



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 29

**Agenda Date:** August 31, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Aviation Department

**DEPARTMENT HEAD:** Jesus H. Saenz Jr.

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

Concession Agreement for Cashless Kiosks At the San Antonio International Airport

**SUMMARY:**

This Ordinance authorizes a concession agreement with Ready Credit Corporation for three cashless kiosks at the San Antonio International Airport for an initial term of three years with the option to renew for two additional one-year term. These specialized kiosks allow users to convert cash into a credit card for vendors (such as airlines) that do not accept cash for the purchase of airline tickets or purchases on the airplane. The agreement will generate a minimum annual guarantee in the amount of \$4,500.00 which will be deposited into the Airport Operating and Maintenance Fund.

**BACKGROUND INFORMATION:**

At airports across the United States, cashless kiosks, also known as return ATMs, have become an expected passenger amenity; the San Antonio International Airport has had cashless kiosks since 2016. With the machines, passengers insert cash and are provided a prepaid credit card which can then be used at an airline ticketing counter, on an airplane or at any retail operation that accepts debit cards. Cashless kiosks are located at airports, sporting/music venues and other retail centers throughout the United States.

As part of the concession agreement, Ready Credit Corporation will install three kiosks throughout the San Antonio International Airport. Users of the service will pay a transaction fee of which the Airport will receive 10%.

#### **ISSUE:**

This Ordinance authorizes a concession agreement with Ready Credit Corporation for three cashless kiosks at the San Antonio International Airport for an initial term of three years with the option to renew for two additional one-year terms. These specialized kiosks allow users to convert cash into a credit card for vendors (such as airlines) that do not accept cash for the purchase of airline tickets or purchases on the airplane. The agreement will generate a minimum annual guarantee in the amount of \$4,500.00 which will be deposited into the Airport Operating and Maintenance Fund.

City Council authorization is required for all concession agreements with terms over six months.

#### **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:**

This ordinance authorizes a concession agreement with Ready Credit Corporation for three cashless kiosks at the San Antonio International Airport for the conversion of cash into a credit card as a passenger convenience for an initial term of three years with the option to renew for two additional one-year terms. Ready Credit will pay the Aviation Department the greater of (a) the minimum annual guarantee of \$4,500.00 or (b) the 10% percentage rent. Revenue generated will be deposited into the Airport Operating and Maintenance Fund.

#### **RECOMMENDATION:**

Staff recommends the approval of the concession agreement with Ready Credit Corporation at the San Antonio International Airport.