



CITY COUNCIL
ATLANTA, GEORGIA

03-R-1384

A SUBSTITUTE RESOLUTION #2

BY TRANSPORTATION COMMITTEE

A SUBSTITUTE RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF ATLANTA AND AVIS RENT A CAR SYSTEM, INC. FOR CAR RENTAL SERVICES AT HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT, WHICH SHALL BE FOR A TERM OF FIVE (5) YEARS, AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta (the "City") and Avis Rent A Car System, Inc. entered into a Lease Agreement (Contract FC 2605-85) dated December 20, 1985 covering the car rental services at Hartsfield-Jackson Atlanta International Airport, hereinafter the "Airport," which has effectively ended December 31, 1990; and

WHEREAS, a new agreement with Avis Rent A Car System, Inc. is required and will link Avis Rent A Car System, Inc. with the future CONRAC agreement; and

WHEREAS, the rental rate for counter space and facilities will be adjusted to increase the rental to the market rate; and

WHEREAS, the Department of Aviation recommends that the City enters into a new agreement with Avis Rent A Car System, Inc. for a term of five (5) years.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the Mayor or her designee be and hereby is authorized to execute on behalf of the City of Atlanta an Agreement for Car Rental Services at Hartsfield-Jackson Atlanta International Airport, which shall contain substantially the following terms and conditions:

1. The term shall be for five (5) years or the date of beneficial occupancy of the CONRAC, whichever comes first.
2. This agreement includes a service facility on Car Rental Row containing approximately 7.135 acres of land, 13,000 sq. ft. of building and 979 sq. ft. of counter space located in the Main Terminal of the airport.
3. Avis Rental Car System, Inc. shall pay a privilege fee of ten percent (10%) of the gross revenue, counter space rental of \$32.50 per square foot per year, and the facility rental will include a land portion that will be \$1.45 per square foot per year.
4. The Minimum Annual Guarantee (MAG) will be the greater of the current MAG or an amount equal to eighty-five (85%) of the previous years rental. The proposed MAG for the first year will be \$4,766,152.
5. Avis Rent A Car System, Inc. will have the privilege of soliciting car rentals from the counter area and arranging for such services with departing airline passengers and others in the Central Passenger Terminal Complex. This shall not be construed to be an exclusive privilege, and City shall have the right to deal with and perfect arrangements with other Car Rental Companies, involving like activity



at the Airport.

6. Avis Rent A Car System, Inc. will have the privilege of selling personal accident insurance policies to renters of its vehicles in and from the airport. Other services incidental to rental of its cars may be sold with written approval of the City's Aviation General Manager.
7. Avis Rent A Car System, Inc. will have the obligation to provide and operate an adequate number of clearly identified, clean, safe and well maintained shuttle buses as required to transport Avis Rent a Car System, Inc patrons to and from the Airport. Shuttle buses used in transporting Avis Rent A Car System, Inc. patrons shall stop only at the approved loading areas designated by the Aviation General Manager.
8. The Agreement also shall include such terms and conditions required by law including the City Code of Ordinance or customarily included in agreements of a similar nature.

BE IT FURTHER RESOLVED that the City Attorney be and hereby is directed to prepare said Agreement for execution by the Mayor.

BE IT FURTHER RESOLVED that nothing in this agreement shall be construed as an obligation of the City of Atlanta to either grant or guarantee that Avis Rent A Car System, Inc. will be a tenant or occupant of the CONRAC Facility.

BE IT FINALLY RESOLVED that said Agreement shall not become binding upon the City, and the City shall incur neither obligation nor liability thereunder until the same has been executed by the Mayor and delivered to Avis Rent A Car System, Inc.

A true copy,

Rhonda Dauphin Johnson
Municipal Clerk, CMC

ADOPTED by the Council
APPROVED by the Mayor

May 3, 2004
May 11, 2004

A SUBSTITUTE RESOLUTION

BY TRANSPORTATION COMMITTEE

A SUBSTITUTE RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF ATLANTA AND AVIS RENT A CAR SYSTEM, INC. FOR CAR RENTAL SERVICES AT HARTSFIELD-JACKSON ATLANTA INTERNATIONAL AIRPORT, WHICH SHALL BE FOR A TERM OF FIVE (5) YEARS, AND FOR OTHER PURPOSES.

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WHEREAS, a new agreement with Avis Rent A Car System, Inc. is required and will link Avis Rent A Car System, Inc. with the future CONRAC agreement; and

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WHEREAS, the Department of Aviation recommends that the City enters into a new agreement with Avis Rent A Car System, Inc. for a term of five (5) years.

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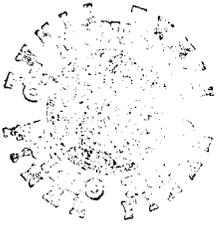
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at the Airport.

6. Avis Rent A Car System, Inc. will have the privilege of selling personal accident insurance policies to renters of its vehicles in and from the airport. Other services incidental to rental of its cars may be sold with written approval of the City's Aviation General Manager.
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A RESOLUTION**BY TRANSPORTATION COMMITTEE****A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF ATLANTA AND AVIS RENT A CAR SYSTEM, INC. FOR CAR RENTAL SERVICES AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT, WHICH SHALL BE FOR A TERM OF FIVE (5) YEARS, AND FOR OTHER PURPOSES.**

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3. Avis Rental Car System, Inc. shall pay a privilege fee of ten percent (10%) of the gross revenue, counter space rental of \$32.50 per square foot per year, and the facility rental will include a land portion that will be \$1.48 per square foot per year and a building rent of \$6.00 per square foot per year.
4. A Minimum Annual Guarantee (MAG) will be payable in 12 equal rental payments due on the first day of each month. The first year's MAG will be \$1,581,996. Beginning with the second year, the MAG will be the greater of the current MAG or an amount equal to eighty-five (85%) of the previous years rental.

5. Avis Rent A Car System, Inc. will have the privilege of soliciting car rentals from the counter area and arranging for such services with arriving airline passengers and others in the Central Passenger Terminal Complex. This shall not be construed to be an exclusive privilege, and City shall have the right to deal with and perfect arrangements with other Car Rental Companies, involving like activity at the Airport.
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TRANSMITTAL FORM FOR LEGISLATION

To Mayor's Office: Greg Pridgeon

General Manager's Signature: [Handwritten Signature]

From: Originating Dept. Aviation

Committees of Purview: TC

Committee Meetings: 09/10/03

Contact: Anita Williams 404-530-6600
Committee Deadline: 08/29/03
City Council Meeting: 09/15/03

CAPTION:

A RESOLUTION AUTHORIZING THE MAYOR OR HER DESIGNEE TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF ATLANTA AND AVIS RENT A CAR SYSTEM, INC. FOR CAR RENTAL SERVICES AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT, WHICH SHALL BE FOR A TERM OF FIVE (5) YEARS, AND FOR OTHER PURPOSES.

BACKGROUND/DISCUSSION:

This Agreement is needed to assure the uninterrupted car rental services at Hartsfield Atlanta International Airport to all airport users. The City of Atlanta anticipates constructing a Consolidated Rental Car (CONRAC) facility for use by rental car companies who serve the Airport. The CONRAC facility will replace the counters, facilities and loading areas that the rental car companies currently occupy. The City anticipates entering into an agreement with all rental car companies to tie the car rental companies to the future CONRAC facility. This agreement must be signed by all companies planning to do business at Hartsfield Atlanta International Airport.

FINANCIAL IMPACT: Positive

SOURCE: N/A

Mayor's Staff Only:

Received by Mayor's Office: 8.18.03 (date) [Handwritten Initials] Reviewed: [Handwritten Initials] (date)

Submitted to Council: _____

Action by Committee: Approved Adversed Held Amended
 Substitute Referred Other

03-*e*-1384

(Do Not Write Above This Line)

A RESOLUTION

BY TRANSPORTATION COMMITTEE

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ADOPTED BY

MAY 3 2004

COUNCIL

- CONSENT REFER
- REGULAR REPORT REFER
- ADVERTISE & REFER
- 1st ADOPT 2nd READ & REFER
- PERSONAL PAPER REFER

Date Referred _____
 Referred To: _____
 Date Referred _____
 Referred To: _____
 Date Referred _____
 Referred To: _____

First Reading

Committee _____
 Date _____
 Chair _____
 Referred To _____

TRANSPORTATION

9/10/3 Date
Chair

Fav, Adv, Hold (see rev. side)
SEE OTHER SIDE
 Members

Refer To _____

TRANSPORTATION

3/10/4 Date
Chair

Fav, Adv, Hold (see rev. side)
 Other
 Members

Refer To _____

TRANSPORTATION

1/14/4 Date
Chair

Fav, Adv, Hold (see rev. side)
Substantive
 Other
 Members

Refer To _____

FINAL COUNCIL ACTION

- 2nd
- 1st & 2nd
- 3rd
- Consent
- V Vote
- RC Vote

CERTIFIED

CERTIFIED
 MAY 3 2004
 COUNCIL PRESIDENT PROTEM

CERTIFIED
 MAY 3 2004
 MAYOR'S ACTION

APPROVED
 MAY 1 1 2004
 MAYOR