



Legislation Details (With Text)

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**Type:** CONSENT AGENDA      **Status:** Approved

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**On agenda:** 9/22/2021      **Final action:**

**Title:** Authorize a Third Amendment to the HG Multiplex Regali Dallas JV Retail Concession Contract at Dallas Love Field, approved as to form by the City Attorney, in order to add a two extension years to the contract - Estimated Revenue: Aviation Fund \$1,632,971.00

**Sponsors:**

**Indexes:** 2

**Code sections:**

**Attachments:** 1. Resolution

Date	Ver.	Action By	Action	Result
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**STRATEGIC PRIORITY:** Mobility Solutions, Infrastructure, and Sustainability

**AGENDA DATE:** September 22, 2021

**COUNCIL DISTRICT(S):** 2

**DEPARTMENT:** Department of Aviation

**EXECUTIVE:** Majed Al-Ghafry

**SUBJECT**

Authorize a Third Amendment to the HG Multiplex Regali Dallas JV Retail Concession Contract at Dallas Love Field, approved as to form by the City Attorney, in order to add a two extension years to the contract - Estimated Revenue: Aviation Fund \$1,632,971.00

**BACKGROUND**

HG Multiplex Regali Dallas JV, pursuant to council was awarded a retail concession contract for the construction, management and operation of six newsstand and specialty retail units. The Contract's Primary Term commenced November 1, 2014 for all units, with a Contract Primary Term expiration of October 31, 2021 by Resolution No.12-0707.

On August 12, 2015, City Council authorized the First Amendment to the contract by to allow street plus ten percent pricing, \$10.37 per hour minimum wage rate and waived the shared costs provision for food court cleaning, third party inspection and deliveries and trash removal by Resolution No. 15-1336.

On October 24, 2018, City Council authorized the Second Amendment to the contract to exercise

both one-year Renewal Terms, reallocated the minimum annual guarantee between two Hudson contracts and surrendered one retail unit to the City by Resolution No. 18-1485.

In addition, based on the concession's excellent operation throughout the Primary Term, but especially during the COVID-19 pandemic when airline traffic was significantly reduced, with drastic staffing reductions and sales lost, concessionaire continued operations to service passengers and airport employees in a very trying climate. The Department of Aviation seeks to add two extension years to the Contract, allowing concessionaire to recover and re-establish a profitable position at Dallas Love Field.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On March 7, 2012, City Council authorized the retail contract with HG Multiplex Regali Dallas JV by Resolution No. 12-0707.

On August 12, 2015, City Council authorized the First Amendment to the Contract to allow street plus ten percent pricing, \$10.37 per hour minimum wage rate and waived the shared costs provision for food court cleaning, third party inspection and deliveries and trash removal by Resolution No. 15-1336.

On October 24, 2018, City Council authorized the Second Amendment to the Contract by to exercise both one-year Renewal Terms, reallocated the minimum annual guarantee between two Hudson contracts and surrendered one retail unit to the City by Resolution No. 18-1485.

### **FISCAL INFORMATION**

Estimated Revenue: Aviation Fund \$1,632,971.00

### **OWNER**

#### **HG Multiplex Regali Dallas JV**

Ms. Courtney Thornton Executive Vice-President