



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 24, 2013
TO: Ronald L. Olson, City Manager
FROM: Fred Segundo, Director of Aviation
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Ordinance for authorization to ratify an amendment to the On-Airport Rental Car Concession and Lease Agreement with The Hertz Corporation.

CAPTION:

Ordinance authorizing the City Manager, or designee, to ratify an amendment to the On-Airport Rental Car Concession and Lease Agreement with The Hertz Corporation for the operation of a car rental concession at the Corpus Christi International Airport ("Airport") to exclude former Hertz subsidiary Simply Wheelz, L.L.C. as a party.

PURPOSE:

Due to The Hertz Corporation's divestment of a former subsidiary who should no longer be a party to The Hertz Corporation's On-Airport Rental Car Concession and Lease Agreement, the City and The Hertz Corporation desire to enter into an amendment to that On-Airport Rental Car Concession and Lease Agreement to formally agree that Simply Wheelz no longer is a party to that agreement.

BACKGROUND AND FINDINGS:

The City and The Hertz Corporation, a Delaware corporation, and its wholly owned subsidiary, Simply Wheelz, L.L.C., a Delaware limited liability company, doing business as Advantage Rent-A-Car ("Simply Wheelz"), previously executed an On-Airport Rental Car Concession and Lease Agreement dated November 1, 2009. The Hertz Corporation sold Simply Wheelz effective December 12, 2012. Therefore, the City and The Hertz Corporation desire to enter into an amendment to that On-Airport Rental Car Concession and Lease Agreement to formally agree that Simply Wheelz no longer is a party to that agreement.

ALTERNATIVES:

No viable alternative exists.

OTHER CONSIDERATIONS:

The Hertz Corporation never operated the Advantage Rent-A-Car brand at the Airport, so the only necessary action is to amend the On-Airport Rental Car Concession and Lease Agreement to clarify that Simply Wheelz (doing business as Advantage Rent-A-Car) no longer is a party to that agreement.

CONFORMITY TO CITY POLICY:

This amendment supports compliance and accuracy of the City’s legal documents.

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
Amendment to the On-Airport Rental Car Concession and Lease Agreement
Hertz Letter – Sale of Simply Wheelz, LLC DBA Advantage Rent A Car
Certification of Funds