



Agenda Report

18-380

Agenda Date: 3/27/2018

REPORT TO STADIUM AUTHORITY BOARD

SUBJECT

Authorize the Executive Director to Execute the Concessionaire's Exit Agreement between the Forty Niners Stadium Management Company, Levy Premium Food Service Limited Partnership and Volume Services, Inc.

BACKGROUND

On February 27, 2018, per the Stadium Management Agreement (6.1 Selection of Concessionaire), Santa Clara Stadium Authority (SCSA) staff presented to the SCSA Board for their approval the Concessions Agreement between Forty Niners Stadium Management (StadCo) with Levy Premium Food Service Limited Partnership (Levy). The Board authorized the Executive Director to execute this contract with a unanimous vote.

The SCSA staff report (Attachment 1) included verbiage regarding the exit agreement between StadCo, and and Volume Services, Inc.(Centerplate) and (Attachment 2, page 2, paragraph 3), with a recommendation to the Board to approve that agreement:

As mentioned in the Background section, the current concessionaire's (Centerplate) contract is scheduled to expire in April 2019. Centerplate and the future concessionaire (Levy) agreed on an exit agreement (Attachment 3). The exit agreement outlines the terms and conditions for Levy taking over the food and beverage one year before the Centerplate contract is scheduled to expire including the assumption of Centerplate's collective bargaining agreement subject to the union's approval. With the innovations and investments Levy is bringing to the Stadium while maintaining the commission structure for non-NFL events, staff recommends approval of the Exit Agreement.

Staff inadvertently omitted specific language in the Recommendation to the Board regarding the exit agreement.

DISCUSSION

The Board has been taking steps to strengthen the SCSA's policies to improve governance, transparency, and responsiveness to the Santa Clara community and Levi's Stadium obligations. In support of these efforts, SCSA staff is presenting this report to the Board to provide explicit acceptance of the exit agreement.

FISCAL IMPACT

There is no change to the fiscal impact presented to the SCSA Board on February 27, 2018.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a “project” within the meaning of the California Environmental Quality Act (“CEQA”) pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City’s official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City’s website and in the City Clerk’s Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk’s Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Authorize the Executive Director to Execute the Levi’s Stadium Exit Agreement between the Forty Niners Stadium Management Company, Levy Premium Food Service Limited Partnership and Volume Services, Inc.

Prepared by: Catlin Ivanetich, Assistant to the Executive Director

Reviewed by: Brian Doyle, Counsel

Reviewed by: Walter C. Rossmann, Chief Operating Officer

Approved by: Deanna J. Santana, Assistant to the Executive Director

ATTACHMENTS

1. February 27, 2018 SCSA Board Report: Concession’s Contact at Levi’s Stadium (without attachments)
2. Levi’s Stadium Exit Agreement