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05/08/03
Item #24

AN ORDINANCE

97586

AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A FIVE-YEAR AGREEMENT WITH ARAMARK SPORTS AND ENTERTAINMENT SERVICES INC. FOR THE OPERATION OF FOOD, BEVERAGE AND CATERING SERVICES AT THE ALAMODOME.

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WHEREAS, since the opening of the Alamodome in May 1993, the San Antonio Spurs, d.b.a. San Antonio Concessions, Inc. ("SACI"), have held a food and beverage concessions license, including all catering operations for luxury suites, the Sports Club and Top of the Dome restaurants, which license will terminate in May 2003; and

WHEREAS, in 1993, the City contracted with four local companies to provide general catering services for all areas not served by SACI and these agreements will terminate in June 2003; and

WHEREAS, the City previously retained the consulting services of the Bigelow Companies, Inc. to provide overall assistance in the process of developing a Request for Proposals ("RFP") for concessions and catering services for the Alamodome, evaluating proposals, and negotiating an agreement with the successful company and in October 2002, Alamodome staff issued the RFP to local and national firms and a pre-proposal conference and Small Business Economic Development Advocacy program ("SBEDA") workshop was held at the Alamodome on October 29, 2002, with 13 food service firms attending the conference; and

WHEREAS, one proposal was ultimately received from Aramark Sports and Entertainment Services, Inc. ("Aramark"), the concessionaire who has been the actual operator of Alamodome concessions pursuant to an agreement with SACI; and

WHEREAS, an evaluation committee consisting of City staff from various departments was formed to review Aramark's proposal and this committee determined that the proposal met or exceeded all the requirements set forth in the RFP and reflects a strong SBEDA commitment; and

WHEREAS, Aramark has 25 years experience in facility food service and is the largest food service business in the U.S., is a stable organization with 176 clients, including 36 major league stadiums and arenas and 29 convention centers and has vast experience in Alamodome operations and a strong local and regional presence; and

WHEREAS, in the RFP process, two fee arrangements for operating concessions and

catering were analyzed: a fee-based management agreement and a straight percent of sales agreement, with the committee concluding that a straight percent of sales agreement was in the best interest of the City; and

WHEREAS, under the proposed Agreement, the City will receive 35% of gross receipts for Aramark food and beverage sales when such sales total \$1.25 million or less and 40% percent of gross receipts when such sales total more than \$1.25 million; 27.5% of gross receipts of SBEDA subcontractor sales; 16.5% of gross receipts of catering sales and merchandise percentages to be negotiated on a case-by-case basis; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager is hereby authorized to negotiate and execute a five-year License Agreement, with a mutual five-year renewal option subject to future City Council approval, with Aramark Sports and Entertainment Services, Inc. for the operation of food, beverage and full catering services at the Alamodome.

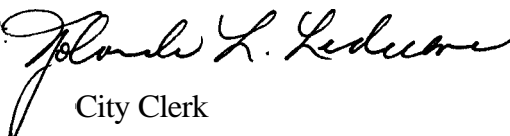
SECTION 2. The authority of the City Manager, or her designee, to execute this Agreement is effective for a sixty (60) day period following the effective date of this Ordinance. A draft of the Agreement, in substantially final form, is attached hereto and incorporated herein as Exhibit I.

SECTION 3. The proceeds of the Agreement shall be deposited into Fund No. 29-006 entitled "HOTEL MOTEL/DOME FUND," Index Code 048694, entitled "Suite Food Service," Index Code 048710, entitled "Misc Event Catering," Index Code 048728, entitled "Food & Beverage - Net," and Index Code 048736, entitled "Novelty & Merchandise."

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance of the City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to index codes and fund numbers as necessary to carry out the purposes of this Ordinance.

SECTION 5. This Ordinance shall be effective on and after the tenth day after passage hereof.

PASSED AND APPROVED this 8th day of May, 2003.

ATTEST: 
City Clerk


MAYOR
EDWARD D. GARZA

APPROVED AS TO FORM: 
for City Attorney