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2 FROM THE OFFICE OF JOSPEH J. CZARNEZKI
3 MILWAUKEE COUNTY CLERK
4

5 County Ordinance No. 16-27
6

7 File No. 16-567
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9
10 AN ORDINANCE
11

12 The County Board of Supervisors of the County of Milwaukee does ordain as
13 follows:
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15 **SECTION 1.** Section 4.32 of the Code of General Ordinances of Milwaukee County, is
16 hereby amended as follows:
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18 4.32 - Rental car center customer facility charge.
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20 (1) Definitions.

- 21 (a) *Airport.* General Mitchell International Airport, a public airport operated by
22 Milwaukee County and located in Milwaukee County, Wisconsin.
23
- 24 (b) *Rental auto company (RAC).* Any RAC that has entered into a lease or
25 concession agreement with the county for on-airport operations for the
26 purpose of renting vehicles to customers who originate from airport
27 property. This section applies to all of the RAC's customers regardless of
28 whether the company shuttles some customers to an off airport location.
29 This definition applies to any RAC that has a lease or concession
30 agreement on the date this section takes effect, and any new entrants
31 from the date they begin on-airport operations. This ordinance does not
32 apply to a rental auto company that does not have a lease or concession
33 agreement with the County and shuttles all its customers to off-airport
34 locations.
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- 36 (c) *Rental auto company customer.* Any person that rents a motor vehicle
37 from a RAC regardless of whether the customer receives the vehicle on
38 airport premises or is shuttled to an off-airport location. Customer includes
39 any person receiving complimentary or discounted rentals.
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- 41 (d) *Facilities costs.* Costs associated with the construction and maintenance
42 of the ~~temporary relocation of the~~ rental auto operations facilities, as well
43 as any new facilities dedicated to rental autos located in the airport
44 parking structure.
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- 46 (e) *Customer facility charge (CFC)*. A per day ~~contract~~ charge applicable to all
 47 RAC customers.
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- 49 (2) The purpose of this section is to impose a uniform per day ~~contract~~ charge for
 50 on-airport rental auto customers to pay for the costs of the construction and
 51 maintenance of airport rental car facilities. The customer facility charge enables
 52 the county and the rental auto companies to construct and maintain on-airport
 53 facilities for efficient operation of the airport and the convenience of the traveling
 54 public as part of the efficient operation of the airport and the public parking
 55 structure.
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- 57 (3) Customer facility charge.
- 58 (a) *Collection of customer facility charge*. Each RAC shall charge and collect
 59 the same customer facility charge from all customers for each contract
 60 entered into by the RAC.
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- 62 (b) *Designation on rental agreement*. The RAC shall separately designate the
 63 customer facility charge on each rental agreement subject to this section.
 64 The charge shall be labeled a "facility fee." No other designation with
 65 respect to the customer facility charge shall be permitted on the rental
 66 agreement without the prior written approval of the airport director.
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- 68 (c) *Amount of customer facility charge and term of CFC*. The customer facility
 69 charge shall be fifty cents (\$0.50) per day beginning on January 1, 2017.
 70 ~~one dollar (\$1.00) per contract beginning on the opening date of the rental~~
 71 ~~car facility and continuing until the total construction and financing costs of~~
 72 ~~the rental car facility have been recovered.~~
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- 74 (4) Payments and reports.
- 75 (a) *Customer facility charges held in trust*. Each RAC shall hold the customer
 76 facility charges collected in trust for the benefit of the county. The
 77 customer facility charges are the county's property and the RACs
 78 acknowledge that they shall have only a possessory interest (not an
 79 equitable interest) in such customer facility charges.
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- 81 (b) *Payments*. Each RAC shall remit to the county by the 15th day of each
 82 succeeding month any and all customer facility charges it has collected.
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- 84 (c) *Reporting requirements*.
- 85 1. Monthly reports. Simultaneous with each payment, the RAC shall
 86 submit to the county a report identifying the number of contracts
 87 and the customer facility charges separate from any other
 88 payments owed to the county. The report shall be in a form
 89 acceptable to the county.
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91 2. Annual report. Each RAC shall provide an annual report to the
92 county by February 10 of each year, for the year of account
93 preceding, indicating the amount of customer facility charges
94 collected by the RAC for the year ending December 31, the number
95 of contracts entered into with customers, and any other information
96 required by the county with respect to customer facility charges.
97 The report shall be in a form acceptable to the county.
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99 (d) *Rent and concession fees.* The customer facility charges collected and
100 remitted to the county shall be in addition to any rent and concession fees
101 due to the county under agreements between the RACs and the county.
102 The customer facility charges shall not be included as part of each RAC's
103 gross receipts.
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105 (e) *Audits.* In addition to any audit provisions contained in its lease or
106 concession agreement with the county, the county has the authority to
107 audit the RAC's books and records with respect to customer facility
108 charges at any time upon written notice.
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110 (f) ~~*Late payment penalty.* For any amounts due under this section, a RAC~~
111 ~~shall pay a penalty for late or delinquent payments of twelve (12) percent~~
112 ~~per annum on any past due balance calculated from the date the amount~~
113 ~~is due to the county until the close of the business day upon which the~~
114 ~~delinquent payment is received by the county.~~
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116 (g) ~~*Security deposit.* If a RAC defaults on any payments or reports due under~~
117 ~~this section and does not cure the default within ten (10) days of receiving~~
118 ~~written notice of the default from the county, the county has the right, by~~
119 ~~written notice to the RAC given at any time within ninety days of such~~
120 ~~event of default, to impose or reimpose the requirements of this section;~~
121 ~~however, the county may immediately impose this security deposit~~
122 ~~requirement without such 10-day notice if the RAC is in default for the~~
123 ~~second time within any one calendar year. In such event, the RAC shall~~
124 ~~within fifteen (15) days from date of the notice provide the county with a~~
125 ~~security deposit equal to the RAC's past three months of customer facility~~
126 ~~charges in a form acceptable to the county. The RAC shall maintain the~~
127 ~~security deposit in effect for twelve (12) consecutive months during which~~
128 ~~the RAC commits no event of default under this section or in any other~~
129 ~~payments due to the county. The county has the right to reimpose this~~
130 ~~requirement each time the RAC commits such an event of default. The~~
131 ~~county's rights under this section shall be in addition to any other rights~~
132 ~~provided by agreement or by law.~~
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134 (f) *Security.* To provide security for the CFC required hereunder, the RAC
135 shall comply with either of the following options prior to commencing
136 operations under this ordinance.

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- (i) Post with the airport a surety bond to be maintained throughout the term and time of operation by the RAC in an amount equal to the CFC required hereunder for a period of three (3) months or one thousand five hundred dollars (\$1,500.00), whichever is greater. In the absence of historical data upon which to base the amount of security to be paid, the RAC shall post a bond in the amount of one thousand five hundred dollars (\$1,500.00) as the security required herein. Such bonds shall be issued by a surety company acceptable to the airport and authorized to do business in the state and shall be in the form and content satisfactory to the airport.
 - (ii) Deliver to the airport an irrevocable letter of credit drawn in favor of the airport upon a bank which is satisfactory to the airport and which is authorized to do business in the State of Wisconsin. Said irrevocable letter of credit shall be in an amount equal to the CFC required hereunder for a period of three (3) months or one thousand five hundred dollars (\$1,500.00), whichever is greater. In the absence of historical data upon which to base said letter of credit, the RAC shall furnish an irrevocable letter of credit in the amount of one thousand five hundred dollars (\$1,500.00) as the security required herein.
 - (iii) In the event the RAC is unable to secure a surety bond or irrevocable letter of credit as required hereunder, the airport may, at its sole discretion, accept a cash deposit in the amount stated herein in lieu thereof.
 - (iv) If the RAC fails to make payments as required under this ordinance, the RAC shall forfeit to the airport the bond or other security posted pursuant to this ordinance or so much of that bond or other security as is necessary to satisfy that difference. If the bond or other security is insufficient to satisfy the difference owed, the airport may proceed to recover the deficiency and any damages allowed by law, including attorney fees and costs.
 - (v) If the RAC fails to make payments as required under this ordinance, the RAC shall forfeit within fourteen (14) days of the date such payments become due all permits for the operation of courtesy vehicles on airport roadways.
- (5) General provisions.
- (a) *Penalty.* Any person or RAC violating any of the provisions of this section shall upon conviction be punished by a sentence consistent with the maximum penalty for civil ordinance violations provided by Wisconsin Statute. The penalties prescribed under this section in no way preclude

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the county from taking any other civil action authorized under the RAC's agreement(s) with the county or by law.

- (b) *Provisions severable.* If any part of this section is declared unconstitutional or invalid, this does not affect the validity of the remaining parts of this section. The county declares it would have passed the remaining parts of this section without the unenforceable provisions.
- (c) *Notice.* Any notice required by this section is sufficient if delivered in person, sent by U.S. mail to the last address on file with the county, or transmitted by facsimile to the last facsimile number on file with the county.

SECTION 2. The provisions of this Ordinance shall become effective on January 1, 2017.

**Adopted by the Milwaukee County Board of Supervisors
November 7, 2016**