

PALM BEACH COUNTY

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 9/25/2007 [] Consent [X] Regular
[] Workshop [] Public Hearing

Department

Submitted By: TOURIST DEVELOPMENT COUNCIL

Submitted For: _____

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: An Agreement with Aramark Sports and Entertainment Services, Inc. which is an assumption of the Agreement between Aramark and Discover Palm Beach County, LLC, dba the Palm Beach County Convention and Visitors Bureau (CVB) for the provision of food and beverage services at the Palm Beach County Convention Center for the period of October 1, 2007 to September 30, 2008 in the amount of \$100,000 plus 8% of annual net profits.

Summary: This Agreement provides for the County's assumption of the rights and obligations of the CVB under the CVB's existing agreement with Aramark for the provision of food and beverage services at the Convention Center. Aramark will be paid an annual management fee of \$100,000 plus 8% of annual net profits (which totaled \$60,803.00 in 2006). Countywide (MC)

Background and Policy Issues: In 2001 the County entered into an Agreement with the CVB for the management of the Convention Center. Pursuant to the terms of that agreement, the CVB selected Aramark through a Request for Proposal process, which included representatives of the County and the Tourist Development Council, to provide food and beverage services at the Center. Thereafter CVB entered into a contract with Aramark which provided that, in the event the CVB Convention Center Management Agreement was terminated, the County would have the right to assume the rights and obligations of the CVB in its food and beverage agreement with Aramark.

Earlier this year, the BCC voted to terminate the CVB's Convention Center Management Agreement and directed staff to provide for the County to assume the Aramark/CVB contract. Staff met with representatives of Aramark and reviewed the Aramark/CVB contract. This agreement represents the County's assumption of that contract with certain necessary changes made to reflect how Aramark will provide food and beverage services at the Center under direct contact with the County. Aramark will continue to be paid an annual management fee of \$100,000 plus 8% of the annual net profits.

D. Attachments:

- (1) Aramark Contract

Recommended by: _____
Department Director Date

Approved By: UC Baker _____
Deputy County Administrator Date 9/21/07

II. FISCAL IMPACT AN

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	20	
Capital Expenditures	_____	_____	_____	
Operating Costs	_____	_____	_____	
External Revenues	< <u>\$556,325</u> >	_____	_____	
Program Income (County)	_____	_____	_____	
In-Kind Match (County)	_____	_____	_____	
	< <u>\$556,325</u> >	_____	_____	
NET FISCAL IMPACT	=====	=====	=====	=====
# ADDITIONAL FTE POSITIONS (Cumulative	_____	_____	_____	_____

*County Attorney's office
is working on getting
contracts signed.*

RECEIVED
SEP 20 2007
P.B. COUNTY ATTORNEY

Is Item Included In Current Budget? Yes No. _____

Budget Account No.: Fund 1450 Agency 800 Org. 7420 Object 4751
Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Department Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments: *The annual management fee of \$100,000 plus the 8% of net profits (which is undetermined at this time) is netted out of the gross revenues prior to the County receiving the net proceeds.*

[Signature] 9-21-07
OFMB
9/20/07

[Signature]
Contract Dev. and Control
9/24/07 *administration / TOC to obtain insurance certificate and request by contract*

B. Legal Sufficiency:

This item complies with current County policies.

[Signature]
Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

**PALM BEACH COUNTY CONVENTION CENTER
FOOD AND BEVERAGE SERVICES AGREEMENT**

with

ARAMARK SPORTS AND ENTERTAINMENT SERVICES, LLC

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**PALM BEACH COUNTY CONVENTION CENTER
FOOD AND BEVERAGE SERVICES AGREEMENT**
with
ARAMARK SPORTS AND ENTERTAINMENT SERVICES, INC.

This Food and Beverage Services Agreement (the "Agreement") is made as of October 1, 2007, (the "Effective Date") by and between, the Board of County Commissioners of Palm Beach County, a political subdivision of the state of Florida, hereafter "County", and ARAMARK Sports and Entertainment Services, LLC., a limited liability company organized under the laws of Delaware and authorized to do business in the State of Florida, a successor by conversion of ARAMARK Sports and Entertainment Services, Inc., hereinafter referred to as "Contractor", whose Federal Employer Identification Number is 23-1664232.

RECITALS

WHEREAS, in July, 2001, the County entered into an Agreement with Discover Palm Beach County, Inc., hereinafter "Discover", whereby Discover oversaw, promoted, operated, managed and maintained the Palm Beach County Convention Center, hereinafter "Facility"; and

WHEREAS, said agreement provided that Discover could enter into contracts with firms to provide services at the Facility including food and beverage management; and

WHEREAS, pursuant to that authority, Discover undertook a competitive selection process (Requests for Proposals (RFP)) from qualified food and beverage operators for the management, operation, and marketing of food and beverage services at the Facility; and

WHEREAS, in response to the RFP, Contractor submitted a proposal, and a committee comprised of representatives of the County, Discover and the Palm Beach County Tourist Development Council, selected Contractor as the Facility's food and beverage manager; and

WHEREAS, on July 1, 2003, Discover entered into an agreement with Contractor for food and beverage management (Food & Beverage Agreement) which agreement provided that, in the event the County-Discover Agreement was terminated, the County would have the right to assume the rights and obligations of Discover in the Food & Beverage Agreement; and

WHEREAS, the County has served notice that it will terminate the County-Discover Agreement and intends to exercise its right to assume the rights and obligations of Discover under the Food & Beverage Agreement; and

WHEREAS, the County and Contractor have jointly reviewed the Food & Beverage Agreement which had just completed the fourth year of a five year term; and

WHEREAS, the County and Contractor have mutually agreed to enter into an agreement whereby the County will assume the rights and obligations of Discover under the Food & Beverage

Agreement with certain changes relating to the County's direct role in the management and operation of the Facility; and

WHEREAS, the Agreement with the County and Contractor, as a restated assumption of the Food & Beverage Agreement, is meant to replace that Agreement which is recorded in the records of the County as R-2003-1965, as amended.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, and intending to be legally bound, the parties hereto agree as follows:

ARTICLE 1
DEFINITIONS

For the purposes of this Agreement, the following definitions and identifications are considered to be correct and true and are agreed to by the parties:

1. "Agreement" shall mean this Food and Beverage Services Agreement between the County and Contractor.
2. "Allowable Expense" shall mean an allowable expense as defined in Article 10 hereof.
3. "Ancillary Equipment" shall mean equipment, such as tables and chairs, made available for the food and beverage and other operations of the Center, in form and quantity and on such conditions as are sufficient for Contractor to perform its obligations under this Agreement to the standards of a first class food and beverage service operation.
4. "Annual Operating Budget" shall mean that certain annual operating budget adopted by Contractor and approved by the County pursuant to Section 10.1 of this Agreement.
5. "Branded Products" shall mean those food or beverage items which are advertised, marketed and sold outside the Center in their own retail stores to the general public under the same brand name in which the product is offered for sale within the Center.
6. "Branded Trade Fixtures" shall mean all appliances and signage installed by Contractor for use in its operations hereunder which bears a name or logo or similar identifying designation as the same item used outside the Center in retail stores marketing or selling to the general public the same Branded Products.
7. "Center" or "Facility" shall mean the Palm Beach County Convention Center located in West Palm Beach, Florida, and any further additions or expansions thereto.
8. "Contractor" shall mean Aramark Sports and Entertainment, LLC.

9. "County" shall mean Palm Beach County, Florida, acting through its Board of County Commissioner, or its designee.
10. "County Administrator" shall mean the County Administrator of Palm Beach County or his/her designee.
11. "Common Areas" shall mean those areas located in the "back of the house" used by both the Center's staff and Contractor's staff in the preparation of and/or the delivery of services. These include the service corridors, stair wells, service elevators and the loading dock area.
12. "Discover" shall mean Discover Palm Beach County, Inc., doing business of the Palm Beach County Convention and Visitors' Bureau.
13. "Exhibitor" shall mean a person exhibiting goods or services at a trade or consumer show or other event held at the Center.
14. "Facilities and Equipment" shall mean (i) those certain facilities and fixtures (the "Facilities and Fixtures") described in the plans and equipment list attached as Exhibit F and incorporated herein by reference and (ii) those certain furnishings and articles of equipment (the "Furnishings and Equipment") described in the furnishings and equipment list attached as Exhibit G and incorporated herein by reference.
15. "Food Services" shall mean the preparation, service, and sale of those items, and the provision of those types of food and beverage (alcohol and non-alcohol) services, normally associated with the operation of a convention center including meeting halls and banquet facilities, as reasonably required by Customers and Patrons in the use of the Facility. Food Services include but are not limited to the following, and will be required to be performed by Contractor as directed by the County Administrator.
16. "Fiscal Year" shall mean the County's fiscal year, consisting of a twelve month period beginning on the first day of the month of October and ending on the thirtieth day of the following month of September, and referred to by the number of the calendar year in which such month of September falls.
17. "General Manager" shall mean the General Manager of the Facility as designated by the County.
18. "General Manager of Food and Beverage" shall mean Aramark's General Manager of Food and Beverage.
19. "Gross Receipts" shall mean all receipts received by Contractor from Contractor's Services, including but not limited to usage fees, service charges, commissions received from subcontractors, receipts from the sale of specialized products for religious or ethnic functions, and off-site catering receipts, if applicable, less only refunds or credits to Customers.

20. "Licensee" or "Customer" shall mean any individual or entity entering into an agreement with the Bureau for the use of all or part of the Center for a particular purpose.

21. "Operator" shall mean Global Spectrum, LP.

22. "Patron" shall mean any individual attending a trade or consumer show, meeting, banquet, or other event held at the Center.

23. "Public Space" shall mean all space that is generally available for lease to Licensees of the Center. Space available for this purpose comprises the ballroom, meeting rooms, exhibit hall, lobbies, foyers, vestibules, terrace, and parking areas.

24. "Year" shall mean a twelve-month period coterminous with a Fiscal Year and shall be referred to by the same number as such Fiscal Year.

ARTICLE 2

TERM

The term of this Agreement ("Term") shall commence on the Effective Date, and shall continue through September 30, 2008 or such earlier date on which this Agreement is terminated pursuant to Article 12 hereof.

ARTICLE 3

SERVICES TO BE PROVIDED BY CONTRACTOR

3.1 Obligation to Provide Services. Contractor shall provide to the County services consisting of the management, operation, and marketing of the Food Services of the Center as defined herein, under the terms and conditions of this Agreement. Contractor shall provide the full Contractor's Services as defined herein under the terms and conditions hereof.

3.2 Exclusive Right to Provide Services. Contractor shall have the exclusive right to provide the Food Services during the Term of this Agreement, except as provided in Section 3.7 or Section 14.2 or otherwise specifically provided in this Agreement.

3.3 Limitation of Right. The sale by Contractor of items other than food and beverages or the furnishing by Contractor of services other than those directly related to the sale of food and beverages shall not be permitted without the prior written approval of the County Administrator.

3.4 Food Services. The "Food Services" consist of the preparation, service, and sale of those items, and the provision of those types of food and beverage services, normally associated with the operation of a convention center, including meeting halls and banquet facilities, as reasonably required by Licensees in the use of the Center. The Food Services, as defined in

Section 1, shall include, but are not limited to, the following, and will be required to be performed by Contractor as directed by the County Administrator:

3.4.1 Catering Services.

3.4.1.1 Catered Events: Provide service in meeting rooms and public areas used by Customers; with services ranging from snacks to elaborate catered meals. This type of service involves food prepared in large quantity as opposed to individual orders, requires constant attention by Contractor for re-supply and freshness purposes, and must be serviced around meeting times and/or other constraints imposed by the Customers.

3.4.1.2 Exhibitor Services: Furnish food and/or beverage items to patrons of Exhibitors directly in exhibition area.

3.4.1.3 Personnel Service: Provide host/hostesses, bartenders and/or servers for the furnishing of food and beverages at specialized functions.

3.4.1.4 Water Service: Provide head table water service, consisting of glasses and pitchers of ice water, for all meetings in the Center, and provide additional water service as from time to time required by a Customer.

3.4.2 Concession Services.

3.4.2.1 Concession Services: Provide food and beverage service on a retail basis at both fixed and portable stands (and, when applicable, at restaurant facilities in the Center), ranging from snacks to light meals and non-alcoholic to alcoholic beverages. This service will be scheduled and provided to meet the needs of the Licensees, Customers, Exhibitors, Patrons and their exhibitors and patrons and the general public.

3.4.2.2 Portable "Thematic" Food Service: Furnish specialized or ethnic foods and beverages with related thematic presentations and displays via portable stands.

3.5 Menus, Portions, and Prices. The Food Services will be provided in accordance with menus, portions, and prices as shall be proposed by Contractor and approved by the County Administrator, provided, however, that (i) the County Administrator shall not unreasonably withhold, condition, or delay its approval of such menus, portions, and prices; and (ii) in the event that the County Administrator fails to deliver within fifteen (15) days after submission written approval or denial, such submitted menus, portions, and prices shall be deemed to be approved.

3.6 Specific Products at Events. The County, at the request of a Licensee, may require Contractor to furnish specific products of a food and beverage nature, such as Kosher foods and beverages, at a Licensee's event being held at the Center, and Contractor shall provide same at a price approved by the County Administrator as provided in Section 3.5 above.