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**AUTHORIZATION TO CONTRACT FOR
CAR RENTAL CONCESSIONS AT
BURLINGTON INTERNATIONAL AIRPORT**

In the year Two Thousand Twelve.....

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, the City of Burlington (“City”) owns and operates the Burlington International Airport in South Burlington, Vermont (“Airport”); and

WHEREAS, The Interim Director of Aviation has determined that the provision of car rental services at the Airport will be in the best interest of the City, the traveling public and public airport purposes; and

WHEREAS, the Director of Aviation after appropriate process, has determined that it is in the best interest of the Airport to contract with four businesses, each of which will provide car rental services at the Airport for three years (“Agreements”), with Minimum Annual Guarantees in compensation and terminal space rental revenues to the Airport, as follows:

MINIMUM ANNUAL GUARANTEE				
CAR RENTAL	FY 2013	FY 2014	FY 2015	TOTAL
Avis/Budget Rental	\$495,000	\$509,900	\$525,200	\$1,387,610
Hertz Corp	\$444,000	\$456,300	\$468,900	\$1,241,788
ELRAC (Alamo/Nat)	\$296,734	\$296,734	\$296,734	\$ 808,080
ELRAC (Enterprise)	\$296,634	\$296,634	\$296,634	\$ 807,080
DTG Operations	\$110,005	\$110,005	\$110,005	\$ 299,571
TOTAL	\$1,642,373	\$1,669,573	\$1,697,473	

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**AUTHORIZATION TO CONTRACT FOR
CAR RENTAL CONCESSIONS AT
BURLINGTON INTERNATIONAL AIRPORT**

FY 2013 TERMINAL RENTAL REVENUE		
CAR RENTAL	SF	TOTAL
Avis/Budget Rental	465	\$22,320
Hertz Corp	599	\$28,752
ELRAC (Alamo/Nat)	477	\$22,896
ELRAC (Enterprise)	574	\$27,552
DTG Operations	204	\$ 9,792
TOTAL		\$111,312

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NOW THEREFORE BE IT RESOLVED that upon the June 11, 2012 approval of the Board of Finance, and the June 18, 2012 approval of this body, the Interim Director of Aviation Robert McEwing, on behalf of the City, is authorized to negotiate and execute the Agreements and any documents necessary to facilitate the Agreements, subject to any applicable City Purchasing Procedure and to prior review by the Chief Administrative Officer and the City Attorney, as appropriate.

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NAME/PURPOSE OF CONTRACTS: Car Rental Concessions
ADMINISTRATING DEPARTMENT: Airport
CONTRACT AMOUNTS:
CONTRACT TERM: Per Agreements
DESIGNATION OF FUNDS: Concession Agreements
FISCAL YEAR: 2012
ACCOUNT NAME:
ACCOUNT NUMBER: 35002.44081

MEMO

TO: Finance Board

FROM: Burlington International Airport

DATE: June 5, 2012

SUBJECT: Finance Board Approval Request – Award of Contract Car Rental Concessions

The Burlington Airport seeks Finance Board and City Council approval for the following item related to the car rental services at the airport:

Authorization to Contract with ELRAC, LLC (Alamo/National and Enterprise) Avis Budget Car Rental LLC, Hertz Corp, and DTG Operations, Inc (Dollar) for rental car concessions in the airport terminal building. The Airport received five proposals in response to a publicly noticed Request for Proposal process for Car Rental Services.

Based on these proposals and the availability of counter and office spaces, the airport recommends the award of five contracts (two to ELRAC).

The Minimum Annual Guarantee (MAG) in compensation to the airport under these contracts will be as follows:

MINIMUM ANNUAL GUARANTEE				
CAR RENTAL	FY 2013	FY 2014	FY 2015	TOTAL
Avis/Budget Rental	\$495,000	\$509,900	\$525,200	\$1,387,610
Hertz Corp	\$444,000	\$456,300	\$468,900	\$1,241,788
ELRAC (Alamo/Nat)	\$296,734	\$296,734	\$296,734	\$ 808,080
ELRAC (Enterprise)	\$296,634	\$296,634	\$296,634	\$ 807,080
DTG Operations	\$110,005	\$110,005	\$110,005	\$ 299,571
TOTAL	\$1,642,373	\$1,669,573	\$1,697,473	

In addition to the MAGs listed above each car rental agency contract will include a rental agreement for the terminal consisting of counter and office space based on a rental rate of \$48.00/sf adjusted annually as follows:

FY 2013 TERMINAL RENTAL REVENUE		
CAR RENTAL	SF	TOTAL
Avis/Budget Rental	465	\$22,320
Hertz Corp	599	\$28,752
ELRAC (Alamo/Nat)	477	\$22,896
ELRAC (Enterprise)	574	\$27,552
DTG Operations	204	\$ 9,792
TOTAL		\$111,312

The Airport Commission concurred with this proposed award of contracts on June 4, 2012.

Thank you for your consideration and a draft resolution is attached.