



Legislation Details (With Text)

File #: 22-1467 **Version:** 2

Type: Resolution **Status:** Adopted

File created: 11/7/2022 **In control:** Business, Arts, Workforce, Climate & Aviation Services Committee

On agenda: 11/28/2022 **Final action:** 11/28/2022

Title: A resolution approving a proposed First Amendment Contract between the City and County of Denver and The AVE Group, LLC, d/b/a Novo Coffee, concerning the addition of 2 years in recognition of the effects of the pandemic at Denver International Airport. Amends a kiosk concession agreement with The AVE Group, LLC, doing business as Novo Coffee, to add 2 years for a new end date of 8-1-2029, in recognition of the effects of the pandemic, supply chain issues, and inflation on concessionaires in the process of building kiosks, as a financial relief measure to allow time for vendors to amortize their capital investment at Denver International Airport in Council District 11. No change to other contract terms (201952059/ 202264191). The last regularly scheduled Council meeting within the 30-day review period is on 12-19-2022. The Committee approved filing this item at its meeting on 11-16-2022.

Sponsors:

Indexes: Mar'quasa Maes

Code sections:

Attachments: 1. FINAL Kiosk Extension Fact Sheet, 2. RR22-1467 DEN Novo BCON Ordinance Resolution Request, 3. DEN Concessions -BIZ Committee 11.16.22 - Kiosk Extension, 4. 22-1467 Contract The AVE Group, 5. 22-1467 Filed Resolution The AVE Group, 6. 22-1467 Filed Resolution The AVE Group, 7. 22-1467 - signed

Date	Ver.	Action By	Action	Result
11/28/2022	2	Council President	signed	
11/28/2022	2	City Council	adopted	Pass
11/16/2022	2	Business, Arts, Workforce, Climate & Aviation Services Committee	approved for filing	

Contract Request Template (Contracts; IGAs; Leases)

Date Submitted: 11-14-022

**Requesting Agency: Denver International Airport
Division:**

**Subject Matter Expert Name: Carolina Flores
Email Address: Carolina.Flores@denverfly.com
Phone Number:**

Item Title & Description:

(Do not delete the following instructions)

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.

A resolution approving a proposed First Amendment Contract between the City and County of Denver and The AVE Group, LLC, d/b/a Novo Coffee, concerning the addition of 2 years in recognition of the effects of the pandemic at Denver International Airport.

Amends a kiosk concession agreement with The AVE Group, LLC, doing business as Novo Coffee, to add 2 years for a new end date of 8-1-2029, in recognition of the effects of the pandemic, supply chain issues, and inflation on concessionaires in the process of building kiosks, as a financial relief measure to allow time for vendors to amortize their capital investment at Denver International Airport in Council District 11. No change to other contract terms (201952059/ 202264191). The last regularly scheduled Council meeting within the 30-day review period is on 12-19-2022. The Committee approved filing this item at its meeting on 11-16-2022.

Affected Council District(s) or citywide? 11

Contract Control Number: 201952059/ 202264191

Vendor/Contractor Name (including any "DBA"):
The AVE Group, LLC., dba Novo Coffee Concession Agreement (BCON)

Type and Scope of services to be performed:

This request is for an amendment to the agreement between The AVE Group, LLC., dba Novo Coffee (BCON) and Denver International Airport (DEN) due to significant hardships, such as construction costs, supply chain delays, and aftershocks of the COVID-19 pandemic. As an example, the buildout cost is approximately three (3) times more than the initial proposed cost from back in 2019. Each agreement will be extended by two (2) years from the agreement expiration date.

Location (if applicable): Denver International Airport

WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts):

W/MBE and SBE 100% SBEC / 25% M/WBE

Are WBE/MBE/DBE goals met (if applicable)?

The AVE Group, LLC., 100% SBEC; M/WBE not identified until construction

Is the contract new/a renewal/extension or amendment?
Amendment

Was this contractor selected by competitive process or sole source?

No - Non-Competitive Amendment. This procurement qualifies for the continuity of service exception under Memorandum No. 8B and will not be competitively procured.

For New contracts

Term of initial contract:

Options for Renewal:

How many renewals (i.e. up to 2 renewals)?

Term of any renewals (i.e. 1 year each):

Cost of initial contract term:

Cost of any renewals:

Total contract value council is approving if all renewals exercised:

For Amendments/Renewals Extensions:

Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)? Length of term

If length changing

What was the length of the term of the original contract?

09/23/2021 - 08/01/2027

What is the length of the extension/renewal?

2 years

What is the revised total term of the contract?

09/23/2021 - 08/01/2029

If cost changing

What was the original value of the entire contract prior to this proposed change?

\$1,022,062.50

What is the value of the proposed change? N/A

What is the new/revised total value including change?

\$1,022,062.50

If terms changing

Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)

This request is for an amendment to the agreement between The AVE Group, LLC., dba Novo Coffee (BCON) and Denver International Airport (DEN) due to significant hardships, such as construction costs, supply chain delays, and aftershocks of the COVID-19 pandemic. As an example, the buildout cost is approximately three (3) times more than the initial proposed cost from back in 2019. Each agreement will be extended by two (2) years from the agreement expiration date.