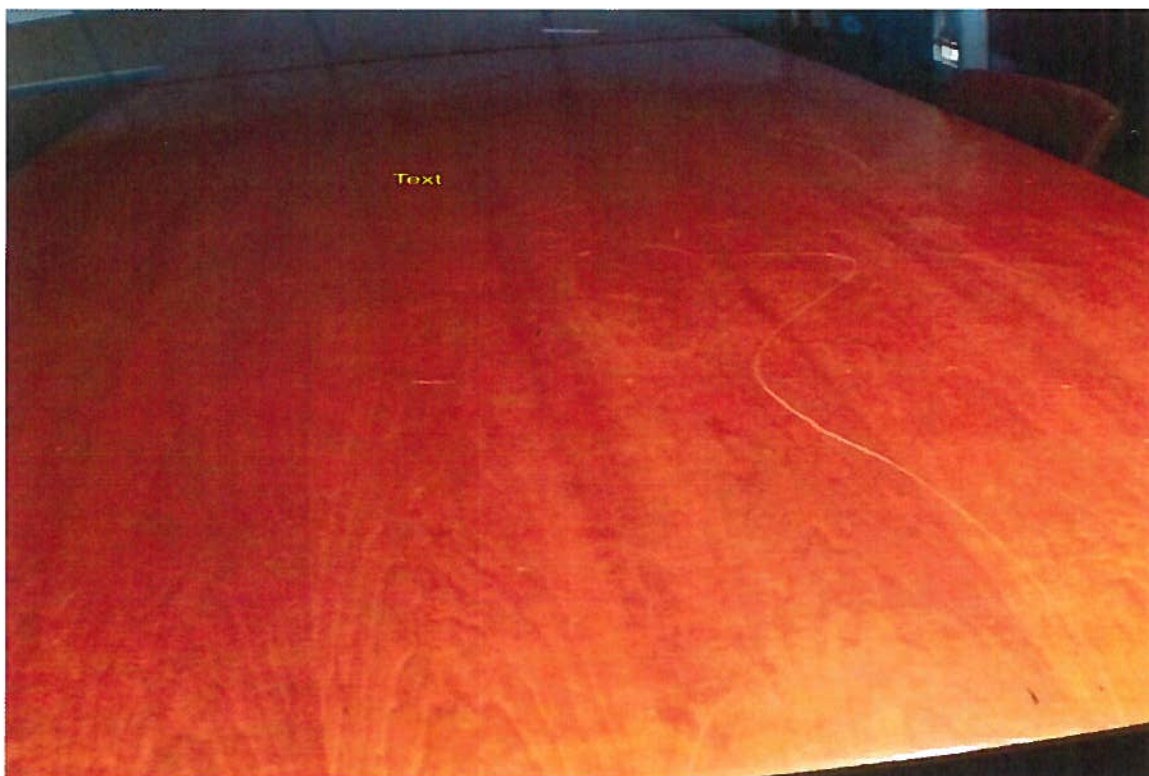
Tree room chairs..

Note left by Safety & Risk Enviornmental Health & Occupancy Specialist





Tree rooms - scarred tables



Tree room damaged walls



## Summary

In conclusion, the renovation is in alignment with PCC's Strategic Plan specifically, Themes 1, 3, and 6.

The dining room engages "Student Life," offers access to resources and services and is an area for collaborative thinking where students learn, grow and build community.

The maintenance of the food operations identifies improvements for both internal and external stakeholders. Acting on these improvements in a framework that is agile and rapid shows the continued investment into PCC's cultural experience.

Theme 6-2 summarizes the renovation of the food service operations; PCC ensures the sustainability of its infrastructure and maximizes the efficiency of its operations through innovative management of energy, waste, land use, purchases, and consumables in alignment with PCC's sustainability objectives.

PCC is a learning organization, investing in its employees and organizational structures to build a culture of excellence that fosters leadership, responsiveness, efficiency and accountability at all levels.

## Theme 1: Provide outstanding, affordable education

---

- 1-4 With its "One College, One Seamless Experience" vision, PCC provides multiple, easy to use points of access to students by offering similar services, resources, opportunities, and learning experiences at each campus
  - 1-5 PCC's dynamic Student Life experience engages students outside the classroom in co-curricular and student leadership activities that promote experiential student learning and make PCC's campuses fun, dynamic places to learn, grow, and build community.
  - 1-6 PCC faculty and staff are culturally astute leaders in their respective fields and model cognitive, systems, and collaborative thinking in their work with students, faculty, staff, community members, and partners.
-

## Theme 3: Ignite a culture of innovation

---

*PCC champions new ideas, risk taking, agility, experimentation, and learning through failure that leads to the next cycle of change. PCC's students, faculty, staff, and partners are respected as creative problem-solvers in business, government, and non-profit sector*

- 3-1 PCC's organizational framework promotes agility and rapid improvements in systems and processes that meet the needs of internal and external stakeholders.
- 3-2 PCC's organizational culture encourages faculty, staff, and students to continuously assess, identify opportunities for improvement and change, and remove barriers to creative innovations that lead to institutional and educational effectiveness.
- 3-3 PCC makes investments that lead to emerging and evolving fields of study and industry.

## Theme 6: Achieve sustainable excellence in all operations

---

*PCC leads the community in sustainable innovation, efficiency, transparency, and excellence in all of its operations. PCC's strategic, data-driven approach and open communications streamline management and operations to achieve academic excellence in a financially and environmentally sustainable manner.*

- 6-1 PCC is a learning organization, investing in its employees and organizational structures to build a culture of excellence that fosters leadership, responsiveness, efficiency and accountability at all levels.
- 6-2 PCC ensures the sustainability of its infrastructure and maximizes the efficiency of its operations through innovative management of energy, waste, land use, purchases, and consumables in alignment with PCC's sustainability objectives.
- 6-3 PCC builds strategic partnerships, cultivates entrepreneurial opportunities, and develops strong, diversified revenue streams to provide optimal resources to support the mission of the College. PCC provides stewardship of its resources through proactive fiscal planning, data-driven decision-making, application of best practices, and strategic investments.

Resolution 98-153 was created to allow Auxiliary Services to share funding to provide a broader use for fund resources. This was recommended by the Multnomah County Tax Supervising and Conservation Commission. The PCC Food Service Department supports Theme 1 of the Strategic Plan by keeping retail prices slightly lower than competitors to provide affordable food options for all students, thereby reducing operating margins lower than nominal industry standards. With smaller margins come little to no reserves needed to fund renovations such as this one.

During the budgetary process for FY 15-17, the intention to use Resolution 98-153 was transparent and was approved by Wing-Kit Chung, Gordie Herbst, the Budget Office and the tax commission. A portion of this funding has already been allocated to fund PCI compliant point-of-sale equipment for Food Services. Failure to pass PCI compliance by the college would have resulted in the inability for the institution to accept credit cards for payment of any transaction including tuition.

Food Services selected a professional design consultant for this project and a final contract is ready for signature. If this contract does not get signed by December 1, 2015, the renovation will not be able to move forward for the summer of FY 16 as planned. This drop-dead date is needed as Food Services plans to use River City to service the food needs of the campus during the summer. Once fall term starts, the customer volume is too high and students needs will not be met without Forest View in operation.