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Ripping Off Taxpayers

The companies that sell concessions to Love Field travelers have a captive customer base. Airline passengers are bored. They're hungry. They seek out magazines and breath mints and bottled water to pass the time.

Last year, Love Field fliers were bored and hungry to the tune of more than \$20 million in gross sales. In fact, **Love Field concessions** represent the city's largest vendor contract. Yet several City Council members don't think they should bother bidding out this deal. They're content to simply extend the existing contracts - for a whopping 12 years.

Incredibly, this multimillion-dollar, 12-year deal landed on this week's City Council consent agenda, suggesting that Dallas officials were poised to approve the contract Wednesday without the hassle of a public discussion.

This lack of transparency and fiduciary responsibility would be troubling no matter who owned the concessions companies. But complicating this arrangement is the fact that a legislator and a congresswoman have financial interests in one of the ventures.

State Rep. Helen Giddings' company has a 25 percent stake in Hudson Retail-Dallas, which controls book, newsstand and other retail sales at Dallas' airport. A blind trust that controls U.S. Rep. Eddie Bernice Johnson's assets has a 15 percent stake in Hudson Retail.

Gilbert Aranza, a reliable political donor for many local candidates, controls Dallas Love Field Joint Venture, which sells food and beverages at Love Field.

The council members who have defended this no-bid process have offered tortured explanations - suggesting, for example, that extending the contract is a way to soften the financial blow from 9/11. But the city's responsibility is not to be kind to its vendors. The council answers to taxpayers.

The city receives part of the revenues from concessions at Love Field. Without a competitive bid process, officials can't be sure they're getting the best deal.

That should be the council's priority, even if Joe Q. Public owns the company. But when politicians do business with public entities, extra care must be taken to ensure a fair and transparent process.

Giddings and Johnson have done nothing wrong; it's the council members who have shown poor judgment.

The trustee who controls Johnson's assets confirms that she was not involved in acquiring the stake in this venture. And Giddings was in the airport concessions business years before she was elected to the Legislature.

Perhaps her company is best equipped for the job. But Mayor Tom Leppert is right when he argues that that should be determined by bidding out this contract.

Simply extending the agreement is not illegal. But in this case, it's particularly ill-advised.

By the numbers Dallas Love Field Joint Venture (food, beverage)

Gross sales Revenue to city

2005 \$8.7 million \$1.3 million 2006 \$10.9 million \$1.7 million 2007 \$13.9 million \$2.1 million 2008 \$15.3 million \$2.3 million 2009 \$14.5 million \$2.2 million

Hudson Retail-Dallas (books, news, retail)

Gross sales Revenue to city

2005 \$4.6 million \$700,000 2006 \$5.5 million \$828,000 2007 \$6.4 million \$969,000 2008 \$6.8 million \$1.1 million 2009 \$6.4 million \$977,000

SOURCE: City of Dallas

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