

CITY OF EL PASO, TEXAS
DEPARTMENT HEAD'S SUMMARY REQUEST FOR COUNCIL ACTION (RCA)

DEPARTMENT: AIRPORT

AGENDA DATE: September 12, 2006

CONTACT PERSON/PHONE: Patrick T. Abeln, A.A.E. – 780-4724

DISTRICT(S) AFFECTED: 03

SUBJECT:

Resolution authorizing City Manager to sign a Lessor's Approval of Assignment of the Vehicle Rental Concession Agreement between the City of El Paso, Devos Motor Co., Inc., dba Dollar Rent A car dba Thrifty Car Rental ("Assignor") and DTG Operations, Inc., dba Dollar Rent A Car dba Thrifty Car Rental ("Assignee").

BACKGROUND / DISCUSSION:

Devos Motor Co., Inc. has been an auto rental concessionaire operating as Dollar Rent A Car at the El Paso International Airport since August 1987. On July 1, 2006 Devos Motor Company, dba Dollar Rent A Car and dba Thrifty Auto Rental, was one of seven (7) successful bidders selected to continue operating a vehicle rental concession at the El Paso International Airport under a new agreement effective July 1, 2006 and expiring June 30, 2010.

The Concessionaire's proposed first year minimum annual guarantee in the amount of \$472,086.10 earned the dual branded Dollar Thrifty franchise the #3 counter position in the terminal. Combined with their counter rental and ready/return lot parking spaces, the gross rentals for the first year equates to \$496,245.96 (\$41,353.83/month).

Devos Motor Co. is requesting Lessor's Approval of Assignment of its interest and obligations under the Vehicle Rental Concession Agreement to DTG Operations, Inc. dba Dollar Rental A Car and dba Thrifty Car Rental, the operating arm of Dollar Thrifty Automotive Group, Inc.

ANALYSIS:

DTG Operations, Inc. is a publicly traded company trading under the symbol DTG. The approval of this assignment will allow the dual branded Dollar Thrifty operations to continue at El Paso International Airport as a corporate-owned operation as opposed to a franchiser-owned operation.

PRIOR COUNCIL ACTION:

On May 23, 2006 City Council approved award of Solicitation 2005-115 Vehicle Rental Concessionaire to seven (7) successful bidders submitting highest first year minimum annual guarantee.

AMOUNT AND SOURCE OF FUNDING:

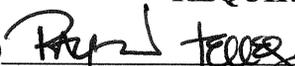
There will be no expense to Airport.

BOARD / COMMISSION ACTION:

The request for Lessor's Approval of Assignment was presented to Airport Board during the August 10, 2006 Board Meeting and unanimously approved.

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

LEGAL: (if required)


Raymond L. Telles, Asst. City Attorney

FINANCE: (if required)

OTHER: Patrick T. Abeln, A. A. E., Director of Aviation

(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____

DATE: _____

RESOLUTION

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

That the City Manager be authorized to sign an Approval of Assignment of the Vehicle Rental Concession Agreement by and between the City of El Paso, Devos Motor Co., Inc. dba Dollar Rent A Car dba Thrifty Car Rental ("Assignor") and DTG Operations, Inc. dba Dollar Rent A Car dba Thrifty Car Rental ("Assignee") for the following described property: Counter area #6 on the ground floor of the Airport terminal building and certain allocated spaces in the Ready/Return lot.

PASSED AND APPROVED this ____ day of September 2006.

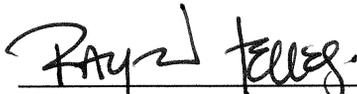
THE CITY OF EL PASO

John F. Cook
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

APPROVED AS TO CONTENT:



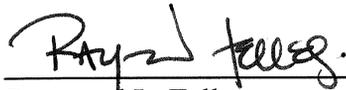
Patrick T. Abeln, A. A. E.
Director of Aviation

6. **AUTHORIZED REPRESENTATIVE.** The persons signing this Approval of Assignment on behalf of each party represents and warrants that he or she has the authority legally to bind that party to the provisions of this Approval of Assignment.
7. **NON-WAIVER.** The Approval of Assignment hereby given by City shall not end the need for City's consent for any future assignments.
8. **EFFECTIVE DATE:** The parties have executed this Approval of Assignment hereto on this 22nd day of August 2006.

CITY OF EL PASO:

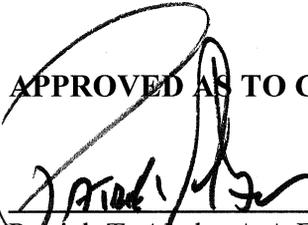
Joyce A. Wilson
City Manager

APPROVED AS TO FORM:



Raymond L. Telles
Assistant City Attorney

APPROVED AS TO CONTENT:



Patrick T. Abeln, A.A.E.
Director of Aviation

(SIGNATURES CONTINUE ON THE FOLLOWING PAGE)

ATTEST:

William H. Woodell
Printed Name: WILLIAM H. WOODPELL

ASSIGNOR: Devos Motor Co., Inc. dba Dollar Rent A Car dba Thrifty Car Rental

Martin L. Devos
Printed Name: MARTIN L. DEVOS
Title: PRESIDENT

ATTEST:

Michael F. Souza
Printed Name: MICHAEL F. SOUZA

ASSIGNEE: DTG Operations, Inc. dba Dollar Rent A Car dba Thrifty Car Rental

John J. Foley
Printed Name: JOHN J. FOLEY
Title: PRESIDENT

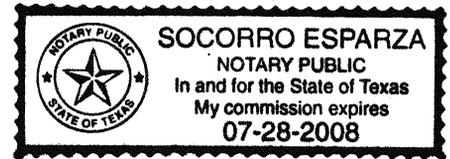
ACKNOWLEDGEMENT

THE STATE OF Texas)
COUNTY OF El Paso)

This instrument was acknowledged before me on this 29 day of August, 2006, by Martin L. Devos as President of Devos Motor Co., Inc. dba Dollar Rent A Car dba Thrifty Car Rental (Assignor).

Socorro Esparza
Notary Public, State of Texas

My Commission Expires: 7-28-08



ACKNOWLEDGEMENT

THE STATE OF Oklahoma)
COUNTY OF Tulsa)

This instrument was acknowledged before me on this 21st day of August, 2006, by John J. Foley as President of DTG Operations, Inc. dba Dollar Rent A Car dba Thrifty Car Rental (Assignee).

Sheryl L. Dunbar
Notary Public, State of _____

My Commission Expires: _____

