



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 14

Agenda Date: May 29, 2025

In Control: City Council A Session

DEPARTMENT: Aviation Department

DEPARTMENT HEAD: Jesus H. Saenz Jr.

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Food and Beverage Concession Agreement at the San Antonio International Airport

SUMMARY:

This ordinance authorizes a contract with Host True Flavors SAT FB II, LLC for a Food and Beverage Concession Agreement with four concepts and a food court in 5,276 square feet in Terminal B at the San Antonio International Airport. The contract has a minimum annual guarantee of \$1,083,233 and is anticipating to generate over \$12 million over the 10-year term. Revenues generated from this contract will be deposited into the Airport Operating and Maintenance Fund.

BACKGROUND INFORMATION:

Submitted for City Council consideration and action is a proposal submitted by Host True Flavors SAT FB II, LLC to provide food and beverage concessions that bring a mix of local and national concepts to the San Antonio International Airport in order to provide passengers with a strong representation of the culinary offerings in the San Antonio area along with familiar national brands.

The City issued a Request for Proposals (RFP) for “Food & Beverage Concession Prime

Concessionaire for San Antonio International Airport” (RFP 25-028, 6100018649) on March 3, 2025, with a submission deadline of April 4, 2025. The RFP was advertised in the HartBeat, the Express News, TVSA channel, the City’s Bidding & Contracting Opportunities website, the San Antonio e-Procurement System and an email notification was released to a list of potential Respondents. Four proposals were received, and two proposals were deemed non-responsive by the Business Opportunity & Diversity Development office for failure to meet the 26% Airport Disadvantaged Business Enterprise (ACDBE) program goal and failure to submit a Good Faith Efforts (GFE) Plan to support that good faith efforts were made to meet the required goal. Additionally, the Procurement Division of the Finance Department also confirmed that both firms failed to submit the required proposal bond.

The evaluation committee consisted of representatives from the City Manager’s Office, Aviation Department, and the Airport Advisory Committee. The Finance Department, Procurement Division assisted by ensuring compliance with City procurement policies and procedures. The evaluation of each proposal response was based on a total of 100 points: 35 points allotted for experience, background, and qualifications; 45 points allotted for proposed plan; and 20 points allotted for respondent’s compensation offer to the City. Airport concessions fall under Federal Regulations (49 CFR Part 23), local preference programs do not apply and each proposal was required to meet or exceed the ACDBE goal of 26%. Additional categories of consideration included references and financial qualifications.

The evaluation committee met for a combined initial evaluation and interviews to discuss and score the two responsive proposals on April 25, 2025. After interviews, the evaluation committee discussed and scored the firms based on the aforementioned criteria. Individual scores were submitted, and aggregate scores were presented. After a recommendation for award was agreed upon by the evaluation committee, the compensation to the City scores were revealed. Host True Flavors SAT FB II, LLC, the highest-ranking firm, was recommended for award by the evaluation committee.

A post-solicitation briefing was presented to City Council at B-Session on May 14, 2025, with staff’s recommendation for Council award.

The term of the contract will be upon award by City Council and will be comprised of two parts: the Transition Period and the Contract Term. The first Lease Year would commence on October 1, 2026, and the tenth Lease Year would end at midnight on September 30, 2036

ISSUE:

This contract will provide food and beverage concessions that bring a mix of local and national concepts to Terminal B in the San Antonio International Airport in order to provide passengers with a strong representation of the culinary offerings in the San Antonio area along with familiar national brands.

Host True Flavors SAT FB II, LLC is recommended for award. Host True Flavors SAT FB II, LLC proposal exceed the 26% ACDBE goal by 7.3 points.

In their proposal and interview with the Evaluation Committee, Host True Flavors demonstrated how they exceeded all the requirements in the solicitation documents including a strong showing of local or local-inspired concepts including:

- 2M BBQ: A local restaurant that is considered by many to be the best BBQ joint in San Antonio. This location will be a quick serve version of their streetside restaurant, but will still serve all of the familiar favorites, such as brisket, sausage, and barbacoa.
- The Tasting Room: This space will highlight wines from Becker Vineyards, along with other Hill Country favorites by giving travelers a taste of Texas Hill Country in an inviting and warm atmosphere. Guests will have the option to order their food to go, or stay and linger, and explore the best of the Hill Country right inside the airport.
- Bakery Lorraine: Bakery Lorraine is a beloved San Antonio bakery that serves high quality baked goods during all day parts. Travelers can enjoy warm frittatas and croissants in the morning, along with sandwiches and salads later in the day. Their sweet treats (such as the signature macarons) will be available all day.
- Popeye's: With over 3,700 locations across 30 countries, Popeye's is a recognizable name to nearly all travelers. Its bold flavors and Cajun influences will be a hit in San Antonio's airport. Travelers during all day parts will be able to quickly grab a meal to go or enjoy it in the nearby food court. The menu will offer favorites like bone-in spicy chicken, along with comforting morning offerings like bacon, egg, and cheese biscuits.

Airport concessions fall under Federal Regulations (49 CFR Part 23), local preference programs do not apply.

ALTERNATIVES:

City Council could elect to request the Aviation Department to release a new solicitation for this package. The development of the new solicitation could take time and may result in fewer responding proposals. In addition, current concessionaires, who have been operating under a holdover provision of their current agreement, may decide to close their location.

FISCAL IMPACT:

This ordinance will approve a contract with Host True Flavors SAT FB II, LLC to provide the Aviation Department with concession operation services for a minimum annual guarantee of \$1,083,233 and approximately \$12 million over a ten year term. Revenues generated from this contract will be deposited into the Airport Operating and Maintenance Fund.

RECOMMENDATION:

Staff recommends approval of this ordinance.

This contract is procured by means of Request for Proposals and a Contracts Disclosure Form is required.

