



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:
District B, District I
Item Creation Date: 9/18/2019

HAS - Concession Agreement with Alclear, LLC at IAH and HOU

Agenda Item#:

Background:

RECOMMENDATION:

Enact an ordinance approving and authorizing a concession agreement with Alclear, LLC for expedited check point clearance services at George Bush Intercontinental Airport/Houston (IAH) and William P. Hobby Airport (HOU).

SPECIFIC EXPLANATION:

In July 2013, City Council approved a concession agreement with Alclear, LLC for expedited check point clearance services at IAH and HOU. The extension options were exercised by the City, and the agreement entered holdover status on July 24, 2018.

Alclear has been determined to be the sole-source provider for expedited check point/biometric identity verification service for airline passenger service. Therefore, a Request for Proposal process was not required as determined by the Strategic Procurement Division.

The scope and pertinent terms of this concession agreement ("Agreement") are as follows:

1. **Scope:** Alclear will operate an expedited check point clearance services concession at HOU and at IAH, in Terminal A, and other authorized areas as may be approved by the Director in the future. Space is provided in areas preceding TSA checkpoints for queuing and equipment positioning. Office/administrative space is provided as part of the consideration for service.
2. **Term:** Term shall be five (5) years from effective date, being the first day of the month following the date of City Controller's countersignature. The agreement may be extended for up to two one-year option periods.
3. **Rent:** Alclear will pay the City concession fees equal to 12.5% of gross revenues. Should Alclear agree to a higher revenue share with another airport, the percentage fee under this agreement will automatically increase to ensure the City has no less favorable terms.
4. **Investment:** Alclear will furnish and install all required equipment and fixtures and hire/train all necessary personnel required to perform the service.
5. **ACDBE Goal:** The Office of Business Opportunity established a 12% Airport Concessions Disadvantage Business Enterprise (ACDBE) participation goal based upon operational expenses (not including personnel costs), which Alclear will meet through certified vendors supplying repair and equipment installation services. The following business entities will be contracted to achieve the goal:
 - Gonzales South Texas Commercial Electrical Corporation
 - Daystar Services
 - Reliant Business Products, Inc.
 - Houtex Business Products
 - Diversified Chemical and Supply, Inc.
6. **Other:** Alclear shall provide insurance, indemnification, and performance security as required in the Agreement and shall comply with all federal, state, and local laws and regulations.

Fiscal Note:

Funding for this item is included in the FY2020 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

Director's Signature:

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DocuSigned by:

Mario Diaz

Mario C. Diaz
Houston Airport System

Prior Council Action:

N/A

Amount of Funding:

REVENUE
HAS Revenue Fund
Fund 8001

Contact Information:

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