



Legislation Text

File #: 21-1409, **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 Third Amendment to the concession contract with Air Star Concessions LTD a Dallas Love Field food and beverage concessionaire at Dallas Love Field to **(1)** exercise both one year renewal terms for Whataburger, Campisi's and Cantina Laredo; and **(2)** add two extension years to the contract - Estimated Revenue: Aviation Fund \$4,014,000.00

BACKGROUND

On March 7, 2021, City Council authorized a concession contract with Air Star Concessions LTD (formerly Dallas Love Field Joint Venture Ltd), for a food and beverage concession contract for the construction, management and operation of Whataburger (C2081), Campisi's (C2077) and Cantina Laredo (C2596) by Resolution No. 12-0706. The Contract's Primary Term commenced November 1, 2014 for all three units, with a Contract Primary Term expiration of October 31, 2021 for Whataburger and Campisi's and October 31, 2023 for Cantina Laredo. 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 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 a Second Amendment 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.

On November 6, 2018, City Council authorized First Amendment to the concession contract with Air Star LTS/Marquis-DAL, LLC a Dallas Love Field correct amendment numbers, an agreement of compromise of disputed claims and added space C2086 (bar with limited food service) and a non-contiguous patio to space C2596 to the Assigned Premises by Resolution 18-1483.

FISCAL INFORMATION

Estimated Revenue: Aviation Fund \$4,014,000.00

OWNER

Air Star Concessions LTD

Gilbert Aranza, President of the Managing Partner