

STRATEGIC PRIORITY:	Mobility Solutions, Infrastructure, and Sustainability
AGENDA DATE:	September 22, 2021
COUNCIL DISTRICT(S):	2
DEPARTMENT:	Department of Aviation
EXECUTIVE:	Majed Al-Ghafry

### <u>SUBJECT</u>

Authorize a Third Amendment to the concession contract with The Grove, Inc., a Dallas Love Field food and beverage concessionaire to (1) exercise both one year renewal terms for The Grove, Inc. (Moe's Southwest Grill and Manchu Wok); and (2) add two extension years to the contract - Estimated Revenue: Aviation Fund \$405,000.00

#### BACKGROUND

The Grove, Inc., pursuant to Council Resolution No. 12-0706, was awarded a food and beverage concession contract for the construction, management and operation of Moe's Southwest Grill (C2181) and Manchu Wok (C2186). The Contract's Primary Term commenced November 1, 2014 with a Contract Primary Term expiration of October 31, 2021. 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 food and beverage contract with Air Star Concession Ltd (formerly Dallas Love Field Joint Venture Ltd.) by Resolution No. 12-0706.

On August 12, 2015, City Council authorized an amendment to the concession contract with Air Star Concession Ltd. 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. 15-1335.

### **FISCAL INFORMATION**

Estimated Revenue: Aviation Fund \$405,000.00

# <u>OWNER</u>

# The Grove, Inc.

Brian Anderson, Chief Operations Officer