



City of San Antonio

Agenda Memorandum

File Number:18-3956

Agenda Item Number: 47.

Agenda Date: 6/21/2018

In Control: City Council A Session

DEPARTMENT: Office of Innovation

DEPARTMENT HEAD: Jose De La Cruz

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

Installation, Operation and Maintenance of Digital Community Kiosks at Mission San Jose, Mission Concepcion and various VIA locations throughout the city.

SUMMARY:

This item would authorize the City of San Antonio, through the Office of Innovation, to enter into a Memorandum of Agreement with the National Park Service and an Interlocal Agreement with VIA Metropolitan Transit for the installation, operation and maintenance of digital community kiosks at Mission San Jose, Mission Concepcion and various VIA locations throughout the city for the contract term with IKE Smart City.

BACKGROUND INFORMATION:

On December 14, 2017, the City Council approved a contract award, through Ordinance 2017-12-14-1017 to IKE Smart City for the installation, maintenance and operation of the digital community kiosks. This pilot program will install 30 digital community kiosks, at no cost to the City, throughout the City including some City Parks, World Heritage Missions, the San Antonio International Airport, the convention center, downtown and various VIA locations.

The kiosks will include hyper-local information on way finding, public transit, b-cycle, events, local businesses and park programs. In addition, the kiosks serve as Wi-Fi hotspots, have air quality and pedestrian sensors, and can provide emergency communications when needed. IKE kiosks are ADA accessible and can provide content in multiple languages. The content and design can be customized to each of the locations where the kiosks will be installed. Through coordination with VIA, the seven locations that were selected for the installation of the kiosks include: Centro Plaza, Five Points, Medical Center Transit Center, Kel-Lac Transit Center, Randolph Park & Ride, Ingram Transit Center, and Deco District - Mary Louise.

Six kiosk locations are on VIA owned property and the Deco District - Mary Louise location is in close proximity to VIA owned property, but because of the ability to secure power and needed infrastructure is located on City right of way. In addition, City staff coordinated with the National Park Service to identify two locations for the installation of kiosks at the visitor centers for Mission San Jose and Mission Concepcion.

The kiosks will be installed at no cost to the City, IKE Smart City will be responsible for the installation and maintenance of the Kiosks. Advertisement and content for the kiosks will be approved by the City, and through Ordinance 2017-12-14-1017 IKE Smart City is authorized to advertise off premises in accordance with Chapter 28, section 28-10 of the City's municipal code.

The City will receive 21.5% of the total net revenues or a minimum guaranteed amount and will share a portion of total net revenues with VIA for the seven identified kiosk locations after the City achieves the Minimum Annual Guarantee amount. The revenue share will include the following:

- a. For kiosks located on VIA owned property revenue shall be shared evenly between the City and VIA (50/50);
- b. For kiosks located in the City right of way to VIA owned facilities including, but not limited to, bus stops and shelters, such placement being mutually agreed on by the Parties, revenue shall be shared on a 60/40 split with the City receiving the larger share.

For the kiosks located at the World Heritage Missions, there will be no advertising done on the kiosks. This agreement will be in place for the duration of the City's agreement with IKE Smart City which is an initial contract term of five years with an option to renew for up to four additional one-year periods. Anticipated installation for the kiosks will begin in September 2018.

ISSUE:

This item would authorize the City of San Antonio, through the Office of Innovation, to enter into an Interlocal Agreement with VIA Metropolitan Transit for the installation, operation and maintenance of seven digital kiosks at VIA transit centers and bus stops throughout the city for the duration of the City of San Antonio agreement with IKE Smart City, LLC which is an initial term of five years with the option to renew for up to four additional one-year periods.

ALTERNATIVES:

Should this item not be approved, Innovation will work with IKE Smart City to find alternative locations for these kiosks.

FISCAL IMPACT:

As part of the initial contract with IKE Smart City, the City will receive 21.5% of the total net revenues or a minimum guaranteed amount and will share a portion of total net revenues with VIA for these seven kiosks after the City achieves the Minimum Annual Guarantee amount. The revenue share will include the following:

- a. For kiosks located on VIA owned property revenue shall be shared evenly between the City and VIA (50/50);
- b. For kiosks located in the City right of way to VIA owned facilities including, but not limited to, bus stops and shelters, such placement being mutually agreed on by the Parties, revenue shall be shared on a 60/40 split with the City receiving the larger share.

The table below shows projected revenue for the initial five years of the agreement, these numbers will vary based on actual advertising revenue generated by the Kiosks.

| | COSA / VIA Digital Kiosk Revenue | |
|----------------------|--|---------------------------------------|
| Contract Year | Total COSA Revenue (7 Kiosks) | Total VIA Revenue (Kiosks) |
| Year 1 | \$4,759 | \$4,495 |
| Year 2 | \$9,091 | \$8,108 |
| Year 3 | \$16,427 | \$14,651 |
| Year 4 | \$17,741 | \$15,823 |
| Year 5 | \$19,100 | \$17,035 |

RECOMMENDATION:

Staff recommends approval of this Memorandum of Agreement with the National Park Service and the Interlocal Agreement with VIA Metropolitan Transit at Mission San Jose, Mission Concepcion and various VIA locations throughout the city for the contract term with IKE Smart City.