

AN ORDINANCE **99440**

**AUTHORIZING THE EXECUTION OF STANDARD CONCESSION AGREEMENTS WITH LORNA J. SMITH D/B/A SHANNON SMITH ENTERPRISES FOR THE USE OF APPROXIMATELY 200 SQUARE FEET OF RETAIL SPACE IN SAN ANTONIO INTERNATIONAL AIRPORT, TERMINAL ONE, AND WITH RELIABLE AMUSEMENT COMPANY, INC. D/B/A THE LANDING ZONE FOR THE USE OF APPROXIMATELY 250 SQUARE FEET OF RETAIL SPACE IN SAN ANTONIO INTERNATIONAL AIRPORT, TERMINAL TWO, FOR TERMS OF FIVE (5) YEARS AND PROVIDING FOR ANNUAL PAYMENTS TO THE CITY OF SAN ANTONIO OF THE GREATER OF TWELVE PERCENT (12%) TO TWENTY-EIGHT PERCENT (28%) OF GROSS REVENUES, OR MINIMUM ANNUAL GUARANTEE PAYMENTS BETWEEN \$2,800.00 AND \$7,000.00.**

\* \* \* \* \*

**WHEREAS**, Ordinance 95351, passed and approved by City Council on February 21, 2002, awarded both Lorna J. Smith and Reliable Amusement Company concession contracts for a space in Terminal One and Terminal Two; and

**WHEREAS**, changes in security, unsuitable locations and the lack of any suitable alternative locations in Terminal One delayed the execution of the Concession agreements beyond the 180 day period for execution by all parties as provided by the City Ordinance; and

**WHEREAS**, as provided by the pending new Concession Agreements, Lorna J. Smith d/b/a Shannon Smith Enterprises will now be located in Space 122 in Terminal One, and Reliable Amusement Company will be located in Space 269 in Terminal One; and

**WHEREAS**, it is now necessary to execute the San Antonio International Airport Standard Concession Agreements with this firm; **NOW THEREFORE**:

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

**SECTION 1.** The City Manager or her designee is hereby authorized to execute the San Antonio International Airport Standard Concession Agreements with Lorna J. Smith d/b/a Shannon Smith Enterprises and Reliable Amusement Company, Inc. d/b/a The Landing Zone, copies of which are attached hereto and incorporated by reference for all purposes as Attachments 1 and 2.

**SECTION 2.** In the event San Antonio International Airport Standard Concession Agreements for operation of concessions by the selected firms, copies of which are attached hereto in substantial form and incorporated by reference herein, are not signed by all parties thereto, within one hundred eighty (180) days from the date of this Ordinance, then those remaining unsigned shall become null and void, and any further signed documents must again be considered by City Council.

**SECTION 3.** If within the next one hundred eighty (180) days, any of the San Antonio International Airport Standard Concession Agreements are signed by the selected and recommended concessionaires, in substantially the same form and content as the Standard Concession Agreement, the City Manager or her designee is hereby authorized to execute such Concession Agreement, without further City Council action. Should the Concessionaire sign a Concession Agreement that varies substantially from the form and content of the attached Standard Concession Agreement, then such varied Concession Agreements must be subsequently considered and approved by City Council.

**SECTION 4.** The Standard Concession Agreement with Lorna J. Smith d/b/a Shannon Smith Enterprises provides for a shoeshine operation in Terminal One, Space 122, for five (5) years. The Concessionaire will pay the City the greater of twelve percent (12%) of gross sales or a Minimum Annual Guarantee of seven thousand dollars (\$7,000.00) during the first full year of operation and a Total Minimum Guarantee of thirty-five thousand dollars (\$35,000.00) over the life of the Agreement.

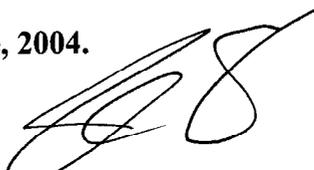
**SECTION 5.** The Standard Concession Agreement with Reliable Amusement Company provides for a game room operation in Terminal One, Space 269, for five (5) years. The Concessionaire will pay the City the greater of twenty-eight percent (28%) of gross sales or a Minimum Annual Guarantee of twenty-eight hundred dollars (\$2,800.00) during the first full year of operation and a Total Minimum Guarantee of fourteen thousand dollars (\$14,000.00) over the life of this Agreement.

**SECTION 6.** 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 purpose of this Ordinance.

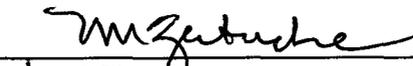
**SECTION 7.** The proceeds of the Agreement shall be deposited into Fund No. 51-001 entitled "Airports Funds," Index Code 070268 entitled "Shannon Smith-Shoe Shine" and Index Code 070292 entitled "Reliable-Landing Zone ."

**SECTION 8.** This Ordinance shall be effective on and after the tenth (10<sup>th</sup>) day after passage hereof.

**PASSED AND APPROVED THIS 24th DAY OF June, 2004.**

  
for **M A Y O R**  
**EDWARD D. GARZA**

**ATTEST:**   
\_\_\_\_\_  
City Clerk

**APPROVED AS TO FORM:**   
\_\_\_\_\_  
for City Attorney