

LB
12/18/03
Item #59

AN ORDINANCE **98634**

AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXECUTE AN EXTENSION AGREEMENT AND SECOND AMENDMENT TO THE LICENSED USER AGREEMENT WITH TICKETMASTER, L.L.C. FOR TICKETING SERVICES AT THE ALAMODOME, MUNICIPAL AUDITORIUM AND LILA COCKRELL THEATRE IN ORDER TO EXERCISE A TWO-YEAR RENEWAL OPTION OF THE AGREEMENT, AUTHORIZED BY ORDINANCE NO. 89413, PASSED ON MARCH 11, 1999, FOR A TERM BEGINNING ON JANUARY 1, 2004 AND ENDING ON DECEMBER 31, 2005, AND TO AMEND THE TERMS AND CONDITIONS OF THE AGREEMENT BY ELIMINATING CHARGES PAYABLE BY THE CITY, ADJUSTING THE ROYALTY SCHEDULE PAYABLE TO THE CITY, AND PROVIDING FOR AN ADDITIONAL THREE (3)-YEAR RENEWAL OPTION, SUBJECT TO CITY COUNCIL APPROVAL.

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WHEREAS, on May 11, 1995, by the passage of Ordinance No. 82206, City Council authorized a three (3) year Licensed User Agreement ("Agreement"), with a three(3)-year renewal option, with Ticketmaster, L.L.C. ("Ticketmaster") to provide ticketing services for the Lila Cockrell Theatre and the Municipal Auditorium, both of which are operated by the Convention Facilities Department, and for the Alamodome; and

WHEREAS, the Agreement was amended by the passage of Ordinance No. 89413 on March 11, 1999, to extend the term for a period of five (5) years and to provide for automatic successive two(2)-year extensions; and

WHEREAS, under the Agreement, Ticketmaster provides specialized equipment and software to the Alamodome and its affiliated outlets to sell tickets for events at these City venues and provides a phone center and internet site from which to purchase tickets online by credit card; and

WHEREAS, Ticketmaster currently charges the City \$0.05 per ticket printed at City venues, \$0.15 per ticket sold at outlets, and 2.5% to 2.866% of the total purchase amount for all credit card charges made through phone and internet sales and under the proposed Extension Agreement and Second Amendment to the Licensed User Agreement ("Second Amendment") all such charges to the City will be eliminated; and

WHEREAS, under the proposed Second Amendment, the convenience charge charged to the customer will increase to a minimum of \$3.75 on phone, internet and outlet sales and

the range of royalty revenues payable to the City will increase to \$0.20 to \$1.55 per ticket based on the type of event and the ticket price range; **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The terms and conditions of an Extension Agreement and Second Amendment to the Licensed User Agreement with Ticketmaster, L.L.C. for ticketing services at the Alamodome, Municipal Auditorium and Lila Cockrell Theatre which exercises a two(2)-year renewal option for a term beginning on January 1, 2004 and ending on December 31, 2005, and amends the terms and conditions of the original Licensed User Agreement by eliminating charges payable by the City, adjusting the royalty schedule payable to the City, and providing for one (1) three(3)-year renewal option, subject to City Council approval, are hereby authorized and approved.

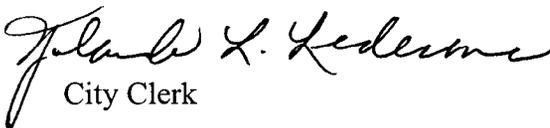
SECTION 2. The City Manager, or her designee, is authorized for a sixty(60)-day period following the effective date of this Ordinance to execute an Extension Agreement and Second Amendment to the Licensed User Agreement with Ticketmaster, L.L.C. A copy of said an Extension Agreement and Second Amendment to the Licensed User Agreement, in substantially final form, is attached hereto and incorporated herein as Exhibit I.

SECTION 3. The proceeds of this Agreement shall be deposited into Fund 29-006 entitled "Miscellaneous Special Revenue," Index Code 049155, entitled, "Box Office Revenue."

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance of the City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific index codes and fund numbers as necessary to carry out the purposes of this Ordinance.

SECTION 5. This Ordinance shall be effective on and after the tenth day after passage hereof.

PASSED AND APPROVED this 18th day of December, 2003.

ATTEST: 
City Clerk


M A Y O R
EDWARD D. GARZA

APPROVED AS TO FORM: 
for City Attorney