

TRI-CITIES AIRPORT
PORT OF PASCO

REQUEST FOR PROPOSAL
Non-Exclusive Car Rental Concessions

ADDENDUM 1

Distribution Date: September 23, 2021

Proposals Due: October 21, 2021 by 3:00 p.m. PT



Port of Pasco, Washington

Non-Exclusive Rental Car Concessions at the Tri-Cities Airport

REQUEST FOR PROPOSALS

ADDENDUM 1 - Questions and Answers for above RFP

In the answers to these questions the Port of Pasco shall be noted as “Port”.

Dated September 23, 2021

The Following changes are hereby made to the Request for Proposals:

RFP

1. Section 7 Rent – Our parking stall Rent in 2016 was \$60/stall. Our Rent was increased in 2018 to \$63.30/stall. The near 100% increase in stall costs proposed by the Airport in 2022 is egregious. During one of, if not THE most, challenging periods in the history of Air Travel in America the Airport is proposing an unbelievable 100% increase to the cost of tenant Rent? Even a reasonable annual increase of 3% would only produce a rental rate of \$71.64/stall. Land in and near the Airport is simply not limited or expensive. Finally, increased costs may lead to increased rates which may lead to reduced passenger traffic at PSC. I suspect that we are all interested in keeping the passenger traffic growing at PSC not pushing customers to choose alternative airports to fly into.
QUESTION: We respectfully request that staff consider a more reasonable rental rate of \$72/stall.

Response: [See Revised Section 3\(2\)\(b\) of the Revised Request for Proposals.](#)

2. Sec. 9 – It is unreasonable for the Port to set the minimum bid at a level that is barely achievable (and potentially unachievable) during such a disastrous period in air travel history. Even the tiniest fluctuation, shut down or hiccup in future air travel, will immediately plunge rental car providers into MAG Shortfall and the MAG abatement language is insufficient to provide meaningful relief unless the condition continues for at least 3 consecutive months. Given the challenges in the travel industry, the fact that passenger counts at PSC have not shown anything close to a *consistent* return to 2019 passenger counts (only 74% of 2019 passengers YTD), and the fact that RAC revenues for the year remain almost 20% behind 2019 revenues thru June 2021, it is simply not reasonable to expect the MINIMUM bids at this level. Further, the very recent increases in rental car revenue is the result of artificially high rates due to the current national shortage of rental cars. It is highly unlikely that this condition will continue for long.
QUESTION: Will the Port please modify the Minimum Bid amount to reflect the current air travel environment, reduced passenger counts and rental car revenue. We request reasonable expectations. We suggest \$80k per single branded Bid and \$160k for dual branded bids.

Response: See Revised Section 9 of the Revised Request for Proposals and the Revised Attachment #2.

3. Please reconsider the requirement that dual brands must double the minimum bid amount. “The minimum acceptable proposal is One Hundred Fifty Thousand Dollars (\$150,000) per year for one brand or Three Hundred Thousand Dollars (\$300,000) per year for two brands by one company.”
The current structure is likely to result in abnormal results and could cause strategic blocking that will reduce customer service and revenue flow to the airport.

Response: See Response to Question #2.

4. 9.A. In our question call on 9/8/2021, we were told the rental car companies are “making record profits”. While this is true the past 3 months, this comment disregards the following:
 - a. Rental car companies experienced significant losses over the first year of the COVID
 - b. COVID pandemic continues with the emergence of the Delta variant, and we are seeing significant negative effects on travel the past few weeks and don’t know where this will end.
 - c. Rental car companies have seen record daily rates over the past 3 months due to COVID related fleet shortages and high summer demand of travel brought on by a lockdown mentality to travel and visit family, friends. This is a brief aberration and will not continue.
 - d. The car rental industry is mired in a supply issue of fleet vehicles that has hindered any type of purchasing schedule due to the microchip shortage. Bottom line is automotive manufacturers are not providing rental car companies any schedule on when vehicles will be available for at least the next 6 months. This will have a significant negative effect on the rental car industry in 2022 and could carryover until 2023.

Question: What justification is used for this 67% increase in MAG, especially during these pandemic times?

Response: See Response to Question #2.

5. We respectfully request that all modes of car rental be held to a level playing field with regard to all access and fee (e.g., concession fee, rent, CFC) requirements. This level-playing field should include all off-airport rental car operators and peer-to-peer (“P2P”) rental car operators.

QUESTION: Will the Port please provide a copy of its current off-airport rental car agreement?

Response: See Exhibit E – Resolution 1334 authorizing implementation of a privilege fee for non-tenant rental car companies picking up customers at the Tri-Cities Airport. The Port is in the process of requesting commission approval to update the privilege fee for non-tenant rental car companies including the definition of Gross Revenues.

QUESTION: Will the Port please confirm all access and fee requirements for off-airport rental car operators at the airport?

Response: See Exhibit E – Resolution 1334 authorizing implementation of a privilege fee for non-tenant rental car companies picking up customers at the Tri-Cities Airport.

QUESTION: Will the Port please provide a copy of the its current P2P rental car agreement?

Response: The Port does not currently have a P2P rental car agreement.

QUESTION: If there is not a signed P2P agreement in place today at the airport, will the Port please confirm what access and fee requirements will be implemented for P2P rental car operators going forward?

Response: The Port cannot confirm what access and fee requirements will be implemented for P2P rental car operations going forward.

6. Section 20A – Hours of Operation – It is unnecessary for the Port to dictate our hours of operation. Again, we are partners in this endeavor, and we strive to satisfy the needs of the customers as it benefits the Airport, the customer and the RACs. Rental car companies can themselves determine the best ways to meet the customer’s needs and the best Hours when staffing is required.

QUESTION: will the Port please remove the specific requirements for Hours of Operation? RACs should be allowed to determine these themselves.

Response: No.

QUESTION: Please provide the current flight schedule for each day of the week.

Response: See Exhibit F – Flight Schedules for September 2021 and October 2021 (Subject to Change).

Sample Agreement

7. Sec. 2.A (pg 2) “Gross Revenues” – as to the stated exclusions:

QUESTION: will the Port please expand #3 exclusion to include “and administration thereof”?

Response: No Change.

QUESTION: Will the Port please expand #5 exclusion to also exclude “traffic tickets, red light tickets, other governmental fines and fees, tolls, impounded vehicles, and the administration thereof.”

Response: See Revised Article 2(A)(5) of the Revised Sample Agreement.

QUESTION: Will the Port please insert additional exclusions for fuel and carbon offset (as these are not revenue-generating items)?

- Fuel: Fuel should be excluded from gross revenues as there is no profit or additional revenue resulting from the cost we recover from the customer for furnishing or replacing fuel. “Pre-paid” fuel is the cost of furnishing fuel and is at the commencement of the contract and is not revenue as the amount we charge for fuel is at or below the cost of the nearest gas station. The cost to replace fuel is at the conclusion of the contract and should also be excluded as this does not result in any profit or additional revenue, but is our administrative cost to be “made whole” when a customer returns the vehicle with a lesser amount of fuel than when they rented it.
- Carbon Offsets: This fee is optional for our customers and is to allow them to make their rental carbon neutral. There is no profit in this fee as 100% of all fees collected are passed through to a 3rd-party to fund environmental initiatives.

Response: No Change.

8. Please include “traffic tolls” as an exclusion from Gross Revenue.

Response: See Response to Question #7.

9. Sec. 2.E (pg 3) “Transaction Day”. Typically, there is a “grace period” associated with the definition of a transaction day. **This is a customer service item** which will reflect poorly on both the rental car company and the Airport/Port if RACs are required to charge customers a full day of rental or CFC when the customer returns the vehicle 10-20 minutes late. Neither the RACs, nor the Port nor the customer will benefit from this type of aggressive charging.

QUESTION: Will the Port please include language here stating “...*except that a partial day that is a grace period of no more than one (1) hour after the last 24-hour day booked shall not be considered a Transaction Day.*”

Response: See Revised Article 2(E) of the Revised Sample Agreement.

10. Please amend “Transaction Day” to allow exclusion under the 1 hour grace period for late rentals. Otherwise, the industry is forced to charge and pay CFCs on returns that are timestamped as little as 00:01 (one second) late. This type of zero tolerance policy typically generates large volumes of customer complaints direct to the company, the airport, and social media tagging the same.

Response: See Response to Question #9.

11. 2.E. Please consider a grace period of 1 hour on top of the 24 hours (for a total of 25 hours) for a transaction day. It is very difficult to charge a customer if they are 15 minutes late an additional day for the vehicle. As we share our customers, we don’t want to upset them by telling them the airport requires us to do this.

Response: See Response to Question #9.

12. Sec. 3 – Term (pg 3) – Please modify the language related to ‘extending’ contract beyond initial 3-year term to provide for MUTUAL option to extend. It is not reasonable or fair for the Airport to have the right to extend the contract without RAC agreement. Providing the Airport the right to extend the contract unilaterally, especially if travel is performing poorly (at an increased MAG amount) is unfair at best and predatory at worst. Airport should not have the right to unilaterally extend the contract.

QUESTION: will the Port please modify the language to provide for a requirement of MUTUAL agreement to extend?

Response: See Revised Article 3 of the Revised Sample Agreement.

13. 20.B. Operating hours 30 minutes before the first departing flight? We have after hour drop boxes to handle early returns, why the change in hours of operation requirements? Covid outbreaks and resulting labor shortages have made scheduling extremely difficult and will continue for the foreseeable future. Please consider reverting to prior requirements.

Response: See Revised Article 20(B) of the Revised Sample Agreement.

14. 20.B. Will operators with multiple counters be required to staff all counters according to the operating hours, instead of sending customers down to their other affiliated counter(s)?

Response: Yes, Operators with multiple counters will be required to staff all counters for the required operating hours. See Revised Article 20(B) of the Revised Sample Agreement.

15. Sec. 20.O (pg 16-17) Liquidated Damages/Violations – We are your partners. We will always work with you quickly and in good faith when any operational issues come up. It is punitive to simply issue fines to your partners rather than working together to identify/fix any problems we encounter. Our mutual goal is to provide excellent customer service. We don’t need to be fined to try to achieve this goal.

QUESTION: Please eliminate the “Liquidated Damages” provision in its entirety.

Response: Article 20(O) has been deleted in the Revised Sample Agreement. However, the penalty for the late submission of required ACDBE reports has been added to Article 52.

QUESTION: If the Port will not eliminate provision, then please establish a reasonable “cure” period (e.g., 14 days) before implementing these punitive financial penalties.

Response: Article 20(O) has been deleted in the Revised Sample Agreement.

QUESTION: additionally, if the Port will not eliminate the provision, please explain specifically what constitutes as an infraction of 1) “Pricing and Quality Violations” and 2) “Aggressive selling techniques”?

Response: Article 20(O) has been deleted in the Revised Sample Agreement.

16. 20.O. Will Operating Hours Violations include operators with multiple counters who do not

staff their counters pursuant to the required Operating Hours and send customers to their other affiliated counter(s). Please explain if and how this will be enforced?

Response: See Response to Question #15.

17. 20.O. Please include definitions of the following violations:
- a. Service Standards and Employee Standards
 - b. Pricing and Quality Violations
 - c. Aggressive selling techniques

While we have and expect high standards of our staff, without definitions these are arbitrary and do not provide for awareness and training for our staff.

Response: See Response to Question #15.

18. 29.C. The “off” and “on” trigger should be congruent. If it takes three consecutive months of at least a 25% reduction to trigger an abatement, it should three consecutive months to trigger an abatement “off”.

Response: See Revised Article 29(C) of the Revised Sample Agreement.

Questions Received NOT Resulting in Changes to RFP documents:

General

19. Please extend the response period (and all other deadlines) by 1 month to ensure enough time for corporate approvals and discussions, given the recent disruptions caused by Delta variant.

Response: No Change.

20. We have seen numerous airports require an online or email submission in recent months. This is particularly important since we ship our proposals from the Missouri corporate office at least 5 days in advance of the due date. An electronic submission would save a lot of time. **QUESTION**: Will the Port please allow an online or email submission of our proposals?

Response: No. The Port is unable to accept online or email submissions of bids or proposals.

21. Please allow electronic submission of all documents (except bond) given recent outbreaks of Delta variant throughout the country.

Response: See Response to Question #20.

22. Any RAC interested in operating at the Airport should not be able to NOT respond now, wait until it sees which companies submit proposals and what MAGs are proposed, and then enter into a contract at the minimum. This undermines the RFP process.

QUESTION: Will the Port please confirm no additional Operator will be added during the term of the agreement, other than those companies that are successful in this RFP process?

Response: No, the Port will not confirm the above. If the Port receives fewer than four qualified proposals or if a concession agreement is terminated prior to the end of the term of the agreement, the Port may decide to seek additional or replacement concessionaires under the same terms and conditions of this RFP.

23. In recent years, there have been several companies that have been interested in providing car sharing services on-airport, whether they are actual car sharing companies or a branded service that rental car companies offer. These car sharing companies/services have membership fees.

QUESTION: If the Port intends to allow car sharing anywhere on airport property (whether offering limited parking spaces on-airport, curbside pick-up, etc.), please confirm that the Port is collecting a portion of these membership fees along with the off-airport revenue percentage fee.

Response: The Port cannot confirm what access and fee requirements will be implemented for car sharing services.

24. Space Blocks.

QUESTION: Please confirm that if the Port accepts fewer than 3 or 4 Proposals, the Port will allocate 100% of all available ready/return space in space blocks based on the number of concessions awarded from this proposal.

Response: Confirmed. The Port does not intend on adding any ready/return parking blocks during the term of the agreement.

QUESTION: Please confirm that the Port will provide all necessary ready/return improvements (e.g., signage, poles, paint, etc.) at the Port's expense (or otherwise use CFC funds).

Response: No, the Port will not confirm. As provided for in Article 25 of the Sample Agreement, the Port's obligations include "Security lights, signposts, and maintenance of same to the leased ready/return block." The Operator is responsible, at its own expense, for signage as described in Article 26.

25. Counters.

QUESTION: Please confirm that the Port will provide all necessary counter signage improvements (e.g., new electric signage) at the Port's expense (or otherwise use CFC funds).

Response: No, the Port will not confirm. As provided for in Article 25 of the Sample Agreement, "Operator shall have the right, at its own expense to install and maintain signs for the purpose of identification and advertising."

26. Please provide passenger forecast for the term of this agreement. It doesn't seem unreasonable that if the Port is asking operators to forecast our numbers via this RFP bidding process, that the Port would be able to give us their forecast. This is particularly important for us due to the uncertain travel business due to the COVID pandemic.

Response: The most recent passenger forecast prepared for the Tri-Cities Airport was prepared by the FAA and can be located in their Terminal Area Forecast at the following website: <https://taf.faa.gov> (Select "Facility" and enter "PSC" in the "Find" field).

RFP Questions

27. **QUESTION (Two Parts):** Please confirm that all the terms and conditions specified in the RFP and any/all issued addenda will be incorporated herein and made a part of the Concession Agreement. Specifically, please add language to the RFP and to the Concession Agreement which states: "The Request for Proposals, including all issued addenda and questions and answers, are hereby incorporated into and made a part of the Concession Agreement."

Response: No. The Sample Concession Agreement will be updated as appropriate to incorporate addenda changes to include all terms and conditions prior to execution by either party.

28. Sec. 1.B (pg 2) & 13 (pg 7) Submission of proposals.

QUESTION: Will the Port please allow an email or online submission, rather than physical copies? This saves a LOT of time.

Response: See Response to Question #20.

29. Sec. 2.B (pg 2) Counter/office location – Choice of counter/office location determined by MAG. All counters are substantially the same, and it is both disruptive and unnecessarily expensive to move counters.

QUESTION: Will the Port please "grandfather" counters to incumbent operators?

Response: No.

QUESTION: If the Port will not "grandfather" counters, will the Port allow the use of CFC funds to pay for post-bid counter space reallocation?

Response: No.

30. 3.2.a. What will be the counter rental rate? With MAG minimums and Ready/Return rent basically doubling, this is too important to leave undefined in RFP and it seems the airport should know the square footage rate prior to finalizing this RFP.

Response: As stated in the RFP, the current counter rental rate is \$66.96. This rate is adjusted annually based on the operating budget and is the same rate as charged to the airlines.

31. 3.2.b. The ready/return rent has more than doubled since prior agreement from \$1.97 to \$3.95 per parking space per day. What justification can be given on this based on local or national economics?

Response: The Ready/Return parking rental rate established for this agreement is based on market conditions and is substantially less than the public parking daily rate of \$13 per day for similar near terminal parking.

32. Sec. 4 (pg 4) – Dual Branding.

QUESTION: Please confirm that proposers are permitted to submit more than one proposal, so long as each proposal identifies different brands.

Response: Yes. A single legal entity may submit more than one proposal as long as each proposal contains different brands.

33. Please confirm that an incumbent may make more than one submittal, given the dual branding allowed.

Response: See Response to Question #32.

34. Documents state that a bidder may not add a brand after successful bid that is not included on the proposal forms. What if there is further acquisition or restructuring within the industry?

Response: Brands may not be added and brands will be operated under their current Agreement which, with the approval of the Director, may be assigned to a different corporate entity.

35. 4. We strongly and respectfully suggest that the Port *require* multi branding at an individual rental car counter for up to 3 brands.

Because of the consolidation of rental brands, dual or multi brand operators have the ability to “view” 2 or 3 different RFP bids depending on their number of brands. An operator of 1 brand can only see their own bid. With 4 counters available, a 3-brand operator will be able to “disclose to themselves” 3 of the 4 counters bids. A 2-brand operator can “see” effectively 50%. This is inherently an unfair, exclusionary, and non- competitive bidding process for a single brand rental car operator, especially when the Port has a limited number of counters.

Additionally requiring multi brand counters would eliminate the façade of how dual or multi brand operators “actually” operate at the individual brand counters. If a multi brand operator has 2 or 3 counters, they habitually close 1 or 2 of the rental counters and direct customers to one of their other brands for service. This is another form of anti- competitive advantage and behavior that the dual and multi brands have over a single brand and is encouraged by the Port with the current RFP process by not requiring multi or dual brand to be at a single counter.

This current RFP process will encourage multi and dual brands to bid on all counters, i.e. one brand most likely will bid on 3 counters based on recent data, with the intention of taking a dominant market position at the airport. With another dual brand counter, the Port will have created a duopoly. This is not in line with keeping a competitive environment at the airport, and surely not good policy for the Port's customers.

Lastly, by not requiring dual or multi rental counters, the Port is effectively shutting out other potential bidders from the 4th counter. Potential competition would not be able to establish itself with this current RFP process as it favors the dual or multi brand operators. Additional competition would ultimately be good for the Port's customers.

Other smaller and larger airports have implemented required dual or multi branding in their markets for the reasons stated above.

Response: The Port anticipates sufficient space during the term of this Agreement.

36. Sec. 5 (pg 4-5) – A 7.76% is an extremely high goal. We have numerous airports with % goals significantly lower. Lately, the highest % we have seen is 1%.

QUESTION: What is the Port's methodology for determining 7.76% as the goal? Has the Port done any disparity studies to determine an appropriate percentage?

Response: The Port's methodology for the calculation of its ACDBE goal can be found on the Port's website on the following page: <https://www.flytricity.com/learn/dbe-acdbe>. The Port has not done any disparity studies, however WADOT did a disparity study for the entire State after this goal setting period. In 2022, the Airport will be developing the new ACDBE goal for the next three years. This process includes an information meeting which can be attended by any interested party and is advertised on the Port's website.

QUESTION: Will the Authority please lower this goal to 1%, as that seems to be customary?

Response: No change. This goal was reviewed and approved by the FAA on **September 3, 2019**.

37. Sec. 8 – Addenda.

QUESTION: Will the Port please consider issuing Q&A/Addenda prior to 9/20?

Response: The Port has issued this addendum on September 23, 2021.

38. Sec. 9 – The RFP indicates that the minimum Bid for a single brand is \$150k and the minimum bid for dual branded bid is \$300k.

QUESTION: is it the intent of the Port that even in a dual branded Bid and operation, that *each Brand* would have a minimum MAG of \$150k? In other words, is there a MAG for each Brand under a dual branded bid?

Response: No. It is not the intent of the Port that in a dual branded proposal and operation, that each brand would have a minimum MAG of \$150,000. While the Port requires gross revenues to be reported by brand, the minimum annual guarantee is based on the amount bid

for the Agreement containing both brands without a minimum for each individual brand in the Agreement. For example, Operator's MAG is \$300,000 operating both Brand A and Brand B.

39. 11. As a Franchisee, does the airport have an example or template of the particular language required letter from Franchisor?

Response: A franchisee proposer should include correspondence (letter or email) from an authorized representative of the franchisor that the franchisee is authorized to propose at the Airport and operate throughout the term of the Agreement. Specific language is not required; however, an example of acceptable language would be: "This is to advise that Proposer XYZ is a current Franchisee/Licensee of Entity ABC (Franchisor/Licensor) in good standing whose territory rights include Pasco, WA. Accordingly, XYZ has the right and approval of ABC to submit a proposal to the Port of Pasco in response to their RFP for a rental car concession at the Tri-Cities Airport to operate Brand 1 and Brand 2 for the proposed term of the Agreement."

40. Sec. 14 (pg 7) – Opening of Proposals.

QUESTION: Will the Port please confirm that the names of proposers and their MAGs will be announced?

Response: Confirmed. Upon opening of the proposals as described in the RFP, the Port will announce the following:

- 1) The legal name of the Proposer
- 2) The brand or brands included in the proposal
- 3) The Minimum Annual Guarantee proposed for each year

Proposal results will not be official, however, until all proposals have been thoroughly reviewed by the Port.

41. Sec. 14.3 (pg 7)

QUESTION: Will the Port please confirm that EAN Holdings, LLC is not in default or arrears?

Response: As of September 14, 2021, EAN Holdings, LLC is not in default or arrears with the Port.

42. 16.B. Please confirm that we are not considered in arrears or default of debt or contract with the Port.

Response: As of September 14, 2021, West One Automotive Group, Inc. is not in default or arrears with the Port.

43. **Attachment #2** - First Paragraph related to MAG – See Question 3 above on MAG minimum.

Response: See Response to Question #2.

Sample Agreement

44. 2.A. Please consider following underlined language to clarify. “Gross Revenues may not be reduced by promotional or other discounts not given directly to the customer at the time of closing of the rental agreement.”

Response: No Change.

45. Sec. 2.A (pg 2) “Gross Revenues” – If there is a promotional and/or “preferred member” discount/coupon earned and used by a customer, the only amount concessionable should be the amount that the Operator actually receives as compensation for the rental.
QUESTION: Will the Port please add language in the 4th line as follows: “... received by Operator, net of any discounts, coupons or credits at the time the rental contract is closed.”

Response: No Change.

QUESTION: As to “retroactive adjustment”, will the Port please confirm this means that if we apply the discount/coupon at the time of rental, the only amount concessionable is the amount we actually receive as compensation, net of said discount/coupon?

Response: No, we cannot confirm. As provided in the definition of Gross Revenues, Gross Revenues shall mean “all amounts charged to its customers by Concessionaire for or in connection with agreements it secures through its operations and business at the Airport, regardless of whether such amount is actually paid or received by Concessionaire.”

46. Sec. 2 – Due to the influx of various modes of non-traditional car rental in recent years, it is important to **define a “Rental Car Company”** in the agreement.
QUESTION: Will the Port please incorporate the following definition into the agreement as follows? “A “*Rental Car Company*” is any business that, directly or indirectly, provides, procures and/or brokers rental vehicles as part of its business and/or conducts, facilitates, and/or manages vehicle rental activities as part of its business. This includes, but is not limited to, traditional rental car businesses, brokers for car rental businesses, rental car delivery companies, peer-to-peer car rental businesses and car sharing businesses.”

Response: No Change.

47. Please extend the term beyond 3 years, so that it is possible to amortize any construction costs across a reasonable amount of time.

Response: No Change.

48. Section 4F – **QUESTION:** Will the Director please provide advance approval for rental car concessionaires to prep their vehicles on site with final decision on “location” and “method” at the Director’s discretion? We cannot enter a new contract not knowing if we can prep cars for customer on-site or if we will need to hire extensive staff to address ‘shuttling off-site’.

Response: No, the Airport Director will not provide advance approval. Upon award of a Concession Agreement, successful operators can submit a request in writing to the Director. However, if a successful proposer is an incumbent operator currently servicing vehicles in the ready/return lot with Airport Director approval, the Airport Director does not anticipate revoking this approval, however, changes to the location and oversight of the servicing may be required.

49. 4.E. We currently have a Port approved shelter in our designated parking for interior cleaning of our vehicles. The lack of a QTA at the airport has made this indispensable in our operations for customer service. Please consider allowing us the certainty of keeping our shelter in place provided we remain at the airport.

Response: See Response to Question #48.

50. Sec. 7.C (pg 6) CFCs – We would like full historical (and projected future) details regarding CFC uses and CFC annual accounting.

QUESTION: What is the current CFC fund balance?

Response: As of August 31, 2021, the Port’s CFC cash balance was \$3,617,116.14.

QUESTION: Will the Port please provide historical annual accounting (in dollars) for both CFC collections and CFC uses since the CFC was first implemented?

Response: Historical CFC collections and uses are as follows:

Calendar Year	Collections	Uses
2012	\$50,604.00	\$0
2013	461,664.00	0
2014	538,248.00	282,506.49
2015	566,316.00	0
2016	585,936.00	465,414.82
2017	616,746.00	104,563.70
2018	674,454.00	69,633.96
2019	835,609.86	535,197.08
2020	453,075.24	16,868.90
2021 (Through August 31)	308,647.99	0
Total Through 8/31/2021	\$5,091,301.09	\$1,474,184.95

QUESTION: Please provide a summary narrative of all uses of CFC funds since original implementation.

Response: Since original implementation, the Port has used CFCs to fund or partially fund costs related to rental car parking lot improvements, rental car related terminal building

construction, a snowplow truck, and the planning and design for proposed QTA rental car facility.

QUESTION: What, if any, are the current uses of CFC funds (by category)?

Response: CFCs are currently being used to complete the planning and design of the QTA facility. CFCs are being collected for the future construction of that facility.

QUESTION: For each category of CFC fund usage, if any, will the Port please identify the anticipated annual cost going forward for each category?

Response: The Port anticipates using CFC funds to cover the future QTA facility. Most recent cost estimates of the QTA facility were approximately \$6.9 million.

51. Sec. 7.E.1 (pg 6) Annual Statements – It is very costly (thousands of dollars) to hire a CPA for this purpose.

QUESTION: Will the Port please include language that annual statements may be certified by a financial representative of the Operator instead of requiring a CPA?

Response: No Change.

52. 7.E. This is a very expensive requirement. We respectfully request that it can be certified by a company officer.

Response: No Change.

53. Sec. 12 (pg 12) Indemnification – Operator should also be indemnified.

QUESTION: Will the Port please include language for Operator’s indemnification that mirrors the language in this section?

Response: No Change.

54. Sec. 13 (pg 10) – The following language potentially negates the indemnification in Section 12: “including the obligations of Article 12 - INDEMNITY AND WAIVER OF DAMAGES, herein”. This language implies this wording should be built into our insurance policy which does not make sense. Sec. 13 simply provides evidence of our ability to pay for our indemnification and hold harmless obligation in section 12. Our insurance policy is broad and will respond to a claim resulting from the maintenance, operation or use of ANY auto (i.e. includes owned, non-owned, leased and hired vehicles).

QUESTION: Will the Port please delete the wording including the obligations of Article 12 - INDEMNITY AND WAIVER OF DAMAGES, herein”?

Response: No Change.

55. Sec. 29 (pg 22) – Abatement – We request that the Port follow standard “contractual MAG abatement” provisions and have a one month (year over year) look back with a 15% reduction while using 2019 as the “base year”. Using a three-month period and a 25% reduction delays abatement and makes it harder for the relief to be provided.

QUESTION: Will the Port please change all references to the contractual MAG abatement trigger of 25% reduction to a 15% reduction?

Response: No Change.

QUESTION: Will the Port please change all references to the contractual MAG abatement comparison period from 3 months to 1 month?

Response: No Change. See Response to Question #18.

QUESTION: Will the Port please use 2019 as the base year for comparing deplanements for the purpose of calculating contractual MAG abatement?

Response: No Change.

QUESTION: will the Port please change the relief from a ‘proportionate reduction’ in MAG to full abatement of MAG obligation? (RACs will continue to remit 10% of their Gross Revenue during times of MAG Abatement)

Response: No Change.

56. 29.A. Please consider base year to be 2019 due to historical travel reductions during 2020 and 2021. Comparing 2022 travel to 2021 travel, particularly in the first half of 2020, is an unreasonable comparison.

Response: No Change.

57. Sec. 46 (pg 27) Holdover – If we are holding over due to the Port not having provided incumbents with a new agreement or not conducting a bid, then it is unfair to require the incumbents to pay a MAG, let alone rents/fees/charges being determine and not knowing how much our costs could increase.

QUESTION: Will the Port please include language in this section stating that there will be no MAG obligation during holdover, and that Operator will pay only the premises rents and the 10% of its gross revenues’ fee during such time?

Response: No Change.

58. Sec. 51 (pg 28) – ACDBE goal.

QUESTION: Will the Port please lower the % goal to 1%?

Response: See Response to Question #36.

QUESTION: subsection 1- In the 5th line down in subsection 1 it says “vendors, the gross revenue, the *fleet purchase allocation*, the total number of fleet purchase...” As we are to be required to report these items, please explain exactly what is expected from (or meant by) “fleet purchase allocation”? What does this refer to? Allocated amongst what exactly?

Response: In order to report on the goods and services purchases accurately, the Port needs to be able to separate fleet purchases from non-fleet purchases, as this can vastly skew results. If some fleet purchases are “allocated” to a certain location, the Port needs to be able to report that as the local purchase amount, rather than total fleet purchases. This can greatly impact the participation percentages and also future goals. Many operators do allocate a certain percentage of fleet sales to each location, so if that is the case, the Port needs to know how much of the total fleet sales are allocated to the PSC location for accurate reporting.

NOTICE INVITING PROPOSALS FOR RENTAL CAR CONCESSION AGREEMENTS AT THE TRI-CITIES AIRPORT

The Port of Pasco (herein called the "Port") hereby invites interested parties to submit proposals for the award of non-exclusive rental car concession agreements to permit the operation of up to four (4) rental car concessions at the Tri-Cities Airport pursuant to the terms and conditions herein set forth in these proposal and contract documents.

Commencing Monday, August 30, 2021, proposal and contract documents may be downloaded from our website: www.portofpasco.org.

A non-mandatory Pre-Proposal Meeting will be held on Wednesday, September 8, 2021, at 1:00 p.m. Pacific Time to discuss the contract documents. The meeting will be held by video conference. Interested parties may also attend by video conference through the Zoom platform using the following link: <https://us02web.zoom.us/j/84108589168?pwd=RmdDZ3BGdkvbCtXaldXTXlnZDVIQT09> or by telephone by calling (253) 215-8782 and using Meeting ID: 841 0858 9168; Passcode 134767. If you would like to receive a calendar invite via e-mail or should you have any technical difficulties connecting into the meeting, please contact Ms. Tara White whose contact information is provided below.

Sealed proposals for the operation of rental car concessions will be received by Port of Pasco at the Tri-Cities Airport, 3601 North 20th Avenue, Pasco, Washington 99301, until 3:00 p.m. Pacific Time on Thursday, October 21, 2021, at which time they will be opened in the Airport conference room of the Tri-Cities Airport and publicly read aloud. Interested parties may also attend by telephone by calling (888) 721-8686; Conference ID: 5476352.

The Port reserves the right to reject any or all proposals, portion or parts thereof, and to waive all minor irregularities in the Proposals.

A Premises Selection Meeting shall be held on Tuesday, October 26, 2021 at 1:00 p.m. Pacific Time for successful Proposers to select their premises based on highest to lowest proposal submitted.

In accordance with Regulations of the U.S. Department of Transportation, 49 CFR Part 23, the Port has implemented an airport disadvantaged business enterprise (ACDBE) concession plan under which qualified firms may have the opportunity to operate an airport business. The Proposer shall take all necessary and reasonable steps to achieve participation in the ACDBE concession plan.

One original and one electronic copy (pdf format on flash drive) of all documents listed on the "Proposal Submission Checklist – Attachment #1" must be submitted in a sealed envelope bearing on the outside, the date advertised for the opening of the proposals and the words, "Rental Car Concession, Tri-Cities Airport". If mailed or delivered via a courier delivery company, the sealed envelope containing the required proposal documents shall be enclosed in another envelope and addressed to the Tri-Cities Airport, 3601 North 20th Avenue, Pasco Washington, 99301, attention of the Airport Director. It will be the sole responsibility of Proposers to ensure proposals are in the possession of the Port at Tri-Cities Airport by the appointed date and time.

For additional information contact: Tara White, Airport Business Manager at (509) 547-6352 or taraw@portofpasco.org.

**REVISED REQUEST FOR PROPOSALS
NON- EXCLUSIVE RENTAL CAR CONCESSION**



August 30, 2021

REMINDER OF CRITICAL DATES

Pre-Proposal Conference:	September 8, 2021	1:00 p.m.
Question Deadline	September 10, 2021	4:00 p.m.
Proposal Due Date:	October 21, 2021	3:00 p.m.

TABLE OF CONTENTS
NON-EXCLUSIVE RENTAL CAR CONCESSION

1. REQUEST FOR PROPOSAL (RFP).....	2
2. PREMISES AVAILABLE, AND ASSIGNMENT OF, TO SUCCESSFUL PROPOSERS.....	2
3. CONCESSION FEE, RENTS AND FEES TO BE PAID BY PROPOSER	<u>33</u>
4. DUAL BRANDING	<u>44</u>
5. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)	<u>44</u>
6. CONCESSION AGREEMENTS.....	<u>55</u>
7. PRE-PROPOSAL MEETING.....	<u>55</u>
8. ADDENDA.....	<u>55</u>
9. PROPOSAL FORM.....	<u>66</u>
10. PROPOSAL GUARANTY	<u>66</u>
11. MINIMUM QUALIFICATIONS AND QUALIFICATION FORM	<u>66</u>
12. PROPOSERS AFFIDAVIT	<u>77</u>
13. SUBMISSION OF PROPOSALS.....	<u>77</u>
14. OPENING AND EVALUATION OF PROPOSALS.....	<u>77</u>
15. WITHDRAWAL OF PROPOSALS.....	<u>88</u>
16. REJECTION OF PROPOSALS.....	<u>88</u>
17. BREAKING OF A TIE PROPOSAL	<u>88</u>
18. OPEN PUBLIC RECORDS ACT.....	<u>88</u>
19. PROHIBITION AGAINST LOBBYING.....	<u>88</u>
20. RESPONSIBILITY OF PROPOSERS	<u>99</u>
21. ACCEPTANCE OF PREMISES “AS IS”	<u>99</u>
22. STATISTICAL INFORMATION	<u>99</u>
ATTACHMENT #1	<u>1010</u>
ATTACHMENT #2.....	<u>1111</u>
ATTACHMENT #3	<u>1313</u>
ATTACHMENT #4.....	<u>1616</u>
ATTACHMENT #5	<u>1717</u>
ATTACHMENT #6.....	<u>1818</u>
EXHIBIT A – Diagram of Terminal Building Counter and Office Layouts	<u>2020</u>
EXHIBIT B(1) – Diagram of Ready/Return Blocks (4 Block Configuration)	<u>2121</u>
EXHIBIT B(2) – Diagram of Ready/Return Blocks (3 Block Configuration)	<u>2222</u>
EXHIBIT C – Statistical Information – Revenue Data/Passenger Traffic.....	<u>2323</u>
EXHIBIT D – Sample Concession and Lease Agreement.....	<u>2525</u>

INSTRUCTIONS TO PROPOSERS

1. REQUEST FOR PROPOSAL (RFP)

A. Sealed proposals (one original and one electronic copy in pdf format) for the award of non-exclusive Rental Car Concession Agreements to permit the operation of up to four (4) rental car concessions at the Tri-Cities Airport are solicited by the Port of Pasco (herein referred to as "Port"). The current rental car concessions expire on December 31, 2021. The Port shall provide four (4) locations at the Airport to include counter and associated office space in the terminal building and ready/return blocks for four (4) on-airport concessionaires that shall be utilized by the successful Proposers.

B. Proposals for the Rental Car Concession and Lease Agreement will be received at the Administration Offices on the second floor of the Terminal, 3601 North 20th Ave. Pasco, Washington 99301, until 3:00 p.m., Pacific Time, on Thursday, October 21, 2021, at which time all proposals will be taken to the Airport conference room where they will be publicly opened and read aloud. Interested parties may also attend by telephone by calling (888) 721-8686; Conference ID: 5476352.

C. A Premises Selection Meeting shall be held on Tuesday, October 26, 2021 at 1:00 p.m. Pacific Time in the Administration Offices on the second floor of the Terminal, 3601 North 20th Ave. Pasco, Washington 99301. Attendance by video conference will also be made available.

2. PREMISES AVAILABLE, AND ASSIGNMENT OF, TO SUCCESSFUL PROPOSERS

A. The Port shall allocate all available rental car premises, as outlined in this Article, based on the total dollar amount of the three (3) year Minimum Annual Guarantees submitted by Proposer. The order of selection will be on ranking from highest to lowest dollar amount. The highest successful Proposer shall select first, the second highest successful Proposer shall select second from the locations remaining and so on until all locations have been selected.

B. The ticket counter/office/queuing areas and ready/return blocks are outlined on Exhibit A and Exhibit B. There are four (4) counters with supporting offices and queuing reflected on Exhibit A and a total of four (4) ready/return blocks reflected on Exhibit B(1). The highest successful Proposer shall select first, the second highest successful Proposer shall select second from the locations remaining and so on until all locations have been selected. In the event the Port receives fewer than four qualified proposals, the ready/return blocks will be assigned as reflected on Exhibit B(2) or Exhibit B(3).

3. CONCESSION FEE, RENTS AND FEES TO BE PAID BY PROPOSER

The Successful Proposer shall pay to the Port annually as compensation for the Premises and all other rights, licenses and privileges granted to it pursuant to the Concession and Lease Agreement:

1. **Concession Fee** – the greater of either:
 - a. 10% of the concessionaire’s annual Gross Revenues (“Percentage Concession Fee”);
 OR
 - b. the respective annual amount proposed as the concessionaire’s Minimum Annual Guaranteed Fee (“MAG”):

Each Successful Proposer’s total MAG for the term of the Concession Agreement shall be used to determine its relative order of selection of 1) Counter/Office/Queuing space in the Terminal and 2) Block in the Ready/Return area.

2. **Rent** - All Rents set forth in this Article 3, Section 2.a, and b, shall be paid in advance on the first (1st) of each month and are subject to Washington State Leasehold tax and other applicable taxes which shall be collected by the Port in addition to the rent listed in a, and b, below.

- a. **Counter/Office/Queuing Space Rent** – Counter/Office/Queuing space rental rate is based on the Terminal Airline Rates and Charges per square foot per year, and subject to change annually upon the adoption of the Airlines Rates and Charges by the Port. The terminal rental rate for 2021 is Sixty-Six Dollars and Ninety-Six Cents (\$66.96) per square foot. The terminal rental rate for 2022 has yet to be established.
- b. **Ready/Return Block Rent** – Compensation to the Port for use of the Ready/Return spaces allocated by block to the successful proposers shall be as follows:

	<u>Annual Rent</u>	<u>Annual Rent</u>
Block 1	<u>\$129,600</u>	<u>\$172,800</u>
Block 2	<u>73,440</u>	<u>\$97,920</u>
Block 3	<u>98,280</u>	<u>\$131,040</u>
Block 4	<u>90,720</u>	<u>\$120,960</u>

In the event the Port receives only three qualified proposals, the ready/return blocks will be assigned as reflected in Exhibit B(2) and the rent shall be as follows:

	<u>Annual Rent</u>	<u>Annual Rent</u>
Block 1	<u>\$144,720</u>	<u>\$192,960</u>
Block 2	<u>112,320</u>	<u>\$149,760</u>
Block 3	<u>135,000</u>	<u>\$180,000</u>

One-twelfth (1/12) of the annual block rent above shall be paid the 1st calendar day of each month throughout the lease term without invoice.

Each Proposer's chosen block will remain fixed throughout the Term of the Agreement. The Ready/Return Block Rent shall not be subject to adjustment during the term of the Concession Agreement.

4. DUAL BRANDING

A Proposer shall be required to designate in its “Proposal Form – Attachment #2” the brand or brands under which it will operate its concession at the Airport. A single Proposer may operate no more than a total of two brands per concession. Any brands designated in Proposer’s “Qualification Form - Attachment #3”, must be 100% owned by the Proposer or the Proposer must be authorized to operate any such brand. Any successful Proposer shall be prohibited from operating at the Airport under any brand other than the brand(s) it designates on its “Qualification Form - Attachment #3.” Approval of any requests for any changes from this arrangement will not be accepted.

5. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)

Per the federal regulations of the U.S. Department of Transportation, 49 CFR Part 23, it is the policy of the Port that airport concession disadvantaged business enterprises (ACDBE) shall have the maximum opportunity to participate in any activity, service or facility at the Airport under agreement, lease, contract with or franchise from the Port. A successful Proposer shall agree to make good faith efforts to ensure that business concerns owned and controlled by socially and economically disadvantaged individuals as defined in 49 CFR Part 23, as amended, participate in at least 7.76% (as may be adjusted from time to time) of the activity, service or facility provided by a concessionaire during the entire term of its agreement by means of a joint venture, partnership, franchise or any other legal arrangement that results in bona fide ownership and control of the activity, service or facility. The 7.76% goal stated herein is the FAA approved goal through September 30, 2022. The goal is based on the goods and services purchased by the rental car company. Prior to September 30, 2022, a new goal will be calculated and submitted to the FAA for approval for federal fiscal years ended 2023, 2024 and 2025.

If a selected Proposer is unable to achieve this goal under joint venture, partnership, franchise or similar legal arrangement, the Proposer shall seek to obtain the required ACDBE participation by other means, such as the purchase of goods, services, supplies and/or products from certified ACDBE vendors. In the event that a selected Proposer for this solicitation qualifies as a certified ACDBE, the agreement goal shall be deemed to have been met.

Proposers should complete Attachment #6 with any identified ACDBE firms it intends to utilize to meet the stated ACDBE goal. If at the time of submission of proposals the Proposer has not identified any ACDBE firms, the proposer should complete Attachment #6 and indicate that they

have not identified any firms at the time and reflect an estimated dollar amount of zero. Proposers may submit information on potential ACDBE firms as part of their demonstration of good faith efforts to meet the ACDBE goal.

Reporting: Each year no later than February 1, concessionaires shall provide the Port with the following information: the name and address of each certified ACDBE with which it has done business during the past federal fiscal year, a description of the nature of the services performed by and/or items purchased from each firm named, and the dollar value of each transaction. If a concessionaire fails to achieve the goal stated herein, it will be required to provide documentation demonstrating that it made good efforts in attempting to do so.

6. CONCESSION AGREEMENTS

The Concession Agreements shall commence January 1, 2022 and shall expire on December 31, 2024 and must be executed by the successful Proposers and returned to the Airport on or before November 12, 2021. The Concession and Lease Agreement shall be substantially in the form of the agreement in the attached “Exhibit D”.

7. PRE-PROPOSAL MEETING

A non-mandatory Pre-Proposal Meeting will be held on Wednesday, September 8, 2021, at 1:00 p.m. Pacific Time to discuss the contract documents. The meeting will be held by video conference. Proposers are encouraged to attend the Pre-Proposal meeting but are not required to attend. Interested parties may attend by video conference through the Zoom platform using the following link:

<https://us02web.zoom.us/j/84108589168?pwd=RmdDZ3BGdkvbCtXaldXTXlnZDVIQT09>
or by telephone by calling (253) 215-8782 and using Meeting ID: 841 0858 9168; Passcode 134767. If you would like to receive a calendar invite via e-mail or should you have any technical difficulties connecting into the meeting, please contact Ms. Tara White whose contact information is provided on the notice.

8. ADDENDA

Should there be any questions concerning the meaning or content of these documents, the Proposer shall notify the Finance & Administration Manager, in writing no later than 4:00 p.m., Pacific Time on Friday, September 10, 2021. All questions should be sent to Tri-Cities Airport, Attention: Tara White, 3601 North 20th Ave. Pasco, Washington 99301 or via email: taraw@portofpasco.org. Any corrections or changes, if required, will be provided in a written addendum. Port Staff will not be responsible for any other instructions, interpretations or explanations and should not be contacted other than in writing to Tara White. It is anticipated that any clarification/addendum needed to address questions submitted to the Port will be posted on or about September 30, 2021 on the Airport’s website at www.portofpasco.org. The Port assumes no responsibility beyond delivery posting on the Airport’s website.

9. PROPOSAL FORM

A. Minimum Annual Guarantee: Proposer shall submit its proposal as a Minimum Annual Guarantee for each of the three (3) years of the Concession and Lease Agreement. Minimum Annual Guarantee amounts shall be paid in advance on the first day of each month, payable in equal monthly payments during the concession term. The minimum acceptable proposal is One Hundred ~~Twenty-Five~~Fifty Thousand Dollars (~~\$125~~150,000) per year for one brand or ~~Two Hundred Fifty~~Three Hundred Thousand Dollars (~~\$250~~300,000) per year for two brands by one company.

B. Each proposal shall be submitted on the attached "Attachment #2 - Proposal Form".

10. PROPOSAL GUARANTY

Each proposal shall be accompanied by a proposal bond, certified cashier's check, or bank draft payable to the Port, in the amount of Ten Thousand Dollars (\$10,000). The bond, check or draft must be attached to the Proposal Form and will be held by the Port, without interest, as the proposal guaranty for a reasonable period of time until the successful Proposers have been selected, after which the proposal guaranties of all but the successful Proposers will be returned. The proposal guaranties of the successful Proposers will be held pending their complete execution of the Concession and Lease Agreement, along with evidence of insurance, as required by the Concession and Lease Agreement (attached hereto). If a successful Proposer should fail to execute the Concession and Lease Agreement or comply with other provisions of the contract documents by November 12, 2021, the proposal guaranty shall be forfeited to Port as liquidated damages.

11. MINIMUM QUALIFICATIONS AND QUALIFICATION FORM

Minimum Qualifications - In order to ensure a high level of service to the traveling public, the Port will consider only proposals from organizations with experience in the rental car business. Therefore, each proposer who is not currently operating at the Airport, must be able to demonstrate that (a) it has been engaged in the retail rental car business for at least the last three (3) years, (b) it can provide a fleet of no less than 50 rental cars at the Airport, and (c) it has produced gross revenues of at least \$500,000 in each of the past two (2) years. Proposals from proposers who fail to meet these minimum qualifications shall not be considered (Incumbent Concessionaires do not need to demonstrate these minimum qualifications.) Franchise proposers must provide the required information on financial capabilities, franchise operations, and may include information on the operations of the franchisor. Franchisees shall include a letter from franchisor granting approval to propose at the Airport and operate throughout the term of the Agreement.

Qualification Form - Proposers must submit, as a part of the proposal, the information required on the attached "Qualification Form – Attachment #3."

12. PROPOSERS AFFIDAVIT

Each proposal must have attached thereto the “Proposer’s Affidavit – Attachment #4” the statement that such proposal is genuine and made in good faith, and not deceptive or collusive, or made in the interest of or on behalf of any persons not herein named. The affidavit must also state that the Proposer has not, directly or indirectly, induced or solicited any other Proposer to put in a deceptive proposal, or any other person, firm or corporation to refrain from submitting a proposal, and that the Proposer has not in any manner sought by collusion to secure for itself an advantage over any other Proposer. Proposer shall submit an affidavit that it agrees to operate a rental car concession at the Airport during the term of the Concession Agreement. Any proposal not accompanied by, or which is made without such affidavit, or in violation thereon, will not be considered. If the Proposer is a corporation, said affidavit shall be signed by the duly authorized officer of such corporation. Signatures on said affidavit must be witnessed by a Notary Public.

13. SUBMISSION OF PROPOSALS

Each Proposer shall submit one original and one electronic copy (pdf format on Flash Drive) of all documents required. All documents listed on the attached “Proposal Submission Checklist – Attachment #1” must be submitted in a sealed envelope bearing on the outside, the date advertised for the opening of the proposals and the words, "Rental Car Concession, Tri-Cities Airport". If mailed or delivered via a courier delivery company, the sealed envelope containing the required proposal documents shall be enclosed in another envelope and addressed to the Tri-Cities Airport, 3601 North 20th Avenue, Pasco, Washington, 99301, attention of the Airport Director.

14. OPENING AND EVALUATION OF PROPOSALS

Proposals shall be received as set forth in the Notice Inviting Proposals. Late Proposals will not be considered by the Port and will be returned unopened to the Proposer. An evaluation committee will review the merits of proposals in accordance with the evaluation criteria listed below. Failure to provide information requested in this RFP may result in disqualification of a proposal. The sole objective of the evaluation committee will be to evaluate the responsiveness of each Proposer to the requirements of the RFP.

1. The sum total of the minimum annual guarantees proposed for the three year term of the Agreement.
2. Previous background and experience of Proposers.
3. Previous background or history of default or arrearage in previous or existing agreements with the Port.

15. WITHDRAWAL OF PROPOSALS

Proposals may be withdrawn at any time prior to the time set for the opening of proposals in the Notice Inviting Proposals. No Proposer will be permitted to withdraw its proposal after the time specified in such Notice for the opening of proposals, unless the award is delayed by action of the Port for a period exceeding sixty (60) days.

16. REJECTION OF PROPOSALS

A. Proposals which contain any additions, deletions, conditions or limitations of any kind may be considered non-responsive and may be rejected at the option of the Port. The Port reserves the right to waive any minor irregularities, technicalities or informalities in any proposal, and to reject any or all proposals.

B. The Port reserves the right to reject the proposal of any Proposer in arrears or default upon any debt or contract to the Port or who has failed to perform faithfully on any previous contracts with the Port.

17. BREAKING OF A TIE PROPOSAL

In the event any tie proposals are received, the means of breaking the tie or ties shall be at the Port's sole discretion. The Port's ruling shall be final.

18. OPEN PUBLIC RECORDS ACT

The Airport is subject to the Washington State Public Records Act (Ch. 42.56 RCW). Proposer submittals may be public records under the Washington State Public Records Act, RCW 42.56, and may be subject to public disclosure pursuant to this Act, unless a specific exception applies which limits or prohibits disclosure.

19. PROHIBITION AGAINST LOBBYING

The Proposer shall not lobby, either on an individual or collective basis, the Port (its associated employees, or outside advisors) or any federal, state, or local elected or public officials or staff regarding this RFP or its' written proposal. Proposers, the Proposer's acquaintances, friends, family, outside advisors, agents, or other representatives shall not contact the Port (its associated employees, or outside advisors) or any federal, state, or local elected or public officials or Port staff to arrange meetings, visits, or presentations to influence the outcome of the selection process. Violation of this provision, by or on behalf of a Proposer, intentionally or unintentionally, will result in disqualification of the Proposer and/or rejection of a written proposal.

20. RESPONSIBILITY OF PROPOSERS

It is the responsibility of each Proposer to examine all proposal and contract documents, present premises and exhibits that depict the rental car operations at the Airport, including, but not limited to, the Terminal Building, ready/return blocks and other pertinent facilities. Each Proposer shall judge for themselves all the circumstances and conditions affecting the Proposal. Failure of any Proposer to examine the Proposal and contract documents and to investigate the premises shall not relieve any Proposer from full compliance with the Proposal and shall not constitute grounds for declaration by any Proposer that it did not understand the proposal and contract documents or that it was not familiar with the rental areas and the facilities at the Airport.

21. ACCEPTANCE OF PREMISES “AS IS”

Allocated premises will be inspected and accepted by successful Proposer and will be occupied by Proposer on an “as is” basis. The Proposer specifically waives any covenants or warranties regarding the premises, including but not limited to any warranty of suitability and warranty of fitness.

22. STATISTICAL INFORMATION

Provided as Exhibit C is certain statistical information representing the rental car gross revenues reported to the Port for the previous five (5) years. The Airport's previous five (5) year passenger count is also included for review. These figures are provided for information purposes only, and in no way relieve the Proposers from determining themselves the future business potential in the performance of the contracts.



**ATTACHMENT #1
PROPOSAL SUBMISSION CHECKLIST**

The following documents must be submitted (one original & one electronic copy) as part of the sealed proposal for the proposal to be considered.

1. Proposal Submission Checklist – Attachment #1
2. Proposal Form – Attachment #2
3. Qualification Form– Attachment #3
4. Proposer’s Affidavit– Attachment #4
5. Acknowledgement of Addenda(s) – Attachment #5
6. ACDBE Sample Form – Attachment #6
Provide ACDBE Certification if Applicable
7. Proposal Guaranty- \$10,000 (Proposal Bond, Certified Cashier’s Check or Bank Draft)

PROPOSER NAME: _____



**ATTACHMENT #2
PROPOSAL FORM**

Name	Date
Address	

The Proposer hereby proposes to enter into an agreement with the Port for the operation of a non-exclusive rental car concession at Tri-Cities Airport under the terms and conditions as set forth in the Notice Inviting Proposals; Instructions to Proposers; Attachments #1 through #6; and the Concession Agreement, together with the attached Exhibits (Exhibits are not to scale). In furtherance of this proposal, the Proposer agrees to pay to the Port the greater of the following during the years 2022, 2023 and 2024: Minimum Annual Guarantees or ten percent (10%) of the annual gross revenues and all rents and fees stipulated in the Concession Agreement with payments to be made in the manner specifically set forth in said Agreement. The minimum annual acceptable proposal guarantee is One Hundred ~~Twenty-Five~~^{Fifty} Thousand Dollars (\$~~125~~¹⁵⁰,000) per year for one brand or ~~Two Hundred Fifty~~^{Three Hundred} Thousand Dollars (\$~~250~~³⁰⁰,000) per year for two brands by one company. The annual minimum guarantee proposal for each year must not be less than the annual minimum guarantee proposal for the previous year.

Minimum Annual Guarantee Proposal

Year 1 - January 1, 2022 to December 31, 2022	\$	_____
Year 2 - January 1, 2023 to December 31, 2023	\$	_____
Year 3 - January 1, 2024 to December 31, 2024	\$	_____

The Proposer hereby agrees to pay the above minimum annual guarantees to the Port in accordance with and for the term of the Concession Agreement.

2. The Port shall allocate based on successful proposer's selections the counter/office/queuing position and ready/return block as outlined on Exhibits A and B based on the total dollar value of the three (3) year Minimum Annual Guarantees. The order of selection will be on ranking from highest to lowest. The highest successful Proposer shall select first, the highest second successful Proposer shall select second from the locations remaining and so on until all locations have been selected.

3. Accompanying the proposal shall be one Bid Bond, Cashiers, Certified or Treasurer's Check or bank draft of any State or National Bank in the amount of Ten Thousand Dollars

(\$10,000.00) payable to the Port of Pasco as liquidated damages in the event the undersigned is a successful Proposer who fails to comply with the requirements as set forth in Article 10 – Proposal Guaranty in the Instructions to Proposers and contract documents by November 12, 2021.

Proposer is bound by this offer for a period of sixty (60) days following the date of proposal opening and may not withdraw its offer during this period. It is understood by the Proposer that the Port reserves the right to reject any and all proposals.

Proposer:

Signed _____

Printed Name _____

Title _____

Subscribed and sworn to before me this
____ day of _____, 2021.

Notary Public, State of _____

My Commission: _____



**ATTACHMENT #3
QUALIFICATION FORM**

All information requested in this Qualification Form (other than Questions 7-10, if an incumbent), must be furnished by the Proposer and it must be submitted with the Proposal Documents. Statements must be complete and accurate and in the form requested and must be sworn and attested to. Omission, inaccuracy or misstatement may be cause for the rejection of the Proposal. Proposer may submit additional attachments as necessary when the space provided is not sufficient to provide the required information.

1. Name and address of Proposer exactly as it is to appear on the Agreement(s).

2. Email: _____ Phone #: _____

3. Proposer, if selected, intends to carry on the business as:
Individual () LLC () Partnership () Corporation ()

4. Proposer, if selected, intends to operate under the brand name or brand names listed below: Said operations will be limited to no more than the brand name or the two brand names listed.

5. If operating as a partnership, please answer the following:
 - A. Name, address and share of each partner:

 - B. Date of organization: _____

6. If operating as a corporation or LLC, please answer the following:
 - A. When incorporated _____

 - B. In what state _____

- C. Are you authorized to do business in Washington? _____
If so, as of what year _____
- D. Please list the names and address of the following officers:

President _____

Vice President _____

Secretary _____

Treasurer _____

Other _____

Questions 7 – 10 do not need to be completed by incumbent on-airport concessionaires, however, the Port reserves the right to require apparent successful Proposers to complete and submit such documents. (Incumbent shall mean a legal entity that currently holds a Rental Car Concession and Lease Agreement at PSC.)

7. Please explain your experience in the rental car business. (Attach)
8. List the Airports in United States with which you, a parent company, or a franchisee currently have operating agreements. (Attach)
9. Provide copies of balance sheets, profit and loss statements, and annual reports for the past three (3) years of operation for the organization.
10. List bank references for the past three (3) years:

The Proposer hereby certifies the truth and correctness of all statements and of all answers to questions made herein. Omission, inaccuracy or misstatement may be cause for rejection of a proposal. The Port shall maintain to the fullest possible extent the confidentiality of all financial documents specified as confidential by the Proposer.

Proposer:

Signed _____

Printed Name _____

Title _____

Subscribed and sworn to before me this
____ day of _____, 2021.

Notary Public, State of _____

My Commission: _____



**ATTACHMENT #4
PROPOSER'S AFFIDAVIT**

Affiant, _____, being first duly sworn, deposes and says:

A. Affiant does hereby state that neither the Proposer nor any of Proposer's officers, partners, owners, agents, representative, employees, or parties in interest, has in any way colluded, conspired, or agreed, directly or indirectly with any person, firm, corporation or other Proposer or potential Proposer in regard to the amount, terms or conditions of this proposal and has not paid or agreed to pay, directly or indirectly any person, firm, corporation or other Proposer or potential Proposer any money or other valuable consideration for assistance in procuring or attempting to procure the contract or fix the prices in the attached proposal or the proposal of any other Proposer, and further states that no such money or other reward will be hereinafter paid.

B. Affiant further states that no officer, or stockholder of the Proposer is a member of the Port or its staff, or related to any members of the Port, their officers, agents and employees, except as noted herein below:

C. Affiant hereby agrees to enter into a Concession and Lease Agreement with the Port for the operation of a non-exclusive rental car concession at the Tri-Cities Airport under the terms and conditions as set forth in the Notice Inviting Proposals; Instructions to Proposers; Proposal Form; Qualification Form; Proposers Affidavit; Addendum #1; ACDBE Sample Form; and the Concession Agreement, together with all Exhibits.

Proposer:

Signed _____

Title _____

Subscribed and sworn to before me this
___ day of _____, 2021.

Notary Public, State of _____

My Commission: _____



**ATTACHMENT #5
ACKNOWLEDGEMENT OF ADDENDUM**

Proposer Acknowledges Receipt of this Addendum #1:

Acknowledgment of Addendum #1 is hereby made:

Signature: _____

Name: _____

Title: _____

Name of Business: _____

Date: _____



**ATTACHMENT #6
ACDBE SAMPLE FORM**

Forms 1 & 2 for Demonstration of Good Faith Efforts

FORM 1: AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) UTILIZATION

The undersigned bidder/offeror has satisfied the requirements of the bid/proposal specification in the following manner (please check the appropriate space):

_____ The bidder/offeror is committed to a minimum of _____ % ACDBE utilization on this contract.

_____ The bidder/offeror (if unable to meet the ACDBE goal of _____%) is committed to a minimum of _____% ACDBE utilization on this contract and submitted documentation demonstrating good faith efforts.

Name of bidder/offeror's firm: _____

State Registration No. _____

By _____
(Signature) Title

FORM 2: LETTER OF INTENT

Name of bidder/offeror's firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Name of ACDBE firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

Description of work to be performed by ACDBE firm:

The bidder/offeror is committed to utilizing the above-named ACDBE firm for the work described above. The estimated dollar value of this work is \$ _____.

Affirmation

The above-named ACDBE firm affirms that it will perform the portion of the contract for the estimated dollar value as stated above.

By _____
(Signature) (Title)

If the bidder/offeror does not receive award of the prime contract, any and all representations in this Letter of Intent and Affirmation shall be null and void.

(Submit this page for each ACDBE subcontractor.)

EXHIBIT A – Diagram of Terminal Building Counter and Office Layouts

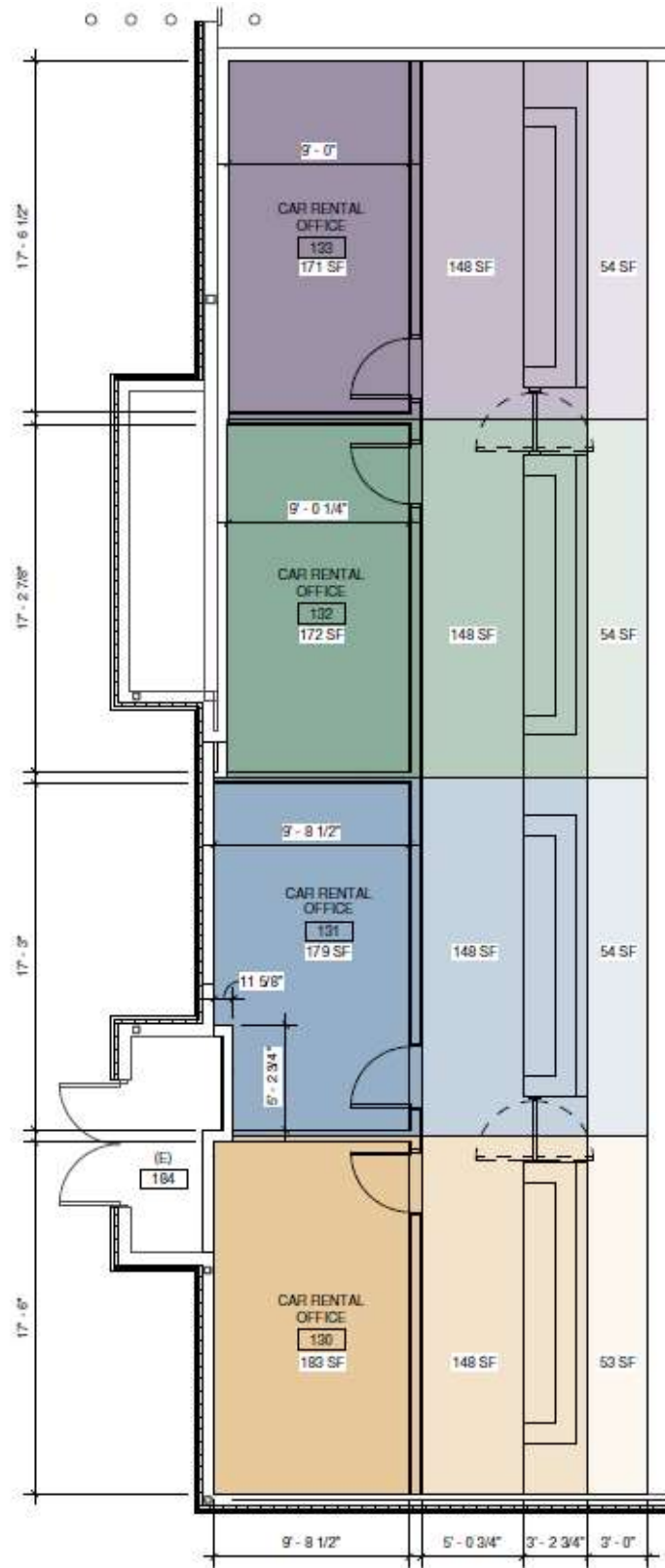


EXHIBIT B(1) – Diagram of Ready/Return Blocks (4 Block Configuration)

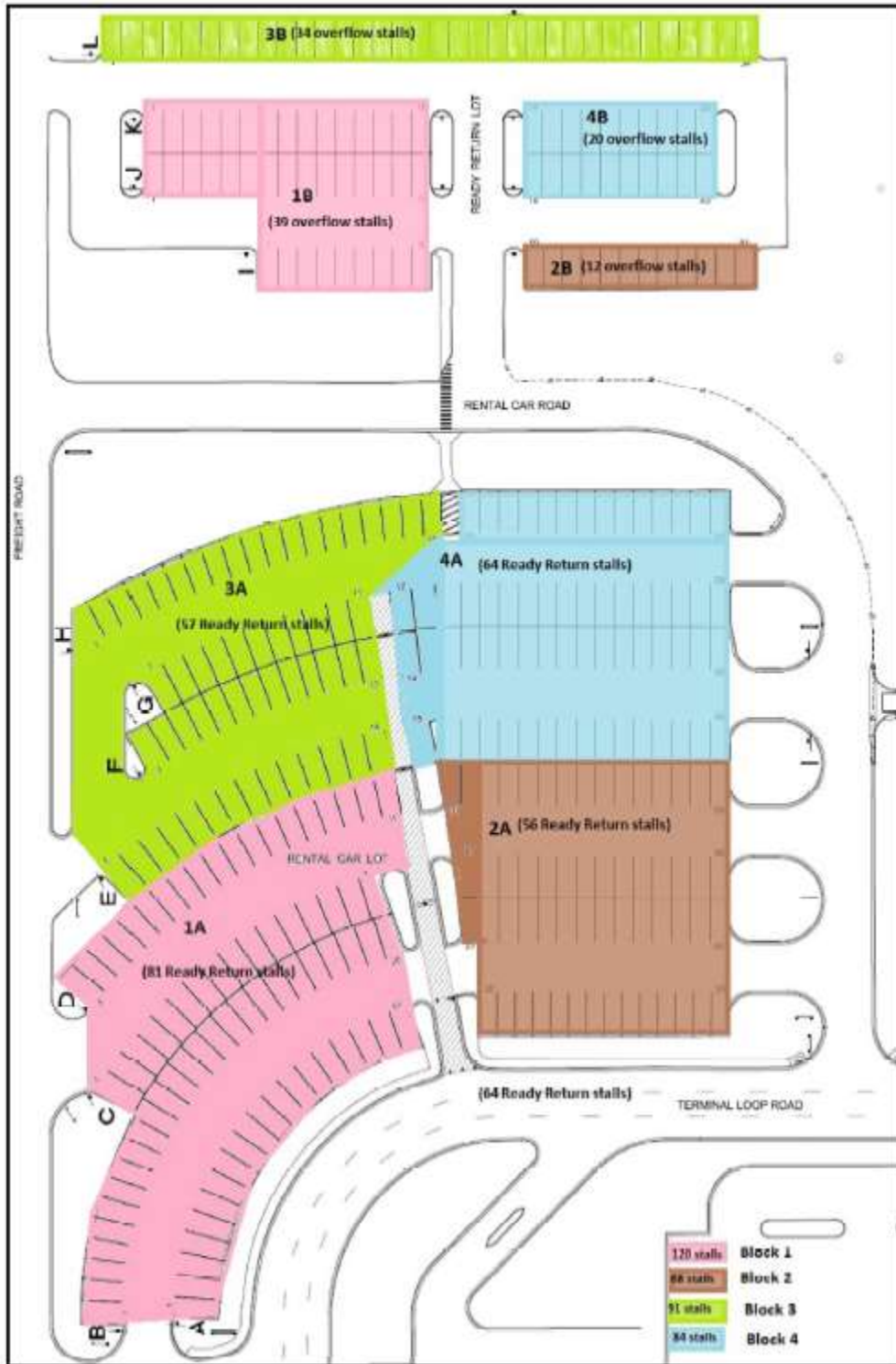


EXHIBIT B(2) – Diagram of Ready/Return Blocks (3 Block Configuration)

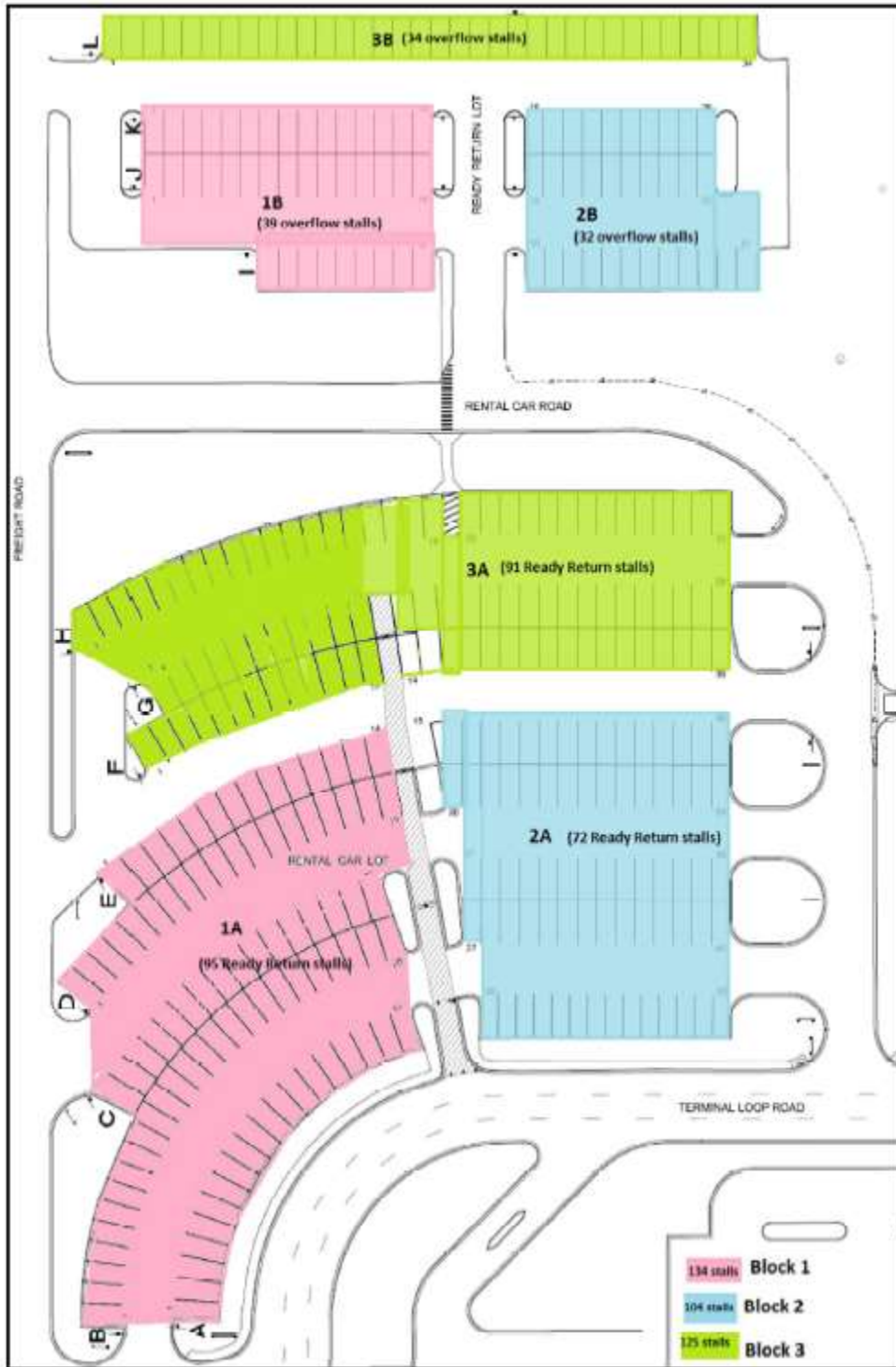


EXHIBIT C – Statistical Information – Revenue Data/Passenger Traffic

Calendar Year 2016	Avis/Budget	Hertz	National/Alamo	Enterprise	Total	Passenger Deplanements
January 2016	\$ 239,291.68	\$ 120,568.05	\$ 181,850.69	\$ 99,198.63	\$ 640,909.05	29,550
February 2016	231,309.46	138,933.15	190,299.46	118,620.68	679,162.75	25,877
March 2016	258,614.95	137,702.65	212,154.32	136,117.80	744,589.72	29,857
April 2016	253,910.62	137,160.05	194,916.56	145,037.84	731,025.07	29,778
May 2016	275,978.59	152,166.74	211,185.20	163,634.01	802,964.54	31,953
June 2016	326,010.20	184,029.38	272,250.09	175,039.06	957,328.73	33,613
July 2016	342,183.07	175,780.85	245,078.11	173,512.11	936,554.14	34,558
August 2016	364,060.03	164,525.56	250,441.24	155,137.69	934,164.52	34,028
September 2016	295,379.51	151,152.60	212,692.57	169,392.19	828,616.87	28,140
October 2016	287,269.55	133,731.23	212,783.31	151,373.84	785,157.93	29,985
November 2016	247,188.91	113,428.01	205,801.76	126,639.66	693,058.34	30,084
December 2016	236,825.27	128,161.87	188,752.94	128,917.50	682,657.58	33,053
Totals	\$ 3,358,021.84	\$ 1,737,340.14	\$ 2,578,206.25	\$ 1,742,621.01	\$ 9,416,189.24	370,476

Calendar Year 2017	Avis/Budget	Hertz	National/Alamo	Enterprise	Total	Passenger Deplanements
January 2017	\$ 227,773.08	\$ 102,704.98	\$ 189,336.99	\$ 132,640.08	\$ 652,455.13	28,468
February 2017	222,201.36	101,921.79	193,059.17	124,304.40	641,486.72	25,141
March 2017	273,380.85	135,350.70	230,083.67	159,806.39	798,621.61	31,083
April 2017	262,204.56	129,205.34	227,057.06	135,322.43	753,789.39	29,883
May 2017	334,584.22	160,164.65	315,303.46	170,123.95	980,176.28	32,069
June 2017	428,701.83	195,795.54	321,668.29	212,830.70	1,158,996.36	35,524
July 2017	382,134.85	160,629.32	246,092.46	195,580.59	984,437.22	35,831
August 2017	428,515.29	184,420.90	279,092.81	230,173.82	1,122,202.82	32,063
September 2017	313,066.03	164,812.54	236,845.24	232,440.43	947,164.24	29,520
October 2017	310,075.99	155,914.70	225,068.59	174,761.53	865,820.81	30,043
November 2017	253,841.88	123,210.35	218,593.58	168,575.03	764,220.84	31,192
December 2017	224,677.85	124,776.13	187,011.89	166,499.06	702,964.93	31,166
Totals	\$ 3,661,157.79	\$ 1,738,906.94	\$ 2,869,213.21	\$ 2,103,058.41	\$ 10,372,336.35	371,983

Calendar Year 2018	Avis/Budget	Hertz	National/Alamo	Enterprise	Total	Passenger Deplanements
January 2018	\$ 198,254.89	\$ 97,002.29	\$ 176,456.16	\$ 125,602.92	\$ 597,316.26	27,743
February 2018	217,069.17	130,346.27	202,631.89	147,496.02	697,543.35	25,110
March 2018	289,825.41	146,714.36	248,354.81	176,381.37	861,275.95	30,641
April 2018	327,227.49	156,015.19	235,573.42	164,640.20	883,456.30	31,301
May 2018	413,318.07	174,024.64	232,931.74	206,220.37	1,026,494.82	32,709
June 2018	439,843.99	211,354.29	251,754.86	275,974.95	1,178,928.09	34,580
July 2018	412,517.73	212,565.89	275,657.52	232,820.77	1,133,561.91	37,299
August 2018	477,321.57	278,692.61	365,015.57	264,020.70	1,385,050.45	36,386
September 2018	372,056.40	208,646.95	260,862.70	237,508.61	1,079,074.66	31,593
October 2018	379,167.78	201,099.86	293,163.59	266,796.35	1,140,227.58	33,450
November 2018	288,049.46	183,915.18	285,574.05	221,231.20	978,769.89	32,706
December 2018	242,237.14	162,998.12	215,225.84	186,723.33	807,184.43	36,442
Totals	\$ 4,056,889.10	\$ 2,163,375.65	\$ 3,043,202.15	\$ 2,505,416.79	\$ 11,768,883.69	389,960

Calendar Year 2019	Avis/Budget	Hertz	National/Alamo	Enterprise	Total	Passenger Deplanements
January 2019	\$ 253,507.09	\$ 155,071.97	\$ 220,318.46	\$ 146,416.40	\$ 775,313.92	33,259
February 2019	276,246.60	182,970.49	240,991.50	165,455.21	865,663.80	28,295
March 2019	360,548.76	214,704.55	306,943.70	202,185.03	1,084,382.04	35,960
April 2019	344,372.74	195,280.47	257,126.15	198,850.26	995,629.62	35,072
May 2019	386,895.12	245,559.52	312,581.39	250,824.68	1,195,860.71	37,213
June 2019	440,586.48	291,160.94	318,130.13	259,157.38	1,309,034.93	39,167
July 2019	377,852.74	214,807.87	313,776.65	235,045.58	1,141,482.84	40,832
August 2019	421,959.87	271,911.85	394,174.42	266,969.54	1,355,015.68	40,020
September 2019	363,553.90	199,394.47	296,074.63	250,309.66	1,109,332.66	34,505
October 2019	367,633.29	234,227.81	336,153.24	277,084.43	1,215,098.77	36,201
November 2019	331,207.44	193,316.82	289,312.14	215,575.57	1,029,411.97	33,801
December 2019	276,443.93	198,211.66	213,849.24	196,481.07	884,985.90	38,442
Totals	\$ 4,200,807.96	\$ 2,596,618.42	\$ 3,499,431.65	\$ 2,664,354.81	\$ 12,961,212.84	432,767

Calendar Year 2020	Avis/Budget	Hertz	National/Alamo	Enterprise	Total	Passenger Deplanements
January 2020	\$ 269,343.01	\$ 175,112.57	\$ 236,019.74	\$ 181,888.28	\$ 862,363.60	31,484
February 2020	259,951.21	178,393.14	209,658.97	167,077.35	815,080.67	33,985
March 2020	171,270.09	98,058.70	124,305.24	121,002.84	514,636.87	18,172
April 2020	51,092.49	29,883.34	32,637.46	69,497.79	183,111.08	1,832
May 2020	82,020.87	46,763.52	57,018.78	105,723.00	291,526.17	4,624
June 2020	143,775.32	48,283.40	79,987.02	121,644.69	393,690.43	8,909
July 2020	207,982.30	68,737.97	110,740.83	165,922.42	553,383.52	13,316
August 2020	224,187.67	76,329.49	132,016.85	186,643.96	619,177.97	15,069
September 2020	220,745.54	83,385.25	127,644.71	181,438.92	613,214.42	13,125
October 2020	226,859.32	99,024.58	174,494.01	200,031.72	700,409.63	15,528
November 2020	162,150.03	77,417.90	110,564.41	187,315.29	537,447.63	15,659
December 2020	152,382.66	78,987.39	103,995.93	140,353.78	475,719.76	17,309
Totals	\$ 2,171,760.51	\$ 1,060,377.25	\$ 1,499,083.95	\$ 1,828,540.04	\$ 6,559,761.75	189,012

Calendar Year 2021	Avis/Budget	Hertz	National/Alamo	Enterprise	Total	Passenger Deplanements
January 2021	\$ 138,056.37	\$ 73,104.48	\$ 104,500.44	\$ 147,407.46	\$ 463,068.75	16,533
February 2021	158,290.93	92,268.13	111,059.14	141,589.87	503,208.07	15,535
March 2021	244,478.45	114,934.73	140,507.37	192,494.94	692,415.49	21,760
April 2021	318,367.70	111,564.27	173,153.84	174,739.26	777,825.07	25,880
May 2021	543,186.71	163,540.30	283,914.35	282,566.95	1,273,208.31	31,200
June 2021	646,373.05	208,244.20	327,993.63	325,660.49	1,508,271.37	35,425
July 2021	606,632.62	238,742.21	267,539.09	346,507.54	1,459,421.46	39,109
Totals	\$ 2,655,385.83	\$ 1,002,398.32	\$ 1,408,667.86	\$ 1,610,966.51	\$ 6,677,418.52	185,442

EXHIBIT E

RESOLUTION NO. 1334

A RESOLUTION AUTHORIZING IMPLEMENTATION OF A PRIVILEGE FEE FOR NON TENANT RENTAL CAR COMPANIES PICKING UP CUSTOMERS AT THE TRI-CITIES AIRPORT

WHEREAS, The Port of Pasco operates, maintains and develops the Tri-Cities Airport, in part with federal grants, state grants, passenger facility charges and user fees; and

WHEREAS, Off-Airport, non-tenant motor vehicles rental services at the Airports are authorized at the Airport for the accommodation of passengers arriving and departing from the Airports and non tenant providers rent motor vehicles to the general public, from a location or locations based off the Airports; and

WHEREAS, Off- Airport non- tenant, and On-Airport tenant rental car companies constitute separate and distinct classes of business operations at the Airport; which should be regulated as necessary to ensure efficient Airport operation for the protection of the health, safety and welfare of the public; and

WHEREAS, The opportunity to enter into On-Airport rental car concessions at the Airport is the subject of public proposals open to experienced rental car operators; and

WHEREAS, As the recipient of Federal Aviation Administration grants, the Port of Pasco is subject to policies which require it to establish a fee structure that will make the Airports as self-sustaining as possible under the circumstances; and

WHEREAS, The Port of Pasco desires to establish fees to be collected from Off-Airport non -tenant rental car companies(Providers) picking up passengers to provide motor vehicles for rent in order to offset the costs of operation of the Airport and in establishing and implementing the fee the providers of services using the Airport should contribute toward the achievement of financial self sufficiency at the Airport; now therefore,

NOW THEREFORE, BE IT RESOLVED BY THE PORT OF PASCO PORT COMMISSION, THAT:

The Port of Pasco through the Director of Airports establishes, effective beginning on October 1, 2012, a Off -Airport Privilege Fee of ten-percent (10%) of Providers gross revenue, as defined below, for all revenue related to customers picked up at the Tri-Cities Airport.

The term "gross revenues" is defined as all fees and charges to customers for the rental of motor vehicles and all other activities and services performed in connection with its rental car business for passengers at the Tri-Cities Airport including business conducted at the Fixed Base Operator (FBO) or within a three (3) mile radius of the Airport (including but not limited to reservations made through travel agencies and reservations made by telephone, on-line reservations, facsimile, telegraph and other means of communications, and including but not limited to all base, time and mileage fees and charges from customers picked up at the Airports, plus all premiums and other fees and charges (regardless of how they may be denominated) for personal accident insurance coverage, personal effects insurance coverage, personal effects protection insurance coverage, liability insurance supplement, additional liability insurance coverage, and all other types and kinds of insurance coverages and policies (regardless of how they are denominated, regardless of the parties covered, and regardless of the risks insured against), plus all sums for insurance waivers, collision damage waivers, and loss damage waivers, whether cash or credit, and whether collected or uncollected, plus all sums or other fees and charges provider receives, or is entitled to receive, for refueling motor vehicles rented to customers, plus all sums or other fees and charges Provider

EXHIBIT E

receives, or is entitled to receive, for the rental of any optional equipment such as cell phones, GPS devices, luggage or ski racks and infant seats plus all sums or other fees and charges provider receives, or is entitled to receive, for additional drivers. Provided, however, that gross revenues shall not include (a) federal, state or municipal sales tax separately stated and collected from customers by the Provider, whether now or hereinafter levied or imposed separately stated on the rental agreement and collected from customers of Provider; or (b) any sums collected as Customer Facility Charges (CFC).

Gross Revenues shall be deemed received at the time the Lease or service transaction occurs, giving rise to Provider's right to collect said monies, regardless of whether said transaction was conducted in person, by telephone or by mail, whether the transaction was for cash or credit, and if for credit, regardless of whether the Provider ultimately collects the monies owed for said transaction from the customer involved. Gross Revenues are amounts which Provider receives or is entitled to receive, either initially or by amendment, whichever is greater.

For purposes of Gross Revenue determination, revenue shall be deemed to have been related to customers picked up at the Airport if the customer arrived at either Airport within a twenty- four (24) hour period immediately preceding the rental, even though the customer arrived at the providers location on their own or the motor vehicle is dropped off by the customer elsewhere.

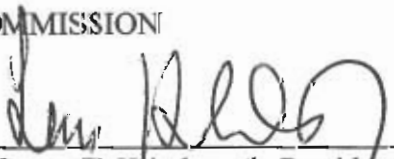
That on or before the 20th day of each month provider shall provide to the Port of Pasco the fee. Said payment shall be made to the Airport Administrator's office. At the same time Provider makes such payment, it shall provide the Port of Pasco with a statement showing the amount of gross revenue related to passengers picked up at the Airport. If any fee is not paid within the calendar month of the due date, provider shall pay a late charge equal to one and one-half (1 1/2 %) per month of the unpaid balance, accruing from the due date until paid.

That the Port's Director of Finance and Administrator is authorized to establish and implement the procedures necessary for the collection of these fees.

That this resolution shall take effect immediately upon execution, and the Off - Airport Privilege Fee referenced herein shall be collected commencing October 1, 2012.

ADOPTED by the Port of Pasco Commission this 9th day of August, 2012

PORT OF PASCO COMMISSION


James T. Klindworth, President


Jean Ryckman, Vice President


Ronald P. Reimann, Secretary



**REVISED SAMPLE Rental Car
CONCESSION AND LEASE AGREEMENT**

BETWEEN THE

TRI-CITIES AIRPORT-PORT OF PASCO

AND

Concessionaire

TABLE OF CONTENTS

1. CONCESSION RIGHTS GRANTED.....	1
2. DEFINITIONS.....	2
3. TERM.....	3
4. USE OF PREMISES.....	3
5. ACCEPTANCE OF PREMISES.....	4
6. PREMISES.....	4
7. CONCESSION FEE, RENTS, AND FEES.....	4
8. FAILURE TO PAY RENT OR FEES.....	6
9. FINANCIAL CONDITIONS.....	7
10. SURRENDER OF PREMISES.....	8
11. DAMAGE OR DESTRUCTION.....	8
12. INDEMNITY AND WAIVER OF DAMAGES.....	9
13. INSURANCE.....	10
14. HAZARDOUS SUBSTANCES.....	10
15. HAZARDOUS SUBSTANCES STORAGE.....	11
16. TAXES.....	12
17. RIGHTS OF THE PORT.....	12
18. GOVERNMENT RESERVATIONS AND RESTRICTIONS.....	13
19. AGREEMENT SUBORDINATE TO BOND ORDINANCE.....	13
20. ADDITIONAL OBLIGATIONS OF OPERATOR.....	14
21. SUBSTITUTION OR PROVISION OF NEW FACILITIES.....	17
22. WAIVER OF SUBROGATION.....	17
23. UTILITIES, CONSTRUCTION AND MAINTENANCE.....	18
24. ALTERATIONS AND IMPROVEMENTS.....	19
25. ADVERTISING AND SIGNAGE.....	20
26. OPERATOR'S PERSONAL PROPERTY/TRADEMARKS.....	20
27. PORT'S RIGHT OF CANCELLATION.....	21
28. OPERATOR'S RIGHT OF CANCELLATION.....	21
29. OPERATOR'S RIGHT OF ABATEMENT.....	22
30. REPLACEMENT OPERATOR.....	22
31. ASSIGNMENT AND SUBLETTING.....	23
32. SEVERABILITY.....	23
33. LEGAL CLAIMS AND ATTORNEY FEES.....	23
34. ARBITRATION.....	23
35. APPROVAL OR DIRECTION BY PORT.....	24
36. PERFORMANCE BY PORT.....	24
37. LIENS OR ENCUMBRANCES.....	24
38. NON-DISCRIMINATION.....	24
39. PRIOR AND COLLATERAL AGREEMENTS.....	25
40. SUBMISSION OF AGREEMENT.....	26
41. RELATIONSHIP OF THE PORT AND OPERATOR.....	26
42. NON-WAIVER OF BREACH.....	26
43. SURVIVAL OF INDEMNITIES.....	26
44. DEFAULT.....	26
45. APPLICABLE LAW; VENUE; WAIVER OF TRIAL BY JURY.....	27
46. HOLDOVER POSSESSION OF PREMISES BY OPERATOR.....	27
47. NOTICES.....	27
48. TIME OF ESSENCE.....	27
49. PARAGRAPH HEADINGS.....	28
50. AUTHORITY OF OPERATOR'S REPRESENTATIVE.....	28
51. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION (ACDBE).....	28
52. ACDBE REPORTING REQUIREMENTS.....	28
EXHIBIT A – TERMINAL BUILDING AREA – COUNTER/OFFICE/QUEUING.....	31
EXHIBIT B – RENTAL CAR READY/RETURN AREA.....	32
EXHIBIT C – SAMPLE ACDBE REPORT.....	33
EXHIBIT D - SAMPLE SHORTFALL ANALYSIS AND CORRECTIVE ACTION PLAN.....	34
EXHIBIT E - TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES.....	35

RENTAL CAR CONCESSION AND LEASE AGREEMENT

THIS AGREEMENT, made and entered into this ___ day of _____, 2021, by and between the PORT OF PASCO, a Municipal Corporation organized and existing under the laws of the State of Washington, hereinafter referred to as "Port" and _____ dba _____, a _____, organized in the State of _____, hereinafter referred to as "Operator;"

WITNESSETH:

WHEREAS, the PORT OF PASCO is the owner and operator of the TRI-CITIES AIRPORT, hereinafter referred to as "PSC", located in the Pasco, Washington, and is authorized to grant leases for premises at PSC for the promotion, accommodation and development of commerce, commercial and general aviation air transportation; and

WHEREAS, car rental services at PSC are essential for proper ground transportation of passengers arriving at and departing from PSC; and

WHEREAS, the Port desires to make said services available at PSC, has solicited and received proposals to provide such services and the Operator is prepared, equipped and qualified to perform said services; and

NOW THEREFORE, in consideration of the concession rights granted herein and the mutual covenants and agreements hereinafter contained, the parties hereto agree, for themselves, their successors and assigns, as follows:

1. CONCESSION RIGHTS GRANTED

A. The Operator is hereby awarded a Concession and Lease Agreement, hereinafter referred to as "Agreement" to operate a rental car business at PSC on a non-exclusive basis in common with others having similar agreements awarded through the proposal process with the Port for the sole purpose of arranging and providing rental car services. The Operator shall not conduct any other business at PSC without the prior written consent of the Port.

B. The Operator shall conduct said Rental Car business in a professional manner continuously during the entire term of this Agreement. Operator agrees it will not disturb the Port or any other tenant, person or licensee using PSC, make or permit any disturbance or any unusual noise, vibration or other condition on or at PSC.

C. Operator, its agents, employees, patrons and suppliers and other persons doing business with Operator shall have the right of ingress and egress to and from the premises over the Port roadways, subject to regulations governing the use of PSC.

D. Operator is a _____ and is authorized to do business in the State of Washington under the brand name or brand name(s) of _____, and shall do business at PSC under that brand name or brand names.

2. DEFINITIONS

The following terms and phrases shall have the following meanings for purposes of this Agreement:

A. "Gross Revenues" as used herein shall mean, as determined in the reasonable discretion of the Port, all amounts charged to its customers by Operator for or in connection with agreements it secures through its operations and business at PSC, regardless of whether such amount is actually paid to or received by Operator. Gross Revenues shall include all monies or other consideration of whatsoever nature paid or payable to Operator by customers for all sales made and services performed for cash, credit or consideration in connection with automobile and vehicle rentals or other products or services provided to persons through Operator's operations at PSC, without regard to the ownership, area, fleet, or location assignment of vehicles and without regard to the manner in which or place at which the vehicles or other products or services are furnished to Operator's customers and without regard to whether the vehicles or other products are returned to PSC or to some other location.

Gross Revenues may not be reduced by promotional or other discounts not given directly to the customer at the time of rental. The retroactive adjustment by Operator of Gross Revenues designated as volume discounts or rebates, corporate discounts or rebates, or any other designation of any nature, or for any other purpose, is prohibited.

Gross Revenues shall include anything and everything that is not specifically excluded. The only exclusions from Gross Revenues permitted under this Agreement shall be the specific exclusions set forth below:

1. Federal, state, county, city or municipal sales, use, or excise taxes now in effect or hereinafter levied on Operator's operations which are separately stated on customers' rental contracts and collected from customers of Operator;

2. Those fees referred to in this Agreement as Customer Facility Charges, "CFC's" which for the purpose of this Agreement shall include all customer facility charges, authorized pursuant to Port Resolution #1333, as may be amended;

3. Amounts received as insurance proceeds for loss, conversion and abandonment of or damages of vehicles or other property of Operator;

4. Amounts received from the sale of vehicles off-PSC premises; provided, however, any amounts paid in connection with automobile and vehicle rentals or other products or services provided to persons through Operator's operations that are applied to or otherwise reimbursed as a result of the sale of a vehicle shall not be excluded from Gross Revenues; and

5. Reimbursements for amounts actually paid to unrelated third parties for towing, parking tickets, traffic tickets, red light tickets, tolls, impounded vehicles and windshield replacement. This exclusion does not apply to charges related to the administration thereof.

B. "Premises" shall mean collectively those leasehold areas at PSC which are a place; where Motor Vehicles owned or leased by Operator for commercial rental are delivered, parked, stored, fueled, washed or maintained by Operator or its employees; or, where Operator's employees or

officials are present to transact Operator's business and/or do transact such business; or, where Operator's logo is displayed; or, that is advertised in any way related to Operator's business; or, that is equipped for conducting business with, without limitation, an Operator computer terminal, business telephone, or electronic platform; or, where commercial Transactions and/or business are conducted in any manner whatsoever. The subject of this Agreement is the "Premises."

C. "Rental Car" or "Motor Vehicles" shall mean motor vehicles designed primarily for the carriage of passengers and commonly classified as sedans, coupes, convertibles, four-wheel drive vehicles, passenger vans, sport utility-type vehicles, and pick-up trucks rated one-ton or less. Operator shall not park, store or rent from Premises any vehicles except Motor Vehicles as defined herein that it owns or rents and are properly available for rental as provided herein.

D. "Transaction" shall mean the execution of an agreement or contract for the rental of a Motor Vehicle; or, the payment of funds or completion of a cash or credit transaction for payment for rental of a Motor Vehicle; or delivery of a Motor Vehicle to a customer for use in exchange for cash, credit or any other consideration.

E. "Transaction Day" shall mean each twenty-four (24) hour period or portion thereof, for which a customer of a Rental Car company rents, or otherwise enters into a similar arrangement for the use of a Motor Vehicle and for which the Rental Car company collects revenue from the customer. Late returns (after twenty four (24) hours) shall be considered a Transaction Day except that a partial day that is a grace period of no more than one (1) hour after the last twenty-four (24) hour day shall not be considered a Transaction Day.

3. TERM

A. The term of this Agreement shall be three (3) years commencing January 1, 2022 and ending December 31, 2024 unless sooner terminated or canceled as hereinafter provided. If the Port and the Operator mutually agree~~At the sole discretion of the Port, by and through its Airport Director,~~ this Agreement may be extended for no more than two (2) additional one (1) year option periods. Port shall notify Operator in writing no less than ninety (90) days prior to the expiration of the initial or first option term period of Port's intent to approve the one (1) year renewal term of said option period.

B. Operator acknowledges that this Agreement contains no renewal clause and is subject to the Port's stated intent and obligation to expose the Premises and rights granted hereunder to public competitive selection process at the expiration or termination of this term.

4. USE OF PREMISES

Operator shall use and occupy the Premises solely for the purpose of maintaining a commercial Rental Car location and conducting a non-exclusive commercial Rental Car operation, as defined herein. Any occupancy, use, activity, display or product not specifically permitted herein shall be and is hereby prohibited, except as by separate express prior written permission from the Port and under such terms and conditions as the Port, in its sole discretion, shall determine.

Permitted uses, if such activities are conducted in a place and in a manner permitted by the Port, shall be limited to the following:

A. Storage and staging of Motor Vehicles available for rent including movement of such vehicles necessarily incidental to these activities.

B. Staffing of the designated counter/office/queuing position in the Terminal for the purpose of providing information and arranging for and completing Transactions.

C. Identification of Operator's counter/office/queuing position, ready/return block and vehicle storage by signs or logos in numbers, size, color, design, content and type as approved in advance in writing by the Port.

D. Operator shall park, store on and rent from the Premises only Motor Vehicles as defined hereinabove. No other vehicles, including trucks above 5,000 lbs. empty vehicle weight, motorhomes, buses, motorcycles, trailers, boats, or non-passenger vehicles shall be permitted on PSC, without express prior written permission of the Port, at the discretion of the Port, under such fees, terms and conditions as the Port may require.

E. Operator shall not use the Premises for any other purpose and is prohibited from servicing vehicles on the Premises at PSC or for the sale of rental vehicles without the prior written consent of the Port. Operator shall use the entire Premises for the conduct of such business in a professional manner continuously during the entire term of this Agreement.

5. ACCEPTANCE OF PREMISES

The Operator agrees that its Premises, as defined in Article 6 - PREMISES of this Agreement, have been inspected by Operator and are accepted and will be occupied by Operator on an "as is" basis. The Operator specifically waives any covenants or warranties regarding the Premises, including but not limited to any warranty of suitability and warranty of fitness.

6. PREMISES

The Port hereby leases to Operator the following Premises, hereinafter referred to as "Premises", as designated on Exhibit A and Exhibit B, attached hereto and made a part hereof. Said Premises are more particularly described as follows:

A. Terminal Building Area

1. Counter/Office/Queuing Position: The Port hereby leases to Operator position number ___ of the counter/office/queuing area in the renovated Terminal Building, as designated in the color _____ and labeled room _____ on Exhibit A attached hereto and made a part hereof

2. Ready/Return Area: The Port hereby leases to Operator Block ___ consisting of ___ Ready Return stalls as shown outlined in _____ on Exhibit B, attached hereto and made a part hereof.

7. CONCESSION FEE, RENTS, AND FEES

A. The Operator shall pay to the Port annually as compensation for the Premises and all other rights, licenses and privileges granted to it pursuant to this Agreement:

1. Concession Fee – the greater of either:
 - a. ten percent (10%) of the Operator’s annual Gross Revenues (“Percentage Concession Fee”);

OR

- b. the respective yearly amount shown below as the Operator’s Minimum Annual Guaranteed fee “MAG”:

Year 1 - January 1, 2022 to December 31, 2022	\$	
Year 2 - January 1, 2023 to December 31, 2023	\$	
Year 3 - January 1, 2024 to December 31, 2024	\$	

Should this Agreement be extended beyond the initial three-year term, the Operator’s Minimum Annual Guarantee during each option period shall be 110% of the Minimum Annual Guarantee for Year 3 listed above.

Monthly payment shall be the greater of 1/12th of the respective year’s MAG or 10% of reported gross revenues for the previous month. The MAG payment shall be paid in advance on the first (1st) day of each month. On or before the 20th of each month the Operator shall provide the Port with i) a signed and certified Report of Gross Revenues for the preceding month ii) payment of any percentage concession fee shown to be due for the preceding month, as designated on Exhibit E, attached hereto and made a part hereof. If the Operator is operating more than one brand under this Agreement, it shall report Gross Revenues for each brand.

Once the sum of Concession Fee payments remitted has reached the MAG in any given year, the Operator may cease remittance of the 1/12th of the respective year’s MAG on the first (1st) day of each month for the remainder of that year. The Operator shall continue to report and remit each and every month after the annual MAG has been reached the full 10% of reported gross revenues for the previous month.

Operator acknowledges that Concession Fee payments by Operator to the Port under this Agreement are for Operator’s privilege to use the Airport facilities and access the Airport market and are not fees imposed by the Port upon Operator’s customers. The Port does not require, but will not prohibit, a separate statement of and charge for the Concession Fee on customer invoices or rental agreements (“Recovery Fee”), provided that such Recovery Fee meets all of the following conditions: (a) such Recovery Fee must be titled “Concession Recovery Fee,” “Concession Recoupment Fee” or such other name first approved by the Port’s Airport Director in writing; (b) the Recovery Fee must be shown on the customer rental car agreement and invoiced with other Operator charges (i.e. “above the line”); (c) the Recovery Fee as stated on the invoice and charged to the customer shall be no more than 11.11% of Gross Revenues and shall be specifically included in the Definition of Gross Revenues for purposes of remittance to the Port; (d) Operator shall neither identify, treat, or refer to the Recovery Fee as a tax, nor imply that the Port is requiring the pass through of such fee.

B. Rent - All Rents set forth in this Article 7, Paragraph B, Subsection 1, are subject to Washington State Leasehold tax and other applicable taxes which shall be collected by the Port in addition to the rent listed in a, and b below:

1. Rent for Premises located in the Terminal Building Area

The Operator shall pay to the Port, in advance, on the 1st day of each month the following rent:

a. For the period commencing January 1, 2022 through December 31, 2022, Operator shall pay the sum of _____ Dollars and _____ Cents (\$____) per square foot per annum for _____ (____) square feet of counter/office/queuing position in the Terminal Building. Thereafter, commencing January 1 of each successive year, the per square foot per annum rent shall be the same per square foot per annum rate paid by the Airlines serving PSC.

b. For the period commencing January 1, 2022 through December 31, 2024, Operator shall pay the sum of _____ (\$____) per month for Block # ____, consisting of _____ (____) ready/return stalls.

C. The Operator shall collect the CFCs on behalf of the Port and remit to the Port the full amount of the Transaction Day fee collected from each Rental Car customer. If the Operator is operating more than one brand under this Agreement, it shall report CFCs collected by each brand.

D. Any and all payments due to the Port by Operator shall be remitted to the following address:

Port of Pasco
PO Box 769
Pasco, Washington 99301

E. Year End Adjustments to Concession fees, Rents and Fees.

1. Within ninety (90) days following the end of each year, the Operator shall be required to submit to the Port a statement certified as complete and correct by an independent Certified Public Accountant and prepared in accordance with generally accepted accounting principles, showing both the number of Transaction Days and the amount of Gross Revenues for the previous year "Certified Statement".

2. In the event the amount of payments made during the preceding year exceeds the total of any payments due for such year, the excess payment shall be credited against the payments for the next year, except that any excess payment during the final year of this Agreement will be returned to the Operator within thirty (30) days after the Port's acceptance of the final Certified Statement described in this Article.

8. FAILURE TO PAY RENT OR FEES

A. No demand for rent or fees need at any time to be given. In the event Operator fails to pay rents, fees, charges or billings as required under the provisions of this Agreement after the payments become due, as described in Article 7 – CONCESSION FEE, RENTS, AND FEES, interest at 18% per annum shall be assessed until fully paid. The implementation of this provision shall not preclude Port from terminating this Agreement for default in the payment of rents, fees or charges, or from enforcing any other provisions contained herein or pursuing any other remedy allowed by law and/or equity.

B. Failure to pay the amounts due or comply with any other of the Operator's financial obligations to the Port under this Agreement, shall entitle the Port to re-enter and take possession of the Premises upon giving the Operator ten (10) days advance written notice of its intent to do so, if said monetary default has not been remedied within said ten (10) day period. However, the Port may extend the time period to correct the default if, in its opinion, due diligence is shown by the Operator in curing the default.

C. The Port's agents or employees shall not be liable for any civil or criminal claims or cause of action because of entering the premises and improvements at reasonable times and in a reasonable manner to carry out the provisions of this Article.

D. All payments hereunder shall be considered delinquent if not received by the 20th of the month due. If the twentieth (20th) of the month is a Saturday, Sunday or Federal holiday, that payment shall be delinquent if not received on the following business day.

9. FINANCIAL CONDITIONS

A. Security: During the term of this Agreement, the Port shall require the Operator to deliver (and thereafter maintain current for the entire term of this Agreement) an instrument of security in a form satisfactory to the Port, in its sole discretion, in the amount of twenty-five percent (25%) of the Operator's Minimum Annual Guarantee for each year hereunder, in order to secure the performance of all of Operator's obligations under this Agreement, including without limitation, the payment of all the percentages, minimums, fees, charges and costs set out herein. Said security may be in the form of a bond.

B. Records of the Operator: The Operator covenants and agrees that it will establish and maintain an accounting system (specifically including all books of account and records customarily used in the type or operation permitted by this Agreement) in full and complete accordance with generally accepted accounting principles and otherwise satisfactory to the Port for the determination of any CFC, Concession fee, or any other computation which may be necessary or essential in carrying out the terms of this Agreement. In the event the Operator institutes an audit of its own records, the Port reserves the right to receive a copy of said audit. Operator shall keep and maintain for a period of not less than twenty four (24) months after the expiration or termination of this Agreement, true and accurate records, accounts, books and data accounting for all business conducted at PSC. Operator agrees to operate its business at PSC so that a duplicate rental agreement invoice, computer generated, shall be issued with each Transaction, whether for cash or credit.

C. Audit: The Port reserves the right, at the Port's expense, to inspect all of the Operator's financial records for the purpose of verifying Gross Revenues and CFCs. The Port shall give Operator fourteen (14) days written notice of said inspection of records. Further, the Port reserves the right to

demand an independent audit conducted in accordance with generally accepted auditing standards of all the Operator's financial records, including, but not limited to, those maintained in Pasco. If, as a result of said audit, it is determined that the Operator has understated the Gross Revenues by three percent (3%) or more per year, the entire expense of said audit shall be borne by the Operator. Any additional percentage fee due shall be paid by the Operator to the Port, with interest thereon at the maximum legal rate allowed or 18% per annum, whichever is greater from the date such additional fees became due which is the day under reporting commenced.

D. All records, accounts, books and data accounting of Operator shall be provided in electronic format.

E. Penalties: Operator recognizes that the Port will incur additional costs if records requested by the Port are not provided in a timely manner and the amount of those costs is difficult to establish with certainty. Consequently, a penalty shall be established as follows:

1. If Operator has not provided any record requested by the Port within thirty (30) days after said request was submitted to Operator, Operator shall pay the Port One Hundred Dollars (\$100.00) per day until all such records have been provided to Port. The per day penalty will continue to accrue, in addition to interest, at 18% per annum, until all records requested by the Port are satisfied and payment of penalty shall not be offset against any other amount due the Port.

10. SURRENDER OF PREMISES

Upon the expiration and/or termination of this Agreement, Operator shall immediately surrender the Premises to the Port in good condition and repair, ordinary wear and usage excepted; and Operator shall remove all of Operator's personal property, trade fixtures, equipment or improvements removable by prior agreement with the Port from the Premises and shall repair any damage to the Premises caused by such removal. Any personal property of Operator, or anyone claiming under Operator, which shall remain upon the Premises at the expiration or termination of this Agreement shall be deemed to have been abandoned and may be retained by Port as Port's property or disposed of by Port in such manner as Port sees fit without compensation to any party.

11. DAMAGE OR DESTRUCTION

A. Leased Premises

1. If the Premises, excluding Operator's leasehold improvements or trade fixtures, are partially damaged by fire or other casualty, but not rendered untenable, the same shall be repaired with due diligence by the Port. The Premises shall be repaired or restored at Port's expense to essentially the same condition as that which existed prior to such damage. In the event such damage is caused by any negligence of the Operator, its officials, agents or employees, it shall be the responsibility of the Operator to pay all loss, damage and costs not covered by any insurance proceeds. Should a portion of the Premises be untenable, not due to any negligence of the Operator, rent for the affected portions of the Premises shall be abated for the period from the occurrence of the damage to the completion of the repairs.

2. If the Premises, excluding Operator's leasehold improvements or trade fixtures, are completely destroyed by fire or other casualty or so damaged as to remain untenable for more than sixty (60) days, the Port shall be under no obligation to repair or reconstruct such Premises. The rent

of the affected portions of Premises shall be abated for the period from the date of such occurrence until such space is temporarily replaced with other space sufficient to allow the Operator to operate. The Port shall notify Operator within sixty (60) days of the occurrence of such casualty whether it intends to repair or reconstruct the damaged Premises. If the Port elects to repair or reconstruct, it shall do so with due diligence and at its expense, unless such damage was caused by any negligence of the Operator, its officials, employees, or agents, in which case it shall be the responsibility of the Operator to pay all loss, damage and costs not covered by any insurance proceeds. Should the Port elect not to repair or reconstruct, this Agreement as to the destroyed or damaged Premises shall terminate on the date of notification by the Port as specified in this Article. In such event, the Port agrees to use its best efforts to obtain adequate substitute space for Operator.

B. Other Port Property

In the event of damage or destruction of Port property caused by the Operator, its agents, employees, or equipment, Operator agrees to repair, reconstruct, or replace the affected property to essentially the same condition which existed prior to such damage or destruction, to the extent that same is not covered by insurance required under this Agreement. Operator further agrees to cause such repair, reconstruction or replacement of affected property with due diligence.

12. INDEMNITY AND WAIVER OF DAMAGES

A. The Operator shall indemnify, hold harmless and defend the Port, their elected and appointed officials, agents, employees and representatives from and against any and all claims and actions, demands, damages, civil penalties, charges, judgments, losses, liabilities of any character or kind and other legal actions and proceedings of whatever nature, including attorney's fees (including fees to establish the right to indemnification) resulting from, arising out of, related to, or caused by Operator's conduct of business or from any activity or other things done, permitted, or suffered by Operator in, or about the Premises and/or PSC or other act or failure to act, excluding only claims or actions arising out of the sole negligence of the Port, their elected and appointed officials, agents and employees, provided that the Port shall give the Operator prompt notice of any such claim or actions made or filed against it.

B. Operator hereby agrees to release and hold harmless the Port, its elected and appointed officials, agents and employees, from any damages to the Operator caused by noise, vibrations, fumes, dust, fuel particles and all other effects that may be caused by the operation of aircraft landing at or taking off from, or operating at or on PSC; and the Operator does hereby fully waive, remise and release any right or cause of action which it may now have or which it may have in the future against the Port, its successors and assigns, due to such noise, vibrations, fumes, dust, fuel particles, and all other effects that may be caused or may have been caused by the operation at or on PSC. The above exception shall not limit a cause of action against other persons or entities, including licensees, concessionaires or aircraft operators.

C. Operator further agrees to hold the Port, their agents, officials and employees free and harmless for any claims arising out of the damage, destruction or loss of any or all of Operator's equipment excluding any claims arising out of the sole negligence of the Port, their elected officials, agents and employees.

13. INSURANCE

A. The Operator shall, at its expense, maintain insurance in full force and effect during the term of this Agreement in such amounts as to meet the minimum limits of liability specified below, and insurance shall be placed with companies or underwriters authorized to do business in the State of Washington and carry a Best's rating no lower than A-. Failure to obtain and maintain such insurance shall constitute a default under this Agreement. The insurance policy(ies) shall be standard comprehensive general liability covering all operations of the Operator and shall include, but not be limited to, general comprehensive liability; broad form property damage coverage and bodily injury coverage; automobile including owned, non-owned, leased and hired; contractual coverage, including the obligations of Article 12 - INDEMNITY AND WAIVER OF DAMAGES, herein; and independent contractors coverage. The Port, its elected and appointed officials, agents and employees, shall be included as additional insureds with respect to Operator's use of PSC and the Premises which are subject of this Agreement. The Operator shall, promptly after execution of this Agreement, furnish to the Port appropriate certificates of insurance evidencing coverage effected and to be maintained for the term of this Agreement. The coverage shall not be less than Five Million Dollars (\$5,000,000) combined single limit or split limits equal to and not less than Five Million Dollars (\$5,000,000) for bodily injury and property damage with respect to each occurrence.

B. The insurance policies shall not be subject to cancellation or material change except after notice to the Port at least thirty (30) days prior to the date of such cancellation or material change. Where any policy(ies) has (have) normal expirations during the term of this Agreement, written notice of renewal shall be furnished to the Port at least thirty (30) days prior to expiration of any policy during the term of this Agreement. Upon written request by the Port, the Operator shall permit the Port to inspect the originals of all applicable policies. The Port, its elected and appointed officials, agents and employees, shall be included as additional insureds with respect to Operator's use of PSC and the Premises which are subject of this Agreement.

C. This Article 13 – INSURANCE shall be subject to periodic adjustments.

14. HAZARDOUS SUBSTANCES

A. The Port shall indemnify, defend and hold the Operator harmless from any and all costs due to Hazardous Substances that Operator establishes flowed, leached, diffused, migrated, or percolated into, onto, or under the Premises from adjacent properties after the term of the Agreement commences and for any and all costs arising from any contamination of, adverse effects on the environment, or release of Hazardous Substances from the Premises caused by the Port.

B. Operator agrees to indemnify, defend and hold harmless the Port from any and all claims, damages, from or in connection with the presence of Hazardous Substances in or on the Premises, unless the Hazardous Substances are present as a result of the sole negligence, willful misconduct, or other acts of the Port, its agents, employees, contractors or invitees. Without limitation of the foregoing this indemnification shall include any and all costs incurred due to any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision. With respect to cleanup of any contamination from any Hazardous Substances on the Premises, Port and Operator agree to work together to approve cleanup criteria and investigation, monitoring and remediation activities for the Premises that comply with all municipal,

state, and federal laws, rules and regulations are consistent with (i) commercial/industrial uses at the Premises compatible with current zoning, and (ii) with commercial/industrial redevelopment of the Premises in the future. Port will not unreasonably withhold approval of an institutional control with respect to the Premises, as may be reasonably required by governmental authorities for issuance of no further action, or similar site closure documentation, consistent with this provision.

C. For the purposes of this Agreement, the term "Hazardous Substances" shall be interpreted broadly to include but not be limited to substances (chemicals or waste) designated as hazardous, toxic, or dangerous, including but not limited to petroleum or petroleum containing products, under the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq., the Federal Water Pollution Control Act, 33 U.S.C. 1251, et seq., or the Comprehensive Environmental Response Compensation and Liability Act, 42 U.S.C. 9601, et seq. or as may be amended, the Model Toxics Control Act (M.T.C.A.), R.C.W. 70.105D, et seq., and any applicable federal, state, or local law or regulation relating to safety, preservation or protection of human health and the environment ("Environmental Laws").

15. HAZARDOUS SUBSTANCES STORAGE

A. The Operator is solely responsible for taking all steps and actions to remove or remediate any Hazardous Substances or any other environmental contamination on or under the Premises that are a result of the Operator's use or occupancy of the Premises pursuant to Article 14 of this Agreement. The Operator is responsible for the protection of public health and safety and the environment from actual or potential harm and is obligated to ensure that the Premises are in compliance with all Environmental Laws. If any remediation work is required, Operator, at its sole expense, shall perform all work required and provide to the Port for approval, a written plan of action for completing said remediation work.

B. Hazardous Substances

1. Operator shall not engage in or allow the generation, use, manufacture, treatment, transportation, or storage of any Hazardous Substance in, on, under, or adjacent to the Premises, except by written permission of the Port.

2. Operator shall not engage in or allow the unlawful release of any Hazardous Substance in, on, under or adjacent to Premises (including air, surface water and ground water on, in, under or adjacent to the property). Operator shall at all times be in compliance with Environmental Laws (and shall cause its employees, agents and contractors to be) with respect to the Premises or any Hazardous Substance and shall handle all Hazardous Substances in compliance with good industry standards and management practices.

3. Operator shall promptly notify the Port and any and all adjacent property tenants, in writing, if Operator has or acquires notice or knowledge that any Hazardous Substance has been or is threatened to be released, discharged or disposed of, on, in, under or from the Premises. Operator shall immediately take such action as is necessary to report to governmental agencies as required by Environmental Laws and to detain the spread of and remove, to the satisfaction of any governmental agency having jurisdiction, any Hazardous Substances released, discharged or disposed of as the result of or in any way connected with the conduct of Operator's business, and which is now

or is hereafter determined to be unlawful or subject to governmentally imposed remedial requirements subject to Article 14.C of this Agreement.

4. Operator shall at all times maintain an employee or consultant familiar with applicable laws and charged with responsibility for Operator's compliance with all applicable laws relating to Hazardous Substances.

16. TAXES

The Operator shall be liable for and pay when due all taxes and assessments of every kind and nature that may arise by virtue of the execution of this Agreement. This obligation shall include, but not be limited to, taxes imposed on the leasehold interest on the Premises, or any part thereof, any improvements at any time situated thereon any personal property of the Operator or any trade fixtures. Operator shall also be responsible for payment of any other statutory tax or other fiscal obligations imposed by applicable local, state or federal laws with respect to Operator's agents, employees, or Operator's property, occupancy of, or other activities on the Premises. Nothing herein shall prevent the Operator from protesting through due process, any taxes levied. Upon any termination of this Agreement, all taxes levied, or a lien upon any said property or taxable interest therein shall be paid in full without proration by the Operator forthwith, or as soon as a statement thereof has been issued by the tax collector if termination occurs during the interval between the attachment of the lien and issuance of statement.

17. RIGHTS OF THE PORT

A. Upon providing notice, if possible, the Port reserves the right to inspect the Premises and improvements throughout the term of this Agreement. Unless an emergency or unlawful condition exists which makes reasonable notice impractical, Operator, or Operator's authorized agent shall accompany the Port or its authorized representative(s) in order to inspect the Premises and any improvements thereon. The Port's agents or employees shall not be liable for any civil or criminal claim or cause of action for damage because of entering the Premises or improvements in order to perform its duties under the rights granted by this Agreement.

B. The Port reserves the right to direct, in its sole discretion, all activities of the Operator at PSC in the event of an emergency.

C. The Port reserves the right to direct, at its discretion, Operator's operations in the event that Operator's operations are unreasonably interfering with the use by others of PSC and/or Premises; e.g. to restrict the use of "public" areas of the Terminal Building, and public-access curbs, sidewalks and roadways in favor of the traveling public.

D. The Port reserves the right to further plan, develop, improve, remodel and/or reconfigure PSC, including the Premises and existing vehicle and pedestrian traffic patterns, as the Port deems appropriate without interference or hindrance by the Operator, and the Port shall have no liability hereunder to Operator by reason of any interruption to Operator's operations on the Premises occasioned by such Port activities; provided, however, that the Port shall consult in advance with Operator on such changes and if Operator shall be unable to conduct reasonably normal seasonal business operations on the Premises by reason of any such Port activities, then the fees hereunder may be equitably adjusted during the period of such interruption.

E. The Port reserves the right, in its sole discretion, to enter into agreements for the financing or re-financing of PSC and Operator agrees to cooperate in providing information to prospective lenders and in providing estoppel certificates, if so requested.

F. The Port reserves the right to establish and enforce rules and regulations for the conduct of activities and uses permitted herein and also to promulgate Minimum Standards for the conduct of commercial activities related hereto including, without limitation, minimum hours of operation if the Port determines that the needs of the traveling public are not being met.

G. The Port shall not be obligated to, but reserves the right, to permit off-PSC Rental Car companies to operate or conduct business at PSC.

18. GOVERNMENT RESERVATIONS AND RESTRICTIONS

The Premises being leased and rights granted by this Agreement shall be subject to all enforced reservations and restrictions, including but not limited to, the following:

A. It is understood and agreed to by Operator that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right forbidden by the Airport Development Act, 49 U.S.C., 47101, et seq., Section 308 of the Federal Aviation Act of 1958 and as amended.

B. During time of war or national emergency, the Port shall have the right to lease the landing area or any part thereof to the United States government for military or naval use and, if such lease agreement is executed, the provisions of this Agreement insofar as they are inconsistent with the provisions of the agreement or lease with the Government, shall be suspended.

C. This Agreement shall be subject to the terms of any sponsor's assurances and agreements now required or imposed in the future, between the Port and the Federal Aviation Administration or any successor federal agency.

D. This Agreement shall be subordinate to the provisions of any existing or future agreement between the United States Government and the Port relative to the use, operation or maintenance of PSC, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of PSC, by the provisions of the Port Improvement Program, and as the program may be amended, or any other federal act, deed, grant agreement or program affecting the operation, maintenance of PSC now or in the future; provided however, that the Port shall, to the extent permitted by law, use its best efforts to cause any such agreement to include provisions protecting and preserving the rights of Operator in and to the Premises and improvements thereon.

19. AGREEMENT SUBORDINATE TO BOND ORDINANCE

This Agreement and all rights of the Operator hereunder are expressly subordinated and subject to the lien and provisions of any pledge or assignment made or to be made by the Port to secure any bonds authorized by law to be issued for the development or improvement of PSC, and the Port and the Operator agree that the holders of the said Bonds shall possess, enjoy and may exercise all rights of the

Port hereunder to the extent such possession, enjoyment and exercise are necessary to ensure compliance by Operator and the Port with the terms and provisions of the bond covenants. The Operator agrees to take all action reasonable and necessary to execute any amendment in writing to this Agreement to ensure that the Port remains in compliance with the terms and provisions of the bond covenants for any existing or proposed tax exempt financing for or on behalf of the Port.

20. ADDITIONAL OBLIGATIONS OF OPERATOR

The Operator hereby covenants and agrees:

A. That the Rental Cars used by the Operator at PSC shall be maintained, at the Operator's sole expense, in good, safe and operative order, free from mechanical defects, and in a clean, neat and attractive condition, inside and outside. Operator shall provide a fleet of no fewer than fifty (50) rental cars for rent at the Airport.

B. That the Assigned Premises shall be staffed and operated seven (7) day per week, commencing not less than thirty (30) minutes prior to the first scheduled ~~arriving~~ departing flight and ending not less than thirty (30) minutes after the last scheduled arriving flight, except as otherwise approved in writing by the Airport. Should the Operator operate more than one concession location in the Terminal Building, Operator is not permitted to close one location and direct customers to its other location.

C. That the personnel performing services at PSC shall be neat, clean and courteous. The Operator shall not permit its agents, servants or employees to conduct business in a loud, noisy, boisterous, offensive or objectionable manner, or to solicit business at PSC in any manner whatsoever except through the use of signs as allowed herein.

D. Operator's personnel shall be responsible for the removal of known debris, foreign materials or other hazards in or on the Premises of the Operator.

E. Personnel are prohibited from parking personal vehicles in ready/return areas.

F. Operator agrees parking of vehicles and equipment by the Operator, its agents, servants, employees or licensees shall be restricted to those areas leased by Operator. Parking of employee vehicles is prohibited at Premises. Operator's employees shall be required to park in Port designated employee lots. Parking of employee vehicles at the Premises or other non-designated areas will result in Operator being assessed a penalty for each violation. Said penalty shall be One Hundred Dollars (\$100.00) per vehicle per day.

G. Operator's personnel performing services at PSC shall not engage in any driving practices on the Premises or PSC that violate speeding or other driving laws and they shall practice safe driving techniques. Operator's personnel that are deemed to have violated any standard driving rules and regulations or who are found to be driving in an unsafe manner may be subject to action from the Port in addition to any action taken by Operator.

H. Operator shall have the right, during the term hereof, at its own expense, at any time and from time to time, to install, maintain, operate, repair and replace any and all trade fixtures, removable structures, and other personal property used from time to time in its operations at PSC, all

of which shall be and remain the property of Operator except as herein provided, and may be removed by Operator prior to the expiration of the term of this Agreement, provided, however, that the Operator shall repair any damage to the structures caused by such removal. The failure to remove trade fixtures or other personal property shall not constitute Operator a holdover, but all such property not removed upon termination of the Agreement shall be deemed abandoned and thereupon be the sole property of the Port. Port may reject said trade fixtures or personal property and require Operator to reimburse the Port for the cost to dispose of said fixtures and/or personal property. It is understood, for the purposes of this Article, that the phrase "trade fixtures" shall include but not be limited to any removable structures, signs (electrical or otherwise) used to identify Operator's Premises, equipment, whether or not such machinery or equipment is bolted or otherwise attached to the Premises.

I. In accordance with Port Grant Assurances, Operator shall take appropriate action to protect instrument and visual operations at PSC. Operator shall adequately clear and protect Port operations by removing, lowering, relocating, and marking all lighting hazards on their Premises including shading or adjusting lighting to prevent glare, installation of obstruction lighting as instructed by the Port.

J. That it shall observe and comply with any and all applicable Port, federal, state and local laws, statutes, ordinances, regulations and standards and shall abide by and be subject to all rules and regulations which are now, or may, from time to time, be promulgated by the Port concerning management, operation or use of PSC. The Operator shall obtain and keep in force all permits required by law for operation of the Rental Car business.

K. That it shall meet all expenses in connection with its operation at PSC, and the rights and privileges herein granted, including, without limitation by reason of enumeration, taxes, permit fees, license fees and assessments lawfully levied or assessed upon the Operator, and that it will secure all such permits and licenses.

L. That it shall not engage in any business or other activity that will intentionally or unintentionally divert business and/or customers from PSC to an off-site office, parking lot, garage, etc., for any purpose whatsoever, including, but not limited to, writing of sales agreements off-PSC premises. If the Port believes, in its sole opinion, that the Operator is engaging in such diversion of business or other activity described hereinabove, it reserves the right to inspect Operator's records, regardless of whether such records pertain to activities at PSC or off-PSC premises. Failure to permit such inspection or rectify any violations provided herein shall be subject to the Port's right as specified in Article 28 – PORT'S RIGHT OF CANCELLATION. In addition, the Port shall have the right to include such business or other activity within the definition of Gross Revenues and the right to recover any amounts lost as a result of any diversion of business from PSC.

M. That it shall comply with the rules and practices as set forth in the current Tri-Cities Airport Security Plan, as may be amended from time to time in the discretion of the Port. Any fines assessed against the Port by the Transportation Security Administration TSA as a result of the Operator's failure to comply with the provisions of this paragraph or other intentional or negligent acts or omissions of Operator, its employees or agents will be paid promptly upon demand to the Port by the Operator.

N. The Port shall be the sole and final judge of the quality and the adequacy of the services furnished by the Operator as specified herein. In the event the Port determines that Operator has failed

to comply with the requirements hereunder with respect to the quality and adequacy of its services, the Port may, upon thirty (30) days written notice, exercise its right to terminate this Agreement as per Article 28 – PORT’S RIGHT OF CANCELLATION, contained herein. However, the Port may, in its sole discretion, extend the time for compliance if, in its opinion, the Operator is making progress in complying with the requirements of this Agreement.

~~O. — Liquidated Damages. — Operator's failure to adhere to the operating requirements set forth in this Agreement is reasonably anticipated to result in significant inconvenience to the public, adversely affect the overall commercial business of the Airport, and reduce the amount of compensation to be paid to Port. Additionally, Port resources will be expended in dealing with violations of this Agreement by Operator. The parties hereby agree that total damages sustained by Port for violations of the provisions of this Agreement addressing the subject matter listed below could be significant, but would be difficult to determine and to track. Therefore, the parties hereto agree that the liquidated damages amounts, set forth below for violation of Agreement terms addressing the referenced subject matter are reasonable estimates of the loss anticipated to be suffered or incurred by Port. Operator, therefore, hereby agrees that imposition of the liquidated damages set forth below is fair and reasonable and Operator agrees to pay immediately upon demand by Port the following amounts as liquidated damages upon the occurrence of breaches related to the following subject matter:~~

VIOLATION	LIQUIDATED DAMAGES
Operating Hours Violation	\$100 per hour or portion thereof, during which location is not open — first occurrence
	\$200 per hour or portion thereof, during which location is not open — second occurrence
	\$300 per hour or portion thereof, during which location is not open — third occurrence
	\$1,000 per occurrence thereafter
Service Standards — and — Employee Standards Violation	\$50 per occurrence
Pricing and Quality Violations	\$250 first occurrence \$500 per occurrence thereafter
Signs and Premises Violations	\$50 first occurrence \$100 per occurrence thereafter
Sanitation, Hygiene, Cleanliness, Waste Disposal and Recycling Violations	\$100 per occurrence, for up to three (3) occurrences. \$1,000 per occurrence thereafter or a fee for any remedial sanitation work that must be performed by Port billed at a rate determined by Port at its sole discretion, notwithstanding the market rate.
Deliveries and Vendor Access Violations (including improper blocking of traffic lanes)	\$100 per occurrence
Aggressive selling techniques	\$100 per occurrence

Failure to Provide Documents, including but not limited to ACDBE Reporting requirements, to Port in Accordance with Agreement Requirements	\$100 for each and every calendar day of delay (notwithstanding any other remedies or actions provided for herein)
---	---

~~Port's failure to impose liquidated damages for any violation of the requirements set forth above shall not waive any right, or prohibit Port from doing so for subsequent violations.~~

~~Except for violations regarding the minimum hours of operation, the liquidated damages for which shall be incurred immediately and without notice upon violation, other liquidated damage amounts shall not be imposed unless the violation continues for more than three (3) calendar days after Port has given Operator written notice (and this written notice may be in the form of an email) of the violation; provided, however, after Port has given Operator notice of the same violation more than twice during any given year, the liquidated damage amount shall be immediately imposed with no opportunity to cure in order to avoid the sanction. Additionally, after two (2) violations of the same type in the same year, Port reserves the right, at its sole option, not to impose the liquidated damage and instead seek any other remedies available to it for an event of Default, including termination of this Agreement.~~

21. SUBSTITUTION OR PROVISION OF NEW FACILITIES

The Port may build or provide, or cause to be built or provided, new or substitute facilities at PSC. In the event of the construction and occupancy of new or substitute facilities at PSC during the term of this Agreement, the following shall apply:

1. Operator agrees to relocate operations from the Premises to the new or substituted premises and to thereafter conduct its operations therefrom. The new or substituted facilities shall be comparable to the previous facilities or better in terms of size, location and finish, all at the discretion of the Port. In the event the Port requires the move of facilities, other than the move to the planned Consolidated Service Facility, the Port will reimburse reasonable actual out-of-pocket costs associated with the relocation as approved in advance subject to a maximum amount established by the Port.

2. Upon completion of the planned Consolidated Service Facility, and after thirty (30) days written notice of such completion or anticipated completion provided by the Port, the Port and the Operator shall have the option of (a) entering into a mutually satisfactory Service Facility Lease with the Port prior to its occupancy of the new Service Facility, in which event Operator shall move to the Service Facility at its own expense, or (b) not entering into a Service Facility Lease, and making arrangements for the servicing of its vehicles at its own expense off-Airport.

22. WAIVER OF SUBROGATION

A. The Port and Operator each waive any rights it may have against the other on account of any loss or damage occasioned to Port or Operator, as the case may be, their respective property, the Premises or its contents or to other portions of PSC arising from any liability, loss, damage or injury caused by fire or other casualty for which property insurance is carried or required to be carried pursuant to this Agreement. Each of the parties hereto, on behalf of their respective insurance companies insuring the property of either the Port or Operator against any such loss, to the extent of any recovery under such insurance, waives any right of subrogation that it may have against the other.

Each waiver shall be expressly included in, and shall comply with the requirements of the respective insurance policies. Should either or both of the respective insurance companies assess a charge for such waiver, each party shall pay only for the charges assessed by its respective insurer.

B. Operator further expressly waives any and all claims against the Port, their agents and employees of whatever nature, for any and all loss or damage sustained by the Operator, except loss or damage caused by the sole negligence of the Port, its agents or employees, including interruption of the Operator's business operations, by reason of any defect, deficiency, failure or impairment of the Premises, or any utility service to or in the Premises, including, but not limited to, the water supply system, electrical wires leading to or in the Premises, gas, electric or telephone service, or any other failure which may occur during the term of this Agreement from any cause.

23. UTILITIES, CONSTRUCTION AND MAINTENANCE

A. Port's obligations: The Port shall provide the Operator with the following:

1. Utilities to the leased counter/office/queuing position, except as hereunder stated; and
2. Security lights, signposts, and maintenance of same to the leased ready/return block.

B. Port shall provide snow removal and deicing of all lanes but not actual ready-return spaces at the Premises. It shall be the responsibility of the Operator to comply with any and all directives necessary to ensure the timely and safe removal of snow and deicing of Premises. Should the Port determine that any additional costs associated with a delay in the snow removal or deicing process is specific to any one particular Operator or Operators, then said Operator or Operators shall be responsible for such additional costs.

C. Operator's obligations: The Operator shall be responsible for providing the following:

1. All items not provided by the Port in Paragraph A of this Article;
2. Maintenance and janitorial of office space.
3. Maintenance of ready/return stalls, to include wheel stops if provided and signs.
4. Operator agrees to cooperate with the Port with the provision and installation of new communication services such as paging, courtesy phones, flight and baggage information systems, etc., necessary to properly operate PSC. Operator is responsible for all communication and computer services required to operate its Rental Car business.

D. Neither party shall be liable to each other, or any other person, for any interruption of failure in the supply of any utility service to the Premises. In the event of interruption of utility services to the Premises, the Operator and the Port shall take immediate action to restore such utility services as rapidly as possible to avoid unnecessary interruption of the Operator's business operations.

24. ALTERATIONS AND IMPROVEMENTS

A. All repairs made by the Operator or on its behalf shall be of high quality in both materials and workmanship. All repairs will be made in conformity with the rules and regulations prescribed from time to time by Port, Federal, State or local authority having jurisdiction over the work in or to the Operator's Premises.

B. No signage, improvements, structures, alterations or additions shall be made in, to or upon the Premises without the prior written consent of the Port. Operator shall submit requests for signage, improvements, alterations or additions by submittal of the Request for Approval Form, identified as Exhibit C, attached and made a part hereof. All such improvements, structures, alterations, additions and work shall be in accordance with any conditions relating thereto then stated in writing by the Port.

C. Inside storage of material is required. Outside storage is not permitted. There shall be no outside storage of junk, salvage vehicle parts, non-operational equipment, unused or damaged equipment or material, solid waste or debris.

D. The installation of any type of fencing is prohibited on the Premises.

E. Upon providing notice, if possible, the Port or its duly appointed representatives shall have the right to enter the Operator's Premises to:

1. Inspect the Premises during the Operator's regular business hours or at any time in case of emergency to determine whether the Operator has complied with and is complying with the terms and conditions of this Agreement and other enumerated and health/operational standards. The Port may, at its discretion, require the Operator to effect repairs at the Operator's own cost.

2. Perform any and all things which the Operator is obligated to perform and has failed after reasonable written notice to perform, including: maintenance, repairs and replacements to the Operator's Premises or to respond to any public health or safety emergency. Notwithstanding the above, in the event of an emergency condition, the Port or its duly appointed representatives shall have the right to enter the Operator's Premises to perform maintenance repair or replacement.

3. Undertake the maintenance, repair or replacements requested by the Port if the Operator refuses or neglects to make any repairs necessitated by the negligent acts or omissions of the Operator, its employees, agents, servants or licensees. The Port shall have the right to make such repairs on behalf of and for the Operator if Operator has not commenced such repairs with five (5) days after written notice by the Port. Such work shall be paid for by the Operator within ten (10) days following demand by the Port for said payment at the Port's standard rates plus any administrative costs.

F. Operator will be responsible for the adequate sanitary handling and removal of all trash, garbage and other refuse caused as a result of the Operator's operations at Premises in a manner and area designated by the Port. The Operator agrees to provide and use suitable closed receptacles for all garbage, trash and other refuse in its Premises. Piling of boxes, cartons, barrels or similar items shall not be permitted in open areas. Outside storage is prohibited.

G. Any improvements and alterations to the Premises thereon with respect to which the Port has given its written consent, shall be done at Operator's sole cost and expense and Operator shall not cause or permit any statutory claims or liens to be filed against the Premises or against the buildings or other improvements thereon by reason thereof and hereby does indemnify the Port against all costs and liabilities arising from such claims or liens filed as a result of Operator's activities.

H. Any such improvements or alterations to the Premises made by Operator shall become the property of the Port upon the termination of this Agreement and shall be surrendered with the Premises and as a part thereof, unless otherwise agreed upon in writing between the Port and the Operator.

25. ADVERTISING AND SIGNAGE

A. Operator shall have the right, at its own expense to install and maintain signs for the purpose of identification and advertising. Prior to installation of such signage, the Operator shall submit plans and obtain written approval of the Port or its designee. The right to install identification signs or other advertising devices for information to its customers shall be at a location, in the number and type, size and design approved in writing by the Port. In the event the signs are removed and not replaced, Operator shall repair the area to its normal appearance. To the extent that Operator uses any electronic medium for identification and/or advertising which includes any reference to Operator's relationship with the Port, Port shall have the right to review and approve the same.

B. All signs shall be repaired or replaced by Operator as they fade, peel, or generally deteriorate. Internal or external sign lighting shall be maintained by Operator with any burned-out fixtures replaced promptly. Signs which are no longer appropriate due to a change of tenant shall be removed immediately by Operator prior to leaving.

C. Operator shall not install any exterior lighting, shades or awnings or any exterior decorations or paintings, or build any fences or make any change to the exterior portions of the Premises without Port's consent.

26. OPERATOR'S PERSONAL PROPERTY/TRADEMARKS

A. All personal property, equipment, furnishings, decorations and trade fixtures placed upon the Premises by Operator shall be at Operator's sole risk, and the Port shall not be liable for damage to or loss of such personal property or trade fixtures arising from the acts or omissions of any person or from any causes whatsoever.

B. Operator represents that it is (and will be for the entire term hereof) the owner of or fully authorized to use any and all services, processes, machines, articles, trade names, trademarks, logos or slogans to be used by it in its operation under or in any way connected with this Agreement. Operator agrees to save and hold the Port, its officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit, demand or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright arising from any alleged or actual unfair competition or other similar claims arising out of the operations of Operator under or in any way connected with this Agreement.

27. PORT'S RIGHT OF CANCELLATION

In addition to any conditions as specified herein and all other remedies available to the Port, this Agreement shall be subject to cancellation by the Port should any one or more of the following occur:

A. If the Operator shall file a voluntary petition in bankruptcy, or proceedings in bankruptcy shall be instituted against the Operator and Operator is thereafter adjudicated a bankrupt pursuant to such proceedings, or if a court shall take jurisdiction of the Operator and its assets pursuant to proceeding brought under the provisions of any Federal Reorganization or Bankruptcy Act, or if a Receiver for the Operator's assets is appointed, or if the Operator shall be divested of its rights, powers and privileges under this Agreement by other operation of law and such proceeding is not dismissed within sixty (60) days of filing.

B. If the Operator shall vacate, abandon or discontinue for thirty (30) consecutive days the conduct and operation of its Rental Car operation, except when such abandonment be caused by fire, earthquake, war, strike or other calamity beyond Operator's control.

C. If the Operator shall fail to perform, keep and observe any of the applicable covenants and conditions contained in this Agreement, or the Port has a reasonable basis to believe the Operator will fail in the same, or the Operator engages in conduct or activity detrimental to the operations of the Port, provided that upon the happening of any contingency recited in this Article or a reasonable basis to believe any such contingency will happen, the Operator shall be given written notice to correct or cure such default, failure to perform or breach. If, within thirty (30) days from the date of such notice, the default, breach or complaint shall not have been corrected in a manner satisfactory to the Port, then and in such event, this Agreement and all of Operator's rights under this Agreement shall automatically terminate. The Port shall extend the time period to correct the default, if, in its sole opinion, due diligence is shown by the Operator in curing the default.

D. The discovery by the Port that any financial or background information or statement provided to the Port by the Operator, or any agent, representative, successor, grantee, or assign of the Operator, was materially false.

If under any of the foregoing provisions of this Article the Port shall have the right to re-enter and take possession of the Premises, the Port may enter and eject the Operator and those claiming through or under it and remove its property and effects (using force, if necessary) without being guilty of any manner of trespass; without any liability therefore; without prejudice to any remedies of the Port in the event of default by the Operator; and without liability for any interruption of the conduct of the affairs of Operator or those claiming through or under it.

28. OPERATOR'S RIGHT OF CANCELLATION

In addition to all other remedies available to the Operator, this Agreement shall be subject to cancellation by Operator should any one or more of the following occur:

A. The permanent abandonment of PSC.

B. The issuance of any order, rule or regulation by the Federal Aviation Administration or its successor federal agency, or the issuance by any court of competent jurisdiction of an injunction, materially restricting for a period of at least ninety (90) days, the use of PSC for scheduled air transportation.

C. The breach by the Port of any covenants, terms or conditions of this Agreement to be kept, performed and observed by the Port and the failure to remedy such breach for a period of sixty (60) days after written notice from Operator of the existence of such breach.

D. The assumption of the United States Government, or any authorized agent of the same, of the operation, control or use of PSC and its facilities in such manner as to substantially restrict the Operator from conducting its business, if such restriction be continued for a period of ninety (90) continuous days or more.

29. OPERATOR'S RIGHT OF ABATEMENT

In the event that the following condition exists during the term of this Agreement, the minimum annual guarantee hereinabove provided for in Article 7 – CONCESSION FEE, RENTS AND FEES shall be abated for the period of time the condition exists:

A. A major traffic reduction at PSC. A major traffic reduction shall be defined as a twenty five percent (25%) reduction in the number of passengers deplaning on scheduled airline flights at PSC during any period of three (3) consecutive calendar months as compared to the number of such deplaning passengers in the same calendar months during the preceding calendar year.

B. The abatement amount for those months that are abated as defined above will be the prorated reduction of that month's 1/12th payment of the minimum annual guarantee. For example, if May, June and July have a traffic reduction of 27%, 30% and 26% respectively, then the 1/12th minimum annual guarantee payment for May would be reduced by 27%, June would be reduced by 30%, and July would be reduced by 26%.

C. If the major traffic reduction continues for additional months, the proportional abatement will continue as well, until there ~~are three (3) consecutive calendar months is a month~~ when traffic does not fall below the 25% threshold, at which time the full minimum annual guarantee payment shall be made for such month.

D. This major traffic reduction can only be identified after any three-month period ends; however, the major traffic reduction exists for any three-month period when all three months had a not less than 25% reduction in passenger deplanements. Overpayments of the MAG will be credited to the Operator during the year-end reconciliation process described in Article 7(E).

Operator shall continue to pay the Percentage Concession Fee during this abatement period.

30. REPLACEMENT OPERATOR

Port reserves the right to replace, through proposal procedure, or through negotiation, a vehicle rental Operator, if this Agreement is terminated prior to the end of its term, upon the same terms and conditions as exist in this Agreement, including the same termination date.

31. ASSIGNMENT AND SUBLETTING

A. The Operator shall not assign, sublet or transfer this Agreement or any interest herein, nor shall this Agreement, nor any interest therein, be assignable or transferable by operation of law or by any process or proceeding of any court, or otherwise, without the prior written consent of the Port. Such consent shall provide that the assignment, transfer or subletting is in compliance with this Agreement and that any increase in rent, above and beyond the rent in this Agreement, on a per square foot per annum basis, or any increase in minimum guarantee, resulting from such action, is paid to the Port, and provided further that any assignee shall possess sufficient experience financial security to ensure compliance with all of the terms and conditions of this Agreement.

B. Subject to all other provisions of this Agreement, including Paragraph A of this Article, and subject to prior approval by the Port, it is expressly agreed and understood that any and all obligations of Operator hereunder may be fulfilled or discharged either by Operator or by a member of Operator's system, duly appointed thereto by Operator and that any and all privileges of every kind granted Operator hereunder may extend to and be enjoyed by such Operator so appointed; provided, however, that notwithstanding the method of operation employed by Operator hereunder, Operator shall continue always to remain directly liable to the Port for the performance of all terms and conditions of this Agreement.

32. SEVERABILITY

If any term or provision of this Agreement shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Agreement shall not be affected thereby, but each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

33. LEGAL CLAIMS AND ATTORNEY FEES

A. Each party hereto shall promptly report to the other any claim or suit against it arising out of or in connection with the Operator's operation at PSC. The Port and Operator shall each have the right to compromise and defend the same to the extent of its own interest; provided the defense of the same has not been tendered and accepted by the other party. The Operator is an independent contractor in every respect, and not the agent of the Port.

B. In the event either party requires the services of an attorney in connection with enforcing the terms of this Agreement or in the event suit is brought for the recovery of any rent, fees or other sum or charges otherwise payable by Operator, this Agreement or the breach of any covenant or condition of this Agreement, or for the restitution of the Premises to the Port and/or eviction of Operator during the term of this Agreement, or after the expiration thereof, the prevailing party will be entitled to reasonable attorneys' fees, consultants' fees, witness fees and other costs, both at trial and on appeal. For purposes of calculating attorneys' fees, legal services rendered on behalf of the Port by public attorneys shall be computed at hourly rates charged by attorneys of comparable experience in private practice in the Tri-Cities Area of Washington State.

34. ARBITRATION

In the event of any failure by the Port and the Operator to agree to any adjustment in the rental rate of this Agreement, the disagreement shall be resolved by three (3) arbitrators. After notice by

either party requesting arbitration, within ten (10) days, one arbitrator shall be appointed by each party. Notice of the appointment shall be given by each party to the other when made. The arbitrators shall immediately choose a third arbitrator to act with them. If they fail to select a third arbitrator, on application by either party, the third arbitrator shall be appointed pursuant to the laws of the State of Washington. Each party shall bear the expense of its own appointed arbitrator and shall bear all other expenses equally. Said arbitration shall take place in Pasco, Washington, and shall be binding on both parties.

35. APPROVAL OR DIRECTION BY PORT

Wherever consent, approval or direction by the Port is required under this Agreement, such consent, approval or direction by the Port shall be effective if given by the Port's Airport Director or his designee in the manner set forth in this Agreement.

36. PERFORMANCE BY PORT

If the Operator should fail to do anything required to be done under the terms and conditions of this Agreement, except for the payment of rents, fees or charges, the Port may, at its sole option and after giving written notice to the Operator, perform such act on behalf of the Operator. Upon notification to the Operator of the cost thereof by the Port the Operator shall promptly pay the Port the amount due.

37. LIENS OR ENCUMBRANCES

Operator agrees that it shall pay, or cause to be paid, all costs and expenses for work done, materials delivered and professional services provided to the Premises for improvements done at Operator's request, during the leasehold term for improvement to the Premises. Operator shall keep the Premises free and clear of all mechanic's or materialmen's liens or any other liens on account of any work done on the Premises at Operator's request. Operator agrees to and shall indemnify, and hold the Port free from and harmless against all liability, loss, damage, cost, attorney's fees and all other expenses on account of claims of lien of laborers or materialmen, or others, for work performed or materials or supplies furnished to Operator for use on the Premises. Port may require lien releases as a condition of approval.

38. NON-DISCRIMINATION

A. The Operator agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the Operator transfers its obligation to another, the transferee is obligated in the same manner as the Operator.

The provision obligates the Operator for the period during which the property is owned, used, or possessed by the Operator and the airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

B. During the performance of this Agreement, the Operator, for itself, its assignees and successors in interest agrees as follows:

1. Compliance with Regulations: Operator will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are attached as Exhibit E and which are herein incorporated by reference and made a part of this Agreement.

2. Nondiscrimination: Operator, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of sub-contractors, including procurements of materials and leases of equipment. Operator will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Operator for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Operator of the operator's obligations under this Agreement and the Nondiscrimination Acts and Authorities on the grounds of race, color or national origin.

4. Information and Reports: Operator will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of Operator is in the exclusive possession of another who fails or refuses to furnish the information, the Operator will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of Operator's noncompliance with the non-discrimination provisions of this Agreement, the Port will impose such Agreement sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to cancelling, terminating, or suspending this Agreement, in whole or in part.

6. Incorporation of Provisions: The Operator will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Operator will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Operators becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Operator may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the Operator may request the United States to enter into the litigation to protect the interests of the United States.

39. PRIOR AND COLLATERAL AGREEMENTS

This Agreement shall constitute the entire Agreement between the parties and no other stipulation, agreement or understanding, written or oral, expressed or implied of the parties hereto or

their agents, relating to the Agreement and use of the Premises demised herein, shall limit or modify its terms.

40. SUBMISSION OF AGREEMENT

The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of or option for leasing the Premises. This document shall become effective and binding only upon execution and delivery hereof by the Port and Operator. No act or omission of any officer, employee or agent of the Port shall alter, change or modify any of the provisions hereof.

41. RELATIONSHIP OF THE PORT AND OPERATOR

Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, partnership, or joint venture partners, and no provision contained in this Agreement nor any acts of Operator and the Port shall be deemed to create any relationship other than that of Operator and the Port.

42. NON-WAIVER OF BREACH

The waiving of any of the covenants of this Agreement by either party shall be limited to the particular instance and shall not be deemed to waive any other breaches of such covenants. The consent by the Port to any act by Operator requiring Port's consent shall not be deemed to waive consent to any subsequent similar act by Operator.

43. SURVIVAL OF INDEMNITIES

All indemnities provided in this Agreement shall survive the expiration or any earlier termination of this Agreement. In any litigation or proceeding within the scope of any indemnity provided in this Agreement, Operator shall, at the Port's option, defend the Port at Operator's expense by counsel satisfactory to the Port.

44. DEFAULT

If Operator should, after notice, fail to remedy any default (A) in the payment of any sum due under this Agreement for ten (10) days or (B) in the keeping of any other term, covenant or condition herein with all dispatch, not exceeding thirty (30) days, then at its option, in addition to and not exclusive of any other remedy, the Port may have by operation of law, without any further demand or notice, enter the Premises and evict all persons therefrom, using all necessary force to do so, and either (AA) declare this Agreement at an end, in which event Operator shall immediately pay the Port a sum of money equal to the amount, if any, by which the then cash value of the rent reserved hereunder for the balance of the term of this Agreement exceeds the then cash rental value of the Premises for the balance of said term, or (BB) without terminating this Agreement, may re-let the Premises, or any part thereof, as the agent and for the account of Operator, upon such terms and conditions as the Port may deem advisable. In the event the Port re-lets the Premises, the Operator shall be obligated to pay, in addition to the deficiencies in the lease rent and the re-letting rent amount, all necessary renovation and alteration costs and expenses, attorney's fees, and real estate commissions. Said necessary renovations and alterations, attorneys' fees, and real estate commissions paid shall be deemed additional rent due and owing by the Operator. The Port shall apply all rents collected upon re-letting toward payment of all sums due or to become due to the Port. Thereafter, if the rents collected upon re-letting are

insufficient to pay the original rental rate and the additional rent due and owing as described above, the Port may, at any time during the Agreement, but in no event later than six years, bring an action in the Superior Court of the County of Franklin for any deficiencies due and owing to the Port as a result of the Operator's default under the terms and conditions of this Agreement.

45. APPLICABLE LAW; VENUE; WAIVER OF TRIAL BY JURY

This Agreement, and the rights and obligations of the parties hereto, shall be construed and enforced in accordance with the laws of the State of Washington. Jurisdiction and venue for any action on or related to the terms of this Agreement shall be exclusively in either the United States District Court for the Eastern District of Washington or the Franklin County Superior Court for the State of Washington, and the parties irrevocably consent to the personal jurisdiction of such courts over themselves for the purposes of determining such action and waive any right to assert a claim for inconvenient forum. In any action on or related to the terms of this Agreement, the parties (for themselves and their successors and assigns) hereby waive any right to trial by jury and expressly consent to trial of any such action before the court.

46. HOLDOVER POSSESSION OF PREMISES BY OPERATOR

Any holding over at the expiration or termination of the term of this Agreement, with or without the consent of the Port, shall constitute a tenancy from month to month. The month to month tenancy shall be subject to all other terms and conditions of this Agreement with the exception of rents, charges and fees; which shall be determined solely by the Port.

47. NOTICES

All payments, demands and notices required herein shall be deemed to be properly served if hand delivered or if sent by certified or registered mail, postage prepaid, to the last address previously furnished by the parties hereto. Until hereafter changed by the parties, in writing, notices shall be addressed as follows:

PORT: Airport Director
Port of Pasco, Tri-Cities Airport
3601 North 20th Avenue
Pasco, WA 99301

OPERATOR:

The date of service of such notice shall be the date such notice is deposited in a post office of the U.S. Post Office Department.

48. TIME OF ESSENCE

It is mutually agreed that time is of the essence in the performance of all covenants and conditions to be kept and performed under the terms of this Agreement.

49. PARAGRAPH HEADINGS

Paragraph headings contained herein are for convenience in reference only and are not intended to define or limit the scope of any provisions of this Agreement.

50. AUTHORITY OF OPERATOR'S REPRESENTATIVE

As an inducement to the Port to execute this Agreement, the undersigned representative of Operator represents that he/she is expressly authorized to execute this Agreement and to bind Operator to the terms and conditions hereof and acknowledges that the Port is relying upon this representation, authorization and execution.

51. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION (ACDBE)

The Port strictly prohibits all unlawful discrimination and preferential treatment in contracting, subcontracting and purchasing, including any Agreements, or any subcontracting or purchasing under said Agreements. Additionally, this Agreement is subject to the requirements of the U.S. Department of Transportation's regulation, 49 Code of Federal Regulations Part 23. Operator shall comply with the Port's Non-Discrimination Policy and the ACDBE rules and shall not discriminate against any business owner because of the owner's race, color, religion, sex, national origin, ancestry, age physical or mental disability, marital status, or sexual orientation in connection with its performance under this Agreement. The Operator shall cooperate with the Port in the Port's policies to ensure that contracting, subcontracting and purchasing opportunities available under this Agreement are accessible and available to all qualified business owners, including Airport Concession Disadvantaged Business Enterprises. Operator acknowledges that the Port is required to develop and obtain approval of the Federal Aviation Administration of an ACDBE plan and Operator agrees to comply with any applicable provisions of an ACDBE plan approved by the FAA and adopted by the Port and Operator shall comply fully with the reporting provisions. Operator shall commit to a goal of purchasing 7.76% of goods and services purchases at the PSC location from firms certified as ACDBE in the State of Washington. This is the established goal through September 30, 2022 at which point the goal will be updated as required by the FAA. Should the Operator fail to achieve the established purchasing goal, the Operator shall submit to the Airport proof of good faith efforts to meet the ACDBE goal and a completed Shortfall and Corrective Action Plan letter, a sample is shown as Exhibit D.

52. ACDBE REPORTING REQUIREMENTS

Operator shall comply with the Port's Non-Discrimination Policy and the FAA's ACDBE Regulations and shall not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with its performance under this Agreement, use of premises, subleasing, or purchasing. The Operator shall cooperate with the Port in the Port's program of recruiting, training, providing technical assistance and supportive services to ensure that contracting, subcontracting and purchasing opportunities available under this Agreement are accessible and available to all qualified business owners, including ACDBE's, as defined in the FAA's ACDBE Regulations. In order to ensure compliance with the Port's Non-Discrimination Policy and the ACDBE Program, the Operator agrees as follows:

1. Operator agrees that within ninety (90) days after the expiration of each Federal Fiscal Year, during the term of the agreement, it will provide a report to the Port, in the form acceptable to the Port, (see attached sample ACDBE Report – Exhibit C) describing the total dollar amount of its purchases of goods and services during the Federal Fiscal Year from all vendors, the gross revenue, the fleet purchase allocation, the total number of fleet purchase vendors and the total number of non-fleet purchase vendors. The purchases from ACDBE firms must be listed to include the amount of purchases from ACDBE certified firms, the type of good or service being purchased from ACDBE certified firms, the name, address, and contact information of the certified firm, the type of certification, whether the firm is certified in the State of Washington as an ACDBE firm, the type of minority and the percentage of total purchases that the certified ACDBE purchases represent. Operators shall provide any information necessary to complete the FAA reporting requirements with regard to the FAA ACDBE program, including the developing, establishing, meeting and monitoring of the ACDBE goal for car rental companies. Failure to submit the required report by the due date may result in the assessment of a late fee of Fifty Dollars (\$50) per day from the date the report was due to the date the report was received by the Port.

2. In the event the Port, as part of its plan to comply with the FAA ACDBE, adopts a plan (an “ACDBE” plan), Operator shall comply with the terms and conditions of such ACDBE Plan applicable to Rental Car Companies pursuant to the FAA Regulations.

3. The Operator’s breach of any obligation under Paragraphs (1) or (2) of this Article shall be a default by Operator under the Agreement and shall entitle the Port to exercise all of its contractual and legal remedies, including termination of this or any other Agreement with Operator.

IN WITNESS WHEREOF, the parties or their authorized representatives have signed the Rental Car Concession and Lease Agreement the day and year first above written.

BY: _____

ITS: _____

PORT OF PASCO

BY: _____

PORT OF PASCO ACKNOWLEDGMENT

State of Washington)
:ss
County of Franklin)

On this ____ day of _____, 20 ____, before me, the undersigned notary public in and for the State of Washington, duly commissioned and sworn, personally appeared _____ to me known to be the President of the Board of Commissioners of the Port of Pasco, the municipal corporation that executed the within and foregoing instrument, and acknowledged that said instrument is the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned and on oath stated that _____ is authorized to execute said instrument.

Given under my hand and official seal the day and year last above written.

Printed Name: _____
Notary Public in and for the State of
Washington, residing at _____
My commission expires: _____

EXHIBIT A – TERMINAL BUILDING AREA – COUNTER/OFFICE/QUEUING

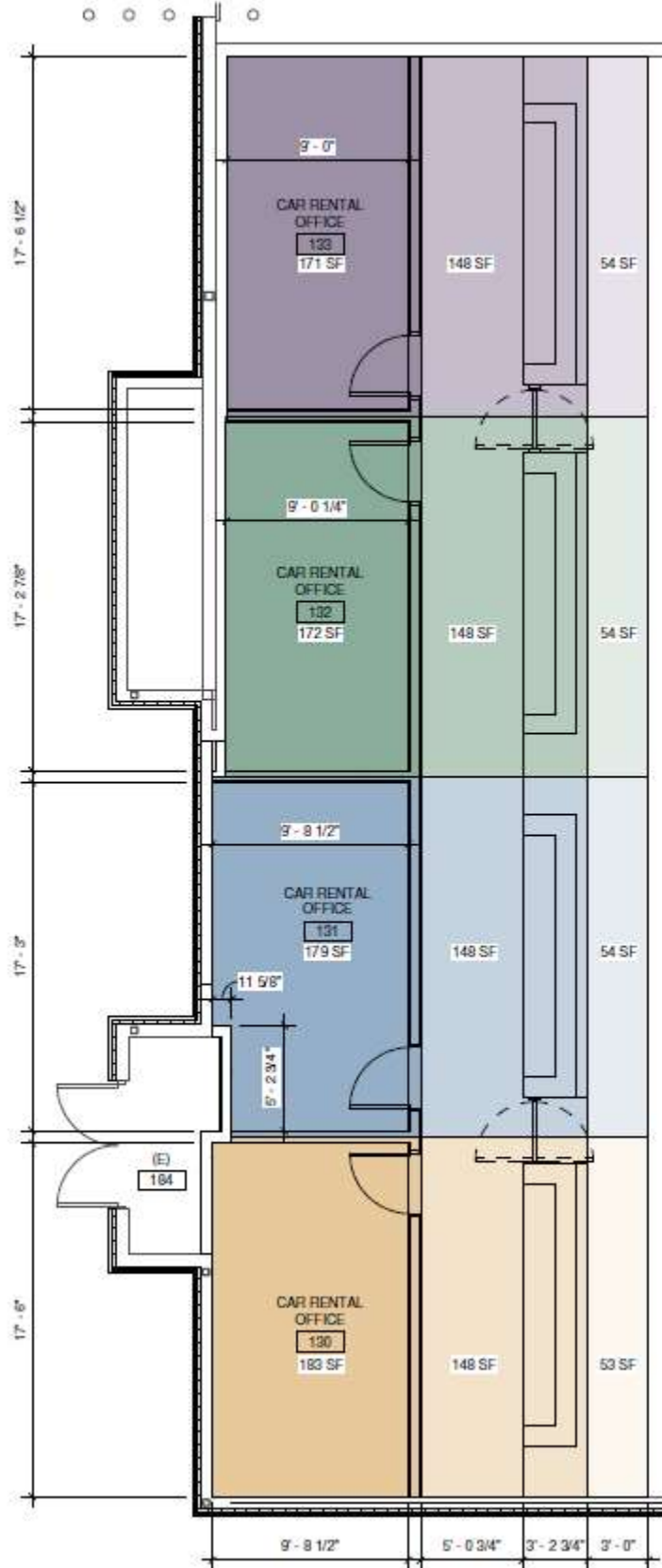


EXHIBIT B – RENTAL CAR READY/RETURN AREA

SAMPLE

EXHIBIT D - SAMPLE SHORTFALL ANALYSIS AND CORRECTIVE ACTION PLAN

Date

Tara White
Tri-Cities Airport (PSC)
3601 N. 20th Avenue
Pasco, WA 99301

RE: ACDBE Goal Shortfall Analysis and Corrective Action Plan

To: Tara White, PSC ACDBELO

The (insert RAC name here)'s ACDBE goal for goods and services purchases at the PSC location, achievements and shortfall for FY _____ are as follows:

ACDBE purchases goal: _____% Achievement: _____% Shortfall: _____%

(insert RAC name here) has identified the reasons for the shortfall as.....

This section of the Shortfall Analysis and Corrective Action Plan should include a detailed explanation of all the reasons for the shortfall.

To address these issues, (insert RAC name here) will.....

This section of the Shortfall Analysis should include a detailed explanation of all corrective actions that an Airport has already begun to implement as well as all corrective actions the Airport plans to implement. Show how the proposed corrective actions will specifically address the reasons for the shortfall and include a timeline for implementation.

If you have any questions, concerns, or suggestions regarding (insert RAC name here)'s efforts to meet its ACDBE goals in the coming year, please contact _____.

Sincerely,

NAME
(insert RAC name here)

EXHIBIT E - TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND
AUTHORITIES

During the performance of this Agreement, the Concessionaire, for itself, its assignees, and successors in interest (hereinafter referred to as the “Concessionaire”) agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, subrecipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).