

TRUCKEE TAHOE AIRPORT DISTRICT

BOARD OF DIRECTOR STAFF REPORT

AGENDA TITLE:	Rental Car RFP Review and Tenant Selection
MEETING DATE:	April 28, 2021
PREPARED BY:	Jill McClendon, Aviation & Community Services Property Manager

RECOMMEND ACTION: Staff is requesting review of letters of interest for the Non-Exclusive Rental Car Lease and Concession Agreement and selection of a candidate to enter into a lease agreement with the District. Staff recommends the Board select Go Rentals as the candidate to fill the currently vacant space.

DISCUSSION: In February 2021, the District posted a Request for Proposals for the Non-Exclusive Rental Car Lease and Concession Agreement. Three companies submitted responses/letters of interest – Avis Budget Group, Go Rentals, and Hertz Corporation. Each company's complete submission is included as part of this report. All submitters are considered as qualified responses.

As part of the Warehouse Office Building (WOB), there are two office spaces designed for use by rental car operators. Enterprise recently exercised their option to extend their lease to August 14, 2025 and will also be adding the National Car Rental brand to the concession agreement.

The original term of Hertz's lease expired on December 31, 2020 and their lease reverted to month-to-month. The District notified Hertz of its desire to terminate the lease in early 2021 and the lease ended February 9, 2021. To the District's knowledge, Hertz has not been operating in the space nor has had a presence at the Airport since early summer 2020. Recently Hertz became current in its lease payments to the District and has expressed strong interest in reopening and continuing operations at the Airport.

Avis currently has a lease agreement through June 30, 2021 for two parking spots in the rental car parking lot. As part of their proposal Avis Budget Group is asking for reduced rent for a

period of six months as well as other longer-term discounts on parking while they establish a larger business presence at the Airport. The other submitters did not seek this concession.

Go Rentals has indicated the strongest interest in the space not only in their submission, but in conversations with Airport staff. Go Rentals is currently operating under a Commercial Operating Permit, providing vehicle rentals individually delivered or dropped-off to Airport users and constituents. Since they began operating in Truckee, indications are that their business model is strong. They are currently located at 85 airports and FBOs including a presence at Atlantic Aviation at Reno Tahoe International Airport. For more information on GoRentals, please visit their website at gorentals.com.

	Avis	Go Rentals	Hertz Corporation
Term	Three (3) year term	Three (3) year term	Three (3) year term
Monthly Base	\$1.05 per month 6/1/21	\$1.37/square foot,	\$1.37/square foot, CAM is
Rent	- 11/30/2021	CAM is \$0.74/square	\$0.74/square foot (\$2.11
	\$2.10 per month	foot (\$2.11 per month	per month as outlined in
	12/1/21 - 4/30/2024	as outlined in RFP)	RFP)
Parking	\$250 for 20 spaces	\$25 per	\$25 per space
		space/month	(Previously lease
			designated 12 spaces for
			a total of \$300/month)
Concession Fee	10% of total revenue	10% of total	10% of total revenue on
	on contracts	revenue on	contracts generated at
	generated at the	contracts generated	the Airport
	Airport	at the Airport	
Other		Complimentary	
		crew car	

The following table shows an overview of the general lease terms from the three company proposals:

Public Outreach: The rental car Request for Proposal was posted on the District's website. It was directly provided to multiple rental car operators. Additionally, it was published in AAAE's weekly aviation news eblasts and the classified section of AAAE's website.

WHAT'S NEXT: If approved by the Board, staff will move forward with executing a lease agreement with Go Rentals to start June 1, 2021.

FISCAL IMPACT: Monthly facility rent for office space of approximately \$2,100/month; plus 10% concession agreement revenue.

<u>SAMPLE MOTION</u>: I move to (approve, continue, or deny) the selection of Go Rentals to enter into a Non-Exclusive Rental Car Lease and Concession Agreement and authorize the Board president to enter into a three-year lease agreement.

ATTACHMENTS:

- AVIS/Budget Letter of Interest
- Go Rentals RFP Letter
- Hertz Corporation Letter in Response to RFP
- Request for Proposal Non-Exclusive Rental Car Lease and Concession Agreement

March 12, 2021

Via e-mail: don.pierce@avisbudget.com

Kevin Smith, General Manager Truckee Tahoe Airport District 10356 Truckee Airport Road Truckee CA 96161

Re: Rental Car lease and Concession Proposal

Dear Mr. Smith,

On behalf of Avis Budget Group, ("Lessee") below please find a summary of the terms and conditions under which the Lessee would be amenable to entering into a new Three (3) year lease with Truckee Tahoe Airport District ("Lessor"). The terms outlined within this proposal are a general outline of the Lessee's intentions, but this document is not intended to be a legally binding agreement, reservation for or an option to extend the current lease.

Lessor:	Truckee Tahoe Airport District (Corporate Entity)		
Lessee:	Avis Budget Group		
Address:	10356 Truckee Airport Road, Truckee, CA 96161		
Use:	Automobile Rentals. It is understood that the Lessee's use is consistent with the Property's zoning.		
Premises / Square Footage:	Building space of approx. 1000 SF for rental counter use and storage space.		
Term:	Three (3) years.		
Commencement Date:	May 1, 2021.		
Rent Commencement Date:	June 1, 2021		
Lease Expiration Date:	April 30, 2024.		
Monthly Base Rent:	Counter Space; \$1050 per month / 6/1/2021 Thru 11/30/2021 \$2100 per month / 12/1/2021 thru 4/30/2024 Parking; \$250 for 20 parking spaces Concession fee; 10% of Total Revenue on contracts generated at the Airport.		

Operating Expenses:	Lessor will be responsible for Maintenance.	
Utilities:	Lessor will be responsible for the utility expenses for the Premises. Lessee will be responsible for all costs associated with telecommunication and computer cabling to, from and within the Premises.	
Tenant Improvements:	All improvements will be paid by Lessee and approved by the Lessor.	
Building Condition:	Lessor will be responsible for maintaining the condition of the roof and structural components of the Building.	
Cleaning / Washing	Permitted on site by Lessor under City code.	
Parking:	Lessor has agreed to 20 car spaces.	
Signage:	Lessee will be allowed to install signage on the Premises, subject to the approval of the city. Any additional signage requested by Lessee must be approved by the city and Lessor.	
Lease Document:	Lessor lease.	
Lease Termination:	The Lessee may cancel this Lease at the end of the 16th full calendar month of the Term ("Termination Date") by providing the Lessor with Four (4) months advance written notice at no cost to either party.	
Go Dark:	Lessee shall have the right, at any time, to vacate the Premises and to cease to conduct business in the Premises provided Tenant continues to pay Lessor the Base Rent and all other charges required to be paid by Lessee under the Lease.	
Disclaimer:	The terms as outlined herein are not all-inclusive, but comprise a summary of the general business terms which Lessee requires.	
Proposal Expiration:	The terms of this proposal will expire at 5:00 PM on March 19, 2021.	

Please contact me if you should have any questions with respect to the terms outlined herein. This is a non-binding proposal and is merely an outlined of the Lessee's intentions. The Lessee reserves the right to negotiate with other parties until such time as a lease agreement is executed between the parties. If you should have any questions to the content of this Proposal, please feel free to contact me at your convenience.

Sincerely,

Don Pierce

Area Development Manager

Avis Budget Group

4200 Campus Drive Newport Beach, Ca 92660 650-270-4069 Don.pierce@avisbudget.com



April 13, 2021

Hardy S. Bullock, A.A.E. Director of Aviation & Community Services Truckee Tahoe Airport District (KTRK) 10356 Truckee Airport Rd. Truckee, CA 96161

Dear Mr. Bullock,

Thank you for taking the time to meet with Michael and me last week regarding Go Rentals onsite presence at the Truckee Airport. It was a pleasure to meet you in person and we appreciate the productive conversation. As we mentioned, we are excited about the opportunity to work at the Truckee Airport and to be a true partner of the Airport. We know we will raise the level of service for all of your general aviation guests and the Truckee community at-large, as we have done at over ninety airports across the country.

I would like to take a moment to recap some of the items we spoke about, including some of the unique benefits Go Rentals offers.

- Go Rentals will be on-site with personnel and vehicles
- Go Rentals will handle all incoming general aviation business, as well as, local Truckee guest (retail) rentals
- Go Rentals guarantees make, model and color at time of reservation
- Go Rentals hand-details and sanitizes every vehicle prior to rental
- All paperwork is done pre-arrival (via Docusign) for the convenience of the guest
- Go Rentals team is aviation and hospitality trained
- Go Rentals uses flight tracking software for the guests convenience
- Go Rentals will deliver vehicles to the planeside, home, hotel or office
- Go Rentals will be open seven days a week
- Go Rentals offers an unmatched selection of vehicles

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These are just a few of the ways in which Go Rentals continues to separate itself from the competitors. We would also like to offer a few items, specific to the Truckee Airport, in order to help with the rental car process.

- Go Rentals would be willing to offer one crew vehicle (two, if market demands), free of charge, for crew use while at the Truckee Airport
- Go Rentals will always bring the rental car over to landside operations for delivery to the plane
- Go Rentals prefers to do a meet and greet planeside

Our experience has shown that the Go Rentals Team integrates quickly into the local FBO team. This will cut down on the expense of the Airport and alleviate the line-guys from handling any of the rental car process. The Go Rentals team, in many locations, carries the walkie-talkie of the FBO in order to make the ground transportation process even smoother. Our team will also help with "coffee, ice and paper" or other items, to be a better partner.

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In closing, we would love to be a part of the Truckee Airport. Please let me know if you need any other information. We appreciate your consideration and look forward to the next steps.

Sincerely,

Mike Morris

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March 9, 2021

Kevin Smith General Manager Truckee Tahoe Airport District 10356 Truckee Airport Road Truckee, California 96161

Dear Mr. Smith,

Thank you for the opportunity to participate in the Request for Proposal, Non-Exclusive Rental Car Lease and Concession Agreement. Please allow this letter to serve as an official proposal from our company, Gitibin & Associates, Inc. dba Go Rentals.

Go Rentals focuses exclusively on delivering car rental needs to general aviation crew and passengers without distraction of the car rental needs to commercial aviation or the general public. As such, over the years, Go Rentals has gained specialized knowledge, awareness and appreciation for the particular needs of private aviation guests. We continually exceed expectations by delivering on our promises for the highest quality of service and the best fleet. We look forward to exceeding your expectations and those of the crew and passengers that land at your airport.

We have attached a deck that hopefully answers many of your questions in the RFP, but if not, please do not hesitate to call me directly. Thank you again for your consideration.

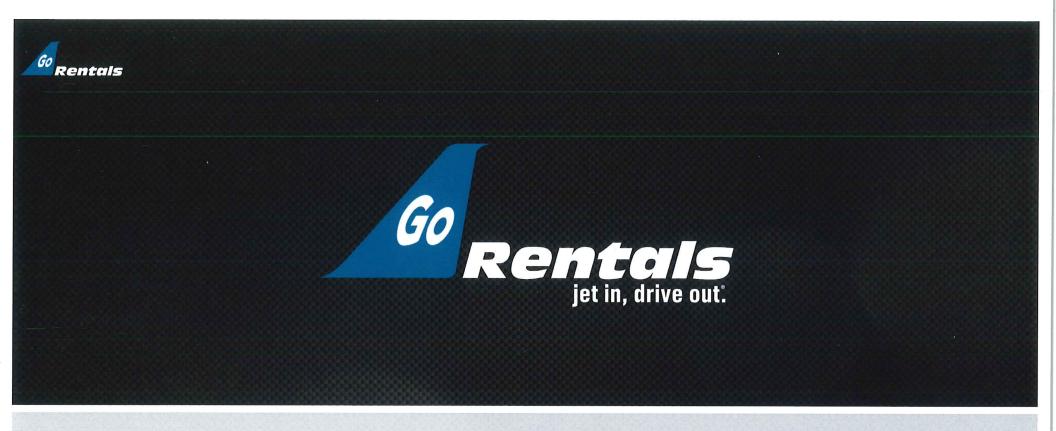
Sincerely,

Mike Morris Vice President

Enclosure

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Truckee Airport April 2021

^{Go} Rentals

Go Rentals.

Our Mission.

Go Rentals exists to create deep, meaningful relationships with our clients by going that extra mile in the form of unparalleled, customized one-on-one service

History.

Established in 1995 Service is our passion 85 FBO locations, servicing 100+ airports 24 five-star resort/hotel locations

The only car rental company specializing in private aviation and five star resorts, high net worth families and private client insurance

Core Values.

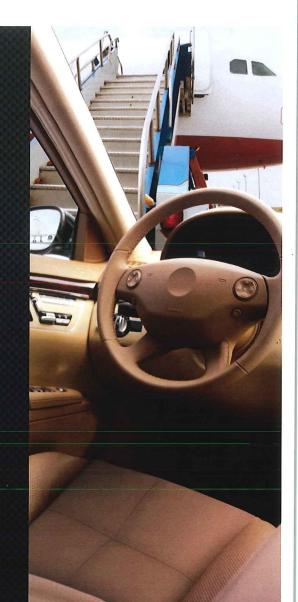
Service Family Focus Convenience Attentiveness Professionalism

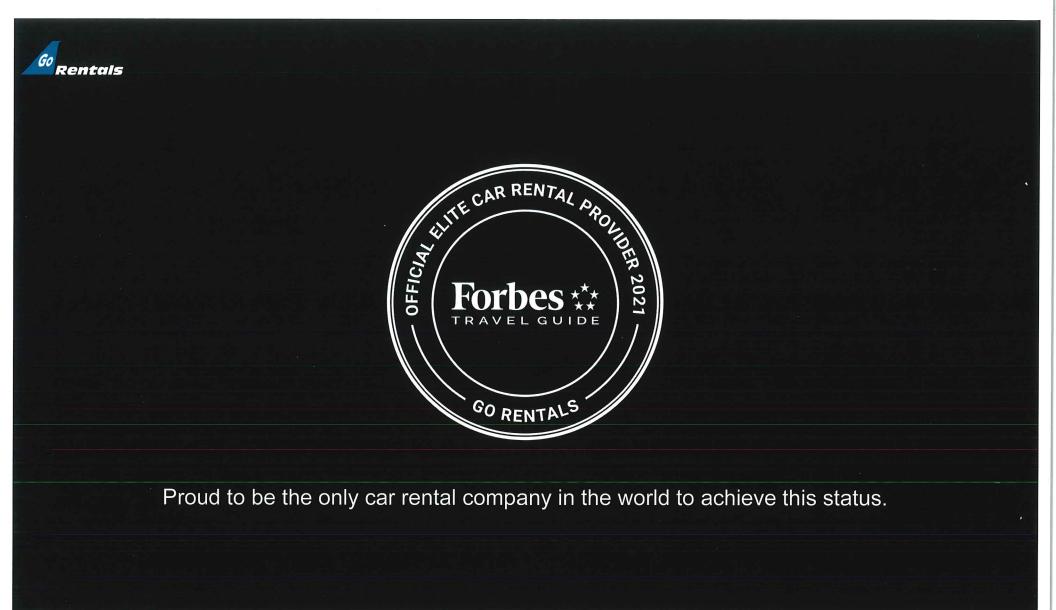


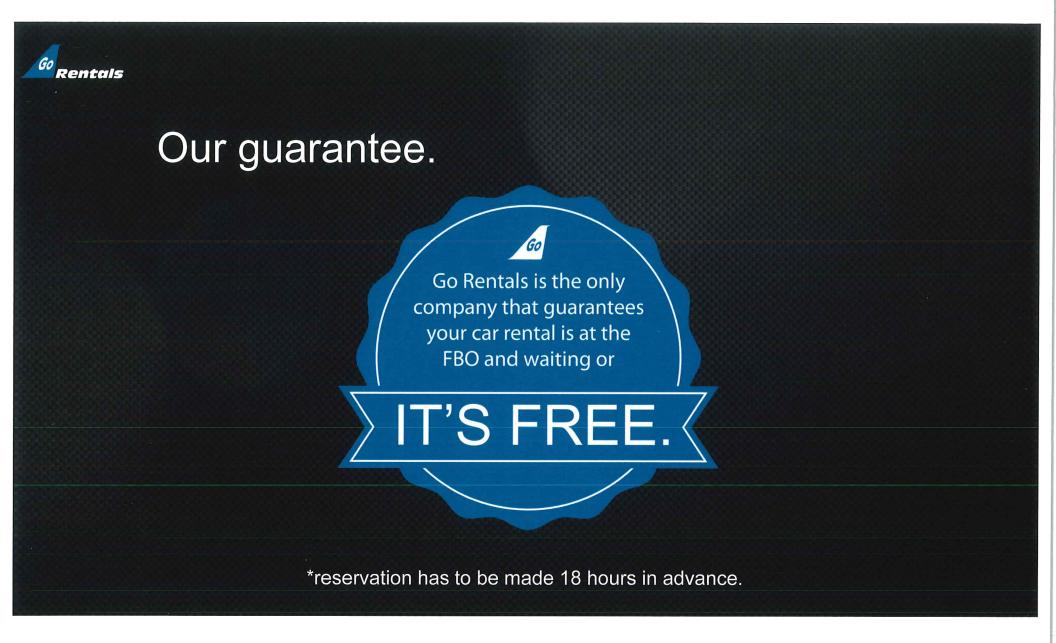


Our promise to you.

- Ability to handle the most demanding guest
- On-site: inventory and personnel
- All staff trained in private aviation
- Aircraft tracking
- Unmatched vehicle selection
- Guaranteed make, model and color
- All vehicles detailed, hand sanitized & quarantined for 24 hrs
- Paperwork and credentials completed pre-arrival
- Delivery of vehicles planeside, hotel or airport
- We make each reservation personal

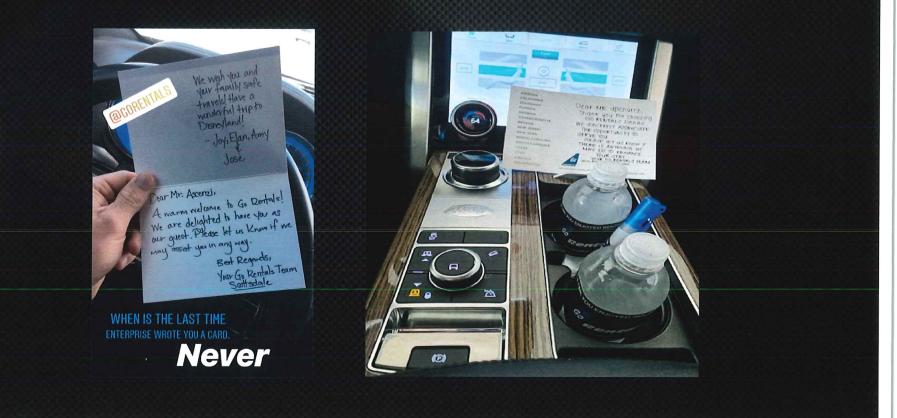








Our above and beyond.





Our one-team approach.

One Call – One Email – One Team

- Streamlined reservation process
- Consistency
- Accessibility and preparation
- Individual consideration
- Attention to detail
- Partnership value
- Rate management
- Dispatch and operator experience
- Logistically and geographically strong
- Guaranteed make, model and color

We take the headache out of making ground arrangements.





Our locations.

ARIZONA	CALIFORNIA (CONT.)	FLORIDA (CONT.)	SOUTH CAROLINA
DVT Deer Valley	SJC San Jose	PBI West Palm Beach	CHS Charleston
KFLG Flagstaff	SMA Santa Maria	RSW Fort Myers	JZI Johns Island
IWA Phoenix Gateway	SMO Santa Monica	SRO Sarasota	
PHX Phoenix	SNA Santa Ana	SUA Stuart	TEXAS
SDL Scottsdale	STS Santa Rosa	TPA Tampa International Airport	ADS Addison
CALIFORNIA	TOA Torrance		AFW Fort Worth
	TRM Thermal	GEORGIA	DAL Love Field
APC Napa	UDD Bermuda Dunes	PDK Atlanta	DFW Dallas Fort Worth International
BUR Burbank	VNY Van Nuys	MASSACHUSETTS	DTO Denton
CCR Concord	COLORADO	BED Bedford	FTW Fort Worth Meacham
CMA Camarillo		BOS Boston	FWS Burleson
CRQ Carlsbad	APA Centennial/Denver		GKY Arlington
HHR Hawthorne	ASE Aspen	NEVADA	GPM Grand Prarie
LAX Los Angeles	BJC Broomfield/Denver	HND Henderson	HOU Houston
LGB Long Beach	COS Colorado Springs	LAS Las Vegas	RBD Dallas Executive
MRY Monterey	DEN Denver International	VGT North Las Vegas	SGR Sugar Land
MYF Montgomery Field	EGE Eagle/Vail	NEW JERSEY	TKI McKinney
NPT Newport Beach	FLORIDA		
OAK Oakland	APF Naples		UTAH
ONT Ontario	BCT Boca Raton	TEB Teterboro	OGD Ogden
OXR Oxnard	DTS Destin	NEW YORK	SLC Salt Lake City
PSP Palm Springs	F45 North Palm Beach	HPN White Plains	36U Heber City
SAN San Diego	FLL Fort Lauderdale International	NORTH CAROLINA	VIRGINIA
SBA Santa Barbara	FMY Fort Myers/Page Field		IAD Dulles
SDM Brown Field	FXE Fort Lauderdale Executive	CLT Charlotte	
SEE Gillespie Field	MKY Marco Island	OREGON	WASHINGTON
SFO San Francisco	OPF Opa Locka	PDX Portland	BFI Seattle

"Rentals

Locations.

Addison (ADS) Atlantic Aviation Addison (ADS) Million Air Aspen (ASE) Atlantic Aviation Austin (AUS) Atlantic Aviation Austin (EDC) Henriksen Jet Center Atlanta (PDK) Atlantic Aviation Bedford (BED) Jet Aviation Bedford (BED) Ross Aviation | Rectrix Bermuda Dunes (UDD) Bermuda Dunes Airport Boca Raton (BCT) Atlantic Aviation Broomfield (BJC) Rocky Mountain Metropolitan Airport Burbank (BUR) Atlantic Aviation Burbank (BUR) JSX Charleston (CHS) Atlantic Aviation Charlotte (CLT) Wilson Air Concord (CCR) JSX Concord (CCR) Pacific States Aviation Dallas (DAL) Business Jet Center Dallas (DAL) Jet Aviation Dallas (DAL) Texstar Denver (APA) Denver Jet Center Denver (APA) Modern Aviation Destin (DTS) Lynx Eagle (EGE) Vail Valley Jet Center Fort Lauderdale (FLL) Jetscape Fort Lauderdale (FXE) Banyan Air Center Fort Lauderdale (FXE) Lynx Fort Lauderdale (FLL) National Jets Fort Worth (FTW) Texas Jet Hawthorne (HHR) Jet Center Los Angeles Heber (36U) OK3 Air Houston (HOU) Atlantic Aviation Houston (HOU) Galaxy FBO Houston (HOU) Jet Aviation John's Island (JZI) Atlantic Aviation Las Vegas (LAS) Atlantic Aviation

Long Beach (LGB) Ross Aviation Monterey (MRY) Del Monte Aviation Monterey (MRY) Monterey Jet Center Morristown (MMU) Lynx Napa (APC) Lynx Naples (APF) Naples Jet Center Naples (APF) Naples Municipal Airport Naples (APF) Red Label Oakland (OAK) JSX Oakland (OAK) Kaiser Air **Opa-Locka (OPF) Atlantic Aviation** Opa-Locka (OPF) Fontainebleau Palm Springs (PSP) Atlantic Aviation Phoenix (PHX) JSX Phoenix (PHX) Swift Aviation Salt Lake City (SLC) Atlantic Aviation Santa Ana (SNA) ACI Jet Santa Ana (SNA) Atlantic Aviation Santa Monica (SMO) American Flyers Santa Monica (SMO) Atlantic Aviation Santa Rosa (STS) Kaiser Air Sarasota (SRQ) Dolphin Aviation Sarasota (SRQ) Ross Aviation Scottsdale (SDL) Ross Aviation Seattle (BFI) JSX Seattle (BFI) Kenmore Stuart (SUA) Atlantic Aviation Thermal (TRM) Ross Aviation Van Nuys (VNY) Castle and Cooke Van Nuys (VNY) Clay Lacy Van Nuys (VNY) Jet Aviation Washington-Dulles (IAD) Jet Aviation West Palm Beach (PBI) Atlantic Aviation West Palm Beach (PBI) Jet Aviation White Plains (HPN) Ross Aviation - East White Plains (HPN) Ross Aviation - West







Our inventory comparison | Convertible

Competition

Go Rentals



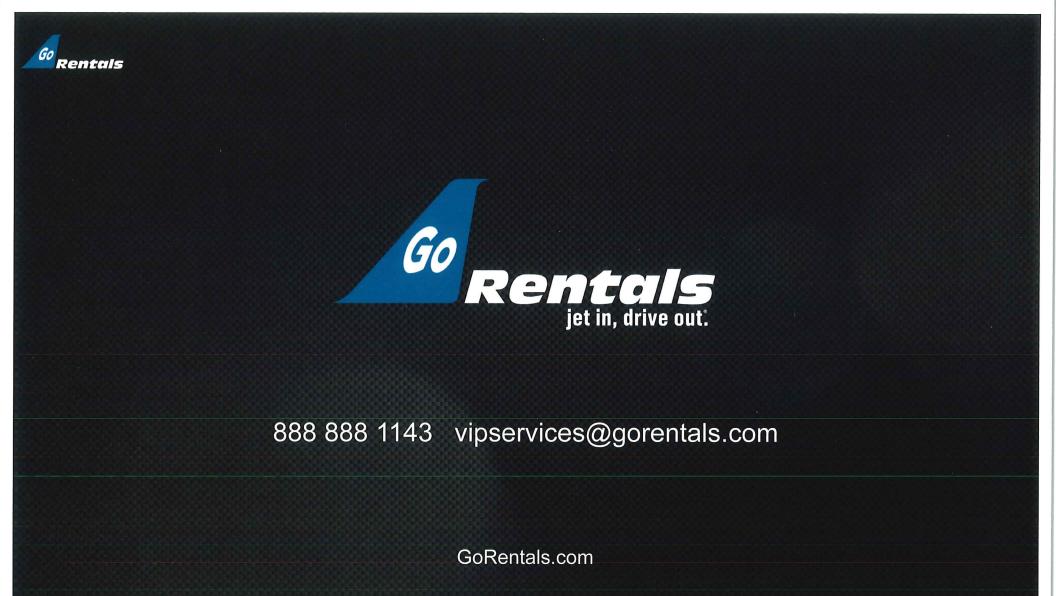


Mercedes

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Mercedes





3.3 Bidder Qualifications and Experience

Go Rentals Airport References

Ray Walter

Director of Properties Palm Beach County Department of Airports 846 Palm Beach International Airport West Palm Beach, FL 33406 Telephone: (561) 471-7429 E-mail: <u>ray.walter@pbia.org</u>

Mike Duong Sr. Manager, Business & Compliance O: (818) 565-1314 C: (818) 568-4801 mduong@bur.org



hollywoodburbankairport.com 2627 N Hollywood Way Burbank, CA 91505

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Ryan FrostSr. Director of Operations(239) 643-0733160 Aviation Drive NorthNaples, FL 34104flynaples.com

rfrost@flynaples.com

Chris Padilla Airport Controller Aspen/Pitkin County Airport 0233 E. Airport Road -- Suite A Aspen, CO 81611 Office: 970-429-1888 Cell: 970-596-1819 chris.padilla@aspenairport.com

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Andrew Griffin

ACE Operations

FBO General Manager

McKinney Air Center

McKinney Airport

972-467-8580

Agriffin2@flytki.com

Tim Bergholz Deputy Executive Director Finance and Administration Monterey Regional Airport 200 Fred Kane Drive, Suite 200 Monterey, CA 93940 831-648-7000 Ex 201 <u>tbergholz@montereyairport.com</u>

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Corporate Office 4320 Campus Drive, Newport Beach, CA 92660 | 949 222 1900 | www.gorentals.com



Stephen A. Blum Senior Vice President, Real Estate & Facilities

(239) 301-7794 Stephen.blum@hertz.com

March 11, 2021

Sent via email (kevin.smith@truckeetahoeairport.com)

Kevin Smith, General Manager Truckee Tahoe Airport District 10356 Truckee Airport Road Truckee, CA 96161

Dear Mr. Smith:

The Hertz Corporation ("Hertz") is pleased to submit this response to the Request for Proposal for a Non-Exclusive Rental Car Lease and Concession Agreement at Truckee Tahoe Airport ("Airport").

Hertz exceeds the Minimum Company Requirements. Hertz has been engaged in the rental car business for more than 102 years. We provide a national credit card system that accepts Visa, MasterCard, and American Express, and a reservation system with a toll free (800) number as well as a nationwide website, <u>www.Hertz.com</u>. Hertz has written standards, specifications and procedures for the condition and maintenance of its vehicle fleet.

Hertz hereby agrees to be responsible for the following:

- 1. Delivering prompt, courteous and efficient service. We shall employ at all times a sufficient number of personnel as needed to assure prompt customer service.
- 2. Hertz shall select and appoint a full-time experienced manager who is fully authorized to represent and act on behalf of Hertz in all matters pertaining to our business operation at the Airport.
- 3. Hertz shall be responsible for the conduct, demeanor and appearance of our officers, agents, employees, suppliers and representatives.
- 4. Concession premises shall be kept in clean, neat, businesslike, and orderly condition at all times and Hertz shall provide for the timely disposal of trash and debris.
- 5. Hertz can assure that our agents and employees will not engage in the solicitation of, or pressure sales tactics for, services offered on or about the Airport.

The Hertz Corporation 8501 Williams Road Estero, FL 33928



- 6. Hertz and its agents and employees shall not engage in open or public disputes, disagreements, or conflicts at the Airport.
- 7. Hertz will submit its revenue reporting electronically to the Airport by the twentieth (20th) day of the month for the preceding month.

Should you have any follow-up questions or requests, please contact Connie Gurich, Director Properties at (646) 246-7366 or cgurich@hertz.com.

Very truly yours,

Stephen A. Blum Senior Vice President, Real Estate & Facilities



TRUCKEE TAHOE AIRPORT DISTRICT 10356 Truckee Airport Rd. Truckee, CA 96161 (530) 587-4119 tel (530) 587-2984 fax WWW.TRUCKEETAHOEAIRPORT.COM

Requests for Proposal Non-Exclusive Rental Car Lease and Concession Agreement

The Truckee Tahoe Airport District (TTAD) is soliciting proposal for one (1) Non-Exclusive Rental Car Lease and Concession Agreement for the purpose of providing for the operation of first-class, non-exclusive rental car concessions in the Warehouse Office Building (WOB) at the Truckee Tahoe Airport. Concessions shall provide the traveling public and Airport users passenger-type rental vehicles.

The purpose of this RFP is to furnish general information to prospective proposers concerning the proposal and award of non-exclusive rental car concession privileges at the Truckee Tahoe Airport. This Request for Proposal is for one (1) rental car concession opportunity and is not intended to completely define the proposed contractual relationship to be entered into by Truckee Tahoe Airport and the successful proposer.

The Truckee Tahoe Airport is an FAA designated public General Aviation Airport. It is situated in Martis Valley approximately two miles southeast of Truckee, California and seven miles north of Lake Tahoe. The Airport straddles both Nevada and Placer County lines and is managed by the Truckee Tahoe Airport District, a bi-county Special District of the State of California. The Truckee Tahoe Airport serves private and charter aircraft, but offers no scheduled commercial flights. The District is home to 35,000 full-time residents and 80,000 peak period visitors.

Leased Premises, Vehicle Parking and Storage:

The WOB was constructed in 2016. Available is approximately 1,000 square feet of office space of the building located at the corner of Truckee Airport Road and Chandelle Way identified in Exhibit A and 12 Parking Areas to be assigned by the Airport District. Current rent for the office space and applicable to the lease agreement is \$1.37/square foot, CAM is \$0.74/square foot, and parking is \$25/space. The Lease will also be subject to a 10% concession fee.

Compensation:

The lease will include office space, parking spaces, and a concession agreement subject to a 10% fee. See Exhibit B – Concession Fee for specifics that the successful proposer can expect regarding the Concession Fee and compensation to the Airport District. The Truckee Tahoe Airport District does not charge a Customer Facility Charge (CFC) fee.

Term:

The term of the lease and concession agreement shall be for a three (3) year period with the option to extend after the original lease term.

Minimum Services and Operating Requirements: The successful proposer/concessionaire shall be responsible for the following:

- Service shall be prompt, courteous and efficient. Concessionaires shall employ at all times, a sufficient number of personnel necessary to assure prompt service.
- Select and appoint a full-time experienced licensed manager fully authorized to represent and act on behalf of the concessionaire in all matters pertaining to its business operation.
- Shall be responsible for the conduct, demeanor and appearance (properly uniformed/identified) of its officers, agents, employees, suppliers and representatives.
- The concession premises shall be kept in clean, neat, businesslike, and orderly condition at all times and the concessionaire shall provide for timely disposal of trash and debris.
- Assure that the concessionaire's agents and employees do not engage in the solicitation of, or pressure sales tactics for, services offered on or about the Airport.
- Concessionaires and its agents and employees shall not engage in open or public disputes, disagreements, or conflicts tending to deteriorate the quality of the automobile rental service and its compatibility with the best interests of the public at the Airport.
- Assure that revenue reporting will be submitted electronically to the Airport by the twentieth (20th) day of the month for the preceding month.

Minimum Company Requirements:

In order to ensure a high level of service to the traveling public, the Airport will consider proposals from companies with experience in the rental car business. Each proposer must demonstrate that:

- It has been engaged in the rental car business and for
- It can provide a national credit card system and national reservation system for customers
- It has written standards, specification and procedures for the condition and maintenance of its vehicle fleet

Insurance

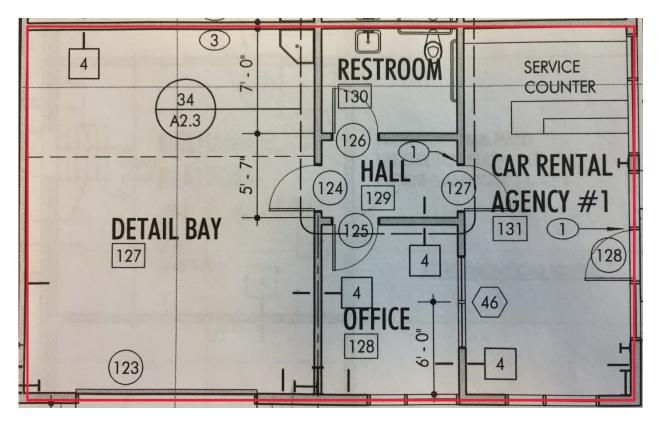
Comprehensive General Liability – Five Million \$5,000,000.00); and Automobile in the amount of Five Million (\$5,000,000.00). Workers Compensation insurance shall meet Statutory Requirements. The Truckee Tahoe Airport District may reasonably require other insurance.

Please direct all questions regarding the RFP to:

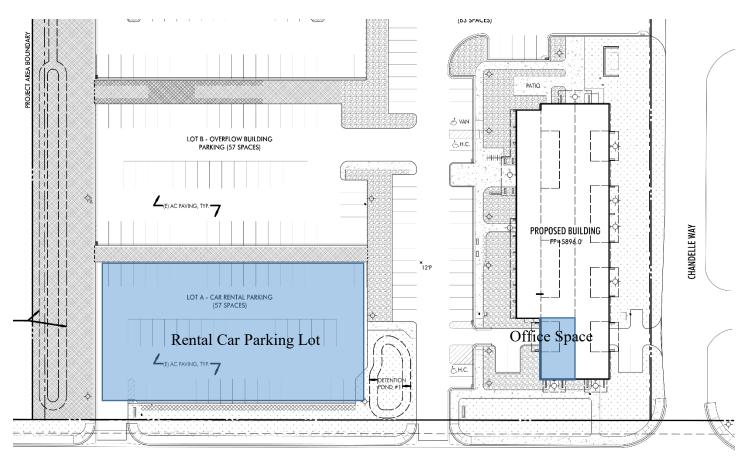
Kevin Smith, General Manager Truckee Tahoe Airport District 10356 Truckee Airport Road Truckee, CA 96161 <u>kevin.smith@trucketahoeairport.com</u> (530) 587-4119 x 105

Proposals may be submitted in person, by mail to the Administrative Office, or by email, but must be received no later than 5:00 PM on March 15, 2021. Late proposals will not be considered. All proposals are deemed confidential and will be retained by TTAD. The General Manager and Staff reserve the right to reject all proposals, to request additional information concerning any proposal for purpose of clarification, to accept or negotiate any modification to any proposal following the deadline for receipt of all proposals, and to waive any irregularities if such would serve the best interests of the District as determined by the General Manager.

LEASE AND CONCESSION AGREEMENT EXHIBIT A



Premises includes paved surface access



TRUCKEE TAHOE AIRPORT ROAD

Concession Fee Exhibit B

(a) LESSEE shall pay to District a concession fee which shall be equal to ten percent (10%) of Tenant/Concessionaires gross receipts during the month for which such fee shall be due, or a Minimum Annual Guarantee in the sum of \$2,400 (\$200.00 per month), whichever is greater. For the purposes of this section, "gross receipts shall include all receipts generated from customers at the Airport, including those that are picked up by concessionaire or concessionaire's agents at the Airport, whether by cash or credit. "Customers at the Airport" shall include those that arrive by aircraft, drive to Concessionaire from other locations, or otherwise secure the services of Concessionaire at the Truckee Tahoe Airport. "Gross receipts" shall include motor vehicle rental charges, time charges and/or mileage fees; fees paid for acceptance of personal accident, collision damage waiver, or other types of insurance; fees generated from contracted service with other Airport tenants and users, or other third parties at the Airport; and, other rental fees including but not limited to, rental of infant car seats or other equipment. Receipts not reported include this concession fee, the amount of any federal, state or local sales tax; sale of uniforms or clothing when such uniforms or clothing are required to be worn by Tenants employees or agents; resale of petroleum products, including fuel and oil, provided that such resale fees are stated as part of Concessionaires standard agreement with its customers; corporate discounts, so long as such discounts are based on pre-arranged or negotiated corporate contracts, and any applied employee discounts and promotional discounts. Also excluded from gross revenue are: 1) sums received for damage to automobiles or Lessee's property or for loss, conversion or abandonment of such automobiles and property; and 2) sums received for the reimbursement of administration expenses, citations, fees and tolls issued by law enforcement of other governmental or quasi-governmental authority which have been paid by Lessee.

(b) Lessee shall record at the time of sale, in the presence of the customer, all receipts from sales or other transactions, whether cash or credit, in a cash register or registers having tape that accumulates and consecutively numbers all purchases. Lessee shall keep:

(i) full and accurate books of account and records in accordance with generally accepted accounting principles consistently applied, including, without limitation, a sales journal, general ledger, and all bank account statements showing deposits of Gross Sales revenue;

(ii) all cash register receipts with regard to the Gross Sales, credits, refunds, and other pertinent transactions made from or on the Premises (including the Gross Sales of any subtenant, licensee, or concessionaire); and

(iii) detailed original records of any exclusions or deductions from Gross Sales (including any exclusions or deductions from Gross Sales of any subtenant, licensee, or concessionaire). These books, receipts, and records shall be kept for a period of two (2) years after the close of each Lease Year, and shall be available for inspection and audit by District and District's representatives at the Premises at all times during regular business hours. In addition, on request of District or District's representatives, Lessee agrees to furnish copies of Lessee's state and local sales and use tax returns, if required to be filed in the state where the Premises are located.

(c) Within twenty (20) days after the end of each calendar month, commencing with the twentieth (20th) day of the month following the calendar month in which District's obligation to pay the Concession Fee commences and ending with the twentieth (20th) day of the month following the last month of the Term, Lessee shall furnish District with a statement, to be certified as correct by Lessee or the employee of Lessee authorized so to certify, that sets forth Lessee's Gross Sales per this Article Six for the month just concluded ("Monthly Sales Statement"), including any authorized exclusions and deductions. With each Monthly Sales Statement, Lessee shall pay to District as Percentage Rent an amount equal to the percentage factors set forth in Section A. (2) of this Article Six. Once with respect to each Lease Year and within two (2) years after its end, whether during or after the Term, District may cause an audit of Lessee's business by an independent accountant of District's own selection, and if any monthly report made by Lessee to District is found to be more than 2% less than the amount of Lessee's actual Gross Sales for the period covered by this statement, Lessee shall immediately pay to District the cost of the audit and any additional Percentage Rent shown to be payable by Lessee, together with interest from the original due

date at rate of 10% per annum; otherwise, the cost of this audit shall be paid by District. If Lessee fails to provide to District any Monthly Sales Statement at the time and in the manner specified in this Lease, this failure shall constitute a default under this Lease and District shall have the right, in addition to any other rights or remedies it may have under this Lease, to conduct an audit to determine these sales, and Lessee shall immediately reimburse District for the cost of the audit on written demand by District. If any Monthly Sales Statement is found to be more than 2% less than the amount of Lessee's Gross Sales shown by this audit, the understatement shall be deemed willful and District may terminate this Lease upon written notice given at any time within thirty (30) days after receipt of the audit by District. If at any time Lessee shall furnish District a copy of the report of this audit at no cost to District, within ten (10) days after Lessee's receipt of the audit report.

(d) The acceptance by District of any monies paid to District by Lessee as a Concession Fee for the Premises as shown by any Statement furnished by Lessee shall not be an admission of the accuracy of the statement or of any of the monthly statements furnished by Lessee during the Lease term, or of the sufficiency of the amount of the Concession Fee payments, but District shall be entitled at any time within two (2) years from the end of the Lease Year for which any of the Concession Fee payments have been paid to question the sufficiency of the amount paid and the accuracy of the statements furnished by Lessee to justify the amount Lessee shall, for each period of two (2) years, including the two (2) years following the end of the Term, keep safe and intact all of the records, books, and accounts required, and shall upon request make these records available to District, District's auditor, representative, or agent for examination at any reasonable time during this period.