

ORDINANCE 2019-12-12-1057

APPROVING AN AMENDMENT TO THE DOWNTOWN SAN ANTONIO RIVER BARGE CONCESSION CONTRACT WITH GO RIO SAN ANTONIO, LLC (“GO RIO”) AND APPROPRIATING FUNDING FOR USE IN FY2020.

* * * * *

WHEREAS, Go Rio was awarded the river barge concessions for the term of October 1, 2017 through September 30, 2027; and

WHEREAS, in accordance with the terms and conditions of the Downtown San Antonio River Barge Concession Contract (the “Contract”), Go Rio is responsible for maintaining a fleet of 44 barges; and

WHEREAS, technological enhancements over the past couple of years have presented new opportunities for batteries and propulsion systems to be utilized in the barges; and

WHEREAS, Go Rio and City would like to test new batteries and propulsion systems in preparation for replacing the systems used by the fleet; and

WHEREAS, per the current terms of the Contract, the City is responsible for replacing the systems through a \$0.50 fee on tour and taxi sales and a \$20.00 fee on charter sales; and

WHEREAS, Go Rio has requested to utilize these fees for expenses associated with testing and replacing the propulsion system for the barge fleet and to purchase three barges which are necessary to meet demand for tours and specialty programming; and

WHEREAS, Go Rio is also proposing to simplify taxi services to one-day and three-day combination passes along with a price adjustment for each service allowing customers to utilize taxi services anywhere on the river where barge service is provided for one set fee; and

WHEREAS, this ordinance will authorize the contract amendment and associated taxi service price adjustments to be effective October 1, 2019; and

WHEREAS, this ordinance will also authorize the appropriation of the remaining \$763,026 Fund Balance in FY2020 to be used by the City for future river barge and marina improvements, and provide City Manager or designee the authority to approve these expenditures; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or designee is hereby authorized to execute Amendment No. 2 to the Downtown San Antonio River Barge Concession Contract. A copy of Amendment No. 2 in substantially final form is attached hereto as **Attachment I**.

SECTION 2. Funds generated by this ordinance will be deposited into Fund 11001000, Internal Order 219000000001 and General Ledger Account 4407701.

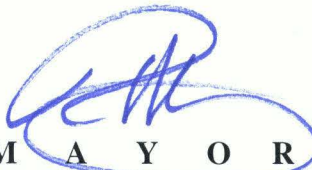
SECTION 3. Funds in the amount of \$256,695.00 will be appropriated and the Fiscal Year 2020 Budget will be amended per the table below:

Amount	General Ledger	Cost Center/Internal Order	Fund
256,695.00	5304080	1910920001	29093001

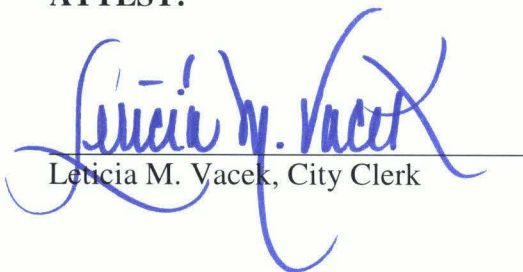
SECTION 4. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 5. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 12th day of December, 2019.


M A Y O R
Ron Nirenberg

ATTEST:


Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:


Andrew Segovia, City Attorney

Agenda Item:	30 (in consent vote: 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18A, 18B, 18C, 18D, 18E, 19, 20, 21, 22, 23, 24, 25, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 39, 41A, 41B, 42A, 42B, 42C, 42D, 43, Z-1)
Date:	12/12/2019
Time:	09:40:36 AM
Vote Type:	Motion to Approve
Description:	Ordinance approving an amendment to the Downtown San Antonio River Barge Concession Contract with Go Rio San Antonio, LLC to include upgrading of the barge fleet and marinas, adjusting taxi services and appropriating funding for use in FY2020. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development and Operations Department]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x				x
Jada Andrews-Sullivan	District 2		x			x	
Rebecca Viagran	District 3		x				
Adriana Rocha Garcia	District 4		x				
Shirley Gonzales	District 5		x				
Melissa Cabello Havrda	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

SW
12/12/19
Item No. 30

ATTACHMENT I

**SECOND AMENDMENT TO THE
DOWNTOWN SAN ANTONIO RIVER BARGE CONCESSION CONTRACT**

This Second Amendment to the Downtown San Antonio River Barge Concession Contract (this "Amendment") is entered into by and between the CITY OF SAN ANTONIO ("CITY"), acting by and through its City Manager pursuant to Ordinance No. 2019-00-00-0000, and GO RIO SAN ANTONIO, LLC ("GO RIO"), a limited liability corporation.

Background: The CITY and GO RIO entered into the Downtown San Antonio River Barge Concession Contract (the "Agreement") as authorized by Ordinance No. 2017-05-25-0376, passed and approved by the San Antonio City Council on May 25, 2017.

Agreement: In consideration of the mutual promises and covenants contained below, CITY and GO RIO agree to amend the Agreement as follows:

1. Section 2.5.1 and 2.5.2 are hereby amended and restated to read as follows:

2.5 ADDITIONAL CONSIDERATION TO CITY AND GO RIO:

2.5.1 *River Barge and Marina Improvement Fee*: GO RIO shall collect the following amounts on each ticket sold for a Tour or a Taxi ride and each Charter Rental according to the following schedule (the "River Barge and Marina Improvement Fee"):

Contract Year 1: \$0.50;
Contract Years 3-5: \$0.50;
Contract Year 6: \$0.75;

and with each Charter Rental:

Contract Year 1: \$20.00;
Contract Years 3-5: \$20.00;
Contract Year 6: \$30.00;

GO RIO shall not advertise the collection of these funds on any signage or tickets sold or in any other manner but shall collect it as part of a combined charge for the services being provided. All amounts collected in connection with the foregoing shall be referred to as the "River Barge and Marina Improvement Fund." The funds collected will belong to GO RIO for reimbursements of costs incurred by GO RIO in connection with the following according to the following priority with the understanding that expenditures made in lower priority to support those in higher priority are allowable:

- (i) Replacement, repair, and/or maintenance of the propulsion system for the entire fleet of Barges, including without limitation, batteries, motors and all components necessary for complete installation (to include installation costs and professional service costs);
- (ii) Acquisition, installation and testing of new or alternative equipment for evaluation of potential improvements to the Barges or Marina to include professional service costs);
- (iii) Barge improvements including hatches, hull protection, ventilation and other Marina improvements deemed reasonably necessary by GO RIO to include necessary professional service costs;
- (iv) Any other concession related capital repair and other expenses related to the Barges and the Marina including, but not limited to, CITY consultant monitoring the maintenance and improvement process, life jackets, fire extinguishers, lighting, Barge inspection fees. Barge improvements, labor performed and professional services provided by third party vendors, batteries and electronics, throttle improvements, steering, and updates. replacements or enhancements to the Barges or Marina with a goal of preventing, reducing and/or minimizing any breakdowns, delays or operational inefficiencies or other conditions which may interfere with the operations of the concession;
- (v) the purchase of three (3) or more additional Barges which will be owned by CITY but not subject to any increase in the Barge Use Fee;
- (vi) such other expenditures improving the Barges or the Marina provided that the above listed items (i) through (iii) have been fully provided for.

All new equipment, changes or improvements to the barges shall require the prior written approval of the Director of the proposed equipment and design. Approval of the proposed design and materials by the DIRECTOR shall not be unreasonably withheld, delayed, denied or conditioned.

If the projected costs for the enumerated items above, after having been incurred in the order of priority above, exceed the amount of the available River Barge and Marina Improvement Fund then the Parties shall work together to identify alternative funding sources to pay for such costs. GO RIO covenants and agrees it will use the accumulated funds (to the extent available) to expeditiously make improvements or enhancements to the Barges in accordance with the enumerated improvements or enhancements above and following those improvements to consider any other improvements or enhancements as may be reasonably requested by the DIRECTOR.

GO RIO will provide CITY with a monthly accounting of collected funds. The River Barge and Marina Improvement funds will be collected on every individual ticket sold, and on every bundled ticket (GO RIO tickets sold in combination with tickets from other providers/entities such as Sea World, Fiesta Texas and Tower of the Americas), multi-day or monthly tickets or passes sold by GO RIO. Throughout the Agreement term GO RIO will hold and use the unused funds, if any, from the River Barge and Marina Improvement Fund, for the purpose of addressing further concession related expenses. All funds collected by GO RIO and not expended in accordance with Section 2.5.1 at the end of contract year 6 shall be retained by GO RIO.

2.5.2 *River Walk Capital Improvement Fee:* For Contract Years 2 and 7-10, GO RIO shall collect a River Walk Capital Improvement Fee for each ticket or charter sold, as set out below:

Contract Years	Tours/Taxi Rides	Charter Rentals
2	\$0.50/ticket	\$20.00/charter rental
7- 10	\$0.75/ticket	\$30.00/charter rental

GO RIO shall pay all such funds collected, less sales tax, to CITY along with its monthly CONCESSION FEE payment no later than the 10th of each month of the Contract Term. Priority spending for these fees shall be to cover any outstanding expenses or costs for the propulsion system for the barges. GO RIO shall not advertise the collection of this fee on any signage or tickets sold or in any other manner but shall collect it as part of a combined charge for the services being provided. The River Walk Capital Improvement Fee will be collected on every individual ticket sold, and on every bundled ticket (GO RIO tickets sold in combination with tickets from other providers/entities such as Sea World, Fiesta Texas, and Tower of the Americas), multi-day or monthly tickets or passes sold by GO RIO. For the avoidance of doubt, the River Walk Capital Improvement Fee shall be in addition to the River Barge and Marina Improvement Fee during those years when both fees are contemplated to be collected pursuant to Sections 2.5.1 and 2.5.2.

2. Section 27.1(E) of the Agreement is hereby amended as follows:

E. **Termination for Convenience:** In addition to the terminations for default listed above, at any time after the end of Contract Year 6, the City shall have an annual right to terminate this Agreement without cause at its discretion, such termination to be effective as of the first day of each Contract Year beginning with Contract Year 7, subject to the terms and conditions set forth below:

3. Section 27.1 (E)(2) of the Agreement is hereby amended as follows:

(2) No less than five (5) business days prior to the effective termination date, the CITY will pay GO RIO an amount equal to the fixed termination amounts as set forth below:

- i. If terminated at the end of Contract Year 6 then \$5,000,000.00
- ii. If terminated at the end of Contract Year 7, 8, or 9 then \$4,000,000.00

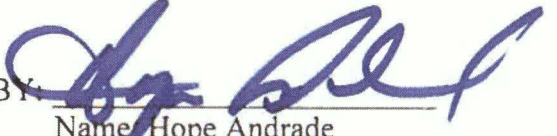
4. Ticket prices for River Barge Taxi Services are amended as shown in the table attached in Exhibit A which hereby replaces the Taxi Services table in the original Agreement. Director shall have authority to approve operational changes to the Taxi Service requirements for special operational times such as during the winter holidays. GO RIO commits to work with Director to develop and market a monthly local resident pass for Taxi Service with a price to be determined by mutual agreement.
5. All changes to the Agreement contained in this Amendment will be effective as of October 1, 2019.

ACCEPTED and AGREED TO in all things this ____ day of ____, 2019.

CITY OF SAN ANTONIO

GO RIO SAN ANTONIO, LLC

BY: _____
City Manager

BY: 
Name: Hope Andrade
Title: CEO

ATTEST:

APPROVED AS TO FORM:

City Attorney

EXHIBIT A

River Barge Taxi Service, price per ticket

	1 Day pass (Combination Museum Reach and Downtown)	3 Day Pass (Combination Museum Reach and Downtown)
10/1/17-9/30/18	\$16.00	\$25.00
10/1/18-9/30/19	\$16.00	\$25.00
10/1/19-9/30-20	\$19.50	\$28.50
10/1/20-9/30-21	\$19.50	\$28.50
10/1/21-9/30/22	\$19.50	\$28.50
10/1/22-9/30/23	\$20.50	\$29.50
10/1/23-9/30/24	\$20.50	\$29.50
10/1/24-9/30/25	\$21.50	\$30.50
10/1/25-9/30/26	\$21.50	\$30.50
10/1/26-9/30/27	\$21.50	\$30.50