

ORDINANCE NO. 830

AN ORDINANCE IMPOSING A CUSTOMER FACILITY CHARGE ON EACH PERSON WHO RENTS AN AUTOMOBILE FROM A CUSTOMER FACILITY LOCATED ON THE AIRPORT, OBLIGATING EACH RENTAL CAR COMPANY THAT OPERATES A CUSTOMER FACILITY ON THE AIRPORT TO COLLECT A CUSTOMER FACILITY CHARGE FROM EACH PERSON WHO RENTS AN AUTOMOBILE FROM SUCH CUSTOMER FACILITY AND TO REMIT SUCH CUSTOMER FACILITY CHARGE TO THE MONTEREY PENINSULA AIRPORT DISTRICT, IMPOSING CERTAIN REPORTING AND OTHER OBLIGATIONS ON SUCH RENTAL CAR COMPANIES, AND PROVIDING AN EFFECTIVE DATE

THE BOARD OF DIRECTORS OF MONTEREY PENINSULA AIRPORT DISTRICT DO ORDAIN AS FOLLOWS:

ARTICLE I - DEFINITIONS

Unless otherwise specifically defined herein, or unless a different meaning is apparent from the context, the following terms used in this Ordinance shall have the definitions specified in this Article I, whether or not such terms are capitalized. Except where otherwise indicated, words in the singular include the plural as well as the singular and vice versa.

"Act" shall mean Section 1936 of the California Civil Code, as amended.

"Airport" shall mean Monterey Peninsula Airport.

"Automobile" shall mean any passenger motor vehicle, including but not limited to cars, motorcycles, pickup trucks, vans, sports utility vehicles and station wagons.

"Contract" shall mean the written agreement under which an Automobile is rented to a Person by a Rental Car Company for a period of less than thirty (30) days.

"Customer Facility" shall mean any consolidated quick-turn-around facility located on the Airport and operated or used by one

or more Rental Car Companies for the fueling, washing, processing and/or servicing of rented Automobiles.

"Customer Facility Charge" shall mean the charge required to be imposed pursuant to Article II of this Ordinance.

"District" shall mean the Monterey Peninsula Airport District.

"Manager" shall mean the General Manager of the District or his or her designee.

"Person" shall mean any individual, firm, partnership, corporation, company, association, joint stock association, body politic or other entity, and includes any trustee, receiver, committee, assignee or other representative or employee thereof.

"Rental Car Company" shall mean a Person that operates or uses a Customer Facility on the Airport and is a party to an agreement with the District authorizing it to conduct an automobile rental business at the Airport.

ARTICLE II - CUSTOMER FACILITY CHARGE

(a) Each Person who rents an Automobile at the Airport or to whom an Automobile is delivered at the Airport shall pay a Customer Facility Charge of \$10.00 for each Contract.

(b) Each Rental Car Company shall collect the Customer Facility Charge on each Contract for an Automobile rented at the Airport or rented elsewhere and delivered at the Airport; shall separately identify the amount of such Customer Facility Charge in such Contract and shall describe such fee as a "Customer Facility Charge" or a "Facility Fee"; shall collect such Customer Facility Charge at the time the first payment is made under the Contract, and shall remit the full amount of such Customer Facility Charge to the District pursuant to Article III(b) below, regardless of whether or not the full amount of such Customer Facility Charge is actually collected by the Rental Car Company from the Person who rented the Automobile under such Contract. Each Rental Car Company shall handle all Customer Facility Charges in conformity with the

requirements of the Act.

ARTICLE III - REPORTING AND REMITTANCE

(a) Each Rental Company liable for the collection and payment of a Customer Facility Charge pursuant to this Ordinance shall, on or before the last day of a calendar month, prepare and submit a monthly fee report to the District on a form approved in writing by the Manager, specifying the total number of Contracts entered into at the Airport or for which an Automobile was delivered at the Airport and the total amount of Customer Facility Charges collected in the prior calendar month.

(b) The total amount of Customer Facility Charges owed by the Rental Car Company for the prior calendar month shall be remitted to the District with such monthly fee report.

ARTICLE IV - RECORD KEEPING REQUIREMENTS AND AUDIT RIGHTS

Each Rental Car Company liable for the collection and payment of a Customer Facility Charge pursuant to this Ordinance shall be obligated to keep and preserve all books and records as would normally be examined by an independent certified public accountant pursuant to generally accepted auditing standards in performing an audit or examination of the Customer Facility Charges owed by such Rental Car Company to the District under this Ordinance, and any other financial or statistical reports or records as the District may reasonably request. The Rental Car Company shall retain such books and records and other financial reports for a period of no less than four (4) years following the end of the calendar year to which such books and records and financial reports relate; provided, however, that if prior to the end of such four (4) year period, any audit, review or investigation is commenced by the District, or any claim is made or litigation is commenced against the Rental Car Company arising under this Ordinance such books and records and financial reports shall continue to be maintained by

the Rental Car Company, and the District shall continue to have the right to inspect such books and records and financial reports, as provided herein, until the audit, claim or litigation is final.

The books and records and financial reports that the Rental Car Company is obligated to maintain under this Article IV shall be made available by the Rental Car Company at the Airport, on ten (10) days prior written notice, for inspection and copying by the District or its duly authorized representative. The District shall have the right to audit or cause an audit to be made of such books and records and financial reports to determine the correctness of the Customer Facility Charges paid by the Rental Car Company to the District for any calendar year that ended no more than four (4) years prior to the commencement of such audit. If as a result of such audit it is established that additional amounts are owed the District, the Rental Car Company shall, upon written demand from the District, promptly pay to the District such additional amount, together with the delinquency charge provided for in Article V below. Further, if such audit establishes that the Rental Car Company has underpaid its Customer Facility Charges for any calendar year by three percent (3%) or more, then the entire expense of such audit shall be paid by the Rental Car Company.

ARTICLE V - DELINQUENCY CHARGE

Any payment required to be made to the District under this Ordinance that remains due and unpaid for a period of ten (10) days after it becomes due and payable shall be subject to a delinquency charge, for violation of this Ordinance of \$50.00 plus the sum equal to .05% per day of such delinquent payment, but not to exceed the maximum interest rate permitted by applicable law, for each day from the date such payment became due until payment has been received by the District, to cover the administrative expenses incurred by the District for such delinquency.

ARTICLE VI - VIOLATIONS OF ORDINANCE

Any Rental Car Company that violates any provision of this Ordinance shall be subject to, in addition to all other remedies available to the District, any default provisions contained in its agreement or permit with the District covering the conduct of rental car business at the Airport.

ARTICLE VII - EFFECTIVE DATE; NOTICE

This Ordinance shall become effective on the first day of the first calendar month after the District's written notice to the Rental Car Companies that the District has incurred debt to finance the Customer Facility. This ordinance shall be suspended during such periods as are set forth in a written notice from the District to the Rental Car Companies advising that the District has no debt outstanding that was incurred to finance the Customer Facility.

ARTICLE VIII - SEVERABILITY

If any part of this Ordinance contained in Articles I through VII above, including any modifications thereof or additions or amendments thereto, shall be found to be invalid for any reason, the remainder of this Ordinance shall not be invalidated thereby but, in accordance with the intention of the District hereby expressed, shall remain in full force and effect, all parts of this Ordinance being hereby declared to be separate and independent of all others.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 12th day of November, 2003, by the following roll call vote:

AYES:	DIRECTORS:	Foy, Irwin, Phoebus, Searle, Chair Faul
NOES:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

Signed this 12th day of November, 2003

J. Patricia Faul

J. Patricia Faul, Chair

A T T E S T

Barbara Sadler

Barbara Sadler

District Secretary