

CITY COUNCIL MEMORANDUM

AGENDA ITEM

Management Agreement Between City of Killeen and Jesters

ORIGINATING DEPARTMENT

Killeen Civic and Conference Center

BACKGROUND INFORMATION

The City of Killeen holds a "mixed beverage" license from the Texas Alcoholic Beverage Commission for the Killeen Civic and Conference Center Complex to provide alcoholic beverage services to its clients. The license includes the Killeen Civic and Conference Center, Special Events Center, and Rodeo Arena and Grounds. The City of Killeen obtained Mixed Beverage and Beverage Cartage permits in April 2005 and added a Catering permit in 2011 in order to provide alcoholic beverage service to the city facilities.

DISCUSSION/CONCLUSION

The current management agreement is between the City of Killeen and YH SH LLC, DBA Jesters and expires March 14, 2016. The agreement is for a period of three years, with an extension to that period, if agreed between both parties in writing. The City recommends renewing this agreement again for three years, with the option to renew for three (3) additional one-year terms.

FISCAL IMPACT

The terms of the management agreement reflect that the City of Killeen will pay Jesters forty percent (40%) of the gross sales for the management services.

RECOMMENDATION

City staff recommends City Council authorize the City Manager to execute the three-year management agreement between the City of Killeen and Jesters and that the City Manager is expressly authorized to execute any and all change orders within the amounts set by state and local law.