

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
AVIATION DEPARTMENT**

CONSENT AGENDA
ITEM NO. 40

TO: Mayor and City Council

FROM: Kevin C. Dolliole, Aviation Director

THROUGH: Terry M. Brechtel, City Manager

COPIES TO: J. Rolando Bono, Deputy City Manager, Asset Management, Budget, Legal, Finance and File

SUBJECT: Concession Contracts with Never Too Late Business Center at San Antonio International Airport

DATE: June 24, 2004

SUMMARY & RECOMMENDATION

This ordinance authorizes the execution of a concession agreement with the Never Too Late Business Center ("Never Too Late"), for the use of approximately 801 square feet of retail space in San Antonio International Airport, Terminal Two. The term of the agreement will expire on November 30, 2007.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

Ordinance Number 96791, passed and approved by City Council on November 21, 2002, awarded Never Too Late concession contracts for a 1,363 square foot facility in Terminal One and a 1,229 square foot facility in Terminal Two. Never Too Late, a certified DBE by the South Central Texas Regional Certification Agency (SCTRCA) has operated a location in Terminal One since opening on July 11, 2003. Prior to opening the location, Never Too Late completed a sublease agreement with the City Employees Credit Union and the City Employees Credit Union has opened and continues to operate a very successful branch location in the airport.

As a result of the security checkpoint requirements mandated by the Transportation Security Administration for post 911 security in Terminal Two, the original location for the business center was severely restricted from maximizing the potential traffic flow from enplaning passengers. The unsuitable nature of the original location and the lack of a suitable area for relocation, delayed the execution of the Concession Agreement beyond the 180 day period for execution by both parties as provided by the City Ordinance. As provided by the new Concession Agreement, Never Too Late will be located in Space 238, Terminal Two and contain approximately 801 square feet.

Never Too Late offers multiple business and personal services and products to the traveling public, such as internet access, photocopying, facsimile, computer rental,

Fed Ex and U.S. Postal drops, office supplies, postage stamps, phone cards, electronic products, conference room rental and other items.

POLICY ANALYSIS

This ordinance is consistent with the City Council policy of maintaining a self-sufficient airport by the generation of revenue for the leasing of City owned properties.

FISCAL IMPACT


Under the terms of the agreement, the Concessionaire will pay the greater of (1) 40% of ATM gross revenues, 8% of gross revenues for business services and 4% of all gross revenues for financial services or (2) a Minimum Annual Guarantee of \$7,500.00 for the first year, \$10,000.00 for the second year, \$12,500.00 for the third year, and \$6,250.00 for a partial fourth year. The City is guaranteed a total of \$36,250.00 in rentals over the life of the contract.

COORDINATION


This item has been coordinated with the City Attorney's Office.

SUPPLEMENTARY COMMENTS

The Discretionary Contracts Disclosure form completed by Never Too Late is attached.

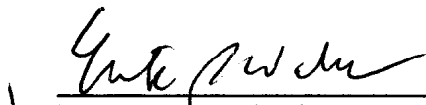


Kevin C. Dolliole
Aviation Director



J. Rolando Bono,
Deputy City Manager

APPROVED:



Terry M. Brechtel
City Manager

ATTACHMENT #40

City of San Antonio
Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2
Attach additional sheets if space provided is not sufficient.
State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the city in the enforcement of provisions contained in the City Charter and the code of ethics, an individual or business entity seeking a discretionary contract from the city is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

Narciso Cano

(2) the identity of any business entity¹ that would be a party to the discretionary contract:
Never Too Late Business Center
and the name of:

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

N/A.

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract;

Ramon Bosquez	Marcia Leda Cano
James Deaton	Narciso Cano
George Cisneros	

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

None.

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

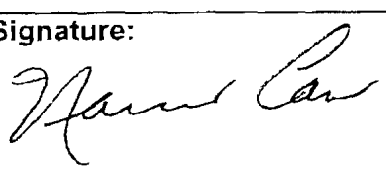
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current or former member of City Council*, any *candidate for City Council*, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made: Mayor Ed Garza Councilman Julian Castro	Amount: ? ≤ 100 ? ≤ 50 ?	Date of Contribution: 2002 (maybe) 2002 (maybe)
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Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

N/A		
Signature: 	Title: Director Company: Never Too Late Business Center	Date: 05/25/04

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.