



# City of San Antonio

## Agenda Memorandum

**File Number:** 15-5848

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**Agenda Item Number:** 20.

**Agenda Date:** 12/17/2015

**In Control:** City Council A Session

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**DEPARTMENT:** Aviation

**DEPARTMENT HEAD:** Frank Miller

**COUNCIL DISTRICTS IMPACTED:** Citywide

### **SUBJECT:**

Concession Agreement with Ready Credit Corporation at the San Antonio International Airport

### **SUMMARY:**

This Ordinance authorizes a two-year concession agreement with Ready Credit Corporation (Ready Credit) for a Cashless Kiosk in the ticketing lobby of Terminal B of the San Antonio International Airport (Airport). For airlines which do not accept cash at the ticketing counter for charges such as extra legroom, luggage fees or early boarding, passengers can use the kiosks to purchase a pre-paid card. The Minimum Annual Guaranteed Rent (MAG) is \$1,500.00.

### **BACKGROUND INFORMATION:**

Increasingly, airlines are becoming “cash-less” and requiring customers to pay for all purchases with a debit or credit card. While many passengers pay all fees and charges when they purchase their tickets, new charges, such as baggage fees or early boarding, may occur and often passengers only have cash. Some airlines would like to have a cashless ticketing counter and accept only debit or credit cards.

At airports across the United States, cashless kiosks, also known as return ATMs, are being installed. With these machines, passengers insert cash and are provided a prepaid card. The card, which bears a Visa or MasterCard logo, can then be used at the ticketing counter or at any retail operation that accepts debit cards.

Under the terms of the concession agreement, Ready Credit will install a Cashless Kiosk in the ticketing lobby of Terminal B. Additional kiosks may be added if needed.

**ISSUE:**

City Council authorization is required for concession agreements at the San Antonio International Airport.

**ALTERNATIVES:**

City Council could elect to not authorize this agreement. However, this agreement will provide a service for passengers who may be inconvenienced by airlines that do not accept cash.

**FISCAL IMPACT:**

The Minimum Annual Guarantee (MAG) will be \$1,500.00. Ready Credit will also pay Percentage Rent for those months in which the years-to-date Percentage Rent exceeds the year-to-date MAG. The Percentage Fee Rate is 10% of the transaction fee charged by Ready Credit.

**RECOMMENDATION:**

Staff recommends the authorization of a concession agreement with Ready Credit Corporation for a Cashless Kiosk in the ticketing lobby of Terminal B of the San Antonio International Airport.