Milwaukee County

Legislation Details (With Text)

File #:	11-193	**Version:** 1	**Name:**	Amend Airport Agreement No. CN-1917 with Host International Inc., and Agreement No. CN-1906 with SSP America, Inc., to Modify Concession Mall Space at GMIA
Type:	Action Report		**Status:**	Adopted
File created:	3/21/2011		**In control:**	County Clerk
On agenda:			**Final action:**	4/21/2011
Title:	From the Director, Department of Transportation and Public Works, and the Airport Director, requesting authorization to amend Airport Agreement No. CN -1906 between Milwaukee County and SSP America, Inc., and Airport Agreement No. CN-1917 between Milwaukee County and Host International Airport, Inc., at General Mitchell International Airport (GMIA).			
Sponsors:				
Indexes:				
Code sections:				
Attachments:	1. RESOLUTION, 2. FISCAL NOTE, 3. CB Resolution 07-283(a)(m), 4. Audio TPWT 04/06/11			

Date	Ver.	Action By	Action	Result
4/21/2011	1	Milwaukee County Board of Supervisors	ADOPTED	Pass
4/6/2011	1	Transportation, Public Works and Transit Committee	Recommended for Adoption	Pass
3/28/2011	1	Board Chairman	Assigned	

From the Director, Department of Transportation and Public Works, and the Airport Director, requesting authorization to amend Airport Agreement No. CN -1906 between Milwaukee County and SSP America, Inc., and Airport Agreement No. CN-1917 between Milwaukee County and Host International Airport, Inc., at General Mitchell International Airport (GMIA).

POLICY

County Board approval is required to amend concession agreements at General Mitchell International Airport (GMIA).

BACKGROUND

At its May 22, 2008 (File No. 07-283 (a)(b)) meeting the Milwaukee County Board of Supervisors authorized Milwaukee County to enter into an agreement with SSP America, Inc., for the operation of a food and beverage concession at GMIA under Official Notice No. 6292. Host was awarded Package A, and SSP America was awarded Packages B, C, D, and E as were contained in Official Notice No. 6292. At its March 18, 2010 meeting (File No. 07-283 (a)(k)) the Board authorized SSP America to move its burger facility from space 5CM in the Concession Mall by Concourse E to space 3CM in the center of the Concession Mall opposite the food court. SSP America had intended to use the 5CM space as a snack foods concept that was originally planned for space 3CM.

Host was awarded the large 2CM space adjacent to the 3CM space to develop a Miller Brew

House restaurant/bar. In the process of finalizing plans for the Brew House, Host determined that additional seating was desired. The 3CM space was under lease to Host in the previous agreement between Milwaukee County and Host. Host is now requesting to add the 3CM space to its leasehold for additional bar/restaurant seating. SSP America has agreed to relinquish the 3CM space to Host.

RECOMMENDATION

Airport staff recommends that Airport Agreement No. CN-1906 between Milwaukee County and SSP America, Inc. be amended as follows.

1.   Delete the Package B 3CM space Snack Foods concept that was contained in Official Notice No. 6292 and awarded to SSP.

2.   Reduce the SSP America's minimum annual guarantee (MAG) from $619,000 to $614,000, which is the MAG associated with the 3CM space.

Airport staff also recommends that Airport Agreement No. CN-1917 between Milwaukee County and Host International, Inc. be amended to add approximately 1,447 square feet of space to the Package A Food Court and Restaurant/Bar concept area for additional bar/restaurant seating.

FISCAL NOTE

Airport staff expects no negative fiscal effect resulting from these amendments, since any loss in the SSP America MAG guarantee to the Airport would be offset or exceeded by an increase in Host's percentage payments to the Airport due to increased alcohol sales.

Prepared by: Kathy Nelson, Airport Properties Manager

Approved by:

_____   _____
C. Barry Bateman   Jack Takerian
Airport Director   Director of Transportation and Public Works

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