NHR
12/17/15
Item No. 15

AN ORDINANCE 2015-12-17-1063

AUTHORIZING AMENDMENT NUMBER 3 TO A BUILDING AND GROUND LEASE AGREEMENT WITH AVIS RENT A CAR SYSTEM, LLC AT THE SAN ANTONIO INTERNATIONAL AIRPORT.

* * * * * *

WHEREAS, by Ordinance 2008-01-17-0024 authorized January 17, 2008, City Council authorized a San Antonio International Airport ("SAT") Lease for building and ground space with Avis Rent A Car System, LLC for its rental car operations at SAT; and

WHEREAS, the Lease was amended on September 8, 2008, as authorized by Ordinance No. 2008-08-21-0720 ("Amendment No. 1"); and amended again on June 20, 2013, as authorized by Ordinance No. 2013-06-20-0455 ("Amendment No. 2"); and

WHEREAS, the City and Avis would like to amend the Lease in order to adjust the performance guarantee requirements to be consistent with the performance guarantee requirements in other agreements in the San Antonio Airport System; **NOW THEREFORE,**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager or her designee is hereby authorized to execute Amendment Number 3 to the existing Lease with Avis Rent A Car System, LLC, which amendment adjusts the performance guarantee requirement to six months' rental from one year's rental, a copy of which amendment is set out in Exhibit 1.

SECTION 2. This Ordinance shall take effect immediately upon receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED and APPROVED this 17th day of December, 2015.

Ivy R. Taylor

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek
City Clerk

APPROVED AS TO FORM:

Martha G. Sepeda
Acting City Attorney

Agenda Item:	**15 (in consent vote: 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16A, 16B, 16C, 18, 19, 20, 21, 22, 23, 24, 25, 26)**
Date:	12/17/2015
Time:	10:36:15 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing an amendment to a ground and building lease agreement with Avis Rent A Car System, LLC to align the performance guarantee requirements with other lease agreements in the San Antonio Airport System. [Carlos Contreras, Assistant City Manager; Frank Miller, Director, Aviation]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ivy R. Taylor	Mayor		x				
Roberto C. Treviño	District 1		x			x	
Alan Warrick	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				x

EXHIBIT 1

SAN ANTONIO INTERNATIONAL AIRPORT
LEASE AMENDMENT NO. 3

THIS LEASE AMENDMENT NO. 3 is entered into by and between the City of San Antonio, a Texas Municipal Corporation (hereinafter "City" or "Lessor") acting by and through its City Manager, pursuant to Ordinance No. _____ adopted on _____ _____, _____ and **Avis Rent A Car System, LLC,** a Delaware limited liability company (hereinafter "Lessee") acting by and through its duly authorized officer.

WHEREAS, City and Lessee entered into a San Antonio International Airport ("SAT") Lease dated January 30, 2008, as authorized by Ordinance Number 2008-01-17-0024; and

WHEREAS, the Lease was amended on September 8, 2008, as authorized by Ordinance No. 2008-08-21-0720 ("Amendment No. 1"); and

WHEREAS, the Lease was amended again on June 20, 2013, as authorized by Ordinance No. 2013-06-20-0455 ("Amendment No. 2") (the original lease and subsequent amendments hereafter referred to as "the Agreement"); and

WHEREAS, the parties desire to adjust the Performance Guarantee requirements under the Agreement to be consistent with the performance guarantee requirements in other leases and agreements at SAT; NOW THEREFORE,

In consideration of the terms covenant, agreements and demises herein contained and for other good and valuable consideration, each to the other given, the receipt and sufficiency of which is hereby mutually acknowledged, City and Lessee agree to amend the Lease as follows:

1. **Section VIII. Performance Guarantee** is amended to read as follows:

8.1 Lessee shall deliver to the Aviation Director, on or before the execution of this Lease, and shall keep in force throughout the term hereof, either an irrevocable letter of credit in favor of Lessor, drawn upon a bank satisfactory to Lessor, or a surety bond, payable to Lessor (the "Performance Guarantee"). The foregoing shall be in a form and content satisfactory to Lessor, shall be conditioned upon satisfactory performance of all terms, conditions, and covenants contained herein during the term hereof, and shall stand as security for payment by Lessee of all valid claims by Lessor hereunder. If a bond shall be delivered, it shall be issued by a sound indemnity company, authorized to do business in Texas. The amount of the irrevocable letter of credit or surety bond shall be TWO HUNDRED FOUR THOUSAND, SEVEN HUNDRED THIRTY DOLLARS ($204,730.00). Said amount shall be adjusted, as necessary, so that it shall at all times equal at least one-half (1/2) of the total annual rental (without adjustment pursuant to Section 3.2 hereof), payable by Lessee to Lessor hereunder.

3. This Amendment sets forth the entire agreement between the parties as to the subject matter hereof. Except as amended herein, all of the terms and provisions of the Agreement between the parties shall remain in full force and effect. In case of any inconsistency between the provisions of the Agreement and this Amendment No. 3, the later provision shall govern and control.

4. This Amendment No. 3 shall be effective on the first day of the month immediately following approval of this amendment by the City of San Antonio, Texas City Council.

5. This Amendment No. 3 is executed in multiple counterparts each of which contains all required original signatures and shall be considered an original on its own.

EXECUTED by City and Lessee as indicated below.

AVIS RENT A CAR SYSTEM LLC

By: _____

Robert Bouta, Senior Vice President
an authorized representative of Avis Rent A Car System, LLC

Its: _____

Date: 11/17/15

CITY OF SAN ANTONIO

By: _____
Sheryl L. Sculley, City Manager

Date: _____

APPROVED AS TO FORM:

_____
City Attorney