

RESOLUTION 18-02 AUTHORIZES THE EXECUTION OF A CONCESSION AGREEMENT FOR RENTAL CAR SERVICES AT THE NEW CASTLE AIRPORT

WHEREAS, The Delaware River and Bay Authority (the “Authority”), is the operator of the New Castle Airport (“Airport”), New Castle, Delaware; and

WHEREAS, the Authority allows private corporations to provide car rental services at the New Castle Airport for their customers; and

WHEREAS, the Authority’s Concession Agreement with Avis Car Rental Inc., also known as Avis Budget Group, Inc. (Avis) has expired; and

WHEREAS, Avis will be leasing a counter in the terminal and 35 parking spaces in the terminal parking lot; and

WHEREAS, the terms of the Concession Agreement will be for five (5) years with an option of renewing for two (2) additional years for a guaranteed minimum annual payment of \$50,000 or 8% of the monthly gross receipts whichever is higher; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with the Avis Budget Group, Inc. and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 18-02 was made by Commissioner Ford, seconded by Commissioner Smith, and approved by a roll call vote of 11-0.

Resolution 18-02 Executive Summary

Resolution: Authorizing the Execution of a Concession Agreement between the Delaware River and Bay Authority and Avis Budget Group, Inc. at the New Castle Airport

Committee: Economic Development

Committee Date: January 17, 2018

Board Date: January 17, 2018

Purpose of Resolution:

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Concession Agreement for operations at the New Castle Airport.

Background for Resolution:

The Delaware River and Bay Authority currently leases space to Avis Budget Group, Inc. at the New Castle Airport. Avis has been a tenant at the airport since before the Authority took over operations there. Avis' concession agreement is ending and they would like to continue to provide services from the airport. The terms and conditions of the new agreement are generally same as the existing agreement. The rental rate and gross receipts percentage were reviewed and confirmed as accurate for an airport like New Castle with our airport consultants, McFarland Johnson.