



DPS Central Kitchen

Phase 1: Feasibility Study

SCOPE OF WORK + BUDGET

July 1, 2019 – June 30, 2020

The feasibility study will include exploration of the following topics and additional topics of interest that may arise. The final report will answer all necessary questions and provide a road map for the next phase of development of the DPS Central Kitchen.

1. **DPS Central Kitchen Vision:** Working collaboratively with representatives of DPS and the Durham community, we will develop a Vision to outline the goals of the central kitchen project.
2. **Quantitative data collection:**
 - a. Current and projected student population
 - i. Including charter schools catered by DPS
 - b. Current and projected schools (size, location, teachers, auxiliary staff, administrators)
 - c. Current %FRL (by school and by district)
 - d. Current ADP for breakfast, lunch, snack, supper meals, summer meals
 - i. Current reimbursement rates for each meal
 - e. Current budget analysis
 - i. Current staffing (job descriptions, including how many SNS staff are also bus drivers) and labor costs (salary, wages, benefits)
 - ii. Current food costs
 - iii. Current additional operations costs (utilities, repairs, new equipment purchases, transport, storage, indirects to district, etc.)
 - f. Current food allergy/accommodations
 - g. Current food sources (distances traveled; % processed products; % local products)
 - i. Current environmental impact of cycle menu (based of FOE calculations – CO2 and water impacts)
 - ii. Current community impacts of purchasing (\$ kept in community, who has access to DPS market)
 - h. Current bid specifications
 - i. Current procurement alliance resources



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3. Qualitative data collection:

- a. Identify key stakeholders to form an oversight committee to ensure the kitchen implementation phase represents the interests of Durham's diverse community. Stakeholders may include students, SNS staff, teachers, administrators, facilities/operations staff, farmers/producers, suppliers, county/city officials, sustainable building experts, representatives from Duke, and others.
- b. Interview key stakeholders (SNS director, operations, students, families, teachers, administrators, suppliers, etc.)
- c. District-wide mobile surveys (students, families, teachers/administrators, SNS staff, community at large)

4. Real Estate Analysis (*sub-contracted to Self-Help Real Estate Team*):

- a. Provide questions for and analysis of FIG's case studies of other central kitchens (including participating in interviews of relevant stakeholders from those projects as appropriate) to identify key real estate-related lessons that may inform the DPS Central Kitchen project, such as documenting the capital stack, understanding operating expenses, and more.
- b. Document a preliminary facilities program (including prioritized "wish list") for the core central kitchen concept based on input from FIG. This will also include a less detailed programmatic summary of the space needs for the broader "kitchen + partners + retail" vision that FIG has identified.
- c. If needed, work with a commercial real estate broker to identify existing locations – land and buildings – in Durham where the DPS Central Kitchen could potentially be located.
- d. Identify and contract with a design/construction team to create two potential high-level development concepts: 1) renovation of a prototypical existing warehouse building; and 2) construction of a new facility.
- e. Produce for each concept:
 - i. Site and/or building selection considerations, understanding that selecting specific property is likely 3-5 years out;
 - ii. Estimated project cost in current dollars;
 - iii. Potential development approach, including sources and uses, financing structure, and simple operating pro-forma;
 - iv. Potential project ownership model, with implications for project feasibility;
 - v. Projected impact of constructing a central kitchen, including jobs created through construction;
 - vi. Rough estimate of facilities costs required to maintain a central kitchen.



5. **Policy + Practice Recommendations** (*based on national best practices*):
 - a. Good Food Purchasing-type agreements governing all bids/procurement measures (organic practices, GAP certified, local preference)
 - b. Menu guidance (no artificial dyes, flavors, additives; no HFCS; no added sugars; limited high-quality animal protein products; family-style service for elementary schools; pre-ordering for k-12; no a la carte sales; protected time for sharing good food together (at least 20 minutes of seat time))
 - c. Gardens/farm or partnership with DPS Hub Farm
 - d. Retail arm for fairly-priced family supper meals, local business lunch deals, etc.
 - e. Co-location with local food aggregator/processor/distributor
 - f. Green roof/sustainable building/waste reduction
 - g. Efficient distribution networks and logistics
 - h. Thriving wage for all employees plus benefits
6. **Analyses:**
 - a. Potential for contributing to other institutional (e.g., Duke system, detention center) and meal program (e.g., CACFP for childcare and older adult congregate meals, Meals on Wheels) services
 - b. Impact of central kitchen on DPS SNS budget (short, medium, long term)
 - i. By location/format
 - c. Impact of central kitchen policy recommendations on DPS SNS budget, participation, environment, local economy, and local community
7. **Projections:** Proposed central kitchen architectural renderings, build timeline, and estimated cost projections
 - a. Kitchen design follows menu development. FIG will draft proposed menus that align with the Vision to provide a basis for kitchen design
 - b. Design to accommodate field trips and job skills training

PROJECT TOTAL: \$120,000

Each funder has agreed to equally fund the initial investment in this Phase 1 feasibility study. This comes to \$24,000.00 per partner.

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|-------------------------|-----------------------------------------------------|
| • Durham County | • Duke Office of Durham and Regional Affairs |
| • Durham City | • BlueCross BlueShield Foundation of North Carolina |
| • Durham Public Schools | |



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Project Schedule

August 1, 2019 – FIG and subcontractors will develop and share a project plan with all funding partners by August 1, 2019.

October 1, 2019 – FIG will share a quarterly project update with all funding partners on or after October 1, no later than October 15, 2019. A conference call will be scheduled for one week after the report is shared to review any and all findings and questions with the funding partners.

January 1, 2020 – FIG will share a quarterly project update with all funding partners on or after January 1, no later than January 15, 2020. A conference call will be scheduled for one week after the report is shared to review any and all findings and questions with the funding partners.

April 1, 2020 – FIG will share a quarterly project update with all funding partners on or after April 1, no later than April 15, 2020. A conference call will be scheduled for one week after the report is shared to review any and all findings and questions with the funding partners.

June 30, 2020 – FIG will share a final report of findings to all funding partners. FIG will make a presentation to all funding partners at a mutually agreed upon session within 4 weeks of sharing the final report.



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