

**CITY OF SAN ANTONIO  
INTERDEPARTMENTAL MEMORANDUM  
CONVENTION FACILITIES DEPARTMENT**

**TO:** Mayor and City Council

**FROM:** Michael J. Sawaya, Convention Facilities Director

**THROUGH:** J. Rolando Bono, Interim City Manager

**COPIES:** Roland Lozano, Assistant to the City Manager; Veronica Zertuche, Deputy City Attorney; File

**SUBJECT:** Second Amendment to the Henry B. Gonzalez Convention Center Food and Beverage Service Agreement

**DATE:** October 21, 2004

**SUMMARY AND RECOMMENDATIONS**

An Ordinance authorizing an amendment to the Henry B. Gonzalez Convention Center Food and Beverage Service Agreement with RK Group Joint Venture to decrease the number of days required to provide notice to the Contractor of the City's option to renew from no later than 90 days preceding expiration of the Initial Term to no later than 60 days preceding the expiration of the Initial Term of the Agreement or December 2, 2004.

Staff recommends approval of this Ordinance.

**BACKGROUND INFORMATION**

The Henry B. Gonzalez Convention Center Food and Beverage Service Agreement between City of San Antonio and RK Group Joint Venture expires on January 31, 2005. The eight-year Agreement commenced February 1, 1997 and provides for a five-year extension. The decision to grant the five-year extension is being evaluated based upon the results of a recent audit and negotiations with the RK Group L.L.C. Staff is evaluating market trends and an improved commission structure that would enable a more efficient means of monitoring the agreement. The consulting firm of Bigelow Companies has been retained to assist Staff in this process.

### **POLICY ANALYSIS**

The Food and Beverage Service Agreement is one of the Convention Facilities Department's largest contracts and financial revenue source. Reducing the number of days required to provide notice to the Contractor will provide sufficient time to evaluate options that are in the best interest of the City.

### **FISCAL IMPACT**

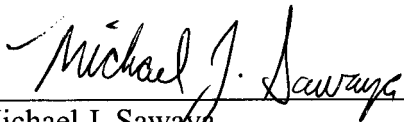
There will be no financial impact.

### **COORDINATION**

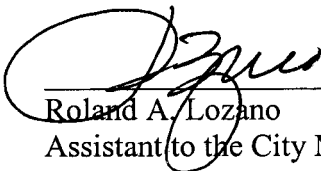
This action has been coordinated with the City Attorney's Office.

### **SUPPLEMENTARY COMMENTS**

A Discretionary Contracts Disclosure form is not required for this action.



Michael J. Sawaya  
Convention Facilities Director



Roland A. Lozano  
Assistant to the City Manager

APPROVED:



J. Rolando Bono  
Interim City Manager