

1 AMENDMENT THREE

2 AUTOMOBILE PARKING CONCESSION AGREEMENT

3 THIS AMENDMENT THREE is made and entered into by and between the City of
4 Billings, Montana (City) and SP Plus Corporation f/k/a Standard Parking Corporation
5 (Concessionaire). Together, City and Concessionaire will be referred to as the "Parties."
6

7 WITNESSETH

8 WHEREAS, the Parties entered into a certain Automobile Parking Concession
9 Agreement dated December 19, 2011 for the purpose of providing paid parking at the Billings
10 Logan International Airport, for a term commencing on the 1st day of January 2012 and
11 terminating on the 31st day of December 2016, and

12 WHEREAS, during 2015, the City relocated an employee parking lot and finished
13 construction of a third parking lot, adding over 200 parking stalls to the inventory for the
14 Concessionaire's use, reducing the reliance on the use of the free overflow parking area, and

15 WHEREAS, Concessionaire agreed to supply approximately \$224,000 worth of
16 additional parking control equipment to the 2015 additional parking facility and to
17 provide/upgrade the entry device equipment to both existing parking lots, commonly known as
18 Short Term and Long Term parking to reduce the City's construction costs in exchange for
19 extending the term of the Automobile Parking Concession Agreement from December 31, 2016 to
20 December 31, 2021, and
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1 WHEREAS, Amendment One authorizing the additional and upgraded equipment,
2 extending the term, and adjusting the parking rates was approved by the City Council on April 27,
3 2015, and

4 WHEREAS, the City added two airlines providing air service from Billings Logan
5 International Airport, resulting in additional flights and once again required the use of the free
6 overflow parking area for additional parking needs, and

7 WHEREAS, Concessionaire agreed to supply approximately \$135,000 worth of
8 additional parking control equipment to the parking facility to outfit the free north overflow lot
9 with parking control equipment and to upgrade existing parking control software to reduce the
10 City's construction costs in exchange for extending the term of the Automobile Parking
11 Concession Agreement from December 31, 2021 to December 31, 2024, and

12 WHEREAS, Amendment Two authorizing the additional equipment to outfit the
13 north overflow lot for paid parking, and upgraded equipment, extending the term, and adjusting
14 the fees and charges the Concessionaire pays to the City was approved by the City Council on
15 October 15, 2019, and

16 WHEREAS, the Airport enplanements continue to increase creating additional
17 public parking needs and requiring the use of the remaining free overflow lot, known as the south
18 overflow lot, for additional parking needs, which are especially critical during special events and
19 holidays, and

20 WHEREAS, Concessionaire has agreed to (1) equip the south overflow lot with a
21 digital scan and payment platform to enable conversion of the free parking lot to a paid public lot
22 and adding 127 additional paid parking spaces, (2) quickly deploy the revenue control solution in
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1 time for holiday use, and (3) reduce the City's construction cost and time, in exchange for
2 extending the expiration of the term of the Agreement for one year from December 31, 2024 to
3 December 31, 2025, and

4 WHEREAS, Concessionaire will simultaneously also deploy the wireless revenue
5 control solution to the north overflow lot to replace and update the failing parking control
6 equipment and software currently in use for that paid parking lot, and

7 WHEREAS, the Parties agree the fees and charges the Concessionaire pays to the
8 City each year should be modified to include the additional year of the term.

9 NOW, THEREFORE, in consideration of the mutual promises contained in this
10 Amendment Three, the Parties hereby agree as follows.

11 A. Extension of Term. ARTICLE II, TERM OF AGREEMENT, shall be
12 amended so that the Agreement shall end at 11:59 p.m. local time, December 31, 2025.

13 B. Exhibit A. ARTICLE III, PREMISES AND FACILITIES, shall be
14 amended to revise and update Exhibit A, to include the south overflow lot, attached and made a
15 part hereof.

16 C. Amendment to Fees and Charges. ARTICLE IV, FEES AND CHARGES,
17 Paragraph 1., shall be replaced in its entirety with the following new Paragraph 1.:

18 "1. For the privilege of operating the Automobile Parking Concession and the
19 use of the Premises and Facilities, the Concessionaire shall pay to the City each year
20 during the term of this Agreement the following net percentages of annual Gross Receipts:
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1 Percentage of Gross Receipts

2 Contract Year One (January 1-December 31, 2012):

3 87.5% of Gross Receipts up to \$2,200,000

4 70.0% of Gross Receipts over \$2,200,000

5 Contract Year Two (January 1 – December 31, 2013):

6 88.5% of Gross Receipts up to \$2,200,000

7 70.0% of Gross Receipts over \$2,200,000

8 Contract Year Three through Five (January 1, 2014 – December 31, 2016):

9 70.0% of Gross Receipts

10 Contract Years Six through Ten (January 1, 2017 – December 31, 2021):

11 80.5% of Gross Receipts

12 Contract Years Eleven through Fifteen (January 1, 2022 – December 31, 2025):

13 82.57% of Gross Receipts

14 Notwithstanding the "Revenue Sharing" provided by the allocation of
15 revenues pursuant to the above percentage of Gross Receipts formula, Concessionaire
16 guarantees the City the greater of either:

17 A. The above percentage Gross Receipts formula, or

18 B. A minimum annual guarantee equal to \$1,400,000 for Contract Year
19 One;

20 A minimum annual guarantee equal to \$1,400,000 for Contract Year
21 Two;

22 A minimum annual guarantee equal to \$2,015,000 for Contract Year
23 Three;

24 A minimum annual guarantee equal to \$2,342,500 for Contract
Years Four and Five;

A minimum annual guarantee equal to \$2,100,000 for Contract
Years Six through Ten;

1 A minimum annual guarantee equal to \$2,100,000 for Contract
2 Years Eleven through Fourteen.

3 The minimum annual guarantee (MAG) is only applicable in the Contract
4 Years in which the annual enplaned passenger numbers exceed 360,000. The annual
5 enplaned passenger number will be calculated by the City using the information provided
6 by the air carriers for all enplaned passengers during each Contract Year."

7 D. Amendment to Equipment. ARTICLE IX, PARKING CONTROL
8 EQUIPMENT, Paragraph 3., shall be replaced in its entirety with the following new Paragraph 3.:

9 "3. Concessionaire agrees to replace/update the existing parking control
10 equipment with new equipment during the first Contract Year. During the Spring of 2015,
11 Concessionaire agrees to provide the additional equipment to operate the added parking
12 lot, designated as "Express Parking Lot," providing an estimated 200 additional parking
13 stalls to Concessionaire's parking inventory. Additionally, Concessionaire agrees to
14 provide/upgrade the entry device equipment to both existing parking lots, commonly
15 known as Short Term and Long Term parking. During 2019, Concessionaire agrees to
16 provide the additional equipment to operate the added parking lot, designated as "North
17 Overflow Lot," providing an estimated 223 additional parking stalls to Concessionaire's
18 parking inventory and to update the existing parking control software. The inventory of
19 equipment specifications and software updates added during the Term of the Agreement
20 are described in Exhibit C, Exhibit C-1, and Exhibit C-2, attached and made a part hereof.
21 All parking control equipment in place at the end of the term of this Agreement or any
22 extension thereof, shall remain in place and become the property of the City. The cost of
23 the original replacement parking control equipment at the beginning of the Agreement term
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1 as set forth in said Exhibit C is estimated to be \$130,748. The cost of the new parking
 2 control equipment for the third parking lot installed during 2015 is estimated to be
 3 \$224,000. The cost of the new parking control equipment for the North Overflow Lot and
 4 software update installed during 2019 is estimated to be \$135,000. Said costs of the 2015
 5 and 2019 equipment shall be amortized on a straight line basis over the remaining term of
 6 the Agreement. If this Agreement should be terminated for any reason prior to expiration
 7 of the term, then the unamortized cost of such equipment as of the date of such early
 8 termination shall be paid by the City to the Concessionaire. Payment shall be due within
 9 thirty (30) business days of the City's receipt of Concessionaire's statement of such cost,
 10 which statement shall be supported by commercially reasonable documentation. Upon
 11 receipt of such payment, title to the equipment shall be transferred to the City.
 12 Concessionaire will not charge the City for the addition and implementation of the digital
 13 scan and payment platform for the North and South Overflow lots. Concessionaire will
 14 retain the \$0.99 transaction fee for use of the digital scan and payment platform; this
 15 transaction fee shall be excluded from reported Gross Receipts."

16 E. Amendment to Parking Rates. ARTICLE X, SCHEDULE OF PARKING
 17 RATES, Paragraph 1., shall be replaced in its entirety with the following new Paragraph 1.:

18 "1. The Concessionaire shall place in effect the following schedule of parking
 19 rates upon commencement of this Agreement.

<u>Short Term Parking Lot</u>	<u>Years 1-3</u>	<u>Years 4-13</u>	<u>Year 14</u>
0-1/2 Hour	\$ 1.75	\$ 2.00	Free
Each Additional 1/2 Hour	\$ 1.25	\$ 1.50	\$2.00
Maximum Each 24 Hours	\$14.00	\$15.00	\$15.00

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ATTEST:

CITY OF BILLINGS

BY _____
CITY CLERK

BY _____
MAYOR

APPROVED AS TO FORM

SP PLUS CORPORATION

BY _____
CITY ATTORNEY

BY _____
MASON FINCH, SR. VICE
PRESIDENT

DRAFT

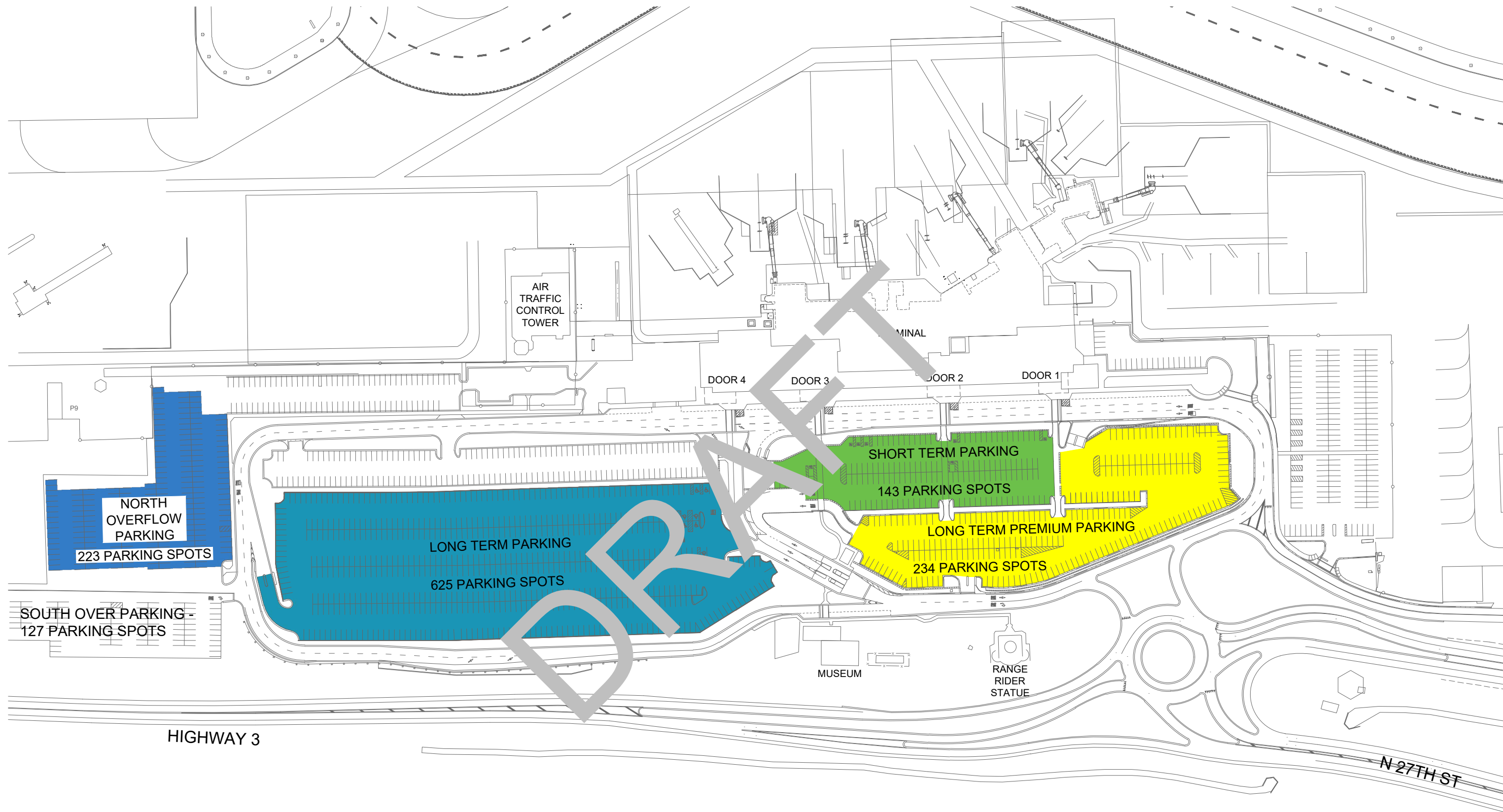
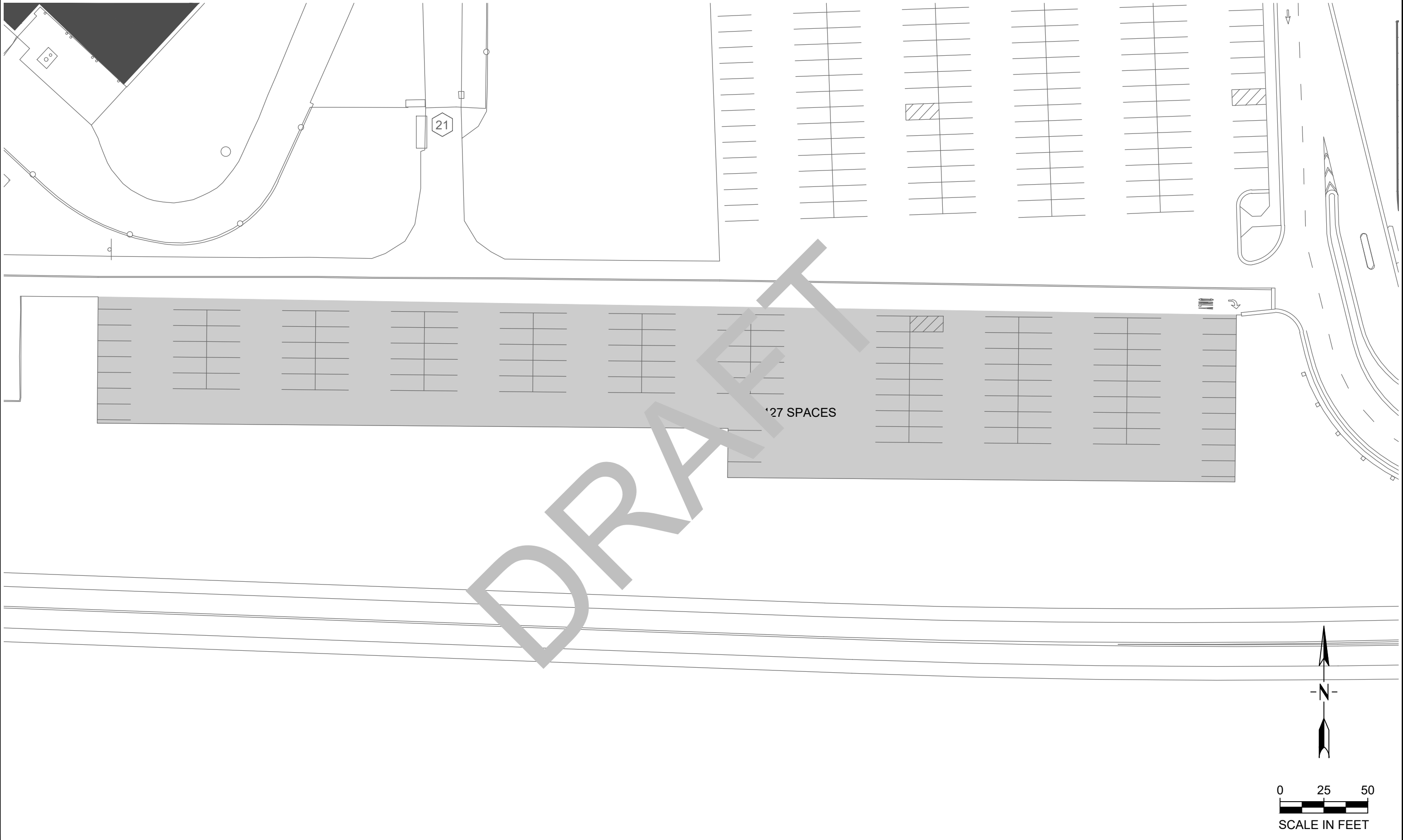



EXHIBIT A

V:\2471000-MASTERLEASE\SOUTH OVERFLOW PARKING.dwg



DRAFT

EXHIBIT A

 engineers • surveyors • planners • scientists	315 N. 25th Street, Suite 102 Billings, MT 59101 406.656.6000 www.m-m.net <small>COPYRIGHT © MORRISON-MAIERLE, 2024</small>	DRAWN BY: _____ DSGN. BY: _____ APPR. BY: _____ DATE: _____	BILLINGS LOGAN INTERNATIONAL AIRPORT BILLINGS MONTANA	PROJECT NO. _____ FIGURE NUMBER _____
		SOUTH OVERFLOW PARKING LOT	SOUTH OVERFLOW PARKING LOT	

Plotted by kent kuehn on Nov/18/2024