

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: May 9, 2011
	<p>Agenda Item No. 37</p> <p>Roll Call No. <u>11-803</u></p> <p>Communication No. <u>11-275</u></p> <p>Submitted by: Donald L. Smithey Aviation Director</p>

AGENDA HEADING:

Approve the First Amendment to the IN-TER-SPACE Services Inc. Advertising Concession Agreement for Des Moines International Airport.

SYNOPSIS:

On May 7, 2007, by Roll Call No. 07-880 the City Council approved a five year contract with IN-TER-SPACE Services allowing them to market the advertising space available in the terminal. The agreement has one five-year extension which may be exercised by mutual agreement.

The Airport recently completed a remodel of the eleven hold rooms in Concourses A and C. Part of the remodel was to install 52” monitors in each hold room. The monitors are split into three screens with news on one portion of the monitor and weather shown on the other. At the bottom of the monitor is a 4” scrolling banner that was established for the placement of advertisements.

The Airport conducted a pilot program to measure the interest of surrounding businesses in advertising on the 4” banner. Some interest was demonstrated and as required per the Advertising Concession Agreement, Airport staff offered the space to IN-TER-SPACE Services. However, compensation is not addressed in the current agreement and an amendment was necessary to move forward.

The First Amendment to the Advertising Concession Agreement provides the space discussed, and sets the LCD Percentage Fee paid to the Airport at 43% of the gross revenue derived from the sale of advertising on the Airport owned LCD monitors.

FISCAL IMPACT:

Amount: The Airport will receive 43% of the gross revenues derived from the sale of advertising on the Airport owned LCD monitors.

Funding Source:

ADDITIONAL INFORMATION:

IN-TER-SPACE Services Inc. dba Clear Channel Airports has managed an advertising program at the Airport for four years. This amendment simply provides access to and compensations levels for advertising on the 52” monitors in each hold room at the Airport.

PREVIOUS COUNCIL ACTION(S):

Date: May 7, 2007

Roll Call No: 07-880

Action: [Advertising](#) Concession Agreement with In-tar-space Services Inc. d/b/a Interspaced Airport Advertising for advertising and display services at the Des Moines International Airport. ([Council Communication No. 07-282](#)) **Moved by Vlassis to adopt. Motion Carried 7-0.**

BOARD/COMMISSION ACTION(S):

Date: May 3, 2011

Resolution Number: Airport Board A11-066

Action: Recommend Approval of the First Amendment to the IN-TER-SPACE Services Advertising Concession Agreement (BC 11-0508) Moved by Mr. Brooks to adopt. Motion carried: 5-0-0-2
Yeas: Brooks, Erickson, Hansell, Ross and Ward. Nays: 0 Abstained: 0 Absent: Cupp and Gentry

Date: May 1, 2007

Resolution Number: Airport Board A07-84

Action: Recommend Approval of a Concession Agreement, for Advertising and Display Services, with In-ter-space Services Inc. d/b/a Interspace Airport Advertising (Board Communication No. 07-54). Moved by Mr. Hansell to adopt. Motion Carried: 6-0-0-1. Yeas: Ashman, Erickson, Fitzgibbon, Hansell, Kalainov and Ross Nays: 0 Abstained: 0 Absent: Brooks

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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