CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: **AIRPORT**

AGENDA DATE: **June 28, 2011**

CONTACT PERSON NAME AND PHONE NUMBER: **Monica Lombraña/780-4724**

DISTRICT(S) AFFECTED: **3**

SUBJECT:
APPROVE a resolution / ordinance / lease to do what? OR AUTHORIZE the City Manager to do what? Be descriptive of what we want Council to approve. Include $ amount if applicable.
This item is a Resolution to Authorize the City Manager to sign a First Amendment to the Vehicle Rental Concession Agreement by and between the City of El Paso and EAN Holdings, LLC to extend the term of the agreement through November 30, 2011.

BACKGROUND / DISCUSSION:
Discussion of the what, why, where, when, and how to enable Council to have reasonably complete description of the contemplated action. This should include attachment of bid tabulation, or ordinance or resolution if appropriate. What are the benefits to the City of this action? What are the citizen concerns?
The current Vehicle Rental Concession Agreements expire on June 30, 2011, and the Department of Aviation is requesting to extend the agreement through November 30, 2011, to complete the solicitation process for a new agreement. This additional time is required because the development of a consolidated rental car facility at the Airport has extended the preparation time for the solicitation.

PRIOR COUNCIL ACTION:
Has the Council previously considered this item or a closely related one?
- May 23, 2006 – Awarded Solicitation 2006-115 Vehicle Rental Concessionaire to seven (7) responsive bidders, including Enterprise Leasing Company – West.
- June 22, 2010 – Approval of assignment of concession agreement from Enterprise Leasing Company – West to EAN Holdings, LLC.

AMOUNT AND SOURCE OF FUNDING:
How will this item be funded? Has the item been budgeted? If so, identify funding source by account numbers and description of account. Does it require a budget transfer?
N/A – This is a revenue-generating item

BOARD / COMMISSION ACTION: **N/A**
Enter appropriate comments or N/A

**********REQUIRED AUTHORIZATION**********

DEPARTMENT HEAD: Monica Lombraña

Monica Lombraña, A.A.E.
Director of Aviation

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a First Amendment to the Vehicle Rental Concession Agreement by and between the City of El Paso and EAN Holdings, LLC to extend the term of the agreement through Nov. 30, 2011.

APPROVED the _____ day of _____ 2011.

CITY OF EL PASO

_____
John F. Cook
Mayor

ATTEST:

_____
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Theresa Cullen
_____
Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:

Monica Lombraña
_____
Monica Lombraña, A.A.E.
Director of Aviation

Doc. #64656
Doc. Name: 1st Amend EAN Holdings (Enterprise)

STATE OF TEXAS	)	**FIRST AMENDMENT TO THE VEHICLE**
	)	**RENTAL CONCESSION AGREEMENT**
COUNTY OF EL PASO	)	

This First Amendment to the Vehicle Rental Concession Agreement by and between the City of El Paso, a municipal corporation existing under the laws of the State of Texas, ("City") and EAN Holdings, LLC, a limited liability company under the laws of the State of Delaware, ("Concessionaire") is made and entered into this ____ day of _____, 2011.

WHEREAS, City entered into a Vehicle Rental Concession Agreement with the Enterprise Leasing Company-West, with an effective date of July 1, 2006 ("Agreement");

WHEREAS, on July 31, 2009, Enterprise Leasing Company – West, LLC became a successor to Enterprise Leasing Company-West by an elective conversion completed under 6 *Del. C.* Sec. 18-214;

WHEREAS, on June 22, 2010, City approved the assignment of the Agreement to Concessionaire;

WHEREAS, City exercised the option to extend the Agreement for an additional one year period through June 30, 2011;

WHEREAS, City is preparing a solicitation for Vehicle Rental Concessionaire at the El Paso International Airport ("Airport") to ensure that Airport customers have available to them their choice of varied types of ground transportation services, and the solicitation also identifies the development of a consolidated rental car facility at the Airport which has extended the preparation time for the solicitation; and

WHEREAS, City and Concessionaire would like to extend the term of the Agreement for an additional five (5) months through Nov. 30, 2011 to allow for the completion of the solicitation process;

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Article I, Term of Agreement, is amended to add ***a new second paragraph which reflects adding*** an additional option to extend the Agreement under Section 1.02 as follows:

   Section 1.02 <u>Extension of Term</u>.
   (second paragraph)

   In the event that Concessionaire is not in default of any terms of this Agreement during the one-year extension, City and Concessionaire can extend the Agreement for an additional term of five (5) months through Nov. 30, 2011 ("Second Extension"). City and Concessionaire acknowledge that they are extending this Agreement for an additional

five (5) months through Nov. 30, 2011 by the complete execution of this First Amendment to the Vehicle Rental Concession Agreement. During the Second Extension period, Concessionaire shall pay the greater of ten percent (10%) of Gross Revenue or eighty-five percent (85%) of the Minimum Annual Guarantee, as defined herein, for the most recent, complete Contract Year, as the Concession Fee. During the Second Extension period, Concessionaire shall also pay all applicable fees and rentals as established by the most recent, complete Contract Year of this Agreement.

2. Regardless of the date executed, the Effective Date of this First Amendment to the Vehicle Rental Concession Agreement shall be July 1, 2011.

3. Except as expressly modified herein, all other terms and conditions of the Agreement shall remain in full force and effect and shall remain as written.

IN WITNESS WHEREOF, this First Amendment to the Vehicle Rental Concession Agreement has been approved by the parties hereto as of the dated first noted above.

CITY: CITY OF EL PASO

_____
Joyce A. Wilson
City Manager

APPROVED AS TO FORM:

Theresa Cullen
Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:

Monica Lombraña
Monica Lombraña, A. A. E.
Director of Aviation

ACKNOWLEDGMENT

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this day of _____ 2011 by Joyce A. Wilson, as City Manager of the City of El Paso (City).

_____
Notary Public, State of Texas

My Commission Expires:

_____

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

CONCESSIONAIRE:
EAN HOLDINGS, LLC

Printed Name: John Murphy
Title: VP / General Mgr

ATTEST:

Printed Name: Mark I. Litow
Title: Authorized Officer - Secretary

THE STATE OF Missouri)
)
COUNTY OF St. Louis)

This instrument was acknowledged before me on this 14th day of June, 2011, by John Murphy as Vice President on behalf of EAN Holdings, LLC (Concessionaire).

Notary Public, State of Missouri

My Commission Expires:
4-19-2013

THELMA E. VAZQUEZ
Notary Public, Notary Seal
State of Missouri
St. Louis County
Commission # 09772879
My Commission Expires April 19, 2013