

BILL/ RESOLUTION REQUEST

- 1. Title:** Approves first amendment to contract with Provenzano Resources, LLC to reduce the minimum annual guarantee (AR18002(1)).
- 2. Requesting Agency:** DIA
- 3. Contact Person *with actual knowledge of proposed ordinance***
 - Name:** Steve Campbell
 - Phone:** (303) 342-2154
 - Email:** Steve.Campbell@flydenver.com
- 4. Contact Person *with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary***
 - Name:** John Ackerman
 - Phone:** 303-342-2568
 - Email:** John.Ackerman@flydenver.com
- 5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved**
 - a. Scope of Work**

The First Amendment changes the License Fee or Minimum Annual Guarantee (MAG) for the following periods: 1) from 9/14/12 to 2/29/12 \$1,095,600 MAG; 2) from 3/1/12 to 12/31/13 to \$856,020 MAG; and 3) from 1/1/14 to 12/31/17 to \$895,596 MAG. In consideration, PRL agrees to revise the basis for calculating the unamortized value of the Retail Merchandise Units and associated equipment and forego its right to recover its "Pursuit Costs" in the event the City terminates the Original Agreement for its convenience.
 - b. Duration**

7 years from original contract execution
 - c. Location**

DIA
 - d. Affected Council District**

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 - e. Benefits**

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 - f. Costs**

Current Contract Amount
(A) Additional Funds
(B) Total Contract Amount
(A+B)
\$1,095,600 MAG on 34 locations -\$239,580 MAG on 34 locations through 2013
\$856,020 MAG on 34 locations through 2013
\$856,020 MAG on 34 location through 2013 \$39, 576 MAG on 34 location beginning
January 1, 2014 \$895,596 on 34 location January 2014 – end of term

6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.

No.

Bill Request Number: BR12-0653

Date: 8/27/2012