

99968

AN ORDINANCE

AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE AN AMENDMENT TO THE HENRY B. GONZALEZ FOOD AND BEVERAGE SERVICE AGREEMENT WITH RK GROUP JOINT VENTURE TO INCORPORATE A NEW COMMISSION STRUCTURE TO BE EFFECTIVE NOVEMBER 4, 2004; AUTHORIZING THE INTERM CITY MANAGER TO EXERCISE THE OPTION TERM, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE HENRY B. GONZALEZ FOOD AND BEVERAGE SERVICE AGREEMENT, BY EXECUTING THE AMENDED AND RESTATED HENRY B. GONZALEZ CONVENTION CENTER FOOD AND BEVERAGE SERVICE AND CONSESSION SERVICES AGREEMENT WITH THE RK GROUP L.L.C. (SUCCESSOR IN INTEREST TO THE RK GROUP JOINT VENTURE), FOR A TERM OF FIVE (5) YEARS COMMENCING FEBRUARY 1, 2005 AND TERMINATING JANUARY 31, 2010.

* * * * *

WHEREAS, Ordinance No. 85056, passed and approved on October 24, 1996, authorized the execution of the Henry B. Gonzalez Food and Beverage Service Agreement (the "Agreement") between the City and the RK Group Joint Venture; and

WHEREAS, the primary term of the Agreement was for an eight (8) year period commencing on February 1, 1997 and expiring on January 31, 2005 (the "Initial Term") and additional terms allow for these services to be provided by the Joint Venture for a period from February 1, 2005 to January 31, 2010 (Option Term); and

WHEREAS, Section 2.2 of the Agreement, as amended, provides that the City may exercise the Option Term within sixty (60) days of the expiration of the Initial Term of the Agreement, subject to the renegotiation of the terms and conditions of the Agreement for the Option Term; and

WHEREAS, the City and RK Group L.L.C., successor in interest to the RK Group Joint Venture, have completed negotiations for the Option Term and have memorialized the terms and conditions of the Option Term in the Amended and Restated Henry B. Gonzalez Food and Beverage Service and Concession Services Agreement, which includes a new commission structure and the addition of concession services, when available, at the Henry B. Gonzalez Convention Center, Lila Cockrell Theater, and the City's Municipal Auditorium; and

WHEREAS, it is projected that the City would maximize revenues for the remaining three months by amending the current Agreement to incorporate a twenty-five percent (25%) flat rate

commission structure for all food and beverage services and other services provided at the Henry B. Gonzalez Convention Center and Lila Cockrell Theater for events on and after November 4, 2004 until the commencement of the Option Term; and

WHEREAS, the terms and conditions of the Amended and Restated Henry B. Gonzalez Food and Beverage Service and Concession Services Agreement would commence on February 1, 2005; **NOW THEREFORE**:

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

SECTION 1. The terms and conditions of an amendment to the Henry B. Gonzalez Convention Center Food and Beverage Service Agreement to incorporate a twenty-five percent (25%) flat rate commission structure for all food and beverage services and other services provided at the Henry B. Gonzalez Convention Center and Lila Cockrell Theater on and after November 4, 2004 until the commencement of the Option Term is hereby authorized. A copy of the Amendment in substantially its final form is attached hereto and made a part of this Ordinance as Exhibit "A." A copy of the fully executed Amendment will be attached to this Ordinance and will replace Exhibit "A."

SECTION 2. The terms and conditions of the Amended and Restated Henry B. Gonzalez Food and Beverage Service and Concession Services Agreement between City and RK Group L.L.C., successor in interest to the RK Group Joint Venture, is hereby authorized. A copy of the Amended and Restated Henry B. Gonzalez Food and Beverage Service and Concession Services Agreement in substantially its final form is attached hereto and made a part of this Ordinance as Exhibit "B." A copy of the fully executed Amended and Restated Henry B. Gonzalez Food and Beverage Service and Concession Services Agreement will be attached to this Ordinance and will replace Exhibit "B."

Execution of the Amended and Restated Henry B. Gonzalez Food and Beverage Service and Concession Services Agreement shall serve as notice to Contractor, as required in Section 2.2 of the Agreement, of the City's intent to exercise the Option Term of the Agreement, such term to commence on February 1, 2005 and expire on January 31, 2010.

SECTION 3. Funds received from the Amended and Restated Henry B. Gonzalez Food and Beverage Service and Concession Services Agreement are authorized to be deposited in the following Fund and General Ledger account numbers:

Fund 29006000, entitled "Hotel Motel Tax Fund"
General Ledger 4407200, entitled "C&R Concessions – Food,"
General Ledger 4407910, entitled "C&R Concessions – Other,"
General Ledger 4407230, entitled "C&R Concessions – Other"

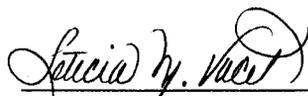
SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may, subject to concurrence by the Interim City Manager or the Interim City Manager's designee, correct allocations to specific Cost Centers and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 5. The Interim City Manager or his designee is hereby authorized for a period of 90 days to execute any and all documents necessary to fulfill the purpose and intent of this Ordinance.

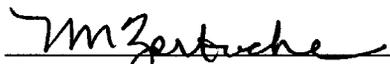
SECTION 6. This Ordinance shall become effective immediately upon the passage by eight (8) votes of the City Council and if passed upon fewer than eight (8) votes after the tenth (10th) day after passage hereof.

PASSED AND APPROVED this 4th day of NOVEMBER 2004.


M A Y O R
EDWARD D. GARZA

ATTEST: 
City Clerk

APPROVED AS TO FORM:


for City Attorney

Agenda Voting Results

Name: 34.

Date: 11/04/04

Time: 05:47:46 PM

Vote Type: Multiple selection

Description: An Ordinance authorizing the Interim City Manager to execute an Amendment to the Henry B. Gonzalez Food and Beverage Service Agreement with RK Group Joint Venture to incorporate a new commission structure to be effective November 4, 2004; authorizing the Interim City Manager to exercise the five-year Option Term, in accordance with the terms and conditions of the Henry B. Gonzalez Food and Beverage Service Agreement by executing an Amended and Restated Henry B. Gonzalez Convention Center Food and Beverage Service and Concession Services Agreement with the RK Group, L.L.C. (successor in interest to the RK Group Joint Venture), for a term of five (5) years commencing February 1, 2005 and terminating January 31, 2010; and providing for an immediate effective date upon passage by eight (8) votes. [Presented by Michael J. Sawaya, Director, Convention Facilities; Roland A. Lozano, Assistant to the City Manager]

Notes: Motioned: RON H. SEGOVIA Seconded: ART A. HALL Notes:

Voter	Group	Status	Yes	No	Abstain
ROGER O. FLORES	DISTRICT 1		x		
JOEL WILLIAMS	DISTRICT 2	Not present			
RON H. SEGOVIA	DISTRICT 3		x		
RICHARD PEREZ	DISTRICT 4		X		
PATTI RADLE	DISTRICT 5		x		
ENRIQUE M. BARRERA	DISTRICT 6		x		
JULIAN CASTRO	DISTRICT 7			x	
ART A. HALL	DISTRICT 8		x		
CARROLL SCHUBERT	DISTRICT 9		x		
CHIP HAASS	DISTRICT_10		x		
MAYOR ED GARZA	MAYOR			x	