

**City of Visalia
Agenda Item Transmittal**

Meeting Date: 5/1/2017

Agenda Item Number (Assigned by City Clerk): 8.

Agenda Item Wording: Second reading and adoption of Ordinance No. 2017-04 authorizing the lease of approximately 864 square feet of counter and office space in the Terminal Building at the Visalia Municipal Airport to Enterprise Rent A Car for \$1,090.60 per month, adjusted annually based on the California Consumer Price Index, for the purpose of expanding their existing car and truck rental operations.

Deadline for Action: 5/1/2017

Submitting Department: Administration

Contact Name and Phone Number:
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Department Recommendation: Staff recommends that the City Council approve this second reading and adoption of the attached ordinance authorizing the City Manager to execute a new concession agreement for a portion of the Air Terminal at the Visalia Airport. The new lease agreement will include an initial two (2) year term with four (4) additional options of 2 years each for a total term of ten (10) years, at an initial lease rate of \$1,090.60 per month, adjusted annually by the California CPI.

Summary: This concession agreement will replace the existing agreement between Enterprise Rent a Car and the City of Visalia. The original concession agreement began in 2014 and covered approximately 140 square feet of counter space and some lobby seating in the Air Terminal. With the departure of commercial air service at the Visalia Airport in 2016, Enterprise representatives met with Airport staff to look at ways to expand their operation and separate their Truck Rental from their Car rental at the airport. This agreement will provide for more counter space and over 600 square feet of lobby space for them to add office areas. Additionally, this agreement also allows for Enterprise to have access to 9,000 square feet of common use parking area located behind the Terminal and adjacent to the vehicle wash rack.

This concession agreement will allow them to add office space and separate their car rental operation from the Truck rentals, which are run by two separate managers and staff.

Background Discussion: At the time that Seaport Airlines pulled out, Enterprise Rent a Car was operating a car rental counter, but they had limited space available due to the amount of TSA screening equipment in the lobby area of the terminal. With the departure of the airline

COUNCIL ACTION: Approved as Recommended