



# City of San Antonio

## Agenda Memorandum

**File Number:**16-4293

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**Agenda Item Number:** 23.

**Agenda Date:** 9/1/2016

**In Control:** City Council A Session

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**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 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.