

AMENDMENT NO. II

This Amendment No. II is entered into by and between the City of Flagstaff, a political subdivision of the State of Arizona ("City") and Enterprise Leasing Company of Phoenix, LLC d/b/a Alamo Rent A Car and National Car Rental, a Delaware limited liability company ("Lessee"), and amends the Rental Car Concession/Lease Agreement dated February 1, 2011, as previously amended by Amendment No. I dated April 18, 2014 (hereafter referred to as the "Lease").

For valid consideration, the receipt of which is hereby acknowledged, the parties hereby amend the Lease as follows:

1. Where indicated in the Lease, replace 'Gross Receipts' with 'Gross Revenue'.
2. Article I, Section K(2) is hereby amended with new text all capitalized and deleted text stricken through:

Notwithstanding or foregoing, Gross Receipts shall not include: federal, state or local transaction privilege, sales or similar taxes that are separately stated and collected from Lessee's customers; revenue realized by the Lessee as reimbursement for fueling motor vehicles in advance (commonly known as the "fuel purchase option") or refueling motor vehicles upon return by the customer; amounts received as insurance proceeds or otherwise for damage, loss, conversion, or abandonment of or to Lessee's automobiles or other property, or received from its customers for damages to the rental vehicles; proceeds received by the Lessee from the DISPOSAL OR sale of CAPITAL ASSETS AND EQUIPMENT, INCLUDING its vehicles; ~~and~~ credits given by Lessee to its customers for such things as deposits and out-of-pocket purchases for gas, oil, or emergency service; and ANY AMOUNTS LESSEE RECEIVES FOR PAYMENT AND ADMINISTRATION OF RED LIGHT TICKETS, PARKING TICKETS, OTHER GOVERNMENTAL FINES AND FEES, TOLLS, TOWING AND RECOVERING IMPOUNDED VEHICLES.

3. Article II, Section A(1) is hereby amended with new text all capitalized and deleted text stricken through:

The City, for and in consideration of the rentals and fees herein reserved, and of the covenants, conditions and agreements to be done and performed by the Lessee, does lease and demise to Lessee and Lessee does take to and from the City, the Premises upon the terms, covenants and conditions set forth in this Lease. Lessee warrants that it has physically inspected the Premises and accepts the Premises in their present condition, "as is." Lessee shall occupy and operate the Premises solely as set forth in this Lease, and for no other purpose other than such business purposes as may be necessary and incidental thereto, specifically: Lessee shall, on a nonexclusive basis, offer to the general public passenger vehicle rental services. ~~The term "on a nonexclusive basis" in this context means that during the term of this Lease there will be a maximum of three (3) other rental car concessions at the Airport, unless the number of deplaning passengers exceeds 100,000 for a period of one calendar year at any time during the term of this Lease, in which event, the City reserves the right to advertise and request bids for one or more additional rental car concessions.~~ Lessee may use the Premises as follows: the Office Space for all reservation, customer service, handling, billing and related activities as may be necessary or incident to Lessee's services as the Premises; the Vehicle Spaces for such purposes as set forth in the definition in Article I, Section T; and either or both for such other purposes as the Airport Director shall expressly, in writing, approve.

4. Article II, Section C(7) is hereby amended to create a subsection "A." for the existing text, and to add a subsection "B." as follows:

A. Except as may be provided otherwise in this Lease, Lessee shall not erect, install, operate or cause or permit to be erected, installed or operated, any signs or similar advertising devices in or upon the Premises without having first obtained the written consent of the Airport Director, which will not be unreasonably withheld, so long as the signs or similar advertising devices do not conflict with the rights of other concessionaires or lessees at the Airport and conform to the requirements of the City's Sign Code, which provides conditions concerning factors including, but not limited to, size, type, content and method of installation of signs.

B. DUAL BRANDING WILL BE PERMITTED UP TO TWO (2) BRANDS PER PREMISES. DURING THE TERM OF THIS LEASE, LESSEE SHALL OPERATE AND MAINTAIN ALL SIGNAGE ONLY UNDER THE TRADE OR BRAND NAMES DESIGNATED BY LESSEE IN THE LEASE. IF THE LESSEE'S BRANDING OR NAME CHANGES DUE TO NEW OWNERSHIP DURING THE TENURE OF THIS LEASE, THE LESSEE SHALL PROVIDE THE CITY THIRTY (30) DAYS PRIOR NOTIFICATION OF THE CHANGE.

5. Article III, Section B is deleted in its entirety and replaced with the following:

THE LEASE SHALL BE RENEWED FOR AN ADDITIONAL TERM, EFFECTIVE FOR FIVE (5) YEARS FROM THE ____ DAY OF _____, 2017 TO THE ____ DAY OF _____, 2022.

6. Article V, Section G(5) is hereby amended to create subsections for the existing text, with new text all capitalized and deleted text stricken through:

A. VERIFICATION OF COVERAGE

i. LESSEE ~~Vendor~~ shall furnish the City with the Certificates of Insurance (ACORD form) WITH PROPER ENDORSEMENTS THAT HAVE BEEN APPROVED BY THE CITY OF FLAGSTAFF as required by this Agreement. ~~The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly denoted on the Certificate of Insurance.~~

ii. All Certificates of Insurance shall be received and approved by the City before work commences. ~~Failure to maintain the insurance policies as required by this Agreement or to provide timely evidence of renewal shall be a material breach of this Agreement.~~

iii. All Certificates of Insurance shall name the City of Flagstaff as an additional insured. All Certificates of Insurance required by this LEASE Agreement shall be sent directly to: DAMIAN GALLEGOS, Sr. Procurement Specialist, Purchasing Division, City of Flagstaff, 211 West Aspen Avenue, Flagstaff, AZ 86001. A description of the LEASE Contract is to be noted on the Certificate of Insurance. ~~The City reserves the right to require complete, certified copies of all insurance policies and endorsements required by this Agreement at any time.~~

7. Article VIII, Section E is hereby amended to replace Lessee's notice address as follows:

if to Lessee:
Enterprise Leasing Company of Phoenix, LLC
d/b/a Alamo Rent A Car and
National Car Rental
TODD RYAN, Vice President/GENERAL MANAGER
1444 W. Auto Drive
Tempe, AZ 85284
Fax: (480) 750-5024

8. All other terms and conditions of the Lease shall remain in full force and effect.
LESSEE:

By: _____

Title: _____
Its authorized representative

Date: _____

CITY OF FLAGSTAFF

By: _____

Title: _____

Date: _____

Attest:

By: _____
City Clerk

Approved as to form:

By: _____
City Attorney's Office