

BID PACKET

Please ensure your bid packet contains the following:

- 1. Invitation to Bid
- 2. Bid Schedule
- 3. Information for Bidders
- 4. Exhibit A Sample Automobile Concession Agreement
- 5. Exhibit B Affidavit
- 6. Exhibit C Bid Form
- 7. Exhibit D Bidder Information Form

Thank you for your interest in this concession.



INVITATION TO BID

The Kenai Municipal Airport is soliciting sealed bids for the right to operate a NON-EXCLUSIVE ON-AIRPORT CAR RENTAL CONCESSION in the Kenai Municipal Airport Terminal Building.

A pre-bid meeting will be held in the Airport Terminal Conference Room, 305 N. Willow St., at 10:00 a.m., Thursday, July 13, 2023.

The bid documents stating the terms and conditions of this concession offering may be examined and/or obtained at **www.KenaiAirport.com** or at the Airport Administrative Office, Located at 305 N. Willow St., Suite 200, Kenai, AK 99611.

Bids must be submitted on forms furnished by the Airport. Each bid must be accompanied by a certified or cashier's check payable to Kenai Municipal Airport in the amount of Two-Thousand dollars (\$2,000.00). All bids shall state "CAR RENTAL CONCESSION BID" on the sealed envelope. Bids may be delivered or mailed to the above address and received no later than 2:00 p.m., Tuesday, August 1, 2023 to be considered.

All bids will be publicly opened and read aloud at 2:15 p.m., Tuesday, August 1, 2023, in the Airport Terminal Conference Room. Bids, amendments to bids, or requests for withdrawal of bids received after 2:00p.m. August 1, 2023, will not be considered for any cause. Bidders or their authorized representatives are invited to be present at the bid opening. A tie will be broken by coin toss.

The Airport encourages all interested parties, including Disadvantaged Business Enterprises, to submit bids. The Airport will not exclude bidders on the grounds of race, color, religion, sex, marital status, age, or national origin.

Awards for the NON-EXCLUSIVE ON-AIRPORT CAR RENTAL CONCESSION will be made by the City of Kenai to the three (3) highest and best bids from qualified bidders determined in accordance with the criteria set forth in the bid documents.

Bidders must be able to perform all obligations of the agreement. The right is hereby reserved to reject any and all bids and to waive any defects when, in the opinion of the Airport such rejection or waiver will be in the best interest of the Airport. In addition, the Airport hereby reserves the right to readvertise for bids or to reschedule the bid opening, if the Airport desires such action.

Published: Peninsula Clarion – July 8 and July 12, 2023

Anchorage Daily News - July 9 and July 12, 2023



BID SCHEDULE

The Kenai Municipal Airport is requesting bids to provide ON-AIRPORT CAR RENTAL CONCESSIONS in the Airport Terminal. Bid packets and detailed specifications may be obtained online at www.KenaiAirport.com or in the Airport Administration Office located at, 305 N. Willow, Suite 200, Kenai, Alaska. Submit all bid related questions online, at www.KenaiAirport.com.

Date	Description
July 8/9, 2023	Invitation to bid published in Peninsula Clarion/Anchorage Daily News.
July 12, 2023	Invitation to bid published in Peninsula Clarion, and Anchorage Daily News.
July 13, 2023 10:00 a.m. – 11:00 a.m.	Pre-bid meeting held in the Airport Terminal Conference Room, located at 305 N. Willow Street, Kenai, Alaska 99611.
July 21, 2023 11:59 p.m.	Deadline for Questions . Submit all questions on-line at www.KenaiAirport.com
August 1, 2023 2:00 p.m.	Deadline . Bids must be delivered in a sealed envelope marked "CAR RENTAL CONCESSION BID" accompanied by a certified or cashier's check payable to the Kenai Municipal Airport in amount of Two-Thousand dollars (\$2,000.00).
August 1, 2023 2:15 p.m.	Bid opening.
August 16, 2023	Contract(s) are introduced to City Council. City Council Awards Contract(s).
September 1, 2023	New Concession(s) Effective.

INFORMATION FOR BIDDERS

1. REQUEST FOR BIDS

Sealed bids for a NON-EXCLUSIVE ON-AIRPORT AUTOMOBILE RENTAL CONCESSION AT THE KENAI MUNICIPAL AIRPORT (the "Concession") will be received by Airport Administration, 305 N. Willow Street, Suite 200, Kenai, Alaska. The outside or exterior of each bid envelope or container of the bid must be marked with the wording: "AUTOMOBILE RENTAL CONCESSION BID".

In seeking different concessionaires to operate the concessions being awarded, the City desires to provide the air traveler with automobile rental service of the highest possible caliber, and to receive a fair monetary return for the non-exclusive concession to be granted hereunder.

The Concession shall be a five (5) year term beginning September 1, 2023, and shall allow bidders submitting the three (3) highest and best bids to conduct on-airport automobile rental operations from one of three (3) counter space areas in the main terminal building at the Kenai Municipal Airport (the "Airport").

2. BID GUARANTEE

Each bid shall be accompanied by a certified check or cashier's check payable to the City in the amount of \$2,000.00. The check must be attached to the bid form and will be held by the City, without interest, as the bid guarantee until the highest and best bids have been selected, after which time the bid guarantee received from all but the successful bidders (*i.e.*, those bidders submitting the three (3) highest and best bids) will be returned. The bid guarantee of each successful bidder will be held by the City, without interest, pending the complete execution of a Concession Agreement (the "Concession Agreement") substantially in the form attached hereto as *Exhibit A* between the City and such successful bidder covering the bidder's right to conduct on-airport automobile rental operations at the Airport. If a successful bidder should fail to execute the Concession Agreement and deliver same to the City within fifteen (15) days after receipt of notification by the City of the award, the \$2,000.00 bid guarantee will be forfeited to the City as liquidated damages.

3. BID

a. Annual Guarantee: Each bidder shall submit its bid as a minimum annual guarantee ("Annual Guarantee") for each of the five (5) years of the Concession. The cumulative total of the Annual Guarantees for the five (5) years of the Concession term shall be the primary factor considered by the City in selecting the highest and best bids. The bid for the annual guarantee must be at least forty-two thousand dollars (\$42,000) per year resulting in a 5-year minimum bid guarantee of two-hundred and ten thousand dollars (\$210,000).

- b. Percentage rent: For the privilege of conducting on-airport automobile rental operations at the airport, each bidder awarded a Concession shall pay to the City, in addition to the base rent and other fees set forth in the Concession Agreement, a monthly percentage rent equal to the greater of one-twelfth (1/12) of the applicable Annual Guarantee (Bid Amount) or ten percent (10%) of all monthly gross receipts of such bidder, all as more specifically set forth in the Concession Agreement.
- c. Terminal counter space: Successful bidders are allocated counter space in the Airport Terminal depicted in *Exhibit 2* to the Sample Concession Agreement and will pay a fee based on square footage (base rent) as specifically outlined in the Concession Agreement.
- **d.** Form: Each bid shall be submitted on the Bid Form attached hereto as *Exhibit C*. All information requested in the bid form must be furnished.

4. BIDDER INFORMATION FORM AND AFFIDAVIT

Each bidder must complete a Bidder Information Form and Affidavit. Each bidder must submit as a part of its bid the information required on the Bidder Information Form attached hereto as *Exhibit D* and the Affidavit, *Exhibit B*.

5. CONCESSION AGREEMENT

Successful bidders shall be given a written notice of award that they have been awarded the Concession. This notice will be distributed to Bidder by email (City is not responsible for any non-receipt by Bidder). Within fifteen (15) days of the date of the notice, each successful bidder must execute and deliver an original of the Concession Agreement to Airport Administration as supplied with the notice of award and all required proofs of insurance (or State waivers) and a completed Kenai Peninsula Borough Tax Compliance certificate.

The City reserves the right to amend the form of the Concession Agreement (*Exhibit A*) at any time prior to execution thereof without the necessity of re-advertising or reletting bids. No amendment, alteration, or change, as the case may be, to the Concession Agreement shall invalidate or affect anything in the bid documents, which is not expressly altered or affected by such amendment, alteration, or change.

6. PRE-BID CONFERENCE

A pre-bid meeting will be held in the Airport Terminal Conference Room, 305 N. Willow Street, at 10:00 a.m. On July 13, 2023. Bidders are strongly encouraged to attend this meeting.

7. INTERPRETATION OR CORRECTIONS OF BID DOCUMENTS

Bidders shall notify the Airport Manager promptly of any error, omission, or inconsistency that may be discovered during examination of the Bid Documents. Requests from Bidders for interpretation or clarification of the Bid Documents shall be made in writing to the Airport Manager and shall arrive no later than 11:59 p.m. on July 13, 2023. All questions must be submitted online at www.KenaiAirport.com.

Oral questions may be presented at the pre-bid conference. Interpretations, corrections, or changes, if any, to the Bid Documents shall be made by Addendum. Bidders shall not rely upon interpretations, corrections, and changes made in any other manner, including orally, at the pre-bid conference. Interpretations, corrections, and changes shall not be binding unless included in an Addendum. All

Addenda issued during the time of bidding shall become part of the Bid Documents. Questions or requests for clarifications shall be directed to the Airport Manager. Questions or requests for clarification directed to any other member of the Airport or City of Kenai staff may be grounds for rejection of bid as being irregular. Only written interpretations or corrections by addendum shall be binding, and no other forms of interpretation or correction will be binding on the City of Kenai.

It is the Bidder's sole responsibility to ascertain that Bidder has received all Addenda issued by the City of Kenai. Addenda will be issued electronically and online at www.KenaiAirport.com. All Addenda must be acknowledged in the space provided on the Bid Form. If no Addendum has been issued, leave blank or write or type "N/A" on the Bid Form in the space provided.

8. AMENDMENTS TO BID DOCUMENTS

The City reserves the right to amend the Bid Documents at any time prior to August 1, 2023, without the need to extend or postpone the date and time of such bid opening.

For purposes of this provision, the term "Bid Documents" shall mean the Invitation to Bid, the Bid Schedule, and this Information for Bidders (with *Exhibits A-D*). *Exhibit A-D* of this Information to Bidders includes:

Exhibit A – Sample Concession Agreement (including **Exhibits 1-3**)

Exhibit 1 – Certified Activity Report

Exhibit 2 - Counter Layout

Exhibit 3 – Parking Lot Layout

Exhibit B - Affidavit

Exhibit C - Bid Form

Exhibit D - Bidder Information Form

9. OPENING OF BIDS

Bids shall be received as set forth in paragraph 1 above. Bids received by the City after 2:00 p.m. on August 1, 2023, will be returned to the bidder unopened. The bids will be publicly opened and read aloud at 2:15 p.m. on August 1, 2023, in the Kenai Municipal Airport Terminal Conference Room, 305 N. Willow Street, Kenai, Alaska 99611. Bidders or their authorized representatives are invited to be present at the bid opening. The opening of any bid shall not be considered as an acceptance of such bidder as a responsible qualified bidder.

10. MODIFICATION OF BIDS

Bid modifications will be accepted by the City, and binding upon the Bidder, where the modification:

- The modification must be received by the City at the place designated for submission of bids prior to the deadline via US mail or personal delivery at the Airport Administration Office. Late Bid Modifications will not be accepted, the City of Kenai assumes no responsibility for incomplete or late transmittals.
- Bidder shall use the Bid Form provided in the Bid Documents and add the words "Bid Modification" at the top of each page of the Bid Form.
- The modification must be signed by the same individual who signed the original bid.

Should there be more than one bid modification from a bidder, the last modification received prior to the deadline shall be applied to the bid.

Any modification which fails to meet any requirement of this section shall be rejected, and the bid shall be considered as if no modification had been attempted.

11. WITHDRAWAL OF BIDS

Bids may be withdrawn in writing only, at any time prior to bid opening at 2:15 p.m. on August 1, 2023. No bidder will be permitted to withdraw its bid after such time unless the opening of such bids is delayed by action of the City for a period exceeding sixty (60) days. A bid may not be withdrawn after opening without the written consent of the City.

12. ACCEPTANCE - REJECTION OF BIDS

The City reserves the right to reject any or all bids, to waive minor irregularities in any bids or in the bidding procedure, and to accept any bid presented which meets or exceeds said specifications and which is deemed to be in the best interest of the City. However, the requirement for timeliness shall not be waived. The City is not responsible for bid preparation costs.

The City may reject any bid as non-responsive that contains any alteration, addition, condition, limitation, or irregularity of any kind without the prior written approval of the City. The City reserves the right to waive any irregularities, technicalities, or informalities in any bid, and to reject any or all bids.

13. APPEAL PROCEDURES

- a. Any party submitting a bid or proposal for a contract with the City and who believes that they are adversely affected by the City's relevant ordinances, regulations, procurement process, or by any acts of the City in connection with the award of a City contract, may file a protest appeal with the City Clerk. All protest appeals must be to the City within five (5) calendar days of the issuance of the City's notice of its intent to award the contract. The appeal must be hand delivered, delivered by mail, or by facsimile and must comply with all requirements of this section. If the fifth day is a City-recognized holiday or a weekend, the deadline for appeal shall be the next work day. It is up to the protester to choose a method of delivery to assure timely receipt by the City.
- b. Rejection of Appeal: The Clerk shall reject an untimely or incomplete appeals. Such rejection shall be final and may be appealed to the Superior Court pursuant to the Court Rules of Appellate Procedure.
- c. The protest appeal must be in writing and shall include the following information:
 - i. The name, address, e-mail, and telephone (and facsimile if available) numbers of the protester;
 - ii. The signature of the protester or the protester's representative;
 - iii. Identification of the contracting agency and the solicitation or contract at issue;

- iv. A statement of the legal and factual grounds of the protest, including copies of relevant documents; and
- v. The form of relief requested.
- **d.** Stay of Award. If a timely and complete protest appeal is filed, the award of the contract shall be stayed until all administrative remedies have been exhausted, unless the City Manager determines in writing that award of the contract pending resolution of the appeal is in the best interests of the City.
- **e.** Notice and Response. Notice of the stay and protest appeal shall be delivered to any party who may be adversely affected by the City Manager's decision by facsimile, first class mail or in person within three (3) business days of receipt of a properly filed appeal.
- f. City Manager Decision. The City Manager shall issue a written decision to the appellant within ten (10) business days of the date the appeal is filed. If multiple appeals have been filed, they may be consolidated for purposes of the decision. Copies of the appeal and decision shall be provided to any interested party requesting one. The decision may include any lawful action, including without limitation an amendment of all or any part of the recommended award. For good cause shown, the City Manager may extend the date for the decision for such additional period as may be necessary.
- g. If the City Manager sustains a protest in whole or in part, the City Manager shall implement an appropriate remedy. In determining an appropriate remedy, the City Manager shall consider the circumstances surrounding the solicitation or procurement including the seriousness of the procurement deficiencies, the degree of prejudice to other interested parties or to the integrity of the procurement system, the good faith of the parties, the extent the procurement has been accomplished, costs to the agency and other impacts on the agency of a proposed remedy, and the urgency of the procurement to the welfare of the City.
- h. Notwithstanding subsections (a) and (b) immediately above, if the City Manager sustains a bid protest appeal in whole or part, the protester's damages shall not exceed the reasonable bid or proposal preparation costs.
- i. Appeal to Superior Court. Appeals may be taken from the written decision of the City Manager within thirty (30) days of the date of the decision pursuant to Part VI of the Alaska Rules of Appellate Procedure.

14. RESPONSIBILITY OF BIDDERS

Each bidder shall carefully examine the terms of the Concession Agreement, the location of the automobile rental concession counters in the Airport terminal building, and the location of the automobile rental parking lot to be used for the concession. Each bidder shall judge for itself as to all conditions and circumstances relative to its bid for the Concession. Failure on the part of any bidder to

make such examination and on-site inspection shall not constitute a ground for declaration by the bidder that it did not understand the conditions with respect to its bid submitted.

15. EXECUTION OF CONTRACTS

The successful bidder shall be required to execute a contract and related documents for the work within fifteen (15) days after the date of the notice of award from the City. If the Bidder does not return executed copies within this time, then, at the option of the City, the bid may be rejected.

16. ALLOCATION OF PARKING AREA

- a. The precise location of each Concessionaire's parking spaces shall be determined by following selection process: The successful bidders will be allowed to select the parking row of their choice, with the order of that selection based on City's ranking of the Concessionaire's Total Minimum Annual Guarantee with the highest bidder making first choice; and the second highest making second choice, and the third highest making third choice. A tie will be decided by a coin toss.
- **b. Changes:** The City reserves the right to relocate the Concessionaire's parking spaces due to changes on the Airport.

17. ALLOCATION OF COUNTER SPACE

Selection: Each Concessionaire shall be assigned a counter space area in the main terminal building of the Airport and described as set forth on the Counter Layout attached hereto to the Sample Concession Agreement as **Exhibit 2**. The successful bidders will be allowed to select the counter space of their choice, with the order of that selection to be based on City's ranking of the Concessionaire's Total Minimum Annual Guarantee with the highest bidder making first choice; and the second highest making second choice, and the third highest making third choice. A tie will be decided by a coin toss.

18. ADDITIONAL INFORMATION FOR BIDDERS

a. HISTORY OF GROSS REVENUES FOR EXISTING AUTO RENTAL AGENCIES

Combined Revenues Totals Calculated by Calendar Year

FY18 \$1,700,359.50 FY19 \$1,778,264.94 FY20 \$2,078,649.62 FY21 \$1,214,723.25 FY22 \$1,675,315.75

b. HISTORY OF ENPLANEMENTS

Reported by FAA on a Calendar Year Basis

2018 92,127
2019 95,004
2020 32,431
2021 67,844

2022 73,465

19. TERM

The Concession will be for a primary term of five (5) years commencing September 1, 2023, and ending August 31, 2028, with no option to renew.

20. IMPROVEMENTS

It is expressly understood that the City will own all improvements made by each Concessionaire at the Airport at the expiration or earlier termination of their respective concessions.

CITY OF KENAL

KENAI MUNICIPAL AIRPORT

NON-EXCLUSIVE ON-AIRPORT AUTOMOBILE RENTAL CONCESSION AGREEMENT

THIS AGREEMENT is made thisday of	, 2023, between the City of Kenai (City), whose
address is 210 Fidalgo, Kenai, AK 99611,	and d/b/a
(Concessionair	re), whose address is
<u>INTRO</u>	DUCTION
A. The City owns and operates the Kena (collectively "Airport"), located in Kenai, Alaska.	ai Municipal Airport and Airport Terminal Building
·	rport for non-exclusive on-airport automobile rental sion of on-airport automobile rentals at airports serves
C. The City desires to offer on-airport a accommodation and enjoyment of the traveling pu	automobile rental services at the Airport for the ublic.
The Concessionaire desires to operate an on-air Terminal Building.	port automobile rental business in the City's Airport
	ity Council adopted a resolution authorizing the City ncessionaire based upon certain terms and conditions Il concession at the Airport.

ARTICLE I - DEFINITIONS

The following definitions apply for this Agreement:

- Agreement: The Agreement consists of this On-Airport Automobile Rental Concession Α. Agreement, together with the exhibits and all future amendments or supplements executed by the parties to this Agreement.
- Airport Manager: The City's designated manager at the Kenai Municipal Airport acting directly or through a duly authorized representative.
- Certified Activity Report (CAR): A report that lists Gross Receipts generated by the On-Airport С. Automobile Rental Concession during the calendar months for which Concessionaire makes payment. The required form for the Certified Activity Report is attached as Exhibit 1.
- Concessionaire: The successful bidder for the City's non-exclusive On-Airport Automobile Rental Concession who provides car rental services under this Agreement.
- Ε. Disadvantaged Business Enterprise (DBE): A business certified by the State of Alaska as a disadvantaged business enterprise as further defined in 49 CFR, part 23.

- F. <u>Gross Receipts</u>: The aggregate amount of all transactions made on, in, from, or through the Premises for cash, or credit, or otherwise, of every kind, name and nature, regardless of when or whether or not paid, whether made by the Concessionaire or any other occupant or occupants of the Premises, or some part or parts thereof excepting from the determination of said amount (1) any and all taxes or fees collected by Concessionaire on behalf of any governmental body or taxing agency and excepting tips income paid and received by service staff of Concessionaire; (2) any sums received from the sale of capital assets; (3) any sums received from insurance or other settlements for damage to automobiles or other property of the Concessionaire, or for the loss, conversion, or abandonment of such automobiles; and, (4) any fees collected from a customer for damages to an automobile rented.
- G. <u>Premises</u>: The area approved by the City for the operation of an on-airport automobile rental business at the Airport as shown on **Exhibit 2** and also as described in Article III, below.

ARTICLE II - TERM

- A. <u>Term</u>: The term of this Agreement is effective as of September 6, 2023, through midnight of September 5, 2028, unless terminated earlier as provided herein.
- B. <u>Holding Over:</u> If the Concessionaire holds over, provides services, and remains in possession of the Premises without a written renewal or extension of this Agreement, the City's allowance of continued operations by Concessionaire does not operate as a renewal or extension of the rights granted under this Agreement, and, instead the parties agree that this creates only a month-to-month extension, regardless of any payment the City accepts. The Concessionaire's obligations to perform under this Agreement will continue until either it or the City terminates the services under this Agreement by giving the other party at least 10 days' written notice. The payment due for any extended period during which services are provided without a written extension of this Agreement is the monthly rent as it would have been due for the preceding year and plus the applicable percentage rent due for that period of additional operation and such payments shall be payable in the same manner.

ARTICLE III - PREMISES

- A. For the term of this Agreement, the City provides to the Concessionaire and the Concessionaire accepts from the City, the following described property, the Premises, located at the Kenai Municipal Airport:
 - a. Counter space #_____, first floor, Terminal Building, Kenai Municipal Airport, within the NW1/4, SE1/4, Section 32, T6N, R11W, S.M., AK, consisting of _____ square feet, and more specifically shown on **Exhibit 2**,

such Premises to be used, kept, and maintained for the operation of an on-airport automobile rental business for the traveling and general public as further described herein and for no other purpose.

B. In addition to the Premises, Concessionaire shall have the right to use up to ten (10) parking spaces at no additional monthly fee. The Airport shall allocate the location of Concessionaire's parking spaces in order of bid from its public bidding process, with the highest bidder having first choice of row. The current location of parking spaces is depicted in **Exhibit 3**, "Parking Area Layout." The City reserves the right to designate other locations for parking spaces as it deems necessary for the efficient operation of the Airport. The charge for any additional spaces over and above the ten (10) allocated at no charge shall be twenty-dollars (\$20.00) per space per month, or any portion of the month without pro-ration, plus

applicable sales tax. Additional spaces shall be allocated to all on-site car rental concessionaires equally, at the discretion of the Airport Manager, and depending on availability. Concessionaire shall, at its own expense, provide and install signage (subject to approval by the City) for each of its parking spaces.

C. Concessionaire accepts the Premises and parking area AS IS and acknowledges that it has had an opportunity to inspect the Premises and parking area. The City makes no specific warranties, expressed or implied, concerning the condition, title, access, or suitability of the Premises for any use, including those uses authorized by this Agreement. Concessionaire accepts the Premises subject to any covenant, term, or condition affecting the City's title to the Premises.

ARTICLE IV - RENT, FEES, TAXES, AND PAYMENTS

A. <u>Terminal Building Rent - Exclusive Space</u>: For the rights and privileges granted under this Agreement, Concessionaire shall pay the City a monthly fixed Terminal Building Rent - Exclusive Space ("base rent"). Base rent shall be computed at the current market rate per square foot (as set by the City Council) multiplied by the square footage of the Premises (______ square feet), plus applicable sales tax.

Base rent shall be payable in twelve (12) equal installments in advance of the first day of each and every calendar month. For any fractional calendar month, the base rent shall be the same as for a full month. Concessionaire agrees to pay rent payable to the City at Kenai City Hall in United States currency either by check, cash, bank draft, or money order. Concessionaire will submit payments free from any claim, demand, setoff, or counterclaim of any kind against the City.

B. <u>Percentage Rent</u>: For the rights and privileges granted under this Agreement, Concessionaire shall also pay the City, in addition to the base rent, a sum of money as additional rent known as "percentage rent." The monthly percentage rent due shall be the GREATER of (1) one-twelfth (1/12) of the applicable Annual Guarantee, or (2) ten percent (10%) of Concessionaire's monthly Gross Receipts. Percentage rent is subject to applicable sales tax. The annual guarantee for each year of this Agreement is as follows:

 Year One
 \$47,278.00 (plus tax)

 Year Two
 \$47,278.00 (plus tax)

 Year Three
 \$47,278.00 (plus tax)

 Year Four
 \$47,278.00 (plus tax)

 Year Five
 \$47,278.00 (plus tax)

 Total
 \$236,390.00 (plus tax)

The percentage rent required shall be paid for each calendar month during the term of this Agreement. Percentage rent shall be payable in twelve (12) installments on the fifteenth day of each and every calendar month after the preceding month for which the percentage rent installment is applicable. Concessionaire agrees to pay percentage rent payable to the City at Kenai City Hall in United States currency either by check, cash, bank draft, or money order. Concessionaire will submit payments free from any claim, demand, setoff, or counterclaim of any kind against the City.

By way of example, during any Agreement year (for example, September 6, 2023, to September 5, 2024), Concessionaire shall pay the base rent for each month. Concessionaire must also pay percentage rent. The minimum percentage rent that Concessionaire must pay each month is 1/12 of

the annual guarantee set out above. But, if the alternate measure of percentage rents—10% of Gross Receipts—would be greater than 1/12 of the promised annual guarantee, Concessionaire shall pay 10% of Gross Receipts as percentage rent.

Concessionaire shall provide a Certified Activity Report (CAR) for each month for the City's audit purposes to determine compliance with the percentage rent requirement. Concessionaire shall submit each CAR in the format shown in **Exhibit 1**. The CAR shall be submitted to Kenai City Hall on or before the same date that percentage rent is due.

Percentage rent payable to the City by the Concessionaire under this Agreement shall be owned by the City at the time of each customer transaction and will be held in trust by the Concessionaire while the funds are in Concessionaire's custody and control. The Concessionaire is responsible for these fees until delivered to the City. If any fees payable to the City are lost, stolen, or otherwise unlawfully removed from the custody and control of the Concessionaire, the Concessionaire remains responsible to the City for the revenue.

- C. <u>Parking Spaces</u>: Concessionaire shall pay an additional fee of twenty-dollars (\$20.00) per space per month (without pro-ration), plus sales tax, as additional rent for any spaces over the ten (10) parking spaces allocated (as further identified in Article III, paragraph B, above.) Parking space fees, if any, shall be payable on or before the same date that percentage rent is due. Concessionaire agrees to pay rent payable to the City at Kenai City Hall in United States currency either by check, cash, bank draft, or money order. Concessionaire will submit payments free from any claim, demand, setoff, or counterclaim of any kind against the City.
- D. <u>Penalty/Interest</u>: Time is of the essence in meeting the base rent and concession fee payment requirements. In the event of delinquency, interest at the rate of eight percent (8%) per annum, and penalty of ten percent (10%) of any amount of money owed under the Agreement, shall accrue on any unpaid balance. Interest shall accrue from the date due until the date paid in full.
- E. <u>Unpaid Fees</u>: Any rent, charge, fee, liquidated damage/penalty, interest, or other consideration due but unpaid at the expiration or cancellation of this Agreement is a charge against the Concessionaire and its property, real or personal, at the Airport or where otherwise located. The City has any lien rights allowed by law. Either the City or its authorized agent may provide enforcement.
- F. <u>Taxes</u>: Concessionaire shall pay any borough, city, or other sales and property taxes due on base rent, percentage rent, and any other fee due under this Agreement.
- G. <u>Other Fees</u>: The City reserves the right to impose and collect charges and fees from Concessionaire for the following:
 - 1. the use of specified equipment, facilities, or services when such use is requested by Concessionaire; and/or,
 - 2. the privilege of accessing the Airport to conduct any business other than an on-airport automobile rental business.
- H. <u>Audit</u>: In addition to the Audit rights specified elsewhere herein, the City (itself or through and/or its designated representatives) reserves the right to audit Concessionaire's books and records at any time for the purpose of verifying the Gross Receipts. If, as a result of such an audit, it is established by the City that Concessionaire has understated the Gross Receipts received by three percent (3%) or more (after the deductions and exclusions provided for herein), the entire expense of said audit shall be borne

by Concessionaire Any amount found to be underpaid will be assessed to Concessionaire along with penalty, audit costs, if applicable, and interest.

I. Revenue Diversion: Concessionaire shall not cause or allow to be diverted from the Airport any of its automobile rental business in any manner to avoid or reduce its Gross Receipts upon which its financial obligations owed the City is computed. In the event Concessionaire establishes, owns, operates, or manages during the term hereof any automobile rental business within five (5) miles of the Airport, it agrees to make all books, records, and other pertinent documents of such automobile rental business available for audit by the City and/or its designated representative to ensure compliance with this provision. If, as a result of such an audit, it is established by the City that Concessionaire has understated the Gross Receipts received by three percent (3%) or more (after the deductions and exclusions provided for herein), the entire expense of said audit shall be borne by Concessionaire. Any amount found to be underpaid will be assessed to Concessionaire along with penalty, audit costs, if applicable and interest.

ARTICLE V - RIGHTS, OBLIGATIONS, AND RESERVATIONS

- A. <u>Rights and Obligations</u>: Subject to the obligations under this Agreement, the City grants Concessionaire the authority to exercise and the obligation to perform the following at its own expense:
 - 1. The non-exclusive privilege and obligation to operate an on-airport automobile rental business area at the Airport, which Concessionaire may operate on and upon the Premises, the non-exclusive privilege and obligation to conduct an on-airport automobile rental concession at the Airport from the terminal for the convenience of passengers utilizing the Airport, and for patrons and tenants of the Airport. Such right includes the right to rent automobiles to the general public at or on the Airport; provided, however, that such rentals of automobiles are consistent with the standards of the City and the industry. During the term of this Agreement the City will authorize no more than three (3) Automobile Rental Concessions to operate from the Terminal at any one time. The City reserves the rights to authorize, regulate, and charge a fee for Off-Airport Concessions to operate on the Airport. The Concessionaire shall have the right to rent counter space to conduct an automobile rental business, subject to the terms of this agreement. Concessionaire shall engage in no other business activity on or at the Airport.
 - 2. Concessionaire, its officers, contractors, suppliers, service personnel, guests, patrons, and invitees shall have the right to ingress and egress of and to occupy the Premises, subject to the security rules of the Airport.
 - 3. Concessionaire may, after consent by the Airport Manager, install signs at the Premises identifying its business. Concessionaire shall request and obtain the City's advance written approval.
 - 4. Concessionaire shall obtain all permits and licenses required by any laws of any federal, state, city, borough or other governmental entity in order to operate the on-airport automobile rental concession and shall pay all related fees for said permits and licenses.
 - 5. Subject to more specific instructions in Article VII, below, Concessionaire shall keep accurate books and records in accordance with recognized accounting practices concerning all gross receipts from sales as defined here and to keep and preserve in the city of Kenai for a period of five (5) years following the end of each year of this Agreement, complete and true records. All books and records maintained by Concessionaire relating to gross receipts from

sales shall be available at all reasonable hours to the inspection of the City and its agents.

B. Reservations and Prohibitions

- 1. City reserves the right to grant others any right or privilege specifically granted Concessionaire at locations other than at the Premises.
- 2. City shall have the right to inspect the Premises and to impose reasonable regulations to insure proper care, maintenance, and upkeep of the Premises.
- 3. Improvements, facilities, fixtures, equipment and things on, in or appurtenant to the Premises and parking area are available to Concessionaire AS IS and without any warranties or representations whatsoever, including warranties of fitness for a particular purpose or warranties of merchantability.
- 4. City reserves the right to address and resolve any problems arising out of Concessionaire's operations. City will forward to Concessionaire for response any complaints, questions, or concerns it receives regarding Concessionaire's operations.
- 5. The rights and privileges granted Concessionaire under this Agreement are the only rights and privileges granted the Concessionaire. The Concessionaire has no easements, rights or privileges, express, or implied, other than those expressly granted under this Agreement.
- 6. Concessionaire will not sell any service or product unless described in this Agreement without the advance written approval of the City. If a question or dispute arises concerning the sale of any service or product, the Concessionaire may submit a written request to the City asking for a review and decision. The City will deliver a written decision to the Concessionaire and the decision of the City is final.
- 7. The Kenai Municipal Airport Terminal is a smoke-free facility. Neither Concessionaire nor its employees, nor its customers may smoke on the Premises or in the Airport Terminal.

ARTICLE VI – GENERAL CONDITIONS OF OPERATION

Concessionaire will comply with the following:

A. General:

- 1. Concessionaire shall provide for the operation and maintenance of the Premises as an on-airport automobile rental business. During the term of this Agreement, Concessionaire shall have sole possession of, and responsibility for, maintenance of the Premises, including, but not limited to, all improvements constructed thereon and fixtures and equipment existing on the Premises at the commencement of the Agreement and thereafter installed by either Concessionaire or City.
- 2. Hours of Operation: Concessionaire agrees to continuously operate the facility during the term of this Agreement. For purposes of this Agreement, "continuously operate" means that the facility shall open for business on a daily basis, and for such hours as would be reasonable for similar facilities existing on the Kenai Peninsula. Hours of operation shall be attached to public exterior doors of the Premises.

- 3. Concessionaire shall not permit any defacing of walls, floors, and fixtures, shall keep all the Premises free from trash and debris, and shall maintain and service all equipment at a high level of efficiency, reliability and appearance.
- 4. Concessionaire shall not permit smoking on the Premises.
- 5. Driving Practices: Concessionaire shall closely control and supervise the driving practices of its employees with respect to the rental car business. Concessionaire shall not permit fast, reckless, or unsafe driving by its employees. Concessionaire will take all steps necessary to correct specific instances of misconduct.

Further, Concessionaire is aware that its customers and/or employees may park rental cars improperly on the Airport. Concessionaire shall make reasonable efforts to inform its patrons of the proper location for parking rental cars and to identify improperly-parked vehicles and quickly remedy the situation. Concessionaire hereby acknowledges that the City has the right to cite and/or to impound improperly parked rental cars to protect and preserve the orderly flow of traffic at the Airport. The Concessionaire shall promptly remove any of its improperly-parked rental cars and be subject to paying the charge for impound or any citation given.

- 6. Concessionaire shall neither commit nor allow any nuisance, noise, or waste on the Airport property, nor shall Concessionaire annoy, disturb or be offensive to other users.
- 7. Concessionaire shall maintain the Premises in good repair, appearance, and in a safe condition at all times. At its own expense, the Concessionaire shall paint, repair, or replace its equipment as their condition may require. The Concessionaire shall take any action the City determines necessary for safety or to maintain the Premises in good repair and appearance.
- 8. Concessionaire shall pay for any lighting fixtures, extraordinary power use, or cleaning services required or caused by the Concessionaire which, in the City's reasonable determination, are beyond the scope of normal services provided by the City.
- 9. If Concessionaire causes damage to the City or to an Airport user due to inadequate maintenance by the Concessionaire or any of its equipment, fixtures, or systems, the Concessionaire shall repair the damage at its own expense. If the Concessionaire does not repair the damage, the City, may, but is not obligated to, repair the damage and bill the Concessionaire for the City's costs. The Concessionaire shall pay the City within thirty (30) days of the billing date.
- 10. Concessionaire will maintain the Premises in a clean, neat, and sanitary condition. The Concessionaire will provide day-to-day janitorial and cleaning services and supplies necessary to maintain the Premises.
- 11. Concessionaire shall provide for the adequate sanitary handling and removal of all trash, garbage, and other refuse caused as a result of Concessionaire's operations. Concessionaire shall coordinate a schedule and procedure of trash removal with the Airport. Concessionaire shall provide and use suitably covered or sealed receptacles for all garbage, trash, and other refuse from its operations inside the terminal. Refuse and waste materials shall be handled as required by applicable state and local laws, ordinances, and regulations.
- 12. Employee Parking: Employees of Concessionaire may use non-exclusive employee vehicle parking facilities at the Airport at no charge. All employees must register their vehicle(s)

at the Airport Administration office to receive a vehicle-parking permit to park while on the job. Concessionaire shall not permit its employees to park their personal vehicles in the parking spaces (except as may be approved by the Airport Manager on a case-by-case basis for emergencies or special circumstances). Concessionaire shall be held accountable for Concessionaire's employees' use of designated vehicle parking facilities and shall assure that employees comply with all applicable Airport Directives.

- 13. Except as allowed for employee parking, the Concessionaire shall not use any Airport space outside of the Premises for any purpose unless specifically leased from the City or subleased from a third party with the consent of the City.
- 14. Concessionaire shall, at its own expense, provide and install signage for each of its Parking Spaces described in Article III, above. Signage and installation plan shall conform to airport standards and shall be submitted in writing and approved by the Airport Manager or their designee prior to installation.
- 15. No Discrimination: The Concessionaire agrees that the facilities and the other improvements provided for herein shall be equally available to all members of the public without discrimination. Any discrimination by the Concessionaire in the use of any facility hereinabove described on grounds of race, color, religion, national origin, ancestry, age, or sex shall be deemed to be a material breach of this Agreement and grounds for cancellation of this Agreement.

Concessionaire agrees that Concessionaire will not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement with respect to the hire, tenure, terms conditions or privileges of employment or any matter directly or indirectly related to employment because of age, except when based on a bona fide occupational qualification, or because of race, color, religion, national origin, ancestry, age, or sex.

Concessionaire understands that any such discrimination shall be deemed to be a material breach of this Agreement.

Concessionaire shall comply with all laws, ordinances, regulations and rules of the City, the State of Alaska and the United States as same may be amended from time to time.

- B. <u>Reasonable Pricing</u>: Concessionaire shall provide the on-airport automobile rental business under this Agreement to its customers on a fair, nondiscriminatory basis, with reasonable prices to customers. All services provided by Concessionaire shall be competitive in price to those services at off-Airport locations within the Kenai Peninsula area.
- C. <u>Signs</u>: Concessionaire shall not, without the prior written approval of the City, construct, erect, or place any signs in or on the Airport other than an Airport-approved sign providing information identifying Concessionaire and concerning the services provided by that Concessionaire. The terms "sign" and "signs" as used herein shall mean advertising or promotional materials, billboards, notices, identification symbols, posters, electronic or static displays, information racks, decals, logos, or any similar device.
- D. <u>Service Quality</u>: Concessionaire's operation under this Agreement is a service to airline passengers and to other users of the Airport. The City desires to provide airline passengers and other users of the Airport with on-airport automobile rental services that are of the highest quality.

Concessionaire shall actively operate the concession to best serve the needs of airline passengers, Airport employees, and other users of the Airport. Concessionaire shall maintain professional personnel who will provide a high standard of service to the public. While on duty, the personnel will present a neat and clean appearance, remain courteous at all times, and wear any and all badges or other identification cards that are mandated by the management of the Airport.

Concessionaire acknowledges that the ability of the City to effectively compete with airports outside the State of Alaska and to promote tourism to the State of Alaska depends, in part, on the performance of the Concessionaire. Accordingly, Concessionaire shall conduct its operation in a first-class, businesslike, efficient, courteous, accommodating manner.

- E. <u>Business Development</u>: Concessionaire shall take all reasonable measures to maintain, develop, and increase its business without diversion of any business to any entity or location not subject to this Agreement.
- F. <u>Security</u>: Concessionaire shall adhere to all applicable responsibilities of the federal airport security program set out in the Transportation Security Regulations Title 49 CFR Part 1542 and the Airport Security Program. Concessionaire will procure any required identification badges necessary to access the premises or the Concessionaire's operations authorized under this Agreement. Any fine that results from a violation of the federal airport security program by the Concessionaire, its agents, officers, suppliers, sub Concessionaires, vendors, guests, customers, or employees, whether on or off the premises, that is found by the Transportation Security Administration or the City to be the fault of the Concessionaire will be the sole responsibility of the Concessionaire. If the City pays any such fine to meet the Transportation Security Administration deadlines, the Concessionaire will reimburse the City within 30 days after written notice by the City. The Concessionaire will coordinate any Airport security matter with the City.

ARTICLE VII - AUDITS, REPORTS, BOOKS, AND RECORDS

To provide a satisfactory basis to confirm the accuracy of the Concessionaire's CARs, the Concessionaire shall establish and maintain books and records that concern the business authorized under this Agreement in accordance with generally accepted accounting principles. The Concessionaire's books and records must, in the determination of the City, enable the Concessionaire to report accurately, and the City to check easily, payments due the City under this Agreement.

The Concessionaire shall preserve all books and records of business conducted under this Agreement for the longer of six (6) months after completion of an audit by the City or five (5) years after the end of the Agreement year to which the books and records pertain. However, if the City objects to any report or statement, the Concessionaire will preserve all books and records containing information relevant to that report or statement until resolution of the objection is confirmed in writing by the City.

The City, or its designee(s), shall have access to accounting and other records necessary to confirm the accuracy of the Concessionaire's CARs at all times regardless of the media in which the information is stored.

ARTICLE VIII - DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION, NON-DISCRIMINATION, AND AFFIRMATIVE ACTION

- A. <u>City Policy</u>: The City of Kenai's policy is to ensure that Disadvantaged Business Enterprises (DBEs) have the maximum opportunity to participate in the performance of airport concession contracts.
- B. <u>Concessionaire's Obligation</u>: Concessionaire will comply with all applicable laws and regulations regarding the fair and equitable treatment of DBEs. Concessionaire will ensure that DBEs have the maximum opportunity to participate in the performance of this Agreement, including the provision of supplies and services and any subcontracting opportunities.
- C. <u>Non-discrimination</u>: Concessionaire shall ensure that Concessionaire and Concessionaire's agents and personnel, including any officer or employee, and anyone else acting by, on behalf of, or under the authority of Concessionaire on the Airport and, on the Premises, any of Concessionaire contractors, sublessees, and guests, including any vendor or customer do not discriminate on the grounds of race, creed, color, national origin, age, sex, handicap, marital status, change in marital status, pregnancy, or parenthood against any patron, employee, applicant for employment, or other person or group of persons in any manner prohibited by federal or state law. Concessionaire recognizes the right of state to take any action necessary to enforce this provision, including actions required pursuant to any federal or state law.
- D. Affirmative Action: Concessionaire shall undertake an affirmative action program as required by 14 CFR Part 152 (Airport Aid Program), subpart E (Nondiscrimination in Airport Aid Program), and the American Disabilities Act of 1990 to ensure that no person shall, on the grounds of race, creed, color, national origin, age, sex, handicap, marital status, change in marital status, pregnancy, or parenthood be excluded from participating in any employment, contracting, or leasing activities covered by 14 CFR Part 152, subpart E or the American Disabilities Act of 1990. Concessionaire assures that no person shall be excluded, on these grounds, from participating in or receiving the services or benefits of any program or activity covered by said subpart or act. Concessionaire assures that it will require its covered organizations provide assurances to State that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations as required by 14 CFR Part 152, subpart E or the American Disabilities Act of 1990, to the same effect.

Concessionaire shall comply with any affirmative action plan or steps for equal employment opportunity required by 14 CFR Part 152, subpart E, the American Disabilities Act of 1990, a part of the affirmative action program, and by any federal, state, or local agency or court, including those resulting from a conciliation agreement, consent decree, court order, or similar mechanism. Concessionaire shall use state or local affirmative action plan in lieu of any affirmative action plan or steps required by 14 CFR Part 152, subpart E, only when they fully meet the standards set forth in 14 CFR 152.409. Concessionaire shall obtain a similar assurance from its covered organizations, and to cause them to require a similar assurance of their covered suborganizations, as required by 14 CFR Part 152, subpart E. Copies of 14 CFR Part 152, subpart E, and the American Disabilities Act of 1990 are available from State.

<u>ARTICLE IX - CONSTRUCTION</u>

The Concessionaire shall obtain the written approval of the City in the form of a City Building Permit (including all attachments and detailed drawings of the proposed construction) before beginning any alteration, construction, or improvement of the Premises. Any construction must be approved of in advance by the Airport Manager.

The City will own all improvements made by Concessionaire at the expiration or earlier termination of this Agreement.

Non-Exclusive On-Airport Automobile Rental Concession

Exhibit A - SAMPLE CONCESSION AGREEMENT

ARTICLE X - CITY'S RIGHTS OF INSPECTION AND ACCESS

- A. <u>Inspection</u>: The City may at all reasonable times enter and inspect the Premises or observe the Concessionaire's performance of its obligations under this Agreement or take any action that the City is obligated to take under this Agreement, or otherwise. Concessionaire shall not claim, nor shall the City allow, any abatement of fees due to the City under this Agreement if the City exercises this right. Except for an emergency, the City will take all reasonable steps to minimize interference with Concessionaire's activity on the Premises.
- B. <u>Access</u>: The City reserves the right to enter the Premises and parking areas to repair, replace, alter, install or maintain any mechanical, electrical, plumbing, heating, cooling, ventilation, fire protection, telecommunication, or other system necessary to the proper functioning of the Airport without liability to the Concessionaire for any damage to the Premises. As a result of any entry under section, the City is liable only for its own negligence and for returning the Premises to its former condition using standard materials. Any City repair, replacement, alteration, installation, or maintenance will not unreasonably interfere with the Concessionaire's use of the Premises. Nothing in this section in any way relieves the Concessionaire of any obligation to maintain the Premises.

ARTICLE XI - CITY SERVICES

- A. <u>City Services</u>: The City will perform the following:
 - 1. maintain the structure of the Airport and its terminal, the roof, and exterior walls; and,
 - 2. provide standard lighting and replacement bulbs for those fixtures outside the Premises; space heating and cooling; electricity; and air ventilation; and,
 - 3. wash all exterior windows as well as clean and maintain the public areas at the Airport;
 - 4. maintain the Airport's electrical, public address, plumbing, and heating systems in good condition and repair; however, the City may refuse to maintain any system installed by the Concessionaire and may charge the Concessionaire for any repair resulting from the Concessionaire's negligence (the Concessionaire shall pay the City within 30 days of the billing date for any such repair charge) and,
 - 5. clean and maintain the parking area surface the Concessionaire is approved to use for its vehicle rental business, which work shall include snow plowing/sanding as determined by the City. At the request of the City, Concessionaire shall move all rental automobiles from the rental car parking area for the purposes of City snow plowing/sanding operations. City shall attempt to provide reasonable notice to Concessionaire of such requests. Concessionaire recognizes, however, that these requests are necessarily contingent upon weather and reasonable notice shall be understood under the conditions present.

B. <u>Hold Harmless</u>: Concessionaire waives any claim and holds the City harmless for damages that may arise out of or result from any failure or interruption of utility services furnished by or through the City that includes, but not limited to, stoppage in electrical energy, space heating, or the failure or interruption of any public or passenger convenience.

ARTICLE XII- LAWS AND TAXES

- A. <u>Laws</u>: This Agreement is subject to all regulations, including those relating to the leasing of facilities and the granting of privileges, at the Kenai Municipal Airport. At no expense to the City, Concessionaire shall comply with all federal, State of Alaska, and local laws, ordinances, regulations, and Airport rules, that are either now, or in the future, in force that may apply to the business authorized under this Agreement, for the use, care, operation, maintenance, and protection of the Airport, including matters of health, safety, sanitation, and pollution.
- B. <u>Taxes</u>: Concessionaire shall obtain all necessary licenses and permits, pay all taxes lawfully imposed on its business, and pay any other fee or charge assessed under any applicable public statute, regulation, or ordinance.
- C. <u>Disputes</u>: In any dispute between the parties, the laws of the State of Alaska will govern. If any such dispute results in a lawsuit, the parties will bring the lawsuit before the courts of the State of Alaska in the Third Judicial District in Kenai.
- D. <u>Claims</u>: Concessionaire shall promptly notify the City of any claim, demand, or lawsuit arising out of Concessionaire's rights granted or the operations authorized under this Agreement. At the City's request, Concessionaire shall cooperate and assist in the investigation and litigation of any claim, demand, or lawsuit that affects the rights granted Concessionaire under this Agreement.

ARTICLE XIII - INSURANCE

- A. Permittee shall secure and keep in force adequate insurance, as stated below, to protect City and Permittee. Where specific limits are stated, the limits are the minimum acceptable limits. If Permittee's insurance policy contains higher limits, City is entitled to coverage to the extent of the higher limits.
- B. Commercial General Liability insurance, including premises, all operations, property damage, personal injury and death, broad-form contractual, with a per-occurrence limit of not less than \$1,000,000 combined single limit.
- C. Worker's compensation insurance with coverage for all employees engaged in work under this Agreement or at the Premises as required by AS 23.30.045. Permittee is further responsible to provide worker's compensation insurance for any subcontractor who directly or indirectly provides services to Permittee under this Agreement.
- D. Commercial Automobile Coverage with not less than \$1,000,000 combined single limit per occurrence. This insurance must cover all owned, hired, and non-owned motor vehicles the Permittee uses on the Airport. The policy must name the City as an additional insured.
- E. All insurance required must meet the following additional requirements:

- 1. All policies will be by a company/corporation currently rated "A-" or better by A.M. Best.
- 2. Permittee shall submit to the City proof of continuous insurance coverage in the form of insurance policies, certificates, endorsements, or a combination thereof, and signed by a person authorized by the insurer to bind coverage on its behalf.
- 3. Permittee shall request a waiver of subrogation against City from Permittee's insurer and the waiver of subrogation, where possible, shall be provided at no cost to City.
- 4. Provide the City with notification at least thirty (30) days before any termination, cancellation, or material change in insurance coverage of any policy required hereunder.
- 5. Evidence of insurance coverage must be submitted to City by September 6, 2023. The effective date of insurance shall be no later than September 6, 2023.

City may increase the amount or revise the type of required insurance on written demand without requiring amendments to this Agreement. City will base any increase or revision on reasonable and justifiable grounds. Within two weeks of the written demand, Permittee shall submit to City evidence of insurance coverage that meets the requirements of the City.

ARTICLE XIV - CANCELLATION BY CITY

- A. <u>Breach of Agreement</u>: The City may cancel this Agreement and recover possession of the Premises by giving the Concessionaire 30 days' advance written notice if any of the following events occur, unless the breach is cured within the 30 days after notice:
 - 1. The Concessionaire does not pay any rent, fee, penalty, or other charge or does not file a CAR when due.
 - 2. A check for any payment is returned for insufficient funds.
 - 3. The Concessionaire uses the Premises for purposes not authorized under this Agreement.
 - 4. A petition in bankruptcy is filed by or against the Concessionaire or by any partner, member, or shareholder holding a majority interest in Concessionaire.
 - 5. A court enters a judgment of insolvency against the Concessionaire or against any partner, member, or shareholder holding a majority interest in Concessionaire.
 - 6. A trustee or receiver is appointed for the Concessionaire's assets in a proceeding brought by or against the Concessionaire.
 - 7. A lien is filed against the Premises because of any act or omission of the Concessionaire and the lien is not removed, enjoined, or a bond of satisfaction of the lien is not posted within 60 days.
 - 8. The Concessionaire does not operate the business authorized under this Agreement on a continuous basis without the City's advance written approval.

- 9. The cessation or deterioration of any service that, in the City's determination, materially and adversely affects the service the Concessionaire is required to perform under this Agreement.
- 10. The Concessionaire does not perform any provision or covenant under this Agreement.

The City may, but is not required to, advise the Concessionaire in writing of any deficiency in maintenance of the Premises. A cancellation notice issued by the City under this Article is stayed if, within the 30-day notice period, the Concessionaire begins and continues expeditious action to cure the breach in the case of a breach, which is not reasonably curable within 30 days. The determination of "expeditious action" and "not reasonably curable" is in the Airport's sole discretion.

The Concessionaire will not construe any waiver by the City of any default on the part of the Concessionaire in the performance of any provision, covenant, or condition to be performed, kept, or observed by the Concessionaire as a waiver by the City at any time thereafter of any other default or subsequent default in performance of any provision, covenant, or condition of this Agreement. After a City waiver of default in one or more instances, the City is not required to provide notice to the Concessionaire to restore or revive that time is of the essence under this Agreement. The waiver of any right or obligation under this Agreement is not effective nor binding on the Concessionaire unless it is in writing and signed on behalf of the City.

- B. Additional Rights of the City: On termination or cancellation of this Agreement or on re-entry, the City may regain or resume possession of the Premises, may occupy the Premises, and may permit any person, firm, or corporation to enter on and use the Premises. The City may also repair or make any structural or other change in the Premises that are necessary, in the City's sole determination, to maintain the suitability of the Premises for uses similar to those granted under this Agreement without affecting, altering, or diminishing the obligations of the Concessionaire under this Agreement. The City will charge the Concessionaire the cost of these repairs and the Concessionaire will pay these charges within 30 days of the billing date.
- C. Ownership of Equipment and Improvements: If the City cancels or terminates this Agreement due to a Concessionaire default, all of the Concessionaire's title and interest in furnishings, fixtures, equipment, and improvements installed in or adjacent to the terminal under this Agreement vest in the City. The City may use and/or dispose of these items as it sees fit. The Concessionaire will reimburse the City within 30 days of the billing date for any cost the City incurs in removing and disposing of these items.
- D. <u>Survival of Concessionaire's Obligations</u>: If the City cancels or terminates this Agreement, all of the Concessionaire's obligations under this Agreement will survive in full force for the entire period of this Agreement. Subject to the City's obligation to mitigate damages, the fees and charges become due and payable to the City to the same extent, at the same time, and in the same manner as if no termination or cancellation had occurred. The City may maintain separate actions to recover any monies then due, or at its option and at any time, may sue to recover the full deficiency.
- E. <u>Surrender of Possession</u>: The Concessionaire will yield possession of the Premises to the City on the date of the termination, cancellation, or normal expiration of this Agreement promptly, peaceably, quietly, and in as good order and condition as the same now or later improved by the Concessionaire or the City, reasonable use and wear-and-tear accepted.

So long as there is no uncured default of Concessionaire, the City will allow the Concessionaire a maximum of five (5) calendar days after the effective date of the expiration of this Agreement to remove all of its personal property, equipment, furniture, and fixtures from the Premises. The Concessionaire acknowledges that as part of the consideration for this Agreement, all property remaining on the Premises after these five (5) calendar days becomes the sole property of the City. The City may remove, modify, sell, or destroy the property as it sees fit. The Concessionaire will pay the City within 30 days of the billing date for any cost the City incurs in property removal and disposal.

ARTICLE XV - CANCELLATION BY CONCESSIONAIRE

The Concessionaire may cancel this Agreement by giving the City 30 days' advance written notice if any of the following events occur:

- A. the permanent abandonment of the Airport by all passenger airlines or the removal of all passenger airline service from the Airport for a period of at least 90 consecutive days; or,
- B. the lawful assumption by the United States government or its authorized agent, of the operation, control, or use of the Airport, or any substantial part of the Airport, that restricts the Concessionaire from operating its business under this Agreement for a period of at least 90 consecutive days; or,
- C. a court of competent jurisdiction issues an injunction that prevents or restrains the use of the Airport by all airlines provided the injunction remains in force for at least 90 consecutive days.

<u>ARTICLE XVI - SUBSEQUENT CONTRACT</u>

- A. <u>Subsequent Contract Award</u>: Concessionaire acknowledges that on the expiration, cancellation, or termination of this Agreement, the City may award any subsequent concession contract by any legal means then available to the City.
- B. <u>Transition Schedule at Normal Expiration</u>: Concessionaire understands that it is neither practical nor possible for the City to predict the exact transition schedule and procedure to best serve the needs of the traveling public and the City at the normal expiration of this Agreement.

The City will provide the Concessionaire a written notice of the transition plan determined by the City to best serve the needs of the traveling public and the City at least 30 days before turning the business over to a succeeding Concessionaire.

Concessionaire will diligently execute the transition plan determined by the City, abide by its time schedule, and cooperate with the City and the succeeding concessionaire in carrying out the transition plan. In any dispute between Concessionaire and the succeeding concessionaire during the transition period, Concessionaire will abide by the decision of the City.

At the normal expiration of this Agreement, Concessionaire will either remove its furniture, fixtures, equipment, and improvements or sell them to the succeeding Concessionaire. If Concessionaire neither sells nor removes these items within five (5) calendar days after expiration, the City may remove, sell, modify, or destroy these items as it sees fit. The Concessionaire will reimburse the City for any cost the City incurs in removal and disposal within 30 days after the billing date.

ARTICLE XVII - ASSIGNMENT OR SUBCONTRACT

- A. <u>Prohibition</u>: The Concessionaire will not mortgage, hypothecate, nor otherwise encumber or assign the concession and/or lease rights created under this Agreement, in whole or in part, without the advance written consent of the City. Any attempted assignment, mortgage, hypothecation, or encumbrance of the concession rights, or other violation of this article is void and will confer no right, title, or interest neither in nor to this Agreement, on any assignee, mortgagee, encumbrancer, pledgee, lien holder, subtenant, successor, or purchaser.
- B. <u>Approval by City</u>: The Concessionaire will submit three (3) copies of any proposed assignment or subcontract to the City for advance written approval. Each copy must bear the original notarized signature of all parties. All covenants and provisions of this Agreement extend to and bind the legal representatives, successors, and assignees of the parties.
- C. <u>Merger, Consolidation, or Reorganization</u>: The City will not unreasonably withhold its consent to an assignment of this Agreement by the Concessionaire to a corporation, limited liability company, or other legally-formed entity that results from a merger, consolidation, or reorganization of the Concessionaire to a legal entity that purchases all or substantially all of the assets of the Concessionaire or to any entity that controls or is controlled by or is under common control with the Concessionaire. For purposes of this section, "control" of any entity is deemed vested in the person or persons owning more than 50 percent of the voting power for the election of the board of directors or management of the entity.

ARTICLE XVIII - GENERAL COVENANTS

- A. <u>Execution by City</u>: This Agreement is not effective until approved by the Kenai City Council and signed by the City Manager of City of Kenai, or a designated representative.
- B. <u>Approval by City</u>: The City will not unreasonably withhold any approval required under this Agreement.
- C. <u>Notices</u>: Any notice required under this Agreement must be either hand-delivered or sent by registered or certified mail, or delivered by a reliable overnight delivery service to the appropriate party at the address set forth on page one of this Agreement or to any other address that the parties subsequently designate in writing. All notice periods begin on the date the notice is hand-delivered at the address or mailed.

In addition, Concessionaire shall deliver all notices permitted or required to be provided to the City under this Agreement by hand-delivered or sent by registered or certified mail to the Airport Manager, Kenai Municipal Airport, 305 N. Willow, Suite 200, Kenai, AK 99611-7792.

- D. <u>Modification</u>: The Concessionaire acknowledges that the City may modify this Agreement to meet any requirements of federal or State grants obtained by the City in order to operate and/or maintain the Airport, or in order to conform to the requirements of any revenue bond covenant to which the City of Kenai is bound, and the City may do so without formal amendment of this Agreement. However, a modification may neither reduce the rights or privileges granted the Concessionaire under this Agreement nor cause the Concessionaire financial loss.
- E. <u>Validity of Parts</u>: The remaining parts continue in full force if a court of competent jurisdiction declares any part of this Agreement invalid.

- F. <u>Radio Interference</u>: At the City's request, the Concessionaire will discontinue the use of any device that interferes with any government-operated transmitter, receiver, or navigation aid until the cause of the interference is eliminated.
- G. <u>National Emergency</u>: If the federal government declares a national emergency, the Concessionaire will not hold the City liable for the inability to perform any part of this Agreement resulting from the national emergency.
- H. <u>No Waiver</u>: If the City does not insist in any one or more instances on the strict performance by the Concessionaire of any provision or article under this Agreement, it is not a waiver or relinquishment for the future, but the provision or article will continue in full force. A City waiver of any provision or article in this Agreement cannot be enforced nor relied on unless the waiver is in writing and signed on behalf of the City.
- I. <u>Disasters</u>: If, in the determination of the City, fire, flood, earthquake or other casualty damages the Kenai Municipal Airport so extensively as to render the Airport or the Premises untenantable, either party may elect to terminate this Agreement with respect to the damaged facility only on 30 days' written notice to the other party. If this Agreement is terminated because of a disaster, or is reduced due to disaster at one facility, the City will prorate the fees payable under this Agreement up to the time the Airport or the Premises becomes untenantable.
- J. <u>Condemnation</u>: If any proper authority condemns the Airport, this Agreement ends on the date the Concessionaire is required to leave the Premises. The City is entitled to all condemnation proceeds; however, the City will pay the Concessionaire the portion of proceeds attributable to the fair market value of any improvements placed on the Premises by the Concessionaire, offset by any sums due to the City by Concessionaire.
- K. <u>Quiet Enjoyment</u>: The City covenants that it has full, unencumbered title to the Kenai Municipal Airport; that it has the right and lawful authority to execute this Agreement; and that the Concessionaire will have, hold, and enjoy peaceful and uninterrupted use of the Premises.
- L. <u>Entire Agreement</u>: This Agreement, including any amendment, constitutes the entire agreement between the parties. No modification or amendment of this Agreement is effective unless in writing and signed by both parties, except as stipulated in section D of this article XVIII.
- M. <u>Time</u>: Time is of the essence in the performance of all rights and obligations of the parties to this Agreement.

WITNESS WHEREOF, the parties have set their hands and day and year as stated in the acknowledgments below:

	CITY OF KENAI:
	By: Terry Eubank Its: City Manager
	CONCESSIONAIRE:
	By:
	Name:
	lts:
Approved as to form:	
Scott Bloom City Attorney Approved as to form:	
Lana Metcalf Acting Finance Director	

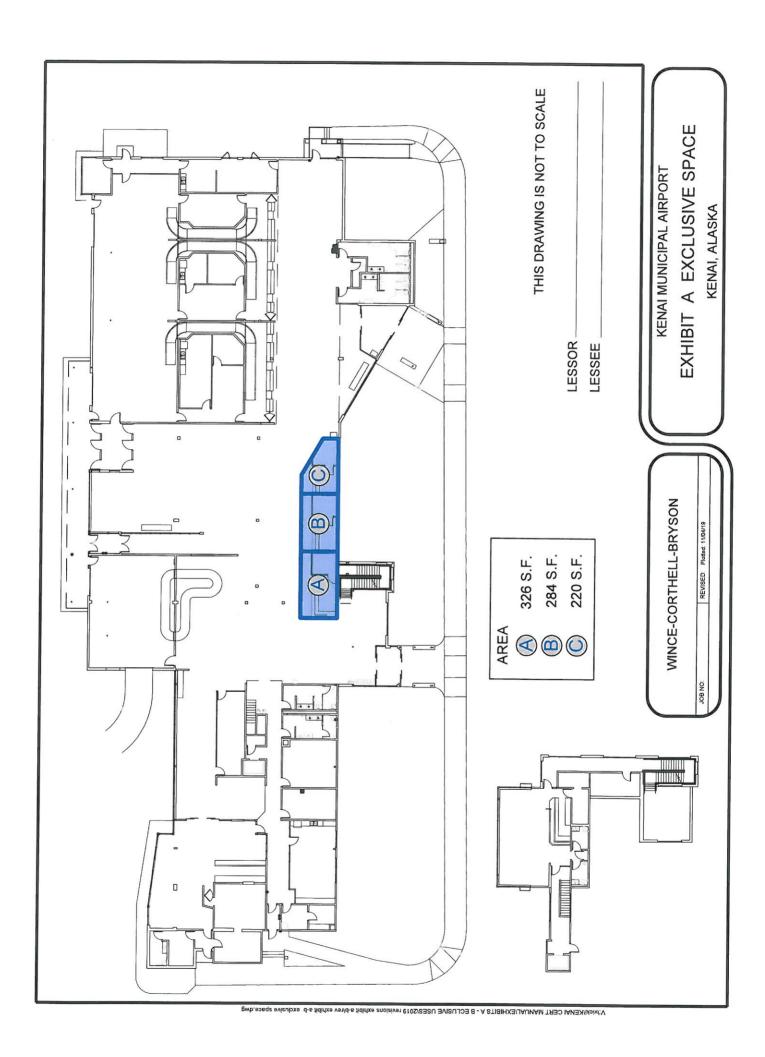
STATE OF ALASKA)						
THIRD JUDICIAL DISTE) ss. RICT)						
The foregoing	instrument	was	acknowledged	before	me	this	day of
, 2023, by Te	rry Eubank, (City M	anager of the Cit	ty of Ker	nai, ar	n Alaska m	nunicipa
corporation, on behalf	of the City.						
			NOTARY	PUBLIC	for S	tate of Ala	ska
			My Comm	niccion F	vnire		
			My Comm	11551011 E	2хріге	55	
STATE OF ALASKA)						
THIRD JUDICIAL DISTE) ss. RICT)						
The foregoing	instrument	was	acknowledged	before	me	this	day of
, 2023, by _				of			
an Alaska corporation,	on behalf of	the c	orporation.				
			NOTARY	PUBLIC	for S	tate of Ala	ska
			My Comn	nission E	Expire	es:	



IN-TERMINAL RENTAL CAR CONCESSION CERTIFIED ACTIVITY REPORT

Business				
For the Month of	, 20	Date prepared		
The Concessionaire will pay the 0	City of Kenai	the greater of the minimum gu	arantee or the percentage fe	e (10%):
Minimum Guarantee* (per month	n):		\$	
Monthly Gross Sales:		\$	10% = \$	
Monthly Cor	cession Due	(Enter the greater of the two a	mounts above): \$	
Additional Parking Spaces (\$20.0	00 per space	per month): No. of Spaces	x \$20.00 = \$	
			Subtotal: \$	
		Sales Tax (6% or \$30 whi	chever is less): \$	
	Total A	Amount Due (Must be paid by the	15 th of the month): \$	
R	emit to:	City of Kenai 210 Fidalgo Ave. Kenai, AK 99611		
Additional Information				
Gross Sales Attributed to a DBE:			\$	
Certification I hereby certify that the above is	a true staten	nent from the records of the bu	siness named above:	
Name		 Signature		Date

^{*} When annual guarantee is reached only the percentage fee applies. Revised 6/28/23





AFFIDAVIT

KENAI MUNICIPAL AIRPORT

NON-EXCLUSIVE ON-AIRPORT AUTOMOBILE RENTAL CONCESSION

ST	ATE O	F ALASKA) 00		
ТН	IRD JU	UDICIAL DISTRICT) ss.)		
l, _			_, being first duly sworn	upon oath, depose a	nd states as follows:
1.	of Ke	enai in conformity wit	[legal nath the Information for Bid ssion at the Kenai Munici	ders for the Non-Exc	g herewith a bid to the City lusive On-Airport
2.	I furt	ther affirm that (chec	k and complete appropri	ate item only):	
	□ <u>I</u>	ndividual Only: I am a	an individual doing busine	ess under the name (of
			, in the City of		, State of Alaska.
				•	tive of a partnership doing
		business under the	name of	, in the	City of
			, State of		·
		Corporation Only: I	am a duly-authorized, qu	ualified and acting	
		of	, a corporati	on, organized and ex	isting under the laws of the
		State of	and a	uthorized to do busir	ness in the State of Alaska.
		Limited Liability Co.	mpany Only: I am a duly	-authorized, qualifiec	d and acting
			of	, a	limited liability company,
		organized and exist	ing under the laws of the	State of	
			, and authorized t	o do business in the	State of Alaska.

Name	Address	
for the general partners of	ving is a complete and accurate list of the names an said partnership:	d addres
	-	d addres
for the general partners of	said partnership:	d addres
for the general partners of	said partnership:	d addres
for the general partners of	said partnership:	d addres
for the general partners of	said partnership:	d addres
for the general partners of	said partnership:	d addres
for the general partners of	said partnership:	d addres
for the general partners of	said partnership:	d addres
for the general partners of	said partnership:	d addres
for the general partners of	said partnership:	d addres
for the general partners of Name Corporation Only: The follo	said partnership:	d addres

Vice President			
Secretary			
Treasurer			
Directors			
	accurate list of the names and addresses of	her states that the following is a complete a of the members and/or managers of said cor ed as officers of the Company (add additiona	mpany
	Name	Address	
Manager			
Member			
Member			
Member			
President			
Vice President			
Secretary			
Treasurer			

ctors				
4. The	following persons are authorized	to execute contracts	on behalf of the Bidder:	
und pro con pro	ant further states that the bid filed lisclosed person, partnership, con poser has not in any manner, dire ference with anyone other than re poser or of any other proposer; th poser has not, directly or indirectl	npany, association, orgectly or indirectly, soug ectly or indirectly, soug epresentatives of its light and all statements cont	panization or corporation; the synthesis of the synthesis of the bid price of ained in such bid are true;	nat said ication oi f said that said
divu	ulged information or data relative ociation, organization, or to any m	thereto, to any corpor	ation, partnership, compan	у,
Printed	Name:	Title:		
Signatu	re:			
SUBSC	RIBED AND SWORN to me this	day of	2023.	
		_		
Notary	Public for the State of Alaska			

BID FORM

KENAI MUNICIPAL AIRPORT

NON-EXCLUSIVE ON-AIRPORT AUTOMOBILE RENTAL CONCESSION

Т0:	CITY OF KENAI KENAI MUNICIPAI 305 NORTH WILLO KENAI, AK 99611				
FROM:				-	
				-	
Bidder'	s Name (legal name	e and any d/b/a	ı):		
Bidder'	s Contact Person:				
	Address:				
	City:				
	State:				
	Phone:				
	Fmail:				

Bidder's Declaration & Understanding

The undersigned, hereinafter called Bidder, declares that Bidder has carefully examined the Invitation to Bid, Information to Bidders including **Exhibits A - D** thereto, the Bid Schedule, and Bid Form (collectively called the Bid Documents) for the provision of Non-Exclusive On-Airport Automobile Rental Concession services at the Kenai Municipal Airport. Bidder is satisfied as that it is aware of the work and obligations involved if it is a successful bidder. This Bid is made according to the provisions of and under the terms of the Bid Documents, which Bid Documents are hereby made part of this Bid.

It is understood, agreed, and acknowledged that the City reserves the right to reject any and all bids and to waive any informalities, technicalities and irregularities in the bids received, and to readvertise for bids.

Bidder understands that a contract shall not be formed and no rights shall exist under the contract until the final contract is fully executed by all parties. If awarded a contract (concession agreement), Bidder agrees to execute and perform the contract in accordance with the requests for bids and the terms of the contract.

The Bidder further declares that the only person or parties interested in the Bid are those named herein; that this Bid is, in all respects, fair and without fraud; that it is made without collusion with any official of the City of Kenai; and that the Bid is made without any connection or collusion with any person submitting another Bid on these concession agreements.

Execution of Bid

Bidder shall execute and submit all pages of this Bid Form.

Bid

I have received the documents titled: Non-Exclusive On-Airport Automobile Rental Concession at the Kenai Municipal Airport.

I have examined both the Bid Documents and the site, and submit the following Bid:

- 1. Bidder agrees to hold its bid open thirty (30) consecutive calendar days.
- 2. To accept the provisions of the Information to Bidders.
- 3. To enter into and execute a contract, if awarded, on the basis of this Bid.
- 4. To furnish all services and work in accordance with the Bid Documents, including the Concession Agreement.

For the right and privilege of operating an on-airport automobile rental concession at the Kenai Municipal Airport, Bidder agrees to pay to the City of Kenai *the greater of* either ten percent (10%) of its monthly Gross Receipts (as defined in the Concession Agreement) or the following minimum annual guarantee (the Bid Amount) for each twelve-month period of the five (5) year term of the concession, and as further provided in the Concession Agreement. Bidder further agrees that the minimum annual guarantee for each twelve-month period of the concession shall be not less than the amounts shown as follows:

Bid Amount	Minimur	m Bid Acceptable
Year One	\$ \$	42,000.00
Year Two	\$ \$	42,000.00
Year Three	\$ \$	42,000.00
Year Four	\$ \$	42,000.00
Year Five	\$ \$	42,000.00
Total bid (x 5 years)	\$ \$	210,000.00

In addition to the Bid Amount, Bidder also agrees to pay the Base Rent, plus all applicable sales taxes, all as further set forth in the Concession Agreement (Exhibit A to Information to Bidders).

Addenda Acknowledgement Form

Bidder hereby certifies that it has received the Bid Documents for the Non-Exclusive On-Airport Automobile Rental Concession at the Kenai Municipal Airport and Addenda No(s). _____ and have included their provisions in my bid.

Completed Documents to Submit with This Bid

- 1. Exhibit B Affidavit
- 2. Exhibit C Bid Form
- 3. Exhibit D Bidder Information Form
- 4. Bid Guarantee (\$2,000.00 Cashier's or Certified Check)
- 5. Copy of Alaska Business License
- 6. Evidence of Compliance with State Biennial Taxes Due (Corporate–Style Entities)

Documents City Must Receive Within 15 Days after Notice of Award

Bidder agrees that if the City accepts this Bid, Bidder will deliver to the City of Kenai within 15 calendar days of a notice of award the following:

- 1. Signed Concession Agreement
- 2. Proofs of Insurance (Article XIII of Concession Agreement) (State waivers for workers' compensation insurance may be accepted)
- 3. Completed Kenai Peninsula Borough Tax Compliance Certificate (Approved by the Borough's Finance Department)

Bid Guarantee

Accompanying this bid is a cashier's or certified check in the amount of Two-Thousand Dollars (\$2,000.00) and made payable to the City of Kenai. Bidder agrees that the amount of the check is the measure of damages that the City of Kenai will sustain by failure of the Bidder to deliver said a signed contract and proofs of insurance and other documents required therein within 15 days after written notice of award of a contract to Bidder, and that the check shall become the property of the City should Bidder so fail. Bidder agrees to hold its bid open for 30 days and further agrees and understands that the City will hold this guarantee, without interest, pending the execution of a Concession Agreement between the City and all successful Bidders or for a minimum of 30 calendar days.

By executing this Bid, I certify that I have the aut	thority to bind Bidder.
Bidder's Name	
Printed Name	Title
Signature	Date

BIDDER INFORMATION FORM KENAI MUNICIPAL AIRPORT

NON-EXCLUSIVE ON-AIRPORT AUTOMOBILE RENTAL CONCESSION

The City reserves the right to reject any bid if the information submitted by Bidder fails to satisfy the City that Bidder is qualified and able to perform the obligations of the proposed Concession Agreement.

The successful bidder must submit the information requested in this information form with its bid. Bidder may attach additional pages, as necessary, and should label any additional pages with the Bidder's name and identify the number of the information requested. Statements must be complete, accurate, and presented in the form requested. The City may reject a bid for omissions, inaccuracies, or misstatements in this questionnaire or any attachment or any additional information furnished.

1.	Name of bidder as it should appear in the Concession Agreement:
2.	Bidder's mailing address:
3.	Bidder's physical address:
4.	Bidder's Telephone number: Fax number:
5.	Bidder's Email Address:
6.	Contact Person for Bidder (Contract Purposes): Name:
	Title:
	Address:
	Telephone Number:
	Email:

7.	Name of Bidder's local contact:			
	Name:			
	Title:			
	Address:			
	Telephone Number:			
	Email:	_		
8.	Copy of current State of Alaska business license.			
9.	Copy of evidence of compliance of payment of all biennial taxes due to the State of Alaska (Corporate-Style Entities)	3		
10.	Name, location, and date of any contract between the Bidder (or its officers or directors and any other airport or other public agency that was terminated, assigned, or transferred within the past five years, either voluntarily or involuntarily, prior to the expiration of that agreement(s). Explain the circumstances.	r		
	If none, mark this box \square .			

The undersigned has read this Information Form; affirms that the undersigned is authorized to sign this Information Form; and, confirms the truth and accuracy of all statements, answers, and representations made in this Information Form, including all attached supplementary statements.

NOTE: If the Bidder is a partnership or joint venture, all general partners or members of the joint venture must sign this Information Form. If Bidder is a corporation or limited liability company, the signature of one authorized representative is sufficient unless the entity requires two or more signatures.

Name of Bidder	-	Name of Bidder				
Signature	-	Signature				
Printed Name		Printed Name				
Title	-	Title				
Subscribed and sworn to or affirmed before me at,						
on	, 2023.					
Notary Public in and For:						
My commission expires:						
(Add additi	onal notary pac	les as necessary)				