

CHARLOTTESVILLE-ALBEMARLE AIRPORT AUTHORITY
ADDENDUM #2
RENTAL CAR RFP AUGUST 2017
RESPONSE TO QUESTIONS
SEPTEMBER 1, 2017

Q1. Please extend the proposal submission deadline to September 21 to allow ample time between the time Airport issues questions and answers/final Addenda and the time bids are due. It should be no less than 3 weeks.

A1. The amended schedule in the "Restated RFP", issued as an addendum is as follows:

August 1	Notice of RFP
August 17	Pre-Proposal Conference
August 24	RFP Questions Due
September 1	Response to RFP Questions
September 11	Clarification Questions Due
September 14	Response to Clarification Questions
September 28	Proposal Submission Deadline
September 29	Evaluation/Review Period
Sept-Oct 29-5	Board Review
October 6	Proposers notified of award and allocation of space
November 1	Deadline for execution of Concession Agreements by proposers

Q2. Will there be an opportunity to ask clarifying questions after any Addenda are released? We request that we have a couple of days after receipt of the Answers to our questions in which to submit any follow-up or clarification questions.

A2. See revised schedule in Q1.

Q3. Will there be a public opening on the proposal due date?

A3. Yes.

Q4. A). Does the Airport have any formal written agreements with any off-airport operators? If so, what are the terms of that agreement – i.e. what is the arrangement for pick-up and drop-off of customers; what are the fees that operators pay to the airport?
B) Are you aware that Turo is operating at your Airport? Have there been any arrangements to include them as an off-airport operator?

A4. A) No
B) No

Q5. In recent years, there have been a number of companies that have been providing new models of car rental operations at airports, including car sharing (hourly car rental) and peer-to-peer car rental (such as Turo). We request the Authority address in its off-airport agreement the landscape of today's car rental environment and the various providers of car rental services to Airport customers, so that the Authority can capture the revenues

from all parties with the privilege of serving the airport customer – not just the traditional rental car companies. We propose the definition of Rental Car Company be added, as follows: 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, which includes traditional rental car businesses, brokers for car rental businesses, rental car delivery companies, peer-to-peer car rental businesses and car-sharing businesses.

- A5. As we move forward with resolutions that will address off-airport parking and rental car operations, we will consider the proposed language, but our legal counsel will have to concur.
- Q6. Please confirm that if you accept fewer than 3 Proposals, that no additional Concessionaire will be added during the term of the agreement, other than those companies that are successful in this RFP process. Any RAC interested in operating at the Airport should not be able to NOT respond now, wait until it sees which companies bid and what MAGs are bid, and then enter into a contract at the minimum. This undermines the bidding process.
- A6. We agree. This additional wording is included in the “Restated RFP”, issued as an addendum.
- Q7. Please confirm that no additional brand can be added to any offeror’s concession agreement during the term of the agreement and that operator may only operate the brand or brands that it specified in its proposal.
- A7. This is confirmed and clearly explained in the RFP.
- Q8. Please confirm that all of the terms and conditions specified in the RFP and any/all issued addenda will be incorporated and made a part of the Concession Agreement. Please add language to the RFP and to the Concession Agreement which states: “The Request for Proposals, including any and all issued addenda and questions and answers, are hereby incorporated into and made a part of the Concession Agreement.”
- A8. We agree. This additional wording is included in the “Restated RFP”, issued as an addendum.

RFP

- Q9. Sec. 2(b) and Appendix A. Instead of having to bid a MAG for each year of the agreement, we request Offerors bid a MAG for year 1 only, and that the MAGs for years 2 through 3 be set at 85% of the of the previous year’s payment to the Authority.
- A9. We do not agree with this concept. We feel this keeps all offerors competitive for all years, not just the first year.
- Q10. Sec. 2(i). Please confirm that dual branding (maximum of 2 brands) is permitted under this RFP, as allowed in our current agreements.
- A10. This is confirmed.

- Q11. Sec. 3. Please provide the linear footage (length) of each counter.
- A11. National and Avis Counters = 14' 6"
Hertz Counter = 14' 8"
- Q12. Sec. 4(a). In the interest of good green policy and conserving paper, we request only one (1) original of the proposal be required. If copies are required, we request only one (1) copy.
- A12. We agree. This additional wording is included in the "Restated RFP", issued as an addendum.
- Q13. Sec. 4(a). Regarding the requirement to mark/label our bid proposal envelope, in order to uphold the integrity of the RFP process, will Authority please eliminate the requirement to include company's name on the label?
- A13. We agree. This additional wording is included in the "Restated RFP", issued as an addendum.
- Q14. Sec. 4(a). Please confirm we also may hand deliver our proposals to the Authority's office.
- A14. We agree. This additional wording is included in the "Restated RFP", issued as an addendum.
- Q15. Sec. 4(h). This requires offerors to disclose if they intend to dual brand, but there is no space to indicate this on the required forms. Please amend accordingly
- A15. A space for the disclosure of this information is included in the "Restated RFP" as Exhibit I
- Q16. Sec. 9. Please have the award of the concessions to qualified offerors be based on a minimum annual guarantee (bid amount) only.
- A16. This is a competitive negotiation and the evaluation criteria that we think are important are listed and weighted accordingly. While the revenue criteria do carry the heaviest weight factor, we feel that there are other important items to consider.
- Q17. Sec. 9. Please confirm that any "negotiations with initially-selected Offerors" would not include any financials terms or components of an Offeror's offer.
- A17. This is confirmed.
- Q18. Sec. 9. Please allow at least 10 days from notice of award and successful Offeror's receipt of the final agreement to return the executed agreements. We require a few days to review the final agreement with the changes agreed to in the addenda and to address any changes needed with the Authority.
- A18. We agree, and modification of the schedule is included in the "Restated RFP", issued as an addendum.

- Q19. Sec. 9 and Appendix E. Please allow us to use our own performance bond form, which is pre-approved by our surety, in lieu of Authority's form. Attached is a copy for your review.
- A19. Please use the form in Appendix E, it's a uniform form for all Offerors and approved by our Legal. The "Restated RFP" issued as an addendum removes the waiver of notice of any amendments to the concession agreement, and provides that the Authority will notify the Surety of such changes.

Appendix A.

- Q20. Again, we request the proposers bid a Year 1 MAG only, and that the MAG amount for each subsequent year float based on 85% of the prior year's payment. Please revise Appendix A accordingly.
- A20. Again, we will hold to the format that now requires 5 years of the MAG.
- Q21. Please note the MAG period for each year is July 1 through June 30. Is this intentional? Please revise to reflect the contract dates, or add language to the RFP and agreement that states the Year 1 MAG shall be prorated accordingly.
- A21. We adjusted the RFP to reflect the first year starting November 1, 2017 and ending June 30, 2018 and have the other years remain on a fiscal year cycle beginning July 1.

Appendix B.

- Q22. Pages 1-2 do not list a section for limited liability companies. Please confirm if LLCs should complete this information in the Corporation section, or please revise the form.
- A22. LLCs should complete the information in the Corporation section.
- Q23. Items C-E. Please limit these items to a "lookback" of the last five (5) years.
- A23. We agree, and this modification is included in the "Restated RFP", issued as an addendum.
- Q24. Authorization to Do Business in the Commonwealth of Virginia. Please confirm we may provide a copy of Proposer's Certificate of Authority to Transact Business in the Commonwealth of Virginia issued by the State Corporation Commission to satisfy this requirement, as was allowed in the last bid.
- A24. This is allowable.
- Q25. ACDBE Participation. Please clarify what is to be submitted by the following, "Each Offeror must specify the form and amount of ACDBE participation to which it is prepared to commit." May we submit this in narrative form as allowed in the last bid?
- A25. A narrative is fine.

Appendix G

- Q26. Art. 2.B. Please confirm that location of ready/return spaces shall be chosen in order of preference by highest to lowest first year MAG bid, and number of spaces allocated for the first year shall be by each Concessionaire's percentage bid share.
- A26. The location and first year allocation of spaces will both be determined by the percentage of bid share. Clarification of this determination is included in the "Restated RFP", issued as an addendum.
- Q27. Art. 2.B. "The parking spaces are leased exclusively to each concessionaire, based on an annual allocation, for revenue-producing purposes only." Please confirm this means there will be annual reallocation of ready/return spaces. We request the number of ready/return spaces be reallocated annually based on Market Share for the previous Contract Year.
- A27. Annual reallocation of the number of ready/return spaces will be based on the market share for the previous year. Clarification of this reallocation process is included in the "Restated RFP", issued as an addendum.
- Q28. Art. 2.C. Will the service bays, wash bays, and ASTs be grandfathered?
- A28. Clarification of this determination is included in the "Restated RFP", issued as an addendum.
- Q29. Art. 2.C. Please confirm that location of ready/return spaces in the Rental Car Service Facility shall be chosen in order of preference by highest to lowest first year MAG bid, and number of spaces allocated for the first year shall be by Concessionaire's percentage bid share.
- A29. The location and first year allocation of spaces will both be determined by the percentage of bid share. Clarification of this determination is included in the "Restated RFP", issued as an addendum.
- Q30. Art. 2.C. We request the ready/return spaces in the Rental Car Service Facility be reallocated annually based on Market Share for the previous Contract Year.
- A30. Annual reallocation of the number of QTA ready/return spaces will be based on the market share for the previous year. Clarification of this reallocation process is included in the "Restated RFP", issued as an addendum.
- Q31. Art. 3.A. Please update the contract expiration date for any changes to the dates on Appendix A (see question above).
- A31. The contract expiration date is modified in the "Restated RFP", issued as an addendum.
- Q32. Art. 3.B. We request you add language to indicate if the parties agree to an extension of the Concession Agreement or if it would continue on a Month-to-Month basis, the MAG would be renegotiated or would abate entirely and only the Concession Fee would be payable during such time.

- A32. Art. 3.b has been modified in the “Restated RFP”, issued as an addendum. This modification defines how the MAG and Concession Fee will be addressed during any holdover period
- Q33. Art. 4.A. Please limit the annual rent adjustment to the percentage change in CPI up to a maximum of 3% increase each year.
- A33. The annual rent adjustments that were outlined in Art. 4.A.1 were calculated at 3% increase per year and will remain so.
- Q34. Art. 4.C.1. First paragraph indicates that the annual report is due within 60 days after the close of each Contract Year, while second paragraph requires certain information within 30 days. We request these be changed to 90 days and 60 days respectively.
- A34. We agree to this change and it is included in the “Restated RFP”, issued as an addendum.
- Q35. Art. 4.E. Please add language limiting the pass-through of the concession fee at 11.11%.
- A35. We agree to this language and it is included in the “Restated RFP”, issued as an addendum.
- Q36. Art. 4.G. We respectfully request subsection G include the wording “...**net of any discounts, coupons or credits at the time the rental contract is closed.**” If there is a promotional and/or “preferred member” discount earned and used by a customer, the only amount concessionable should be the amount that the Concessionaire actually receives as compensation for the rental.
- A.36. We agree to this language and it will be included in the “Restated RFP” which will be issued as an addendum.
- Q37. Art. 4.G. We respectfully request the following items be excluded from Gross Revenue:
- **Carbon Offsets:** This fee is optional for our customers, and is to allow them to make their rental carbon neutral. 100% of all fees collected are passed through to a 3rd party to fund environmental initiatives.
 - **Any amounts received** as payment and administration of red light tickets, parking tickets, other governmental fines and fees, tolls, towing and impounded vehicles.
- A37. We agree that Carbon Offsets and the Payment of red light tickets, parking tickets, other governmental fines and fees, tolls, towing and impounded vehicles which are paid to a third party will be excluded. However, administration fees associated with the collection and payment of red light tickets, parking tickets, other governmental fines and fees, tolls, towing and impounded vehicles will not be excluded. Language addressing this exclusion is included in the “Restated RFP”, issued as an addendum.
- Q38. Art. 4.K. We are unable to give you serially numbered rental agreements. Our rental system is nation-wide, with certain blocks of cities in the same reservation “pool”, thus the sequence of agreements is spread among those cities. For auditing purposes, however, we can pull out all the rental agreements for the Charlottesville-Albemarle Airport and can also show you which cities were assigned the “missing” numbers. We

request Authority approval of this method. Or that Authority simply changes this paragraph to require that “**a numbered invoice shall be issued with each sale or transaction**”.

- A38. We agree to this change and it is included in the “Restated RFP”, issued as an addendum.
- Q39. Art. 4.L.2. Please add “**reasonable**” immediately preceding “out-of-pocket expenses” in the second to last line of this subsection.
- A39. We agree to this change and it is included in the “Restated RFP”, issued as an addendum.
- Q40. Art. 5. Please provide an accounting of the CFC collections to date, future projections of collections during the term, and anticipated expenditures. How much has been collected annually, what has it been used for, and what amount is currently available in CFC collections for future use? What future plans for rental facilities does the Airport have?
- A40. This was discussed and presented at the pre-bid meeting. Any company that did not attend, can contact Penny Shifflett at pshifflett@gocho.com to receive a copy of the accounting and a list of future plans.
- Q41. Art. 5 – 9th paragraph. Please change terminology from “Contingent *Rent*” to “Contingent **Fee**” as this is not a “rent” and labeling it as such could have adverse tax consequences.
- A41. We agree to this change and it is included in the “Restated RFP”, issued as an addendum.
- Q42. Art. 8.C.12. Language states we will not permit use of any “multiple brand of current Concessionaire.” Please clarify intent; specifically that this does not prohibit Concessionaire’s ability to dual brand under this RFP and operate said brands throughout the term of the Concession Agreement.
- A42. This does not prohibit Concessionaire’s ability to dual brand under the RFP and this language is clarified in the “Restated RFP”, issued as an addendum.
- Q43. Art. 9.F. In the event Authority requires changes to Concessionaire’s Rental Car Area hereunder, please provide that Authority shall be responsible for any costs associated with such change.
- A43. We agree to this clarification and it is included in the “Restated RFP”, issued as an addendum
- Q44. Art. 11.B. Please delete requirement to wear name tags and uniforms as this conflicts with our professional business dress policy. Alternately, please add “**or appropriate business attire**” to this paragraph.
- A44. We agree to this change and it is included in the “Restated RFP”, which is issued as an addendum.

- Q45. Art. 11.B. In last sentence of third paragraph, please change “immediately” to “within two (2) business days.”
- A45. We agree to this change and it will be included in the “Restated RFP”, which is issued as an addendum
- Q46. Art. 11.D. The monthly rent payments should include the removal of ice/snow on the common roadways by the Authority staff, not the concessionaire. The space under the RAC parked vehicles should be the concessionaire’s responsibility.
- A46. The Authority will be responsible for the removal of ice/snow from common roadways. The Concessionaire and other on-airport rental car operators will be responsible for the removal of ice/snow from the ready/return parking lot and the Rental Car Service Facility to include the spaces where vehicles are parked and the drive-lanes of these areas. This clarification is included in the “Restated RFP”, issued as an addendum
- Q47. Art. 17.A. Please delete the word “*solely*” in the last sentence.
- A47. We agree to this change and is included in the “Restated RFP”, which issued as an addendum.
- Q48. Art. 17.B.1. Please revise last sentence as follows: “Copies of the applicable ~~insurance policy, all endorsements, and a certificate~~s of insurance are required in all cases.” As a privately held company, our insurance policies are not open to inspection by any third party, insured or otherwise.
- A483 We agree to this change and it is included in the “Restated RFP”, which is issued as an addendum.
- Q49. Art. 17.B.5. In first sentence after “as additional insured” please add: “where their interest may appear arising out of the conduct of the Concessionaire”.
- A49. We agree to this change and it is included in the “Restated RFP”, which is issued as an addendum.
- Q50. Art. 17.B.5. In second sentence, please delete reference to “*the policy and,*” which does not appear in our current agreement.
- A50. We agree to this change and it is included in the “Restated RFP”, which is issued as an addendum.
- Q51. Art. 17.B.13. Please revise reference from “*Fire/Casualty*” to “Property” Insurance.
- A51. We agree to this change and it is included in the “Restated RFP”, which is issued as an addendum.
- Q52. Art. 17.B.14. Please provide the requested limit for Employer’s Liability.
- A52. We have specified limits in the “Restated RFP”, which is issued as an addendum.

- Q53. Art. 18.B. Please amend this section to allow for an abatement of the MAG if the deplanements fall below 85% (rather than 75%) of the those during the same calendar month period of the preceding calendar year or the same calendar month *of the first year of the Agreement, to allow for effective relief.*
- A53. We cannot agree to this change.
- Q54. Art. 22.A. Please add to end of first sentence: "such consent not to be unreasonably withheld."
- A54. We agree to this change and it is included in the "Restated RFP", which is issued as an addendum.
- Q55. Art. 22.H. Please amend from "within 24 hours" to "within 5 days."
- A55. We agree to this change and it is included in the "Restated RFP", which is issued as an addendum.
- Q56. Appendix H. Please confirm Appendix H is only applicable to Concessionaire to the extent such provisions apply to all operators/users of the Airport; and specifically that Section 6 "Aeronautical" does not apply to Concessionaire.
- A56. Appendix H applies to the Concessionaire to the extent that such provisions apply to all operators/users of the Airport. As such, Section 6 does not apply to the Concessionaire.
- Q57. Please confirm that the following will be considered incumbent concessionaires for RFP purposes:
- a) Avis rent a car system, llc
 - b) Budget rent a car system, inc
 - c) Avis budget car rental, llc
 - d) The "Avis" brand
 - e) The "Budget" brand.
- A57. THE AUTHORITY ENTERED INTO A CONTRACT WITH "AVIS BUDGET CAR RENTAL, LLC", A DELAWARE LIMITED LIABILITY CORPORATION. The contract is not with any other corporation (whether a parent, or a subsidiary). Avis Budget Car Rental, LLC is free to submit documentation from an attorney qualified to interpret the corporation laws of the state of Delaware, certifying whether or not any entity other than Avis Budget Car Rental, LLC is an "alter ego" of that corporation. The attorney for "Avis Budget Car Rental, LLC" is also free to certify, as a legal opinion, the brands that this LLC is legally authorized to operate/ trade under.
- Q58. Please confirm how ready / return spaces will be allocated.
- A58. Please see question #27 above.

#9 AWARD

Q59. Please confirm that AVIS and BUDGET will be considered “currently operating at the airport” for purposes of this section.

A59. Just “Avis Budget Car Rental, LLC” is an incumbent operator/ concessionaire.

Q60. Please explain AWARD how will it be applied to currently operating concessionaires at CHO as the total only adds up to 90%. Kindly delete this paragraph for currently operating concessionaires and only award based on the bid/ MAG number.

A60. The percentage has been adjusted accordingly and is reflected in the “Restated RFP” which is issued as an addendum.

Appendix A

Q61. Please correct the date on the years--- will it be 9/1? 10/1?

A61. The dates have been adjusted and are reflected in the “Restated RFP”, which is issued as an addendum.

Q62. When will the proposal bond/ check be returned?

A62. The proposal bond of a successful proposer will be returned within sixty (60) days from the receipt of a fully executed agreement, and language to reflect this process will be included in the “Restated RFP” which will be issued as an addendum.

Appendix B

Q63. Where would a LLC sign/ complete?

A63. See question #22 above.

Q64. Experience A.please confirm that the AVIS and BUDGET brands are exempt from completing this section.

A64. Only “Avis Budget Car Rental, LLC” is exempt.

Appendix C

Q65. Please confirm that an LLC would sign under “ other only”

A65. See question #22 above

Appendix E

Q66. Please confirm that this bond is required AFTER the bid is awarded and not to be included in the bid submission.

A66. As per Appendix A, this is confirmed.

Q67. As per the bid document, in what format does the Airport wish us to specify and commit to our ACDBE participation? This questions is promulgated as per the language set forth in an unnumbered page entitled, "Airport Concession Disadvantaged Business Enterprise Participation".

A67. See question #25 above.

Q68. As per Section 4 (.e), does our ACDBE plan and compliance report satisfy the following, "Each proposal must include DBE information demonstrating the Offeror's commitment to DBE participation in the Concession. Each Proposal shall set forth the ACDBE participation and recruitment efforts to which the Offeror is prepared to commit". Once again, is our plan and compliance report which lists the vendors we are currently doing business with for this Airport sufficient or is there something else that must be done here?

A68. Your current plan will be sufficient if it addresses the following:

- Documentation of the ACDBE Recruitment efforts you are prepared to commit.
- The amount of ACDBE participation you are prepared to commit.
- The form of ACDBE participation. i.e. goods and services, joint venture, sublease.

Your compliance report of current vendors will be relevant if it projects your future expenditures.

Documentation of good faith efforts will be required if the ACDBE goal is not met. Please see the Car Rental Companies Good Faith Efforts Guidance document at https://www.faa.gov/about/office_org/headquarters_offices/acr/bus_ent_program/media/Car_Rental_Companies_Good_Faith_Efforts_Guidance.pdf

Q69. Is DBE and ACDBE interchangeable?

A69. DBE and ACDBE are not interchangeable. The Virginia UCP's directory of eligible DBEs must specify whether a firm is certified as a DBE for purposes of part 26, an ACDBE for purposes of part 23, or both. A firm must be certified as an ACDBE by the Virginia UCP for their participation to count.

Q70. Where do the vendors have to be certified in order to count for DBE/ACDBE compliance?

A70. ACDBEs must be certified by the Virginia UCP which can be found at <https://www.sbsd.virginia.gov/> .

Q71. Please add a provision that any discretion or decision granted to Director under the Agreement, including without limitation space allocation, conflicts between Concessionaires, etc., will be subject to a reasonableness standard.

A71. The wording has been modified and is reflected in the "Restated RFP" which is issued as an addendum. See Appendix G, Section 9 (I).

Appendix G

Section 2

Q72. Before the first paragraph describing the Concession Area, there needs to be an actual grant of the leased space to concessionaire - i.e. it needs to affirmatively state that the following are the spaces being leased to Concessionaire for its exclusive use.

A.72. The wording has been modified and is reflected in the "Restated RFP" which is issued as an addendum.

Q73. (B) - states R/R spaces are allocated in order of and by percentage of greatest to least Bid Share. This seems to contradict (I) which states R/R spaces are allocated each Contract Year based on market share. Market Share is defined in 1(J) to mean concessionaire's gross revenue compared to all RACs total of gross revenue. Perhaps the Bid Share concept is only intended to apply to the first contract year, but either way, these sections need to be reviewed and clarified.

A73. See questions 26 & 27 for response

Q74. (C) the first sentence should state, "...for the ~~three highest bidding~~ Concessionaire's exclusive use." As currently written, it sounds as if one service/wash bay is for the exclusive use of the three concessionaire's joint use.

A74. The wording has been modified and is reflected in the "Restated RFP" which is issued as an addendum.

Q75. (C), last paragraph, states the Rental Car Service Facility will be determined based on the Proposal Share of the Concessionaire. This term needs to be defined. Is it the same as the "Bid Share" described in Section B?

A75. See Q29 & 30

Q76. (D) should include a statement that the Airport will reimburse Concessionaire for costs if it requires the Concessionaire to relocate. For instance, under 2(A) the Director has the right to move the terminal positions for operational efficiency.

A76. See Q43

Section 3

Q77. (A) - provides for a two renewal periods, however, it states that "All terms of the two renewal periods must be successfully negotiated..." This sounds like a full contract negotiation, not a renewal.

A77. See Q31

Q78. (B) - the holdover paragraph does not address the MAG, only that the Concession Fee continues, does the MAG continue at the same as the 3rd year bid MAG? We would recommend that the MAG be abated during the holdover period. Please clearly state in the agreement since the MAG is bid for each year of the agreement.

A78. See Q32

Section 4

Q79. (A) (4) - states Concessionaire will pay its "proportionate share" of the Rental Car Service facility rent. "Proportionate Share" must be further defined --- is this based on Market Share?

A79. The wording has been modified and is reflected in the "Restated RFP" which is issued as an addendum.

Q80. (A) (4) There is no provision for the increase of the CFC to cover the facility rent, we respectfully request that this provision be added in order to avoid contingent rent. This section references two rent amounts FY18 amount of \$4,678 --- is this per month, total or per RAC? It goes on to reference \$1,559 monthly rent based on the award of three rental car concessionaire agreements. If the rent is to be allocated based on Proposal Share (Section 2(c)), how is the \$1,559 being calculated in advance? Please clarify the amounts state and how facility rent is allocated.

A80. FY18 amount of \$4,678 is total rent per month or \$1,559 per RAC per month. Rent is not allocated based on proposal share. See Q79

Section 5

Q81. Second to last paragraph states, "To the extent the total Ongoing CFC proceeds remitted to the Authority in any year are less than the sum of the Total Debt Service/Coverage, the Total Fair Market Rental Value, and the Total M&O components of the Rental Car Service Facility rental, each Concessionaire will pay, ...as part of its obligation to pay Rental Car Service Facility land rent under this Agreement, contingent rent equal to the Concessionaire's respective Market Share percentage times the shortfall." Under Section 4(A) we are only obligated to pay the amount of the Facility Land Rent if the CFCs are not adequate to cover, however, this Section 5, does not have a cap on it, thus Concessionaire could be responsible for more than the amount of the Facility Land Rent if CFCs are inadequate to cover more than the Facility Rent component. Please clarify. If the contingent rent is not capped at the amount of the Facility Land Rent, then there should be some other hard cap provided.

A81. See Q82.

Q82. Last paragraph regarding CFC surplus. Please include a statement that if there is surplus, it will be used to reimburse Concessionaires for any contingent rent paid during the term.

A82. Surplus is addressed in section 5. See Q41

Section 7

- Q83. First paragraph should be defined as "Concession Improvements" and the reference in the second paragraph to "concession improvements" should be capitalized.
- A83. The wording has been modified and is reflected in the "Restated RFP" which is issued as an addendum.

Section 9

- Q84. (F) - the discretion granted in this provision is too broad - it provides that the Authority may unilaterally change Concessionaire's Rental Car Area from time to time; this could affect what we actually bid for in the RFP.
- A84. We retain the right for operational efficiency to move any of our tenants.
- Q85. (J) - any changes or disruptions that are material or last over 30 days should result in a modification to rent/concession fees.
- A85. The wording has been modified and is reflected in the "Restated RFP" which is issued as an addendum.

Section 11

- Q86. (D) - In the first paragraph we are obligated to maintain the Leased Premises including all improvements installed by Concessionaire and any **Rental Car Service Facility** car wash, vacuum, air compressor, vehicle maintenance, and fuel dispenser equipment in good repair and clean and orderly condition and appearance. We should only be required to maintain the equipment in our exclusive use Concession Area.
- A86. The wording has been modified and is reflected in the "Restated RFP" which is issued as an addendum.

Section 17

- Q87. (B)(4) last sentence - we are not able to provide a statement on the COI regarding 30 day cancellation notice, we are only able to "endeavor" to provide said cancellation notice.
- A87. Concessionaire needs to ask the insurance company to include this statement on their COI.

Section 22

- Q88. (A) - please provide for assignment to a related entity (i.e. to a parent company or related).
- A88. Language stands as written.

Appendix B

Q89. E – about airport locations at which “awarded a concession and failed to operate the full term.” It asks for date of award as well as location.

We request that (a) response be limited to terminations for cause, OR (b) limited to terminations in last 5 years, and (c) date of expiry provided.

A89. See Q23

Q90. We request that the counters and service facilities be Grandfathered to successful incumbents, since relocation places a tremendous cost burden on us.

A90. See the “Restated RFP” issued as an addendum

Q91. Finally, we respectfully request that we be provided a postponement of the bid due date to facilitate the final review of comments back, and preparation of the submittals.

1. Term: Three (3) years with potential for up to two (2) additional one (1) year extension/renewals.

A. See the “Restated RFP” issued as an addendum

2. Commencement: **This section contradicts information provided above.** Section 2, j) says the date of commencement of the concessions awarded pursuant to this RFP shall be the date the contract is executed by Concessionaire. Thereafter, contract will remain in effect and initial term expires on June 30, 2020. Given their timeline (item 3) the due date of submission is Sept 13, and **October 2** is notice of award, it is unrealistic to set Oct. 6 as deadline for execution of agreements by Proposer. Even if sent by email it takes a few days to review, sign, etc. I would ask that start date be set at least 2 weeks after Award.

A. See the “Restated RFP” issued as an addendum

3. Section 9 contradicts earlier information. States within 7 days of award, successful Proposer shall enter Concession Agreement (two executed copies), and furnish a performance bond. This time frame is not feasible.

A. See the “Restated RFP” issued as an addendum

4. **Number of copies** – since we must give CD, we request only 1 original + 1 copy (or no hard copies)

A. See Q12

- Q92. I realize this comment comes after the due time of 1:30, but it is critical to our decision. The MAG you have proposed as a minimum \$250,000, places Hertz in a competitive disadvantage in that it would appear to exceed 10% of Hertz current revenue. I would request the Airport consider lowering it to no more than 85% of the lowest current concession revenue paid by the lowest Family brand.
- A92. We lowered the MAG to \$230,000. See the "Restated RFP" issued as an addendum.