

MEMORANDUM

To: City of Seguin Mayor and Council

From: Jack Jones, Director of Parks & Recreation

Through: Steve Parker, City Manager
Rick Cortes, Deputy City Manager

Subject: Resolution of the City Council of Seguin, Texas approving the extension of the existing Agreement for the Operation of the Concession Services with RRL Concessions through September 30, 2022, and waiving concession fees; and declaring an effective date.

Date: July 20, 2021

The City of Seguin currently contracts for concession services at the Seguin Events Complex with RRL Concessions, which is owned and operated by Robert Stange. The agreement with RRL Concessions expired on September 30, 2020, with no additional automatic extensions. Given the ramifications of COVID-19, last summer City Council agreed to extend Mr. Stange's agreement for another year expiring on September 30, 2021.

Overall, Mr. Stange has lost significant revenue that he was anticipating as part of his Agreement with the City going back to when the pandemic started in March of 2020. As such, it is reasonable to again extend the existing Agreement under the same terms, covenants, and conditions for an additional year through September 30, 2022. It would be difficult to competitively rebid the concessions given the current situation with rentals still being impacted due to the lingering effects of the pandemic. In addition, it's been difficult to find bidders interested in providing concession services at the Seguin Events Complex in the past.

The City Council has approved Resolutions waiving concession fees for RRL Concessions through September 30, 2021. This was due to the challenges of COVID-19 as Mr. Stange had lost significant revenue that he was anticipating as part of his Agreement with the City going back to March of 2020. With the ongoing effects of COVID-19 still impacting future bookings at the Seguin Events Complex, Mr. Stange has requested that concession fees be waived through September 30, 2022. Mr. Stange has indicated that there will be no menu price increases.

As things get back to normal with facility rentals, it is the intention of City staff to reevaluate concessions at the Seguin Events Complex for the next fiscal year. Staff will come back to City Council with recommendations regarding concessions leading into the 2022/2023 fiscal year.

City staff recommends approval of a Resolution of the City Council of Seguin, Texas approving the extension of the existing Agreement for the Operation of the Concession Services with RRL Concessions through September 30, 2022, and waiving concession fees; and declaring an effective date.