

City of San Antonio

Legislation Details (With Text)

File #: 16-4293

Type: Miscellaneous Item

In control: City Council A Session

On agenda: 9/1/2016

Title: An Ordinance authorizing a concession agreement with Tricopian, LLC for FuelRod Kiosks to

dispense FuelRod kits for charging smartphones and tablets in the San Antonio International Airport.

[Carlos Contreras, Assistant City Manager; Noel T. Jones, Director, Aviation]

Sponsors:

Indexes: Aviation Concessions, Aviation Contract

Code sections:

Attachments: 1. Fuel Rod DCD, 2. Fuel Rod Form 1295, 3. Fuel-Rod Concession Agreement, 4. Concession

Agreement for FuelRod Council Presentation, 5. Draft Ordinance, 6. Ordinance 2016-09-01-0659

DateVer.Action ByActionResult9/1/20161City Council A SessionadoptedPass

DEPARTMENT: Aviation

DEPARTMENT HEAD: Noel T. Jones

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Concession Agreement for FuelRod Kits at the San Antonio International Airport

SUMMARY:

This Ordinance will authorize a concession agreement with Tricopian, LLC (FuelRod) for FuelRod Kiosks at the San Antonio International Airport. Initially, the firm will install six kiosks in the airport. FuelRod Kiosks provide travelers, at a cost, with a convenient portable charging alternative for their smartphones and tablets. FuelRod will pay the Aviation Department a percentage rent rate of 12% on its gross revenue and is expected to generate \$8,640.00 annually. The initial term is for one year with the option to renew for two one-year terms.

BACKGROUND INFORMATION:

FuelRod will install and maintain six kiosks in the San Antonio International Airport to dispense FuelRod kits and exchange individual FuelRods. Passengers will purchase a FuelRod kit at the kiosk which will include a fully charged "ready to go" FuelRod, a USB to Micro-USB cable and adaptors. The FuelRod charges a

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smartphone one time, and provides about a 30% charge for a tablet. Once used, the FuelRod can be recharged through the USB connection or could be exchanged at the Kiosk for a full-charged FuelRod.

FuelRod will provide the capital equipment, stock, installation and maintenance of the kiosks. The firm will also pay for the cost of running a new circuit where needed to provide an electrical outlet to a chosen location. The initial locations include:

- Terminal A: Three kiosks will be located post-security
- Terminal B: Two kiosks will be located post-security
- Terminal B: One Kiosk will be located pre-security in the baggage claim area.

The Aviation Director or his designee will have the authority to increase the number of kiosks or move the kiosks as needed.

ISSUE:

City Council authorization is required for concession agreements.

ALTERNATIVES:

City Council could elect to not approve the concession agreement for FuelRod kiosks at the airport. However, the kiosks provide passengers with an option to purchase a portable charging kit for their smartphone and tablet. The agreement is also expected to generate \$8,640.00 annually in non-airline revenue.

FISCAL IMPACT:

FuelRod will pay the Aviation Department a percentage rent rate of 12% on its gross revenue and is expected to generate \$8,640.00 annually which will be deposited into the Airport Operating and Maintenance Fund.

RECOMMENDATION:

Staff recommends City Council approve the concession agreement for FuelRod kiosks at the San Antonio International Airport.