

1 To conform to the County Executive's 2017 recommended budget, an amendment to
2 the Finance and Audit Committee for Org. Unit 5040-Airport, GMIA, Timmerman:

3
4 File No.
5 (Journal,)
6

7 **AN ORDINANCE**

8
9 To amend Section 4.32 of the General Ordinances of Milwaukee County relating
10 to rental car customer facility charge,

11
12 The County Board of Supervisors of the County of Milwaukee does ordain as
13 follows:

14
15 **SECTION 1.** Sections 4.32 of the General Ordinances of Milwaukee County, is
16 hereby amended as follows:

17
18 4.32 - Rental car center customer facility charge.

19 (1) Definitions.

20 (a) *Airport.* General Mitchell International Airport, a public airport operated by
21 Milwaukee County and located in Milwaukee County, Wisconsin.

22 (b) *Rental auto company (RAC).* Any RAC that has entered into a lease or
23 concession agreement with the county for on-airport operations for the
24 purpose of renting vehicles to customers who originate from airport
25 property. This section applies to all of the RAC's customers regardless of
26 whether the company shuttles some customers to an off airport location.
27 This definition applies to any RAC that has a lease or concession
28 agreement on the date this section takes effect, and any new entrants from
29 the date they begin on-airport operations. This ordinance does not apply to
30 a rental auto company that does not have a lease or concession agreement
31 with the County and shuttles all its customers to off-airport locations.

32 (c) *Rental auto company customer.* Any person that rents a motor vehicle from
33 a RAC regardless of whether the customer receives the vehicle on airport
34 premises or is shuttled to an off-airport location. Customer includes any
35 person receiving complimentary or discounted rentals.

36 (d) *Facilities costs.* Costs associated with the construction and maintenance of
37 the ~~temporary relocation of the~~ rental auto operations facilities, as well as
38 any new facilities dedicated to rental autos located in the airport parking
39 structure.

40 (e) *Customer facility charge (CFC).* A per day ~~contract~~ charge applicable to all
41 RAC customers.

- 42 (2) The purpose of this section is to impose a uniform per day ~~contract~~ charge for on-
43 airport rental auto customers to pay for the costs of the construction and
44 maintenance of airport rental car facilities. The customer facility charge enables
45 the county and the rental auto companies to construct and maintain on-airport
46 facilities for efficient operation of the airport and the convenience of the traveling
47 public as part of the efficient operation of the airport and the public parking
48 structure.
- 49 (3) Customer facility charge.
- 50 (a) *Collection of customer facility charge.* Each RAC shall charge and collect
51 the same customer facility charge from all customers for each contract
52 entered into by the RAC.
- 53 (b) *Designation on rental agreement.* The RAC shall separately designate the
54 customer facility charge on each rental agreement subject to this section.
55 The charge shall be labeled a "facility fee." No other designation with
56 respect to the customer facility charge shall be permitted on the rental
57 agreement without the prior written approval of the airport director.
- 58 (c) *Amount of customer facility charge and term of CFC.* The customer facility
59 charge shall be fifty cents (\$0.50) per day beginning on January 1, 2017.
60 ~~one dollar (\$1.00) per contract beginning on the opening date of the rental~~
61 ~~car facility and continuing until the total construction and financing costs of~~
62 ~~the rental car facility have been recovered.~~
- 63 (4) Payments and reports.
- 64 (a) *Customer facility charges held in trust.* Each RAC shall hold the customer
65 facility charges collected in trust for the benefit of the county. The customer
66 facility charges are the county's property and the RACs acknowledge that
67 they shall have only a possessory interest (not an equitable interest) in
68 such customer facility charges.
- 69 (b) *Payments.* Each RAC shall remit to the county by the 15th day of each
70 succeeding month any and all customer facility charges it has collected.
- 71 (c) *Reporting requirements.*
- 72 1. Monthly reports. Simultaneous with each payment, the RAC shall
73 submit to the county a report identifying the number of contracts and the
74 customer facility charges separate from any other payments owed to
75 the county. The report shall be in a form acceptable to the county.
- 76 2. Annual report. Each RAC shall provide an annual report to the county
77 by February 10 of each year, for the year of account preceding,
78 indicating the amount of customer facility charges collected by the RAC
79 for the year ending December 31, the number of contracts entered into
80 with customers, and any other information required by the county with

81 respect to customer facility charges. The report shall be in a form
82 acceptable to the county.

83 (d) *Rent and concession fees.* The customer facility charges collected and
84 remitted to the county shall be in addition to any rent and concession fees
85 due to the county under agreements between the RACs and the county.
86 The customer facility charges shall not be included as part of each RAC's
87 gross receipts.

88 (e) *Audits.* In addition to any audit provisions contained in its lease or
89 concession agreement with the county, the county has the authority to audit
90 the RAC's books and records with respect to customer facility charges at
91 any time upon written notice.

92 (f) ~~*Late payment penalty.* For any amounts due under this section, a RAC shall~~
93 ~~pay a penalty for late or delinquent payments of twelve (12) percent per~~
94 ~~annum on any past due balance calculated from the date the amount is due~~
95 ~~to the county until the close of the business day upon which the delinquent~~
96 ~~payment is received by the county.~~

97 (g) ~~*Security deposit.* If a RAC defaults on any payments or reports due under~~
98 ~~this section and does not cure the default within ten (10) days of receiving~~
99 ~~written notice of the default from the county, the county has the right, by~~
100 ~~written notice to the RAC given at any time within ninety days of such event~~
101 ~~of default, to impose or reimpose the requirements of this section; however,~~
102 ~~the county may immediately impose this security deposit requirement~~
103 ~~without such 10-day notice if the RAC is in default for the second time within~~
104 ~~any one calendar year. In such event, the RAC shall within fifteen (15) days~~
105 ~~from date of the notice provide the county with a security deposit equal to~~
106 ~~the RAC's past three months of customer facility charges in a form~~
107 ~~acceptable to the county. The RAC shall maintain the security deposit in~~
108 ~~effect for twelve (12) consecutive months during which the RAC commits no~~
109 ~~event of default under this section or in any other payments due to the~~
110 ~~county. The county has the right to reimpose this requirement each time the~~
111 ~~RAC commits such an event of default. The county's rights under this~~
112 ~~section shall be in addition to any other rights provided by agreement or by~~
113 ~~law.~~

114 (f) *Security.* To provide security for the CFC required hereunder, the RAC shall
115 comply with either of the following options prior to commencing operations under
116 this ordinance.

117 (i) Post with the airport a surety bond to be maintained throughout the term
118 and time of operation by the RAC in an amount equal to the CFC required
119 hereunder for a period of three (3) months or one thousand five hundred dollars
120 (\$1,500.00), whichever is greater. In the absence of historical data upon which to
121 base the amount of security to be paid, the RAC shall post a bond in the amount
122 of one thousand five hundred dollars (\$1,500.00) as the security required herein.

123 Such bonds shall be issued by a surety company acceptable to the airport and
124 authorized to do business in the state and shall be in the form and content
125 satisfactory to the airport.

126 (ii) Deliver to the airport an irrevocable letter of credit drawn in favor of the
127 airport upon a bank which is satisfactory to the airport and which is authorized to
128 do business in the State of Wisconsin. Said irrevocable letter of credit shall be in
129 an amount equal to the CFC required hereunder for a period of three (3) months
130 or one thousand five hundred dollars (\$1,500.00), whichever is greater. In the
131 absence of historical data upon which to base said letter of credit, the RAC shall
132 furnish an irrevocable letter of credit in the amount of one thousand five hundred
133 dollars (\$1,500.00) as the security required herein.

134 (iii) In the event the RAC is unable to secure a surety bond or irrevocable
135 letter of credit as required hereunder, the airport may, at its sole discretion,
136 accept a cash deposit in the amount stated herein in lieu thereof.

137 (iv) If the RAC fails to make payments as required under this ordinance, the
138 RAC shall forfeit to the airport the bond or other security posted pursuant to this
139 ordinance or so much of that bond or other security as is necessary to satisfy that
140 difference. If the bond or other security is insufficient to satisfy the difference
141 owed, the airport may proceed to recover the deficiency and any damages
142 allowed by law, including attorney fees and costs.

143 (v) If the RAC fails to make payments as required under this ordinance, the
144 RAC shall forfeit within fourteen (14) days of the date such payments become
145 due all permits for the operation of courtesy vehicles on airport roadways.

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147 (5) General provisions.

148 (a) *Penalty.* Any person or RAC violating any of the provisions of this section
149 shall upon conviction be punished by a sentence consistent with the
150 maximum penalty for civil ordinance violations provided by Wisconsin
151 Statute. The penalties prescribed under this section in no way preclude the
152 county from taking any other civil action authorized under the RAC's
153 agreement(s) with the county or by law.

154 (b) *Provisions severable.* If any part of this section is declared unconstitutional
155 or invalid, this does not affect the validity of the remaining parts of this
156 section. The county declares it would have passed the remaining parts of
157 this section without the unenforceable provisions.

158 (c) *Notice.* Any notice required by this section is sufficient if delivered in person, sent
159 by U.S. mail to the last address on file with the county, or transmitted by facsimile to the
160 last facsimile number on file with the county.

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163 **SECTION 2.** This ordinance shall become effective January 1, 2017.