

AN ORDINANCE 2017-04-20-0259

AUTHORIZING THE SECOND AMENDMENT TO THE FOOD SERVICE AGREEMENT FOR THE ALAMODOME WITH SMG FOOD AND BEVERAGE, LLC, D/B/A SAVOR BLACK TIE JOINT VENTURE.

* * * * *

WHEREAS, Ordinance No. 2016-01-28-0031, approved January 28, 2016, authorized a Food Service Agreement for the Alamodome (“Agreement”) with SMG Food and Beverage, LLC d/b/a SAVOR Black Tie Joint Venture (“SAVOR”) for catering and concession services and merchandise sales for a variety of events, including sporting events, concerts, and family shows; and

WHEREAS, the City and SAVOR desire to enter into the proposed Second Amendment to the Food Services Agreement (“Second Amendment”) in order to clarify and modify certain provisions of the Agreement related to reporting, payment, merchandise sales, and the definition of “branded third-party sales;” **NOW THEREFORE:**

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

SECTION 1. The terms and conditions of the Second Amendment to the Food Service Agreement with SAVOR are authorized and approved. The City Manager, or her designee, is authorized to execute the Second Amendment, a copy of which was previously executed by SAVOR and is attached to this Ordinance as **Exhibit I**.

SECTION 2. Funds generated by this Ordinance for concessions and sales will be deposited per the table below:

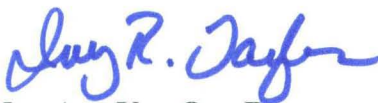
	Fund	Internal Order	General Ledger
Commission Concession	29016000	245000000030	4407731
Commission Catering	29016000	245000000030	4407732
Commission from Merchandise	29016000	245000000030	4407709

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, 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 specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This Ordinance shall take effect immediately upon the receipt of eight affirmative votes; otherwise it shall be effective ten days after its passage.

LB
04/20/17
Item No. 13

PASSED AND APPROVED this 20th day of April, 2017.

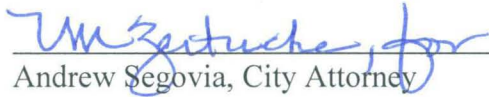

M A Y O R
Ivy R. Taylor

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	13 (in consent vote: 4, 6, 7, 8, 9, 10, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23)						
Date:	04/20/2017						
Time:	09:29:12 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing a Second Amendment of the Food Services Agreement for the Alamodome with SAVOR Black Tie Joint Venture. [Carlos Contreras, Assistant City Manager; Michael J. Sawaya, Director, Convention and Sports Facilities]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x				x
Alan Warrick	District 2		x			x	
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4	x					
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

EXHIBIT I

SECOND AMENDMENT OF FOOD SERVICE AGREEMENT

This Second Amendment of Food Service Agreement for the Alamodome (“Amendment”) is made this ___ day of _____, 2017 (the “Effective Date”) by and between the City of San Antonio, a Texas Municipal Corporation (hereinafter referred to as the “City”), acting by and through its City Manager pursuant to Ordinance No. 2017-__-____, dated _____, 2017, and SAVOR Black Tie Joint Venture, by and through its majority partner, SMG Food and Beverage, LLC (hereinafter referred to as “Concessionaire”), both of which may be referred to herein collectively as the “Parties”, each a “Party”.

WHEREAS, the Parties entered into a Food Service Agreement for the Alamodome dated January 28, 2016 (the “Agreement”), under which the City retained Concessionaire to perform certain Catering and Concession Services for a variety of events, including without limitation, sporting events, concerts and family shows, at the premises located at 100 Montana Street, San Antonio, TX 78203, known and operating as the Alamodome (the “Facility”);

WHEREAS, the Parties amended the Agreement effective August 25, 2016; and

WHEREAS, the parties desire to amend the Agreement in accordance with the terms and conditions set forth in this Second Amendment.

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties covenant and agree to the supplemental terms and conditions set forth in this Second Amendment. In the event of a conflict between the provisions of the Agreement and this Second Amendment, the provisions of this Second Amendment shall control.

1. Section 3.09 shall be added as follows:

“A list of all branded third-party vendors shall be supplied to City no later than July 1 of each Agreement Year. The vendors on this list shall be subject to the commission structure set forth in Section 4.02 (e).”

2. Section 4.02(a) shall be deleted in its entirety and replaced with the following:

“For annual Concessions & Bar Sales not covered by Section 4.02(e), between \$0 and \$3,000,000, a commission in the amount of 40%, and for annual Concessions & Bar Sales, not covered by Section 4.02(e), in excess of \$3,000,001 a commission in the amount of 44% on the increment; and

3. Section 4.02(e) shall be deleted in its entirety and replaced with the following:

“For branded third-party sales, meaning the third-party is clearly linked with the unique product (s) being sold, a commission in the amount of 30%; and”

4. Section 4.02(f) shall be deleted in its entirety and replaced with the following:

“For Merchandise Sales, when City requests Concessionaire to sell Merchandise, City retains 100% of net profits after Concessionaire earns a management fee of 3% of Gross Receipts. City shall bear all direct operating expenses associated with the sale of Merchandise. Concessionaire shall not sell or permit others to sell Merchandise without City’s consent.”

5. Except as expressly amended hereby, all of the other terms, conditions and obligations of the parties under the Agreement are hereby ratified and shall remain in full force and effect.

6. This Amendment may be executed in any number of counterparts, each of which shall constitute an original and all of which together shall constitute but one and the same original document.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first written above.

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

Sheryl Sculley
City Manger

SAVOR BLACK TIE JOINT VENTURE,
by and through its Majority Partner,
SMG Food and Beverage, LLC

By: 
John F. Burns
Secretary & Treasurer