CITY COUNCIL COMMUNICATION:

03-163

AGENDA:

APRIL 7, 2003

SUBJECT:

AMPHITHEATER LIQUOR CONCESSION RENEWAL AGREEMENT

TYPE:

RESOLUTION

ORDINANCE RECEIVE/FILE

SUBMITTED BY:

DONALD M. TRIPP, PARK AND RECREATION DIRECTOR

ITEM

OFFICE OF THE CITY MANAGER CITY OF DES MOINES, IOWA

SYNOPSIS —

Approval of Liquor Concession Renewal Agreement with Embassy Suites.

FISCAL IMPACT —

The concessionaire will pay 20 percent of total gross revenue to the City. Revenue is anticipated at \$5,000 annually.

RECOMMENDATION —

Approve the Liquor Concession Renewal Agreement with Embassy Suites.

BACKGROUND —

The original contract was let for bid by the City's Purchasing Division, Bid No. G2000-142. Of the eight bids mailed, only Embassy Suites responded.

Since July 1996, Embassy Suites Hotel has been the contracted concessionaire to provide alcoholic beverages during concerts, wedding receptions, and other rentals of the Simon Estes Riverfront Amphitheater. For the preceding seven years, Embassy Suites Hotel has executed their duties in the agreements with satisfactory results. Their quaility of service has enhanced the reputation of the Simon Estes Riverfront Amphitheater as an ideal location for social events.

The most recent concession agreement between the City of Des Moines and Embassy Suites was approved on February 7, 2000, by Roll Call No. 00-336. The proposed agreement states that the concessionaire, will for the convenience of persons or groups renting the Amphitheater for concerts, weddings, and social gatherings, sell and dispense alcoholic beverages at the Simon Estes Riverfront Amphitheater. No alcohol will be dispensed or served except by the concessionaire, including special events and concerts sponsored by the City of Des Moines' Park and Recreation Department.

The 2000 contract awarded to Embassy Suites expired December 31, 2002. Embassy Suites has requested that the option to renew for an additional three years be executed by the City. The execution of the option will extend the concession agreement for an additional three-

years, which will expire on December 31, 2005.

This agreement is exclusively for rights to provide alcoholic concession service for the Simon Estes Riverfront Amphitheater. Embassy Suites will need a liquor license to sell liquor on this site.