

EXECUTIVE SUMMARY

Concession Agreement with the City of Coral Springs for Food and Beverage Service at the Sportsplex

On September 17, 2002, The School Board of Broward County, Florida (SBBC) entered into the Interlocal Agreement and Ground Lease Agreement with the City of Coral Springs (Interlocal Agreement), for SBBC to lease 20 acres of City owned land for ninety-nine (99) years, and for SBBC to build a high school. The Interlocal Agreement also called for the City to design and construct at the City's expense, all of the outside athletic facilities for use by Coral Glades High School students. The athletic facilities to be constructed include a lighted football field and track, lighted softball field, lighted baseball field, practice soccer field, and four outside basketball courts. Additionally, the City was to build a concession and restroom facilities for use by Coral Glades High School students, spectators and the public. The Interlocal Agreement also allowed, Coral Glades High School to utilize all the outside athletic facilities for all interscholastic practices and contests as well as use for physical education classes.

On June 21, 2005, SBBC and the City entered into a first amendment to Interlocal Agreement (First Amendment), which said agreement called for the City to build a stadium by Coral Glades High School. Also, the First Amendment called for SBBC to contribute \$150,000.00 towards the construction of the stadium; allowing Coral Glades High School to conduct evening on-site athletic (i.e. football, soccer, track and field, girls flag football) and extra-curricular events (i.e. marching band concerts, marching band competitions) at the school. The completed athletic facilities are also known as the Sportsplex Athletic Fields (Sportsplex). It should be noted that due to cost escalation, a Second Amendment to Interlocal Agreement was entered into between SBBC and City, for SBBC to contribute an additional \$43,735.00.

It should be noted that the above narrative indicates that Coral Glades High School could only utilize the Sportsplex. However, in comparison, schools such as Coral Springs High School, McArthur High School, Miramar High School, Stoneman Douglas High School, and Western High School have athletic facilities/stadiums which have concession stands, which the Schools manage/generate and receive revenue.

Over the years, the City has utilized various vendors with exclusive contracts to utilize the concession stand at the Sportsplex. These contracts allowed the vendors to utilize and manage the concession stand during all of Coral Glades High School's sporting events. It is understood that the contract with the prior vendor called for the City to receive 15% of the gross revenue from the proceeds from the concession.

Upon the prior contracted vendor vacating the concession stand, the School saw an opportunity to manage the concession stand at the Sportsplex and potentially generate/receive revenue for the School. Subsequently, the City and School administration discussed this potential and both agreed that moving forward, it would be beneficial for the SBBC/School to have exclusive rights to utilize and manage the concession stand; and in exchange, the City would retain twenty percent (20%) of the net proceeds from all sales from the concession stand. The resultant net twenty percent (20%) was because the School will not pay any rental or utility costs regarding the concession stand. Additionally, the justification was that all utility costs for the concession stand will be borne solely by the City.

This is a new and innovative venture for the School and the City, and because the City's percentage revenue is based on net proceeds and not gross proceeds, the City will not receive any proceeds if there are no concession stand sales profits. It is believed that this relationship between the School and the City will further enhance the ongoing partnerships between The School Board of Broward County, Florida and the City of Coral Springs.

If approved by the SBBC, the Concession Agreement upon approval by the City will terminate on December 31, 2021 (unless terminated earlier pursuant to the provisions in the Agreement); and if so desired, this Agreement may be renewed for two (2) additional two (2) year periods.