



## **AGENDA MEMORANDUM**

First Reading Ordinance for the City Council Meeting of April 26, 2016  
Second Reading Ordinance for the City Council Meeting of May 10, 2016

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**DATE:** March 31, 2016  
**TO:** Ronald L. Olson, City Manager  
**FROM:** Fred Segundo, Director of Aviation  
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Authorize concession agreement with Mr. Carl Walker, owner of Whatchamacaller's Place, for a shoe shine service at Corpus Christi International Airport.

### **CAPTION:**

Ordinance authorizing the City Manager or designee to execute a concession and lease agreement with Carl Walker DBA Whatchamacaller's Place for shoe shine services at Corpus Christi International Airport for a period of 12 months.

### **PURPOSE:**

In the continuing effort to provide an exceptional service experience for passengers/customers at Corpus Christi International Airport (CCIA), Airport Staff is recommending an agreement for shoe shine services.

### **BACKGROUND AND FINDINGS:**

Mr. Carl Walker, owner and operator of Whatchamacaller's Place, approached CCIA with a proposal to operate a shoeshine stand at the airport. Mr. Walker is retired from a lawn care business that he owned and operated for 13 years in Corpus Christi. His experience in the shoe care business dates back to 1957 in downtown Corpus Christi when he first shined shoes at the Ritz News Stand which was located right next to the Ritz Theatre. The proposed Concession Agreement is for one year so that Mr. Walker and CCIA can determine the level of demand for these services. For the first six months of the agreement, Mr. Walker will pay 5% of his gross revenues to the airport as "rent" for the space he will use. After a 6-month review of his business to date, we will establish a minimum annual guarantee (MAG) that will be in place for the remainder of the term. For the last six months of the agreement, Mr. Walker will pay the airport the 5% or the established MAG, whichever is greater. The revenue generated from this concession is projected to be minimal but the primary intent is to provide an additional service to Airport customers.

The shoeshine stand will be located on the first floor of the terminal.

### **ALTERNATIVES:**

No viable alternative exists.

### **OTHER CONSIDERATIONS:**

N/A

**EMERGENCY / NON-EMERGENCY:**

Non-Emergency

**DEPARTMENTAL CLEARANCES:**

Legal  
Financial Services  
Management and Budget

**FINANCIAL IMPACT:**

☐ Operating      ☒ Revenue      ☐ Capital      ☐ Not applicable

<b>Fiscal Year: 2015-16</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$8,404,296		\$8,404,296
Encumbered / Expended Amount		0		0
This item ( <i>additional revenue</i> )		200		200
BALANCE		\$8,404,496		\$8,404,496

Fund(s): Airport Fund

**Comments:** None

**RECOMMENDATION:**

The Airport Board and Airport Staff recommend approval of the agreement.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance  
Concession Agreement  
Form 1295, Texas Ethics Commission