



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:
District B, District I
Item Creation Date: 7/7/2017

HAS - Concessions Agreement with ICE International Currency Services USA for Foreign Currency Exchange and Passenger Amenities

Agenda Item#:

Background:

A Request for Proposal (RFP) for a Foreign Currency and Passenger Amenities concession at George Bush Intercontinental Airport/Houston (IAH) and William P. Hobby Airport (HOU) was advertised in December 2016.

Proposals were received from two respondents: Lenlyn Ltd dba ICE International Currency Services USA and World Wide Insurance and Business Services, Inc. dba World Wide Money Exchange. The evaluation committee, consisting of HAS staff, evaluated and ranked the proposals based on Customer Service Plan and Proposed Passenger Amenities, Management and Operations Plan, Background and Experience, and Compensation to City. ACDBE Compliance and Financial Capabilities were pass/fail. Lenlyn Ltd dba ICE International Currency Services USA was selected as the best respondent.

The pertinent terms and conditions of the agreement are as follows:

Scope of Service

Concessionaire will develop and operate a Foreign Currency Exchange and Passenger Amenities Concession program at IAH and HOU. Passenger Amenities include services such as Baggage Wrap Services, Portable Cell Charging Services, and Napping Stations.

Financial Terms

Concessionaire will pay the City concession fees equal to the greater of a percentage of gross revenues or a Minimum Annual Guarantee (MAG).

The applicable percentages of gross revenues are as follows:

- Foreign Currency Exchange Services – 25%
- Phone/Communication Services – 20%
- Texas State Lottery – 20%
- Other Services – 20%
- Baggage Wrap Services – 20%
- Portable Cell Charging Services – 15%
- Napping Stations – 15%

The MAG shall be \$200,000 for the first year and, thereafter, 85% of the actual rent paid to the City during the preceding 12-month period.

Capital Investment

Concessionaire shall expend a minimum capital investment of \$200.00 per square foot for each currency kiosk location (to include improvements such as build out, fixtures, furnishings and equipment).

ACDBE Goal

The Office of Business Opportunity has established a 35% Airport Concession Disadvantaged Business Enterprise (ACDBE) participation goal for this concession. The Concessionaire has proposed a 36.00% participation goal through a joint venture with three firms: Airport Currency Exchange, Homyn Enterprises Corp dba Secure Wrap, and FuelRod.

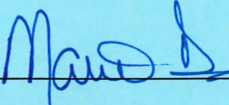
Term

The term of the agreement will be five (5) years from the Effective Date.

Other

Contractor agrees to comply with all rules and regulations of the airport, TSA, and/or the FAA, and with all federal, state and local statutes, ordinances, regulations, and policies.

Director's Signature:



Mario C. Diaz
Houston Airport System

Andy Icken
Chief Development Officer

Prior Council Action:

N/A

Amount of Funding:

Revenue - \$3,175,000 (Approximately \$635,000 annually) - HAS Revenue Fund (8001)

Contact Information:

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