



# City of Kansas City, Missouri

## Docket Memo

Ordinance/Resolution #

Submitted Department/Preparer: Aviation

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

### Executive Summary

Authorizing a Concession Agreement with Smarte Carte, Inc., Contract No. 6222090042 to provide automated luggage cart services at Kansas City International Airport; estimating revenue in the amount of \$450.00 in the Aviation Fund.

### Discussion

Authorizing a five (5) year Concession Agreement, March 1, 2023 through February 29, 2028 with Smarte Carte, Inc. to provide four (4) automated luggage cart machines in the pre-security baggage claim arrival area, and one (1) in the international baggage claim arrival area of the single terminal at Kansas City International Airport. All costs associated with operating and installing the automated luggage cart machines are solely paid for by Smarte Carte, Inc.

Smarte Carte will pay a Concession Fee of either five (5%) of the monthly gross cart rent revenue, or a Minimum Monthly Fee Of \$166.67, the greater of to be deposited in the Aviation Department's General Fund – Terminal Concessions (Other), 8300-620000-470663.

Smarte Cart projects luggage cart rental transactions will average approximately \$2,700 annually over the five-year term in the single terminal facility. Luggage cart rental fees are not to exceed \$7.00 per transaction.

The solicitation was advertised on the City's website October 20, 2022 and the RFP Deadline was 5:00PM on Tuesday, November 22, 2022.

RFP packets were sent to the following ten organizations:

Flight Services and Systems; Espresso Luggage Carts, Global APS USA; WANZL N.A.; Bagport; UFL; Cheersmetal; Carttec; Belclaire Carts; Smarte Carte

One proposal was received before the November 22nd as follows:

Smarte Carte, Inc.:

Commission 5% / MAG \$2,000 / Luggage Cart Rental Fee - \$7.00 /

Total Capital Investment of \$108,000



# City of Kansas City, Missouri

## Docket Memo

A selection committee consisting of Aviation Deputy Director Melissa Cooper, Assistant Director Pete Fullerton, Councilwoman Melissa Robinson, and Mario Vasquez representing the City Manager’s Office recommended to award this concession contract to Smarte Carte, Inc. on December 16, 2022.

### Fiscal Impact

1. Is this legislation included in the adopted budget?  Yes  No

2. What is the funding source?

This legislation creates a revenue stream, and those earnings will be deposited into the following account. It will be listed in this section for future reference.

Terminal Concessions (Other) 8300-620000-470663

3. How does the legislation affect the current fiscal year?

Legislation will create an estimated revenue of \$450 for the remainder of FY 23.

4. Does the legislation have fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

Legislation will create an estimated revenue of \$2,700 annually.

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?

Legislation will create an estimated revenue of \$2,700 annually.

### Office of Management and Budget Review

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund.  Yes  No

2. This fund has a structural imbalance.  Yes  No

### Additional Discussion (if needed)

Click or tap here to enter text.

### Citywide Business Plan (CWBP) Impact



# City of Kansas City, Missouri

## Docket Memo

View the [FY23 Citywide Business Plan](#)

Which CWBP goal is most impacted by this legislation?

Infrastructure and Accessibility (Press tab after selecting.)

Which objectives are impacted by this legislation (select all that apply):

- Enhance the City's connectivity, resiliency, and equity through a safe, efficient, convenient, inclusive, accessible, sustainable and better connected multi-modal transportation system
- Develop environmentally sound and sustainable infrastructure strategies that improve quality of life and foster economic growth
- Increase and support local workforce development and minority, women, and locally-owned businesses
- Engage in efforts to strategically invest in the City's infrastructure and explore emerging technologies
- 
- 

### Prior Legislation

Ordinance #130121 with Smarte carte, Inc.; March 18, 2013 – February 28, 2019

### Service Level Impacts

This Contract supports the Aviation Department's goal to maximize use of all assets while providing efficient and satisfactory services and facilities for passengers and visitors.

### Other Impacts

1. What will be the potential health impacts to any affected groups?

There are no known potential health impacts to any affected group.

2. How have those groups been engaged and involved in the development of this ordinance?

N/A

3. How does this legislation contribute to a sustainable Kansas City?



# City of Kansas City, Missouri

## Docket Memo

This Concession Agreement supports our goal to utilize assets to maximize revenue while providing customer services for passengers and visitors.

4. Does the ordinance/resolution include Civil Rights antidiscrimination requirements in compliance with the Code of Ordinances (Chapter 38, titled "Civil Rights")?

Yes.

5. Has the ordinance/resolution been submitted for review of economic equity & inclusion requirements in compliance with the Code of Ordinances (Chapter 3, titled "Contracts and Leases")?

On October 11, 2022, CREO approved "no goals" for this proprietary installation and revenue generation project that has no subcontract opportunities.

**CONTRACTOR:** Smarte Carte, Inc.  
Address: 4455 White Bear Parkway  
St. Paul, MN 55110  
Contract # 6222090042 – Automated Luggage Cart  
Services at Kansas City International Airport  
Contract Amount: Revenue Generating  
MBE Goal No subcontracting opportunities  
WBE Goal: No subcontracting opportunities

**Comments:**

No goals were set on this project due to proprietary equipment installation with no subcontracting opportunities.

This document is submitted with all available facts. Intentionally falsifying this document or omitting pertinent facts is grounds for disciplinary action pursuant to KCMO Human Resources Rules & Policy Manual (eff. August 4, 2014).

**Civil Rights & Equal Opportunity Department  
Economic Equity & Inclusion  
Contract Goals Request**

**Date: October 7, 2022  
Form Prepared By: Steve Skorepa**

Contract/Project Number: 6222090042	Project Name: Automated Luggage Cart Services Program at KCI
Owning Department: Aviation	Project Manager: Steve Skorepa
Funding: <input type="checkbox"/> City <input type="checkbox"/> State <input type="checkbox"/> Federal <input type="checkbox"/> CO-OP <input type="checkbox"/> Grant: <input checked="" type="checkbox"/> Other: Revenue Generating Project Requirements: <input type="checkbox"/> M/WBE <input type="checkbox"/> DBE <input type="checkbox"/> Section 3 <input checked="" type="checkbox"/> N/A Tax Incentive: <input type="checkbox"/> LCRA <input type="checkbox"/> TIF <input type="checkbox"/> PIEA <input checked="" type="checkbox"/> N/A <input type="checkbox"/> Other: Prevailing Wage: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Davis-Bacon: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Presenting to Council <sup>1</sup> : <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Construction Employment Program: <input type="checkbox"/> Yes: Workforce employment goals are 10% minority hours & 2% female hours. This project is estimated at over 800 work hours and over \$300,000 <input checked="" type="checkbox"/> No: This project is estimated at less than \$300,000 and no more than 800 work hours.	
Estimated Number of Project Days: 5 years	Anticipated Solicitation Date: October 2022

Note: Click the box to select

**Contract Type:**

Construction  Design-Build  Design Professional  Professional Services  
 General Service  Concession  Other Goods & Services  Non-Municipal Agency  
 Co-Operative  Revenue Sharing  Facilities Maintenance/Repair/Renovation  
 Other: Lease

**Description of Work:**  
 Request for Proposals to provide automated (self-service) luggage cart services within the Arrivals Level - Baggage Claim area, both domestic and international, and other areas as the Director may determine as essential and beneficial, for the new single terminal building at Kansas City International Airport. This agreement provides dispensing equipment and luggage carts at "no cost" to City as well as a nominal revenue. It would also permit the concessionaire to place advertisement on its carts for additional revenue, if agreed to by the City. Previous luggage carts concession agreements have not had any DBE goals, nor were any MBE/WBE or SLBE goals assigned. Past Net Revenues earned: 2013 - \$7,614 / 2014 - \$8,266 / 2015 - \$8,269 / 2016 - \$8,251 / 2017 - \$8,529 / 2018 - \$8,758 / 2019 - \$7,752 / 2020 - \$3,858 / 2021 - \$6,299 / 2022 (to date) -\$4,870

This is a revenue generating passenger service concessions lease with no expense to City. Concessionaire shall pay to the City a Monthly Concession Fee based upon an agreed percentage (previously 14.5%) of the total gross advertising revenues received by the concessionaire, and as well provide an important and useful amenity/service to the traveling public.

Provided with this Goals Request are the proposed Automated Luggage Cart Services Program RFP #6222090042, including the Draft Concession Agreement, and a copy of the previous Smarte Carte, Inc. Concession Agreement #6212090163, dated March 1, 2013.

There is not an attached "Estimated Cost Breakdown" as this is a revenue generating concession.

Pursuant to RSMo. Section 610.021(11) & (12) documents related to bids will not be made available until bids are completed.

**FOR GENERAL SERVICES DEPARTMENT (PROCUREMENT) USE ONLY:**

Reviewed CREO Annual Goal Manual?  Yes  No

Waiver being applied?  Yes  No Type: \_\_\_\_\_

According to CREO Annual Goal Manual, the Goals for this project are:

_____ % MBE	_____ % WBE	_____ % DBE
-------------	-------------	-------------

Electronic Record?  Yes  No

GSD Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**FOR CIVIL RIGHTS & EQUAL OPPORTUNITY DEPARTMENT (CREO) USE ONLY:**

Reviewed CREO Annual Goal Manual?  Yes  No  N/A

The following Goals are approved for this Project:

_____ % MBE	_____ % WBE	_____ % DBE
-------------	-------------	-------------

No Goals are set for this Project:  Waiver Approved  Waiver Denied

Reason for Waiver: subcontract opportunities

Electronic Record?  Yes  No

CREO Signature: Steve Skorepa Date: 10/11/2022



<sup>1</sup> Contractor Utilization Plan (CUP) MUST be submitted to CREO prior to being posted on docket for review & approval from Council.  
 CREO 01 EEI Contract Goals Request REV. 7-8-2022