

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

CONSENT AGENDA
ITEM NO. 45

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: Cancellation of a Concession Contract with Farias, Inc. d/b/a Texas Tax
Back at San Antonio International Airport

DATE: June 24, 2004

SUMMARY & RECOMMENDATION

This ordinance authorizes the cancellation of the existing concession agreement with Farias, Inc., d/b/a Texas Tax Back, under Ordinance Number 96791, passed and approved by City Council on November 21, 2002.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

Ordinance Number 96791, passed and approved by City Council on November 21, 2002, awarded a concession contract to Farias, Inc d/b/a Texas Tax Back for space 192 in Terminal 1 of San Antonio International Airport. Farias, Inc. d/b/a Texas Tax Back proposed to offer a sales tax reimbursement service to Mexican Nationals, who were visiting San Antonio and purchasing goods for export to Mexico. The contract required the reimbursement agent to be a licensed Customs Broker and witness the physical export of the products.

As a result of the modifications of Texas House Bill Number 109, Section 151.1575, Subsection 2, of the Tax Code, licensed Customs Brokers are provided several options to determine the export of products purchased in Texas to destinations outside the boundaries of the U.S. The addition of multiple options to determine a valid export relieves the Customs Broker from physically witnessing the export of merchandise, prior to the rebate of sales taxes. This eliminates the need for a Customs Broker's on-airport presence and space for the operation.

POLICY ANALYSIS

This ordinance is consistent with prior policy, as evidenced by the City Council approved Concession Procedures Manual and Policy Statement of January 11, 2001.

FISCAL IMPACT

The financial impact to the City as a result of the cancellation of the Farias, Inc. lease for space 192 would be elimination of the Minimum Annual Guaranteed rental of \$18,000.00 in contractual revenue.

COORDINATION

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

SUPPLEMENTARY COMMENTS

The Discretionary Contracts Disclosure form completed by the Concessionaire is attached.



Kevin C. Dolliole
Aviation Director



J. Rolando Bono
Deputy City Manager

APPROVED:



Terry M. Brechtel
City Manager

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.

I think this is a very worthy cause. I think this is a very worthy cause. 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:

HECTOR FARIAS, JR.

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:
FARIAS, INC. dba TEXAS TAX BACK
and the name of:

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

NONE

(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:

NONE

(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.

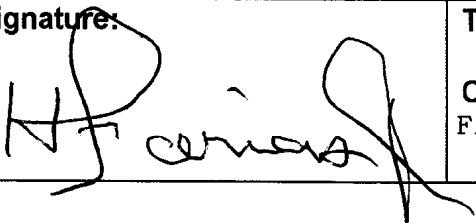
Political Contributions

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:	Amount:	Date of Contribution:
NONE	N/A	N/A

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: PRESIDENT Company: FARIAS INC. dba TEXAS TAX	Date: 6/08/04 BACK

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.