



AGENDA MEMORANDUM

First Reading for the City Council Meeting of February 12, 2013
Second Reading for the City Council Meeting of February 26, 2013

DATE: January 23, 2013
TO: Ronald L. Olson, City Manager
FROM: Fred Segundo, Director of Aviation
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Ordinance authorizing the execution of a First Amendment to the On-Airport Rental Car Concession and Lease Agreement with each of the Rental Car Agencies located at the Corpus Christi International Airport, in consideration of a base rent to be offset as applicable by revenues collected via a Customer Facility Charge, each for a term of five (5) years.

CAPTION:

Ordinance authorizing the City Manager, or designee, to execute a First Amendment to the On-Airport Rental Car Concession and Lease Agreement with each 1) EAN Holdings, LLC, a wholly owned subsidiary of Enterprise Holdings, Inc. dba Alamo Rent A Car and National Car Rental ("Alamo/National"), 2) Coastal Bend Rent-A-Car dba Avis Rent-A-Car ("Avis"), 3) DTG Operations, Inc. dba Dollar Rent-A-Car and Thrifty Car Rental ("Dollar/Thrifty"), 4) EAN Holdings, LLC, a wholly owned subsidiary of Enterprise Holdings, Inc. dba Enterprise Rent-A-Car ("Enterprise"), and 5) The Hertz Corporation ("Hertz") to lease space in the Quick Turn Around Facility ("QTA") located at the Corpus Christi International Airport ("Airport"), in consideration of a base rent to be offset as applicable by revenues collected via a Customer Facility Charge, each for a term of five (5) years.

PURPOSE:

Request authorization to amend the On-Airport Rent A Car Concession and Lease Agreement, allowing the incumbents to lease space in the recently constructed Quick Turn Around Facility. The term for each incumbent being five (5) years, and the original On-Airport Rental Car Concession and Lease Agreement will become coterminous with this Amendment.

BACKGROUND AND FINDINGS:

In April 2010 the City Council approved the implementation of a Customer Facility Charge of \$3.50. This fee has been collected and used for planning, designing and construction of the QTA. A construction contract was awarded on March 2011 to BARCOM Commercial Construction. Phase I of the facility is complete and ready to move-in, allowing the RAC tenants to operate out of this new facility upon approval of this amendment.

ALTERNATIVES:

No viable alternative exists.

OTHER CONSIDERATIONS:

Not Applicable

CONFORMITY TO CITY POLICY:

The QTA Facility is part of the overall planned development of the Airport and its initiatives.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2012-2013	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments:

RECOMMENDATION:

Staff requests approval of Ordinance.

LIST OF SUPPORTING DOCUMENTS:

- Ordinance
- DTG Operations, Inc. – First Amendment
- EAN Holdings, LLC (Alamo/National) - First Amendment
- EAN Holdings, LLC (Enterprise) – First Amendment
- Coastal Bend Rent-A-Car – First Amendment
- The Hertz Corporation – First Amendment