

# Department of Port Control

Ordinance No.: 248-2020

Business Development & Management

## Executive Summary

The Department of Port Control is requesting authority to enter into one or more amendments to Lease by Way of Concession Agreements with various car rental companies that operate rental car concessions at Cleveland Hopkins International Airport to extend the term of the leases for one year.

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### **Background/Purpose:**

On December 8, 2008, the Department executed, and entered into, various Lease by Way of Concession agreements, for the operation of rental car concessions and service /maintenance for said rentals, on certain city owned property, generally located at 19601 Maplewood Avenue Cleveland, OH 44135. The term for each agreement, was set at five (5) years with one (1) five year option to renew which required additional legislative authority.

Upon end of the initial term, the Department requested to exercise the option to renew; and under the authority of Ordinance No. 185-15, passed by Cleveland City Council on March 16, 2015, the service area and rental car center agreements were renewed and amended for the terms to run coterminous with one another and were set to expire on February 27, 2020.

### **Scope:**

All terms and conditions, from the original agreement, shall remain in effect during the extended one-year period.

### **Justification/Urgency:**

The extension will bind, and benefit, both parties by confirming that the assets, under the service area umbrella and the ready return stalls, are structurally sound and in compliance with all City, State and Federal regulations, and allow the Department to determine fair market value for rent to be paid to the Department, upon entering into new agreements resulting from a full procurement.

### **Anticipated Cost:** None

**Term:** The Department is requesting to extend the term by a period of one (1) year with an expiration date of February 27, 2021.

**Current Contracts:**

| <b>Name</b>                       | <b>Contract Number</b> | <b>Expiration Date</b> |
|-----------------------------------|------------------------|------------------------|
| Avis Service Area                 | 52442                  | 2-27-2020              |
| Dollar Service Area               | 52457                  | 2-27-2020              |
| National Service Area             | 52459                  | 2-27-2020              |
| CLERAC Service Area               | 52461                  | 2-27-2020              |
| Thrifty Service Area              | 52473                  | 2-27-2020              |
| Hertz Service Area                | 52556                  | 2-27-2020              |
| Budget Service Area               | 52600                  | 2-27-2020              |
| CLERAC Lease by Way of Concession | 69919                  | 2-27-2020              |
| Budget Lease by Way of Concession | 69920                  | 2-27-2020              |
| DGT Lease by Way of Concession    | 69921                  | 2-27-2020              |
| Avis Lease by Way of Concession   | 69922                  | 2-27-2020              |
| Hertz Lease by Way of Concession  | 69923                  | 2-27-2020              |

**Employee Information****Avis/Budget****Hertz****CLERAC**

|   |     |    |     |
|---|-----|----|-----|
| Total number of employees:                                | 121 | 82 | 138 |
| Number of employees that are minorities:                  | 75  | 39 | 58  |
| Number of employees that are women:                       | 39  | 29 | 27  |
| Number of employees that are City of Cleveland residents. | 51  | 27 | 61  |