

MEMORANDUM

To: City of Seguin Mayor and Council

From: Jack Jones, Director of Parks & Recreation

Through: Steve Parker, City Manager
Rick Cortes, Assistant 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 and proposed menu changes.

Date: June 2, 2020

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 expires on September 30, 2020 with no more automatic extensions. Given the ramifications of COVID-19, Mr. Stange has lost significant revenue that he was anticipating as part of his Agreement with the City. This loss of revenue could carry over into the immediate future. As such, it is reasonable to extend the existing Agreement under the same terms, covenants, and conditions for an additional year through September 30, 2021 as it would be difficult to competitively rebid the concessions given the current situation. In the past, it's been difficult to find bidders interested in providing concession services at the Seguin Events Complex.

Since the approval of the current Agreement for the Operation of the Concession Services with RRL Concessions in April of 2016, there has been no proposed price increases with the exception cost of a domestic keg going from \$205 to \$225 and a premium keg from \$215 to \$255. Overall, the proposed menu prices for beverages, including alcohol, are increasing by \$0.50 per drink from the 2016 approved menu with slight increases in kegs of beer and wine. Overall, the proposed menu prices for food have remained about the same.

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 and proposed menu changes as presented.