

AN ORDINANCE 2017-11-09-0889

AUTHORIZING THE THIRD AMENDMENT TO THE FOOD SERVICE AGREEMENT FOR THE ALAMODOME WITH SAVOR BLACK TIE JOINT VENTURE, THROUGH ITS MAJORITY PARTNER SMG FOOD AND BEVERAGE, LLC.

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WHEREAS, Ordinance No. 2016-01-28-0031, approved January 28, 2016, authorized a Food Service Agreement for the Alamodome (“Agreement”) with SAVOR Black Tie Joint Venture (“SAVOR”), through its majority partner SMG Food and Beverage, LLC, 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 Third Amendment to the Food Services Agreement (“Third Amendment”) in order to modify commission payments due to fewer event days; **NOW THEREFORE**:

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

SECTION 1. The terms and conditions of the Third Amendment to the Food Service Agreement with SAVOR are authorized and approved. The City Manager, or her designee, is authorized to execute the Third 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:

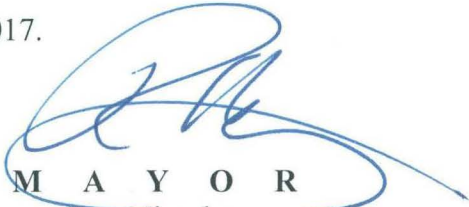
Amount	General Ledger	Internal Order	Fund
\$303,924.00	4407732	245000000030	29016000
\$2,218,554.00	4407731	245000000030	29016000

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
11/09/17
Item No. 22

PASSED AND APPROVED this 9th day of November, 2017.



M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

Agenda Item:	22 (in consent vote: 6, 7, 8, 9, 11, 13, 14, 15, 19, 20, 21, 22, 26, 27, 29, 30, 32, P-1, Z-1)						
Date:	11/09/2017						
Time:	09:45:32 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing a Third Amendment to the Food Service Agreement for the Alamodome with SAVOR Black Tie Joint Venture through its majority partner, SMG Food and Beverage, LLC [Carlos Contreras, Assistant City Manager; Michael Sawaya, Director, Convention & Sports Facilities]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x				
William Cruz Shaw	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5	x					
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				x
Manny Pelaez	District 8		x				
John Courage	District 9		x			x	
Clayton H. Perry	District 10		x				

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Exhibit I

THIRD AMENDMENT OF FOOD SERVICE AGREEMENT

This Third Amendment of Food Service Agreement for the Alamodome ("Third Amendment") is made to be effective the 1st day of November, 2017, 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. 2017-11-09-____, dated November 9, 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 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;

WHEREAS, the Parties amended the Agreement effective August 25, 2016 and again effective April 20, 2017; and

WHEREAS, the Parties desire to amend the Agreement in accordance with the terms and conditions set forth in this Third 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 Third Amendment. In the event of a conflict between the provisions of the Agreement and this Third Amendment, the provisions of this Third Amendment shall control.

1. Section 1.09 shall be deleted in its entirety and replaced with the following:

"Commission" – the required payment by Concessionaire to City.

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 \$3,800,000, a Commission in the amount of 38%; for annual Concessions & Bar Sales, not covered by Section 4.02(e), between \$3,800,001 and \$6,500,000, a Commission in the amount of 40%; and for annual Concessions & Bar Sales, not covered by Section 4.02(e), over \$6,500,000, a Commission of 44%; and

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

"For Catering Sales (including Restaurant Sales and Ancillary Services, but excluding Service Charges) between \$0 and \$1,000,000, a Commission in the amount of 27% and

for Catering Sales (including Restaurant Sales and Ancillary Services, but excluding Service Charges) over \$1,000,000, a Commission in the amount of 37%; and”

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

“For Suite Sales, excluding Service Charges, between \$0 and \$1,000,000, a Commission in the amount of 27% and for Suite Sales, excluding Service Charges, over \$1,000,000, a Commission in the amount of 37%; and”

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

“For Major Events, once Gross Receipts surpass \$9,700,000 during any Agreement Year, a bonus Commission (above standard commission) in the amount of 3%; and”

6. 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 27.5%; and”

7. Except as expressly amended in this Third Amendment, all of the other terms, conditions and obligations of the Parties under the Agreement are ratified and shall remain in full force and effect.


8. This Third 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 Third Amendment to be effective November 1, 2017.

CITY OF SAN ANTONIO,
a Texas Municipal Corporation

Sheryl Sculley
City Manager

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



Name JOHN BURNS
Title CFO & EXECUTIVE VP

Approved as to Form:

City Attorney