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Love deals delayed

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The Dallas City Council deferred a vote Wednesday on two controversial no-bid contracts at Love Field, opting instead to take more time to study the deals for food and newsstand concessions.

The decision came after Mayor Tom Leppert and Southwest Airlines officials expressed concern about the contracts. They said the city and Love Field might not be getting the best deal by handing some two-thirds of all concession space at a renovated Love terminal to the airport's current concessionaires.

That appeared to frustrate some of the concessionaires, including state Rep. Helen Giddings, a DeSoto Democrat, and Gilbert **Aranza**, a former leader of the Dallas Citizens Council.

Both Giddings and **Aranza** said any suggestion that politics or favoritism played a role in the deals offered by City Hall is patently false.

Giddings, who holds a 25 percent stake in the company that controls newsstand sales at Love Field, told the council that she has been treated unfairly.

"My integrity has been impugned for no particular reason. I am sick and tired of reading in The Dallas Morning News my name. We need to be sure we don't allow the newspapers to lynch people in this town," she said.

Giddings also said that "some of you on the council have contributed to the tarnishing of my reputation."

In recent days, The News has written about concerns expressed by Leppert and others that the city's two largest vendor contracts at Love would be let without bid.

Leppert has said he also is worried about the perception that firms with political ties are getting a break. In addition to Giddings' holdings, a blind trust that controls the assets of U.S. Rep. Eddie Bernice Johnson owns 15 percent of the newsstand concessions at Love Field.

"The perception is so important because perception drives credibility and credibility drives confidence," Leppert told the council Wednesday.

Aranza, who controls food and beverage sales at the airport, told the council that the process leading up to the new contracts was transparent and fair.

"I believe what is on the agenda is the best deal for the city of Dallas," he said. "I am disappointed a member of this council, maybe more, gave rise to all these articles."

Committee created

It is still possible that Giddings' and **Aranza**'s companies will win contracts at Love Field and that there won't be a bid process.

Under the plan adopted by the council Wednesday, an ad hoc committee will be formed to study the concessions plan.

The committee will consist of Leppert, City Manager Mary Suhm, Assistant City Manager A.C. Gonzalez, other council members and a representative of Southwest Airlines.

Southwest is largely funding the massive reconstruction of Love Field that is set to be completed in 2014.

On Tuesday, a top official with the airline raised concerns about the no-bid contracts and wondered whether a better deal couldn't be had at the airport.

Bob Montgomery, vice president of properties for Southwest, said he was pleased the city will take another look at the deals.

"I think what the council did was the prudent thing to do," he said Wednesday.

Gonzalez defended the deals crafted by his staff and a consultant, saying some three years of work went into the contracts and many public hearings were held during that process. Under the plan, about two-thirds of concession space in the renovated Love Field terminal would go to the current concessionaires when the terminal opens. The remaining space would be opened for bids.

Gonzalez said it was important to offer the current concessionaires some benefit because they will endure years of construction and already have endured years of economic downturn in the airline and airport business.

Several council members said that for those reasons they believed the contracts should be given to Giddings' and **Aranza's** companies. They added that they were offended and disappointed that questions were raised about the companies' political ties.

But with the exception of council members Carolyn Davis and Vonciel Jones Hill - who favored a vote Wednesday to grant the contracts to the current concessionaires - all council members voted for the plan to form the ad hoc committee.

The committee is expected to make a recommendation to the council in June.

Defending the deals

Davis said the ad hoc committee wasn't necessary and that she thought giving the current concessionaires two-thirds of the airport space without a bid was equitable.

"We are fair in this process. A third of this is going out to bid," she said.

Davis also protested Leppert's inclusion on the ad hoc committee.

"I am asking because you are our mayor that you would not sit on this committee because you support an open bidding process," she said.

She also thanked Giddings and Johnson for bringing millions of dollars in federal and state funds to Dallas.

"How much money has Congresswoman Johnson given to this city? Millions of dollars?"

To Giddings she said, "You have helped every council person on a committee find some kind of money."

Several other council members who supported granting the no-bid deals cited the good work done by Giddings' and **Aranza's** companies and the hardships their businesses went through after the Sept. 11, 2001, terrorist attacks and the more recent downturn in the economy.

"I have nothing against anybody who is trying to bid on projects, but I have the utmost respect for these vendors who have stuck with us through the hard times," council member Delia Jasso said.

Fighting for bids

Other council members, including Ann Margolin, Dave Neumann, Sheffie Kadane and Jerry Allen, echoed

Leppert's comments that city contracts should be bid in the name of transparency and fairness.

At least three members of the audience agreed as well.

Fred Conwright and his business partners operate newsstands at D/FW International Airport.

Their company is 51 percent minority-owned, but it could not get a foot in the door at Love Field because of the no-bid deals, Conwright said.

He said that he thought he didn't have a chance because of the political weight of the current concessionaires.

"I'm not in politics. I feel like when you're a small business like we are, it's a hard play," he said.

WHAT'S NEXT

Love Field concessions

- The City Council's ad hoc committee on Love Field concessions was formed Wednesday, and its members will be finalized as soon as week's end.
- Over the next two months, the committee will discuss how the concessions deals were developed by staff, how and if the deals should be offered for bid and what the next steps will be in that process.
- By late June, the ad hoc committee will report its conclusions to the council.

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