



# City of San Antonio

## Agenda Memorandum

**File Number:**14-1365

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**Agenda Item Number:** 6.

**Agenda Date:** 6/19/2014

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

Amendment to Consolidate Automated Teller Machine Services

**SUMMARY:**

This Ordinance approves an amendment to the Automated Teller Machine (ATM) Service Contract between Cardtronics and the City of San Antonio. With this amendment, Cardtronics will provide a total of 19 ATMs to be located throughout the City and will generate approximately \$108,709 in total revenues, of which, an estimated \$67,400 will be deposited in the General Fund and estimated \$41,309 will be deposited in the Hotel Occupancy Tax (HOT) Fund revenues annually.

**BACKGROUND INFORMATION:**

The City of San Antonio currently has contracts with two vendors, Generations Federal Credit Union (GFCU) and Cardtronics, to provide ATM services in the City. GFCU operates 15 ATMs at various locations City-wide, such as Municipal Court, Market Square and the Convention Center. Cardtronics operates 10 ATMs at the Alamodome.

In 2008, the City of San Antonio entered into an agreement with GFCU to provide ATMs at City-wide locations, with the intention to consolidate these ATMs with Airport and Alamodome ATMs under one contract in the future.

On June 24, 2013, the City of San Antonio was sent notice from GFCU requesting to opt out of the five year renewal period and have all existing ATM's uninstalled by September 30, 2013. With this notice, the City of San Antonio negotiated a contract extension with GFCU through July 31, 2014 to allow for a solicitation process to be conducted.

A Request for Proposal (RFP) was released on December 20, 2013. The City of San Antonio received one proposal from National Link, Inc. which lacked required information such as the Small Business Economic Development Advocacy Subcontractor / Supplier Utilization Plan form, Local Preference Program Identification form, Insurance Provider letter, and financial information. The response could not be adequately evaluated and the City cancelled the RFP.

#### **ISSUE:**

The City of San Antonio negotiated an amendment to the contract with Cardtronics in order to ensure continued ATM services are provided at key locations throughout the City and to facilitate consolidation of the locations under one contract. The amendment will provide ATM services at the following nine locations listed below under a five year term. The transaction fee will be \$2.75, with \$1.50 per transaction paid to the City.

1. Henry B. Gonzalez Convention Center - 200 East Market (wall inset unit facing Market);
2. Henry B. Gonzalez Convention Center -200 East Market (Lila Cockrell Theater, standing kiosk);
3. Market Square - 514 West Commerce (wall inset unit);
4. One Stop Service Center - 1901 South Alamo (standing kiosk);
5. Police Headquarters - 315 Santa Rosa(standing kiosk);
6. Riverview Towers - 111 Soledad, Suite 400 (standing kiosk);
7. Municipal Court - 401 S Frio (standing kiosk)
8. Farmer's Market Plaza - 612 W. Commerce (standing kiosk); and
9. Farmer's Market Plaza - 612 W. Commerce (inside, standing kiosk).

With these 9 locations, there will be a total of 19 ATMs located throughout the City under the Cardtronics contract. The Local Preference Program does not apply to this contract since it was solicited prior to May 1, 2013, the effective date of the program.

The Veteran-Owned Small Business Preference Program does not apply to this contract since it was solicited prior to January 15, 2014, the effective date of the program.

#### **ALTERNATIVES:**

The alternatives to authorizing this amendment are to eliminate ATM services at the above nine locations or re-solicit the RFP.

#### **FISCAL IMPACT:**

This ordinance approves an amendment to the Automated Teller Machine (ATM) Service Contract between Cardtronics and Convention and Sports Facilities. With this amendment, the contract is expected to generate approximately \$108,709 in total revenues, of which, an estimated \$67,400 will be deposited in the General Fund and \$41,309 will be deposited in the Hotel Occupancy Tax (HOT) Fund revenues annually.

#### **RECOMMENDATION:**

Staff recommends the approval of this ordinance authorizing an amendment to the existing ATM contract with Cardtronics for the additional nine locations listed above.