

FIRST AMENDMENT AND EXTENSION TO
THE FOOD SERVICE AGREEMENT
FOR THE HENRY B. GONZALEZ CONVENTION CENTER

This First Amendment and Extension to the Food Service Agreement for the Henry B. Gonzalez Convention Center ("First Amendment") is entered into by and between the City of San Antonio ("City") and The RK Culinary Group LLC, by and through its Managing Member, Catering by Rosemary, Inc. ("Caterer"), together referred to as the "Parties," as authorized and approved by Ordinance No. 2020-08-20-0557.

WHEREAS, City and Caterer entered the Food Service Agreement for the Henry B. Gonzalez Convention Center ("Agreement"), authorized and approved by Ordinance No. 2015-05-21-0424, effective October 1, 2015 through September 30, 2025, with one available five-year renewal term; and

WHEREAS, the Parties wish to amend the Agreement as set forth below and to exercise the renewal term and extend the Agreement through September 30, 2030;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in the Agreement, the receipt and adequacy of which are acknowledged, the Parties agree as follows:

1. The Agreement is extended through September 30, 2030, as provided for in **Section 1.2** of the Agreement.
2. Catering by Rosemary, Inc. shall be substituted as the Managing Member of The RK Culinary Group LLC in place of The RK Group.
3. **Section 6.9** shall be added as follows:

"By no later than January 1, 2021, all employees of the Caterer providing services under this Agreement shall be paid an hourly wage of at least \$15.00 and, in order to confirm compliance with this requirement, City may request records of the wages paid to such individuals. Caterer shall provide such records to City within 15 days of any such request."

4. **Section 6.10** shall be added as follows:

"Through December 31, 2020, Caterer shall continue to pay healthcare premiums for all employees furloughed since March 1, 2020, unless such employees have secured other employment which provides healthcare insurance covering the balance of 2020."

No Other Changes. Except as specifically set forth in this First Amendment, all of the terms and conditions of the Agreement shall remain the same and are ratified and confirmed.

Signatures on following page

IN WITNESS HEREOF, the Parties have executed this First Amendment to be effective the 20th day of August 2020.

CITY OF SAN ANTONIO

Erik Walsh

fr:
Erik Walsh, City Manager

CATERER

By and through its Managing Member
Catering by Rosemary, Inc.

Greg Kolwalski
Greg Kolwalski, President and CEO

ATTEST:

Marg Flomen

City Clerk

APPROVED AS TO FORM:

Lisa Biediger for
City Attorney
By electronic signature



ORDINANCE **2020-08-20-0557**

APPROVING A ONE-TIME 5-YEAR EXTENSION AND FIRST AMENDMENT TO THE FOOD SERVICE AGREEMENT WITH RK CULINARY GROUP, LLC FOR THE OCTOBER 1, 2025 TO SEPTEMBER 30, 2030 TERM; AND THE ACCEPTANCE OF A \$500,000.00 RENEWAL FEE TO BE DEPOSITED IN THE COMMUNITY AND VISITOR FACILITIES FUND.

* * * * *

WHEREAS, the City entered the current Food Service Agreement with the RK Culinary Group, LLC for the Henry B. Gonzalez Convention Center ("Agreement") to provide food and beverage service on an exclusive basis for events held in the Convention Center, including event-related non-edible merchandise services for commercial events, and the Agreement was approved by City Council in May 2015 for a 10-year term set to expire on September 30, 2025, with one 5-year renewal option; and

WHEREAS, as a result of the lack of business caused by the COVID-19 pandemic, the RK Culinary Group, LLC is in the process of securing a loan to cover its projected operating deficit and to ramp up its operation at the Convention Center when business returns and in order to secure such financing, the lender is requiring that the 5-year renewal option in the Agreement be approved at the present time; and

WHEREAS, the Agreement requires that a renewal fee of \$500,000.00 be paid by the RK Culinary Group, LLC within 60 days of the exercise of the renewal option: **NOW THEREFORE:**

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

SECTION 1. The terms and conditions of the First Amendment and Extension to the Food Service Agreement with the RK Culinary Group, LLC, extending the Agreement through September 30, 2030, are authorized and approved. The City Manager, or his designee, is authorized to sign the First Amendment and Extension, a copy of which, previously executed by the RK Culinary Group, LLC, is attached to this Ordinance as **Exhibit 1**.


SECTION 2. The acceptance of the \$500,000.00 renewal fee to be deposited in the Community and Visitor Facilities Fund is authorized and approved.

SECTION 3. Funds generated by this Ordinance will be deposited in Fund 29006000, Internal Order 242000000001 and General Ledger 4407732.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 5. This Ordinance shall take effect immediately upon the receipt of eight affirmative votes; otherwise it shall be effective ten days after its passage.

PASSED AND APPROVED this 20th day of August, 2020.

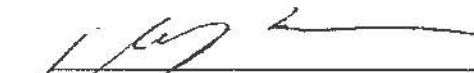

M A Y O R
Ron Nirenberg

ATTEST:



Tina Flores, Acting City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney