



Legislation Text

File #: 21-1408, **Version:** 1

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 Second Amendment to the concession contract with HG Multiplex Regali Dallas JV, a Dallas Love Field food and beverage concessionaire **(1)** Exercise both one year Renewal Terms for Dunkin Donuts (Pre), Dunkin Donuts (Post), Jason's Deli, TexPress Gourmet, and Baskin Robbins and **(2)** add two extension years to the contract - Estimated Revenue: Aviation Fund \$1,113,728.00

BACKGROUND

On March 7, 2021, City Council authorized a concession contract with HG Multiplex Regali Dallas JV, for a food and beverage concession contract for the construction, management and operation of Dunkin Donuts (Pre) (L2103), Dunkin Donuts (Post) (C2174), Jason's Deli (C2346), TexPress Gourmet (C2215), and Baskin Robbins (C2521) by Resolution No. 12-0706. The Contract's Primary Term commenced November 1, 2014 for all units, with a Contract Primary Term expiration of October 31, 2021.

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 exercise both one year renewal terms and 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 by to allow street plus 10 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. 18-1484.

FISCAL INFORMATION

Estimated Revenue: Aviation Fund \$1,113,728.00

OWNER

HG Multiplex Regali Dallas JV

Courtney Thornton, Executive Vice President