

RESOLUTION NO. 27817

WHEREAS, on recommendation of Management, there was presented for approval, Amendments to certain ten (10) Concession Agreements with rental car companies to extend the term by twelve (12) months, with a six (6)-month extension option, covering rental car services at Los Angeles International Airport; and

WHEREAS, there are two (2) types of rental car agreements at Los Angeles International Airport (LAX) — (a) Non-Exclusive Concession Agreements, which authorize on-airport rental car companies (RACs), i.e., Avis, Budget, Hertz, Dollar, Thrifty, Enterprise, Alamo, National, Fox, and Sixt, to transport their customers between their locations and the Central Terminal Area (CTA) with their company shuttles; and (b) Non-Exclusive License Agreements, which authorize off-airport RACs to operate at LAX, but require the companies to pick up their customers from the Remote Rental Car Depot, which is located on Century Boulevard and is approximately 0.9 miles east of the CTA; and

WHEREAS, there are currently ten (10) active on-airport RAC Non-Exclusive Concession Agreements. The agreements were extended in 2019 to terminate on the earlier of (a) the Consolidated Rent-A-Car Facility (ConRAC) Date of Beneficial Occupancy (DBO) or (b) January 30, 2024. At the time the agreements were extended, it was believed that the ConRAC would be open before January 30, 2024; and

WHEREAS, the opening of the ConRAC has been delayed beyond January 30, 2024. Therefore, the existing Non-Exclusive Concession Agreements will expire prior to the opening of the ConRAC. To allow on-airport RACs to continue their current operations until they relocate to the new ConRAC, staff proposed amending the Non-Exclusive Concession Agreements to terminate on the earlier of (a) the ConRAC DBO or (b) January 30, 2025, with a six (6)-month extension option; and

WHEREAS, upon opening of the ConRAC, the existing on-airport Non-Exclusive Concession Agreements will terminate, and the new Concession and Lease Agreements, which were executed in 2018, will commence. The new Concession and Lease Agreements govern all lease and concession terms for operations in the new ConRAC; and

WHEREAS, issuance of permits, leases, agreements, gate and space assignments, and renewals, amendments or extensions thereof, or other entitlements granting use of existing airport facilities or its operations is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article III, Class 1 (18)(c) of the Los Angeles City CEQA Guidelines; and

WHEREAS, the Concessionaires are required by contract to comply with the provisions of the Living Wage Service Contractor Worker Retention Ordinances; and

WHEREAS, Procurement Services Division has reviewed this action (File 6985) and established a 3.4% Airport Concessions Disadvantaged Business Enterprise goal for the agreements; and

WHEREAS, the Concessionaires are required by contract to comply with the provisions of the Affirmative Action Program; and

WHEREAS, each Concessionaire has been assigned a Business Tax Registration Certificate number; and



WHEREAS, the Concessionaires are required by contract to comply with the provisions of the Child Support Obligations Ordinance; and

WHEREAS, the Concessionaires must have approved insurance documents, in the terms and amounts required, on file with LAWA prior to execution of the Amendments; and

WHEREAS, the Concessionaires have submitted the Contractor Responsibility Program Pledge of Compliance, and will comply with the provisions of said program; and

WHEREAS, the Concessionaires have been determined by Public Works, Office of Contract Compliance, to be in compliance with the provisions of the Equal Benefits Ordinance; and

WHEREAS, the Concessionaires will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX jobs; and

WHEREAS, the Concessionaires will comply with the provisions of the Bidder Contributions CEC Form 55 and the MLO Bidder Contributions CEC Form 50; and

WHEREAS, actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 606;

NOW, THEREFORE, BE IT RESOLVED that the Board of Airport Commissioners adopted the Staff Report; determined that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1 (18)(c) of the Los Angeles City CEQA Guidelines; approved the Eighth Amendment to Concession Agreements LAA-8136 with Hertz Corporation, LAA-8137 with Avis Rent A Car System LLC, LAA-8138 with Budget Rent A Car System Inc., LAA-8139 with Alamo Rental (US) LLC, LAA-8140 with National Rental (US) LLC, LAA-8141 with DTG Operations Inc. dba Dollar Rent A Car, LAA-8142 with Enterprise Rent-A-Car Company of Los Angeles LLC, LAA-8143 with Fox Rent A Car Inc., and LAA-8144 with DTG Operations Inc. dba Thrifty Car Rental; further approved the Fifth Amendment to Concession Agreement LAA-8870 with Sixt Rent A Car LLC; and authorized the Interim Chief Executive Officer, or designee, to execute the Amendment to said ten (10) Concession Agreements after approval by the Los Angeles City Council and approval as to form by the City Attorney.

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I hereby certify that this Resolution No. 27817 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Thursday, October 19, 2023.



Grace Miguel – Secretary
BOARD OF AIRPORT COMMISSIONERS