



Pinellas County

Staff Report

File #: 18-938A, **Version:** 1

Subject:

First Amendment to the Concession Agreement for food and beverages with First Class Concessions, Inc. for the airport terminal building concession at the St. Pete-Clearwater International Airport.

Recommended Action:

Approval of the First Amendment (extension) to the Concession Agreement with First Class Concessions, Inc for the food and beverage concession at the St. Pete-Clearwater International Airport (Airport).

Contract no. 067-0660-P (RG); in the revenue amount of \$340,000.00 for a revised contract revenue value of \$2,230,137.00. Authorize Chairman to sign and Clerk of Court to attest.

Strategic Plan:

Deliver First Class Services to the Public and Our Customers

5.1 Maximize partner relationships and public outreach

5.2 Be responsible stewards of the public's resources

5.3 Ensure effective and efficient delivery of county services and support

5.4 Strive to exceed customer expectations

Summary:

The First Amendment is for a month-to-month extension, effective August 25, 2018 to provide for the continuation of services while completing the solicitation process for a new contract. The Agreement may be terminated with a sixty (60) day notice from either party. All terms and conditions remain the same.

It is anticipated a new concession agreement will be presented for Board of County Commissioners consideration in early 2019.

Background Information:

This contract for food and beverage concession services at the Airport was originally approved by the Director of Purchasing on August 25, 2008; estimated annual revenues were established by the Airport to be \$47,000.

However, the continued increase in passenger traffic, which in the past five years has reflected a consecutive double digit growth, has contributed to the additional revenue. For instance, during 2015, generated net revenues were approximately \$280,878, a forty percent (40%) increase when compared to the prior year.

During 2017, passenger traffic exceeded 2 million, generating approximately \$340,000 in beverage

and food net sales to the Airport.

Fiscal Impact:

Original estimated ten (10) year revenue contract value not to exceed: \$470,000.

Actual estimated ten (10) year revenue contract value: \$1,890,137.00

Extension estimated revenue not to exceed \$340,000.00

Revised contract value revenue not to exceed \$2,230,137.00

Generated revenues are deposited into the Airport Food and Beverage Concessions account.

Staff Member Responsible:

Tom Jewsbury, Director, St. Pete-Clearwater International Airport

Joe Lauro, Director, Purchasing

Partners:

N/A

Attachments:

First Amendment