

June 18, 1986
8981A/BL:clt

Introduced by: Bill Reams

Proposed No.: 86-152

MOTION NO. 6574

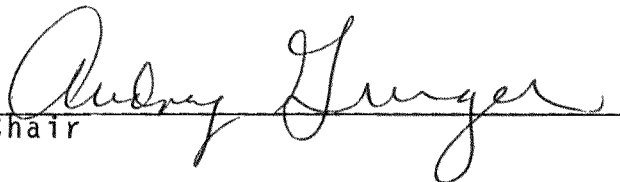
A MOTION approving the King County Executive's signing of an extension to the current concessions contract for the Kingdome.

BE IT MOVED BY THE COUNCIL OF KING COUNTY:

The King County Executive's signing of the attached agreement extending the current concessions contract for the Kingdome is hereby approved; PROVIDED that, the attached agreement shall be amended to extend the effective date of the contract until December 21, 1986 rather than January 14, 1987. If the Seahawks determine that changing to a new concessionaire on December 21, 1986 will cause a disruption to their use of the stadium for post season football practice and games or if the new concessionaire cannot mobilize and be ready to operate the concessionaire facilities then the contract will be extended to January 14th. AND FURTHER PROVIDED that, the agreement be amended to require the concessionaire to meet current affirmative action goals as found in Ordinances 4528, 5983, 7312 and 7512.

PASSED this 23rd day of June, 1986

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Chair

ATTEST:


Clerk of the Council

AMENDMENT TO KINGDOME CONCESSION
FACILITIES OPERATIONS CONTRACT

THIS AGREEMENT, made and entered into this ____ day of _____, 1986; by and between King County, Washington (the County), and Alpine Food Products, Inc./Ogden Burtco Services, Inc. (Alpine Burtco).

WITNESSESRecitals

WHEREAS, a Concessions Facilities Operations Contract (the Contract), was entered into on April 14, 1975, by and between the County and Alpine Food Products, Inc./Burtco, Inc. (the predecessor in interest to Alpine Burtco) to operate concessions at the Kingdome; and

WHEREAS, the Contract provides that it shall terminate on March 14, 1986; and

WHEREAS, the public interest would not be served and the County would suffer substantial damage if the concessions services now provided under the Contract are not continued without interruption upon the termination of the Contract on March 14, 1986; and

WHEREAS, it has been impossible for the County to identify and fix the terms of a new concessions operations contract due to ongoing negotiations with the County's two prime tenants and the potential effect of those negotiations on the new concessions operations contract; and

WHEREAS, the concessions operations contract is let infrequently and must be entered into with great care to ensure that a viable interrelationship is maintained among the County, the concessionaire and the Kingdome's tenants; and

WHEREAS, it is considered the best practice in the concessions industry to permit a concessionaire at least six months' lead time, after award of a contract, to mobilize to

provide concessions operations; and

WHEREAS, an additional several months is necessary to prepare and evaluate contract proposals, and

WHEREAS, it is in the best interests of the County that the new concessionaire begin operations during the slowest period of Kingdome activity, and not during the season of either of its two prime tenants; and

WHEREAS, Alpine Burtco is uniquely positioned to provide concession services to the County on a short-term interim basis; and

WHEREAS, it is an administrative necessity for the continued viability of the Kingdome that the Contract be extended for a short term beyond its present termination date:

AGREEMENTS

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. The last paragraph of Article 1 of the Contract is amended to read in its entirety as follows:

The Concessionaire hereby accepts said grant of exclusive concession rights and agrees to pay to King County the amounts set forth herein after and to operate the Concession Facilities at all times in accordance with this Operations Contract.

2. Article 4 of the Contract is amended to read in its entirety as follows:

ARTICLE 4. FOOD AND BEVERAGE PERCENTAGE.
The Concessionaire shall pay to King County for the term of this Operations Contract and any extensions thereof, a sum equal to the following percentages of the monthly gross proceeds of the Concessionaire arising out of the sale of all food and beverage items. In the event hawking of beer is subsequently permitted, then the percentage of monthly gross proceeds for all food and beverage items shall be increased by 2.25% for the first two categories hereinbelow and 3.0% for the third category hereinbelow:

For the first \$500,000.00 of gross annual receipts of said gross receipts shall be paid to King County. 32%

For the second \$500,000.00 of gross annual receipts of said gross receipts shall be paid to King County. 39%

For gross annual receipts in excess of \$1,000,000.00 of said gross receipts shall be paid to King County. 40.5%

PROVIDED, that, regardless of the percentage set forth in this Article, the amount paid by the Concessionaire to King County for the extended term of this Operations Contract shall be no less than \$1.35 (one dollar and thirty-five cents) for each Attendee at any regular season, divisional playoff, league championship or World Series Seattle Mariners' baseball game held at the Stadium. (For example, should the number of Attendees multiplied by \$1.35 exceed the amount payable under the percentage provisions of this Article, then the Concessionaire shall pay to King County the multiple of the number of Attendees times \$1.35. But, should the percentage amount applicable under this Article exceed the multiple of the number of Attendees times \$1.35, then that greater percentage amount shall be paid by the Concessionaire to King County.) As used in this Article, "Attendee" means any person presenting a ticket and being granted admission for any regular season, divisional playoff, league championship or World Series Seattle Mariners' baseball game at the Stadium. The total number of Attendees for purposes of calculating the amount to be paid by the Concessionaire to King County equals the total ticket count, which may not necessarily equal the total number of paid admissions or the turnstile count.

In the event of a purchase of large blocks of tickets as a "buy out" to meet the attendance guarantee provisions of Section 16.2 of the Seattle Mariners-King County Agreement to Amend Use Agreement and Settle Claims dated October 24, 1985, the Concessionaire and King County agree to arrange a procedure whereby those

persons attending as a result of the "buy out" will be seated in a certain section or sections ("Special Sections") of the Stadium. The guaranteed payment by the Concessionaire to King County for persons seated in those Special sections will be the applicable percentage under this Article 4 of actual gross sales net of sales tax, rather than the \$1.35 per attendee figure set forth above.

3. There is hereby added to the Contract a new Article 33, to read in its entirety as follows:

The Concessionaire agrees to cooperate with King County and its Stadium tenants to improve sales, to improve existing concessions locations, to expand sales locations, and to improve product quality.

4. Article 20 of the Contract is hereby amended to read in its entirety as follows:

ARTICLE 20. TERM. The term of this Operations Contract shall be for the period through and including January 14, 1987. At the end of the term of this Operations Contract, the title to the Concession Facilities shall vest automatically in the County if this Operations Contract was entered into pursuant to Basic Bid No. 2 of the Concessions Bid. Upon the occurrence of this event, the Concessionaire covenants and agrees to execute and deliver, or cause to be executed and delivered, to the County a good and sufficient instrument of conveyance in form satisfactory to the County, conveying the Concession Facilities to the County and shall furnish or cause to be furnished to the County a certificate of title showing an absolute vesting of title in the County, free and clear of all liens and encumbrances. Should the Concessionaire fail to cure title defects not permitted herein within sixty (60) days (or such extended period as the County may allow) after receipt of written notice of such defects, the County may cure the defect by condemnation or other means.

5. Alpine Burtco agrees to cooperate fully with the County to assure a smooth transition to the concessionaire awarded the new concessions operations contract, upon expiration of the Contract.

6. Except as specifically provided in this Amendment to Kingdome Concessions Facilities Operations Contract, all other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed this _____ day of _____, 1986.

KING COUNTY, WASHINGTON

CONCESSIONAIRE

By _____
TIM HILL
King County Executive

By _____
DeVERE JERRY BURTENSHAW
President & CEO
Alpine Food Products, Inc./
Ogden Burtco Services, Inc.

Approved as to form:

RICHARD H. HOLMQUIST, Chief Civil
Deputy Prosecuting Attorney