



**ADDENDUM #1 – MARCH 29, 2019
REQUEST FOR PROPOSALS
MANAGEMENT & OPERATIONS
OF THE AIRPORT PARKING FACILITIES**

Commission Contact: Donald D. Swanson
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This Addendum is added to and shall become a part of the Request for Proposals (RFP) documents dated March 15, 2019. Proposers shall acknowledge receipt of this Addendum in the Proposal cover letter. Failure to comply may result in rejection of the Proposal.

Note:	The Proposal Due Date <u>has not</u> been changed.	Due Date:	April 16, 2019
	The Proposal Time <u>has not</u> been changed.	Time Due:	4:30 PM (CDT)

❖ **Questions and Answers**

1. Who is the current operator?

Answer: Republic Parking Systems

2. Page 7 (c) - Snow, what was the 2018 and 2017 total snow removal costs, and how much was charged to the operator

Answer: The operator is not charged for snow removal, the airport contracts directly with a snow removal company.

3. Page 7 (d) - Shuttles may be added during the term, but there are no shuttles currently in use? Are shuttles in place, but not used or would this be an acquisition?

Answer: No shuttles are in place, this would be an acquisition made by the airport.

4. Page 8 (a) - Is there currently an ACDBE provider? If so, what percentage is their participation

Answer: No. 0% ACDBE participation.

5. Page 22 - Are there any approved or anticipated rate increases? When were the last rate increases?

Answer: No. Effective January 1, 2019, Short-Term Parking daily rate increased \$2 to \$14 per day; Long-Term Parking daily rate increased \$1 to \$8 per day; and lost ticket fee increased \$2 to \$14.

6. Page 29 - What is the age of the HUB system and its components, as well as if there a preventative maintenance agreement in place and if so what is the cost? Are there any plans to upgrade or replace the existing system during the term the agreement?

Answer: HUB system was installed in 2013, maintenance agreement annual cost in 2019 is \$11,708.01 paid by the airport. Anticipate a minimum useful life of 10 years.

7. Page 30 - Please provide information and the content of the Thanks Again program

Answer: Check the Thanks Again web site at www.thanksagain.com/CID for program details.

8. Please provide the sample operating agreement as noted.
Answer: Check the airport's website under RFP – Management & Operation of the Airport Parking Facilities, See Exhibit A – Sample Agreement
9. How many passengers, plus shuttle driver, can you have on the Airport Shuttles?
Answer: Shuttles are not owned or operated at this time
10. Who does your credit card processing?
Answer: Elavon
11. The expenses that you provided, do they include the management fee? If the management fee is not included, can you provide us an example of the current management fee?
Answer: The management fee is included in the operation expenses listed under Section 21. General Airport Information, Page 11 of the RFP. Management fees are listed on Page 3 of Pre-Proposal Meeting Agenda/General Airport Overview
12. Please provide us a current flight schedule.
Answer: See Exhibit D – Flight Schedule in RFP
13. When was the last time you increased the parking rates?
Answer: Effective January 1, 2019, Short-Term Parking daily rate increased \$2 to \$14 per day; Long-Term Parking daily rate increased \$1 to \$8 per day: and lost ticket fee increased \$2 to \$14.
14. Please list the Insurances you are requiring.
Answer: See Article 14 – Insurance in RFP
15. Please provide us a sample agreement.
Answer: See Exhibit A – Sample Agreement to RFP
16. What are the current credit card processing fees?
Answer: Between 2-3%.
17. Please provide a copy of the line item, approved budget for 2019. This will assist us in preparing cost cutting measures to include with our proposal.
Answer: See Attachment 1 to Addendum.
18. Please provide a copy of the current parking agreement and any associated addendum(s).
Answer: See Attachment 1 to Addendum.
19. Please provide a copy of the current employee staffing chart by day and by position.
Answer: See Attachment 1 to Addendum.
20. RFP General Terms and Conditions, Section D, Payment Card Industry (PCI) Data Security – please confirm that the Operator is the merchant of record for all credit card transactions.
Answer: Currently, the operator is the merchant of record.
21. Please confirm the existing Parking Access and Revenue Control System (PARCS) has been certified PCI compliant.
Answer: Yes, this is done yearly through our current operator.
22. What percent of the total annual revenue for each of the last 3 years was generated by cash sales versus credit card sales?
Answer: 90% CC, 10% Cash

23. Please provide the amounts, if any, for each of the most recent 3 years of any liquidated damages assessed against the current operator.
Answer: **None**
24. Does the current operator utilize any ACDBE firms in its management of the Facilities?
If yes, please provide Vendor name and type of service/product provided.
Answer: **No**
25. RFP General Terms and Conditions, Section I, Security – is the Operator to provide security personnel given its “...responsibility for the security and protection of Facilities.” If yes, can security services be subcontracted?
Answer: **The RFP does not state or require the operator to provide security personnel.**
26. How many, if any, non-Airport provided service vehicles does the current operator use in its management of the Facilities?
Answer: **None**
27. RFP, Section 11, Scope of Operation (D) – Does the Airport own the shuttle buses used during periods of the remote public parking lot usage or are the buses rented/leased? Please confirm all costs associated with the temporary shuttle operation are reimbursable to the Operator. Given the lack of use of a shuttle operation in recent years, please confirm that no expense should be included in the Operator’s Year 1 budget for a shuttle operation.
Answer: **In the past, Airport rented the shuttle vehicles used during periods of the remote public parking lot usage. Temporary shuttle operation costs incurred by operator and approved by the Airport are reimbursable. Yes, no shuttle operation costs should be included in the operator’s Year 1 budget.**
28. RFP, Section 14, Employee Qualification and Specifications – in order to accurately prepare a budget that considers retention of the current employees, please provide from the incumbent operator’s Monthly Operating Statement/Invoice a copy of the wage report that details by position the hourly rate for each employee.
Answer: **See Attachment 1 to Addendum.**
29. Please provide a copy of the Health Insurance invoice from the most recent Monthly Operating Statement/Invoice.
Answer: **Jan 2019 health insurance expense for 3 employees was \$1,622.44.**
30. RFP, Section 18, Evaluation of Proposals, D. Financial Responsibility – Will the Operator with the lowest proposed Operating Expense budget be awarded the most points? If the Operator has recommendations to improve operating revenue or service levels, should the proposed expenses be included in the budget or separately detailed in a “Recommendations” section of the proposal? If included in the budget, how will the increased expenses (although potentially higher revenues offset the expense) be judged in relation to Subsection D of Section 18?
Answer: **Focus on Financial Responsibility will be as listed in the RFP. “Recommendations” operating expenses should be listed separately.**
31. RFP, Section 21, General Airport Information – please provide the line-item YTD statements that detail the following annual expenses: 2014 - \$333,237, 2015 - \$350,265, 2016 - \$397,046, 2017 - \$365,616, 2018 - \$365,542
Answer: **See Attachment 1 to Addendum.**

32. Please provide the annual number of parking transactions by parking lot for each of the above-referenced fiscal years.

Answer: Transaction report will be posted on the airport website (eairport.org/rfp) at a later date. Registered proposers will be notified by email.

33. RFP Section 22, Airport Parking Facilities Information – please describe how the parking fee is paid upon entry at the Remote (Overflow) lot (e.g., is there any revenue control equipment)?

Answer: Traveler pulls a ticket and proceeds to pay booth lane 1 to prepay parking fee for their stay

34. RFP Section 22, Airport Parking Facilities Information – the RFP indicated that valet parking is operated by “Airport Guest Services employees”. Are these employees of a private contractor or of the Airport? Where are the vehicles stored overnight? What responsibility, other than “reporting valet parking operations and valet revenue in conjunction with valet reporting system provided by the Airport, does the Operator have with the valet operation?

Answer: Airport Guest Services employees are employees of the Airport. Valet vehicles that are stored overnight are kept in our employee lot that is accessed with a card reader.

35. Sample Agreement, Articles 5.08 (Budget) and 6.02 (Operating Expenses) – For avoidance of doubt, please confirm Workers Compensation Insurance is a reimbursable operating expense and not to be included in the Management Fee.

Answer: Workers compensation insurance is a reimbursable operating expense and should not be included in the Management Fee

36. Sample Agreement, Article 9.09, Operations – are any expenses incurred in the towing, impounding and/or removal of any vehicle considered a reimbursable operating expense?

Answer: No, currently the operator does not incur expenses. The towing company charges fees directly to the vehicle owner.

37. Sample Agreement, Article 14(c), Garagekeepers Legal Liability Insurance – since Operator is not providing the valet service, please confirm if this GKKL insurance is required.

Answer: Yes

38. Exhibit E, Sample Budget Form – are mobile telephones for management/supervisors considered a reimbursable operating expense?

Answer: Under the current contract, the manager receives a \$50 monthly phone allowance.

39. Exhibit E, Sample Budget Form - Which company currently provides armored car services for the parking operation? What is the frequency of collection by the armored car service (e.g., daily, 3 times per week, etc.?)

Answer: The current Banking Courier Services are with Rochester Armored Car Co., Inc. Frequency of collection is five (5) days per week Monday-Friday after 9:00 AM.

40. While we understand the operator must provide basic office furniture, please confirm what office equipment will be transferred to the operator (e.g., copy machine) from the existing parking office.

Answer: See Appendix A – Listing and Pictures of Existing PARCS Equipment in the RFP

41. Who pays for the HUB maintenance agreement and should this be included in our budget? If yes, could the Commission provide the annual budget amount?

Answer: The Airport Commission pays the Hub maintenance agreement costs; it should not be included in your budget.

42. Page 1 bullet point D indicates that the operator provides the PCI compliance. Is this to assume that the operator will provide the CC MIDs and CC processing system?

Answer: Yes, these costs are reimbursable

43. Could the Commission provide the current ACDBE participation levels and the name of any ACDBE companies currently doing work in the parking facilities?
Answer: **No ACDBE firms have been used in the past.**
44. Please confirm that the valet parking operation is not included in this RFP.
Answer: **Airport Commission Guest Service employees perform valet parking operations.**
45. Exhibit E already has \$5,000 entered for "Repairs". What is this related to?
Answer: **This is a placeholder to provide consistency for all proposers.**
46. Exhibit E has a line for Data Processing/Audit, and the agreement states that the Commission will cause an audit to be completed and that the cost of such audit is reimbursable as an operating budget item. Will the Commission be providing the cost associated with this audit to be included in the first-year budget?
Answer: **That is a typo and it is corrected in the addendum. The operator shall cause an audit to be completed.**
47. Is any of the equipment, desk, chairs, files, currently in the office the property of the Commission and will it stay with the facility?
Answer: **No**
48. Is there a minimum staffing requirement for cashiers? Can the overnight shift be handled through the cashier-less lanes?
Answer: **Minimum staffing for cashiers is lane 1, 24 hours per day. Lane 2 has a fee computer for peak times or if the fee computer is down in lane 1. During spring break 2019 lane 2 was not staffed or needed. The overnight cashier in lane 1 completes the LPI during early morning off-peak hours depending on airline arrivals.**
49. Please provide a breakdown of employees, positions and payrates.
Answer: **See Attachment 1 to Addendum.**
50. Please provide a breakdown of expenses, line item by line item for the past 2 years broken out by year.
Answer: **See Attachment 1 to Addendum.**
51. Please provide a copy of the current operator's agreement and any addenda.
Answer: **See Attachment 1 to Addendum.**
52. Does the current operator provide health insurance for their employees? If yes, how many employees currently receive health insurance?
Answer: **Yes, three employees**
53. Please provide the most recent staffing schedules, including management and hourly employees.
Answer: **See Attachment 1 to Addendum.**
54. What is the % of credit card versus cash collected?
Answer: **Since the implementation of Credit Card In and Out (CCIO), 90% of the transactions are credit card and 10% cash.**
55. If the operator is the credit card merchant of record, where should the credit card processing fees be included in the budget? For example should it be on the Administration line?
Answer: **Do not include credit card processing fees in the budget. The credit card processing fees are deducted monthly from the airport's bank deposits by the processing company.**

56. Could the Commission provide a copy of the most recent budget?

Answer: See Attachment 1 to Addendum.

57. In the Pre-Proposal Agenda document provided on March 25, page 7 shows a list of all required proposal content. However, in the RFP on page 5, third paragraph, item 5 requests that “The Proposal shall consist of the entire Request for Proposal document.” Could you please clarify if you would like the entire RFP document to be submitted? We’d like to request that we follow the outline provided on page 7 of the Pre-Proposal Agenda in lieu of submitting the entire RFP.

Answer: The addendum deletes “the entire Request for Proposal document including Instructions and” from the RFP, page 5, Section 5. Contents of the Proposal and adds “Proposer may include a cover page, table of contents, and cover letter.”

58. Outside of the submission requirements, may we attach a cover page, table of contents, and cover letter?

Answer: The addendum adds new language to the RFP, page 5, Section 5. Contents of the Proposal, “Proposer may include a cover page, table of contents, and cover letter.”

59. Please confirm that Exhibit A – Sample Agreement, is not to be submitted with our response.

Answer: The Sample Agreement is not to be submitted with your proposal.

60. Per the Sample Agreement, Clause 14.04 Proof of Coverage requires our insurance company to provide 30 Day Written Notice for any change in coverage or reduction in policy limits. If we have a national insurance program where coverage and changes occur daily and our insurer will not provide a written notice, will you accept the written notice from the Operator in the event coverage is changed or reduced for the airport operation?

Answer: Yes, however, the Airport must receive from the insurance company a 30-day notice of cancellation.

61. The sample budget lists snow removal as paid by the commission, but the draft contract indicates that this is a reimbursable expense. Please clarify if the operator will be responsible for and should include the cost of snow removal for the entire public parking facilities in the budget?

Answer: No, do not include the cost of snow removal for the entire public parking facilities in the budget. The airport will contract directly with a snow removal company in FY2020.

62. Can you please provide a copy of the RFP meeting attendee list?

Answer: Yes, posted on website at <https://flycid.com/rfp/>.

❖ **This Addendum consists of the following:**

Replace p. 47 EXHIBIT E – Sample Budget Form Operating Expenses with attached form that changed the 1st Year FY 2020 date range to: July 1, 2019 – June 30, 2020

Revise SECTION V – Contents of the Proposal as follows:

The Proposal shall consist of the Proposal Forms, Proposer's Qualification and Business Information Questionnaire, Statement of Qualifications, Introduction and Executive Summary, Management and Operating Plan, Experience Statement, Owing or Operating Competing Property, Budget, Transition Plan, PARCS Statement, Customer Loyalty Program Statement, Statement of Completeness, Non-Collusion Affidavit, Airport Concession Disadvantaged Business Enterprise (ACDBE) Proposal Form (if applicable), Proposal Bond or Cashier's Check, and Insurance Certificate. Proposer may include a cover page, table of contents, and cover letter.

- Revise EXHIBIT A – SAMPLE AGREEMENT – Paragraph 5.05 Annual Audited Statement of Net Revenues as follows:**

At the close of each of Commission's fiscal years during the term of this Agreement, Commission Operator shall cause an audit to be completed of the Operator's accounting transactions relating to its operations under this Agreement for such fiscal year by an independent Certified Public Accountant selected by the Commission.

- Revise EXHIBIT A – SAMPLE AGREEMENT – Paragraph 5.08 Budget as follows:**

Within thirty (30) days from the Commencement Date of this Agreement, Commission will review and approve the Operator's proposed annual operating budget on forms approved by the Commission, listing all anticipated reimbursable costs, including types, quantities and estimated costs, required through the following year.

Acknowledge receipt of this Addendum in the proposal cover letter.

ATTACHMENT 1

**Exhibit E - Sample Budget Form
Operating Expenses**

July 1, 2019 . June 30, 2020	1 st Year FY2020
GROSS REVENUE	\$6,403,420
Salary and wages:	
Facility Manager	
Supervisors	
Cashiers	
Others	
Overtime	
Holiday/vacation/overtime	
Incentives/benefits	
Workers comprehensive	
Payroll taxes	
Subtotal	
Operating costs:	
Telephones (paid by Commission)	\$0
Utilities (paid by Commission)	\$0
Uniforms	
Administrative (specify)	
Employee recruiting/training	
Vehicle maintenance (paid by Commission)	\$0
Fuel (paid by Commission)	\$0
Snow removal (paid by Commission)	\$0
Supplies	
License and permits	
Data Processing/Audit	
Office Supplies	
Equipment rental	
Repairs	\$5,000
Data Processing/Audit	
Postage/Courier	
Tickets	
Security Services (Armored Car)	
PCI Testing	
Promotions (Loyalty Program)	
Other (specify)	
Subtotal	
Management fee	
Total estimated annual operating cost	
Net to Airport	

Cedar Rapids/Eastern Iowa Airport
Parking Budget Proposal
(July - June)

	Proposed Budget 2017-2018	Proposed Budget 2018-2019	Variance
GROSS REVENUE	5,200,000	7,276,757	a
Salary and wages:			
Manager	\$ 48,450	\$ 48,935	\$ 485
Manager Bonus	\$ 2,500	\$ 2,500	\$ -
Supervisors	\$ 60,902	\$ 61,512	\$ 610
Cashiers	\$ 92,215	\$ 70,928	\$ (21,287)
Overtime	\$ 3,062	\$ 6,622	\$ 3,560
Holiday/Vacation	\$ 11,186	\$ 10,846	\$ (340)
Subtotal Wages	218,315	201,343	\$ (16,972)
Health Benefits	\$ 17,136	\$ 17,648	\$ 512
Workers Compensation	\$ 6,571	\$ 10,067	\$ 3,496
Payroll Taxes	\$ 24,779	\$ 22,852	\$ (1,927)
Subtotal	266,801	251,910	\$ (14,891)
Operating Costs:			
Telephone	\$ 600	\$ 600	\$ -
Phone Allowance	\$ -	\$ 700	\$ 700
Utilities	\$ -	\$ -	\$ -
Uniforms	\$ 600	\$ 500	\$ (100)
Postage	\$ 1,000	\$ 1,500	\$ 500
Employee Recruiting/Training / Employee Incentive	\$ 300	\$ 500	\$ 200
Consulting/Advisory Service	\$ 500	\$ 500	\$ -
CPA Annual Audit	\$ 1,800	\$ 1,700	\$ (100)
Snow Removal	\$ -	\$ -	\$ -
License & Permits	\$ -	\$ -	\$ -
Supplies	\$ 1,500	\$ 2,000	\$ 500
Office Supplies	\$ 1,800	\$ 1,800	\$ -
Ticket Stock	\$ 8,000	\$ 8,000	\$ -
Equipment	\$ -	\$ 750	\$ 750
Repairs	\$ 1,000	\$ 1,000	\$ -
Armored Car Service	\$ 2,850	\$ 2,850	\$ -
Data Processing	\$ 7,000	\$ 7,000	\$ -
Promotions (Thanks Again)	\$ 3,000	\$ 2,500	\$ (500)
Advertising	\$ -	\$ -	\$ -
Credit Card Processing/PCI Testing	\$ 1,000	\$ 1,000	\$ -
Subtotal	30,950	31,800	\$ 850
Management Fee	\$ 62,281	\$ 62,281	\$ -
Total Estimated Annual Costs	360,032	345,991	\$ (14,041)
Net to Airport	\$ 4,839,968	\$ 6,930,766	\$ 2,090,798

AMENDMENT NO. 4
TO
MANAGEMENT AND OPERATION
OF THE
AIRPORT PARKING SYSTEM
AGREEMENT
BY AND BETWEEN
THE CEDAR RAPIDS AIRPORT COMMISSION
AND
REPUBLIC PARKING SYSTEM, LLC

This Amendment to the Management and Operation of the Airport Parking System Agreement By and Between the Cedar Rapids Airport Commission (hereinafter referred to as "Commission") and Republic Parking System, LLC, (hereinafter referred to as the "Operator"), with an effective date of July 1, 2012.

WHEREAS, the parties agree to a one (1) year renewal period extending the expiration date of this agreement; and

NOW, THEREFORE, Commission and Operator, in the consideration of the mutual covenants herein contained and intending to be legally bound, hereby agree to amend the Agreement as follows:

1. The term of this Agreement shall be extended one (1) year commencing on the 1st day of July 2018 (Commencement Date) and terminating at Midnight on the 30th day of June 2019.

Except as specifically amended herein, all other terms and conditions of this Agreement shall remain unchanged and in full force and effect. The effective date of this Amendment No. 4 shall be the 1st of July 2018.

Republic Parking System, LLC

Cedar Rapids Airport Commission

BY:  _____

BY:  _____

TITLE: President

TITLE: Chair

ATTEST:  _____

ATTEST:  _____

DATE: January 15, 2018

DATE: _____

AMENDMENT NO. 3
TO
MANAGEMENT AND OPERATION
OF THE
AIRPORT PARKING SYSTEM
AGREEMENT
BY AND BETWEEN
THE CEDAR RAPIDS AIRPORT COMMISSION
AND
REPUBLIC PARKING SYSTEM, LLC

This Amendment to the Management and Operation of the Airport Parking System Agreement By and Between the Cedar Rapids Airport Commission (hereinafter referred to as "Commission") and Republic Parking System, LLC, (hereinafter referred to as the "Operator"), with an effective date of July 1, 2012.

WHEREAS, the parties agree to a one (1) year renewal period extending the expiration date of this agreement; and

NOW, THEREFORE, Commission and Operator, in the consideration of the mutual covenants herein contained and intending to be legally bound, hereby agree to amend the Agreement as follows:

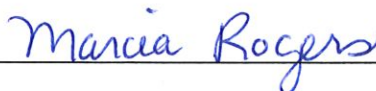
1. The term of this Agreement shall be extended one (1) year commencing on the 1st day of July 2017 (Commencement Date) and terminating at Midnight on the 30th day of June 2018.
2. Amend Article V. Reimbursement and Compensation to Operator, paragraph 5.01 Management Fee to establish the annual management fee of \$62,281 for the management agreement term of July 1, 2017 through June 30, 2018.

Except as specifically amended herein, all other terms and conditions of this Agreement shall remain unchanged and in full force and effect. The effective date of this Amendment No. 3 shall be the 1st of July 2017.

Republic Parking System, LLC

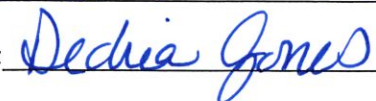
Cedar Rapids Airport Commission

BY: 

BY: 

TITLE: Executive Vice President

TITLE: Chair

ATTEST: 

ATTEST: 

AMENDMENT NO. 2
TO
MANAGEMENT AND OPERATION
OF THE
AIRPORT PARKING SYSTEM
AGREEMENT
BY AND BETWEEN
THE CEDAR RAPIDS AIRPORT COMMISSION
AND
REPUBLIC PARKING SYSTEM, INC.

This Amendment to the Management and Operation Of The Airport Parking System Agreement By and Between the Cedar Rapids Airport Commission (hereinafter referred to as "Commission") and Republic Parking System, Inc., (hereinafter referred to as the "Operator"), with an effective date of July 1, 2012.

WHEREAS, the parties agree to a one (1) year renewal period extending the expiration date of this agreement; and

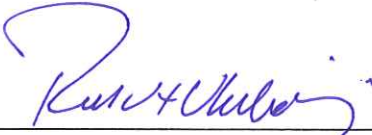
NOW, THEREFORE, Commission and Operator, in the consideration of the mutual covenants herein contained and intending to be legally bound, hereby agree to amend the Agreement as follows:


1. The term of this Agreement shall be extended one (1) year commencing on the 1st day of July 2016 (Commencement Date) and terminating at Midnight on the 30th day of June 2017.

Except as specifically amended herein, all other terms and conditions of this Agreement shall remain unchanged and in full force and effect. The effective date of this Amendment No. 2 shall be the 1st of July 2016.

Republic Parking System, Inc.

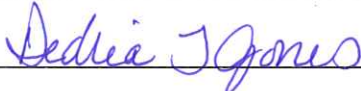
Cedar Rapids Airport Commission

BY: 

BY: 

TITLE: Executive Vice President

TITLE: Chairman

ATTEST: 

ATTEST: 

AMENDMENT NO. 1
TO
MANAGEMENT AND OPERATION
OF THE
AIRPORT PARKING SYSTEM
AGREEMENT
BY AND BETWEEN
THE CEDAR RAPIDS AIRPORT COMMISSION
AND
REPUBLIC PARKING SYSTEM, INC.

This Amendment to the Management and Operation Of The Airport Parking System Agreement By and Between the Cedar Rapids Airport Commission (hereinafter referred to as "Commission") and Republic Parking System, Inc., (hereinafter referred to as the "Operator"), with an effective date of July 1, 2012.

WHEREAS, the parties agree to a one (1) year renewal period extending the expiration date of this agreement; and

NOW, THEREFORE, Commission and Operator, in the consideration of the mutual covenants herein contained and intending to be legally bound, hereby agree to amend the Agreement as follows:

1. The term of this Agreement shall be extended one (1) year commencing on the 1st day of July 2015 (Commencement Date) and terminating at Midnight on the 30th day of June 2016.

Except as specifically amended herein, all other terms and conditions of this Agreement shall remain unchanged and in full force and effect. The effective date of this Amendment One shall be the 1st of July 2015.

Republic Parking System, Inc.

Cedar Rapids Airport Commission

BY: _____



BY: _____



TITLE: _____

EXECUTIVE VICE PRESIDENT

TITLE: _____

CHAIRMAN

ATTEST: _____

Dedria Jones

ATTEST: _____

Marcia Rogers

**CEDAR RAPIDS AIRPORT COMMISSION
MANAGEMENT AND OPERATION OF THE AIRPORT PARKING SYSTEM
AGREEMENT
THE EASTERN IOWA AIRPORT**

TABLE OF CONTENTS

ARTICLE I. DEFINITIONS	2
ARTICLE II. TERM OF AGREEMENT	3
ARTICLE III. FACILITIES, VEHICLES, AND OPERATIONS.....	4
ARTICLE IV. GROSS REVENUES AND REPORTS	6
ARTICLE V. REIMBURSEMENT AND COMPENSATION TO OPERATOR	11
ARTICLE VI. NET INCOME.....	13
ARTICLE VII. OBLIGATIONS OF COMMISSION	13
ARTICLE VIII. OBLIGATIONS OF OPERATOR	14
ARTICLE IX. GUARANTEES	18
ARTICLE X. LIQUIDATED DAMAGES	19
ARTICLE XI. TAKEOVER OF SERVICES	20
ARTICLE XII. ENVIRONMENTAL REGULATIONS	21
ARTICLE XIII. INSURANCE.....	22
ARTICLE XIV. RELATIONSHIP OF THE PARTIES	24
ARTICLE XV. INDEMNIFICATION	24
ARTICLE XVI. DAMAGE OR DESTRUCTION OF FACILITIES	24
ARTICLE XVII. OFF-AIRPORT PARKING OPERATION PROHIBITION	25
ARTICLE XVIII. TERMINATION OF AGREEMENT, CANCELLATION, ASSIGNMENT, AND TRANSFER	25
ARTICLE XIX. ALTERATIONS OR ADDITIONS AND SIGNS	27
ARTICLE XX. LAWS, REGULATIONS, PERMITS AND TAXES	28
ARTICLE XXI. GOVERNMENTAL RESTRICTIONS.....	29
ARTICLE XXII. NONDISCRIMINATION	30
ARTICLE XXIII. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE	30
ARTICLE XXIV. COMMISSION NOT LIABLE	32
ARTICLE XXV. SUBORDINATION	32
ARTICLE XXVI. INVALIDITY OF CLAUSES.....	33
ARTICLE XXVII. GOVERNING LAW	33
ARTICLE XXVIII. INSPECTIONS.....	33
ARTICLE XXIX. NOTICE	34
ARTICLE XXX. PARAGRAPH HEADINGS	34
ARTICLE XXXI. BINDING EFFECT.....	34
ARTICLE XXXII. PERFORMANCE	34
ARTICLE XXXIII. TAKEOVER OF SERVICES.....	35
ARTICLE XXXIV. ENTIRETY OF AGREEMENT.....	35
EXHIBIT A – FACILITIES	36
EXHIBIT A – FACILITIES	37
EXHIBIT B – PARKING RATE SCHEDULE.....	38

MANAGEMENT AGREEMENT

THIS AGREEMENT is made and entered into this 21st day of May, 2012, by and between the CEDAR RAPIDS AIRPORT COMMISSION (hereinafter referred to as "Commission"), and Republic Parking System, Inc., having its office and principal place of business at 633 Chestnut Street, Suite 2000, Chattanooga, Tennessee 37450, (hereinafter referred to as the "Operator").

WITNESSETH

WHEREAS, Operator is engaged in the business of operating Public Parking Facilities;

WHEREAS, Operator was selected to manage and operate certain Parking Facilities at the Airport;

WHEREAS, Operator has indicated a willingness and demonstrated the ability to properly operate, and manage said Airport Parking Facilities in accordance with the terms of this Agreement; and

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions.

ARTICLE I. DEFINITIONS

The following words, terms, and phrases wherever used in this Agreement shall for the purpose of this Agreement have the following meaning respectively, unless the context clearly shall indicate some other meaning:

1.01 "Airport" means The Eastern Iowa Airport.

1.02 "Agreement" means this Management Agreement, and as used herein contemplates and includes the assignment of space at the Airport and the right and obligation for Operator to use such space for the conduct of Parking Facilities management within said space under the terms and conditions expressly set forth herein.

1.03 "Customer Loyalty Program" means a program offering rewards to customers based upon public parking, concessions, or other on-airport purchases to build customer loyalty in utilizing the Airport.

1.03 "Facilities" means areas on the Airport property, as set forth in Exhibit A, attached

hereto, as the premises where the business of Operator may be conducted.

1.04 "Facilities Manager" means the individual directly responsible to the Operator, a full-time qualified and competent individual to manage, maintain, and operate the Facilities.

1.05 "Government Requirements" means all Federal, state and local laws, rules, regulations, security plans and rulings, including all amendments now in effect or hereinafter enacted.

1.06 "Gross Revenues" shall mean all monies, paid or payable to the Operator by parking patrons for transactions made and for services rendered by the Operator in the operation of the Facilities, including, but not limited to, monies collected from parking meters and taxi feeders, all parking fees imposed by the Commission for parking of vehicles in and on the Facilities at all times and locations where the services are rendered, whether on a cash or credit basis. However, any taxes arising hereunder imposed by law directly paid by the Operator or the Commission to a taxing authority shall be excluded therefrom. Excluded therefrom Gross Revenues shall be monies paid directly to the Commission for (1) Reserved Parking Spaces and Areas, and (2) Rental Car Ready-Return Spaces.

1.07 "Operator" means company selected for the management and operation of the Airport Parking System.

1.08 "Operator's Manual" (also referred to as the Procedures Manual) shall mean the document to be submitted by the Operator to describe the day-to-day details of the management and operation of the Airport Parking System.

1.09 "Parking Access and Revenue Control System (PARCS)" means the mechanical, electronic, and/or computerized equipment provided and owned by the Commission to control and record entrances and exits from the Facilities, including but not limited to, loop detectors, gate arms, ticket dispensers, fee computers, fee indicators, land control lights, computerized data management systems, and any other management systems existing or to be established related thereto.

ARTICLE II. TERM OF AGREEMENT

2.01 Term. The initial term of this Agreement shall be three (3) years commencing on the 1st day of July 2012, (Commencement Date) and will continue through midnight on the 30th day of June 2015 unless terminated earlier as provided herein.

2.02 Renewal Option. This Agreement may be renewed at the same terms and conditions

hereunder for two (2), one (1) year periods at the discretion of the Commission. Such renewal will be effective by issuance of an amendment. If all such renewal options are exercised and approved by the Commission, this Agreement will have a final termination date of midnight on the 30th day of June 2017.

2.03 Commencement of Fees and Charges. All fees and charges hereunder will commence on July 1, 2012 and will continue for the term of this Agreement.

2.04 Continuation Beyond Term. This Agreement may continue on a month-to-month basis, subject to the terms and conditions hereof, by the mutual written agreement of the parties upon the expiration of the Term.

2.05 Early Termination of Agreement. Commission shall have the right to terminate the agreement without cause at any time upon sixty (60) days' written notice to Operator. Operator will not, at any time during the term of this agreement, abandon, terminate, or cease to operate the Parking System without prior written approval from Commission.

ARTICLE III. FACILITIES, VEHICLES, AND OPERATIONS

3.01 Description of Privileges, Uses, and Rights. Commission hereby makes available to the Operator for management and operation:

- A. All paid public vehicle Parking Facilities serving the Airport, as defined in Section 3.02 Description of Facilities.
- B. The general use, in common with others, of all other public Airport Facilities and improvements including all necessary roadways, sidewalks, and/or other public Facilities appurtenant to said Airport, not exclusively leased to or under the contractual control of others which are now or may hereafter be connected with or appurtenant to said Airport, to be necessarily used by Operator, its agents and employees, patrons and invitees, suppliers of service, furnishers of material, in connection with its operations hereunder.

Except as expressly set forth, nothing herein contained shall be construed to grant to Operator the right to use any space or area improved or unimproved which is exclusively leased to a third party, or which Commission has not granted herein.

3.02 Description of Facilities. The Facilities shall encompass the vehicle parking areas

serving the terminal, toll plazas, control devices, entrances, exits, offices and other improvements, including the Long-Term Parking Area, Short-Term Parking Area, Employee Parking Lot, and Remote Overflow Parking Areas illustrated on Exhibit A, attached hereto and made a part hereof. The Commission reserves the right, at any time it deems necessary, to alter or change the Facilities, or the Operator's scope of responsibility, or the parking rates.

3.03 Commission Provided Vehicle. Commission shall provide a vehicle to Operator for use in completing nightly license plate inventory, general maintenance and repair of parking system equipment, and providing services to customers as described herein. Operator use of vehicle is restricted to use for the operation and management of the parking system. Any use of the vehicle other than for uses permitted by this Agreement. Operator agrees to indemnify Commission in the Operator's use of the vehicle as stated in the Indemnification Article of this Agreement.

Operator is responsible for assuring that all vehicle drivers are properly licensed with a valid State of Iowa driver's license for the class of vehicle encompassing the vehicle. Operator agrees not to install devices on the vehicle so as to damage or mar the exterior surfaces or glass with fasteners, clips, or other hardware that can lead to leaks, body damage, scratching, denting, or other damage. Only items approved in advance by Commission may be installed on the vehicle. Maintenance and fuel for the vehicle will be provided by Commission and charged back to Operator.

3.04 Operator Provided Vehicles. Operator will provide all other vehicles and equipment necessary for use in the operation and management of the Parking System.

3.05 Restrictions of Privileges, Uses, and Rights. The rights granted hereunder are expressly limited to the development, maintenance, and operation of the public Parking Facilities pursuant to the terms of this Agreement, and nothing contained herein shall be construed to give Operator any rights in any future expansion, renovation, or relocation of the Airport Parking System, or its Facilities; provided, however, Commission and Operator hereby agree that Commission may designate such additional public vehicle parking or other Facilities as it deems appropriate and as a part of the Airport Parking Facilities to be part of the Facilities in accordance with Section 3.02 hereof.

ARTICLE IV. GROSS REVENUES AND REPORTS

4.01 General. Monies payable by Operator to Commission shall include and reflect adjustments for any and all cashier shortages, overages, undercharges, and uncollected parking fees. Any such shortages, undercharges, and uncollected fees shall be included in Gross Revenues and shall be payable to the Commission. Dishonored checks, uncollectible or uncollected fees and credit card charges, and other bad debts shall not be included in Gross Revenues, provided that such transactions were processed utilizing procedures accepted and approved by the Commission. Monies which might be otherwise due from stolen vehicles or vehicles abandoned in the Facilities shall not be included in Gross Revenues, except to the extent monies are actually collected. Operator will be required to accept major credit cards and other cash cards for payment of any customer charges.

The major credit cards shall include the following: Visa, Master Card, Discover Card, American Express, and such other credit cards as may be requested by the Commission. Credit card surcharges may be assessed as approved by the Commission; such surcharges shall be included in Gross Revenues payable to the Commission. Commission reserves the right to select the financial institution to process said credit card transactions. Operator may accept personal checks for payment under such terms and conditions as may be approved by Commission for handling such payments.

4.02 Deposits. As soon as practical, but no later than the next banking day following receipt of any Gross Revenues hereunder, the Operator shall deposit said Gross Revenues in an account of and to the credit of the Commission, without regard to any adjustments that may ultimately be made, in such bank or other depository as the Commission shall approve, and a penalty of ten percent (10%) per day shall be assessed for each day thereafter in which Gross Revenues are not deposited as specified herein. Said deposits shall be made utilizing an approved delivery company which employs such agents engaged in the business of picking up and delivering of such monies, and within a reasonable time following such deposit, the Operator shall deliver or have delivered to the Commission the duplicate deposit slip, properly certified by a cashier or officer of the bank, covering such deposit. The Operator shall on weekends, holidays, or nights, cause to have deposited Gross Revenues in any Commission-designated night deposit vault, unless otherwise authorized in writing by the Commission. It shall be considered that the Commission has come into possession of the Gross Revenue only when the Operator has received the certified duplicate deposit slip from the bank.

4.03 Reports. Operator shall provide Commission, on or before the twentieth (20th) day of each and every calendar month following the month in which the term of this Management Agreement shall commence, in a form and detail satisfactory to Commission, the following reports including, but not necessarily limited to:

- A. Cashier's daily shift reports.
- B. Daily shift reconciliation.
- C. Daily report of Gross Revenues, overnight vehicle count, and ticket reconciliation in accordance with the approved procedure.
- D. Monthly activity and Gross Revenue summaries and certifications to be reconciled to daily reports.
- E. Monthly summary of operating expenses, net revenue, and net income.
- F. Monthly abandoned vehicle reports showing vehicle tag, registration, days parked, and monies owed.
- G. Monthly summary of license plate inventory.

4.04 Accounting Records. Operator shall keep, throughout the entire term of this Agreement, all books of account and records customarily used in this type of operation, and as from time to time may be required by Commission, in accordance with Generally Accepted (Governmental) Accounting Principals (GAAP). Such books of accounts and records shall be retained and available for such period of time as provided herein unless otherwise approved by the Commission. The Commission, at all times, throughout the term of this Agreement and for up to three (3) years following termination, shall have the right to audit and examine during normal working hours all such records and books of account relating to the Operator's operation hereunder, provided that the Operator shall not be required to retain such books of account and records for more than three (3) years after the end of each year of this Agreement. If the books of account and records are kept at locations other than at the Airport, Operator shall arrange for them to be brought to a location convenient to the auditors for the Commission in order for the Commission to conduct the audits and inspections as set forth in this Article.

4.05 Annual Audited Statement of Net Revenues. At the close of each of Commission's fiscal years during the term of this Agreement, Commission shall cause an audit to be completed of the Operator's accounting transactions relating to its operations under this Agreement for such fiscal

year by an independent Certified Public Accountant selected by the Commission. A report of each said audit shall be delivered to the Commission within ninety (90) calendar days of the close of such fiscal year. The first (1st) such audit report shall commence as of the Operator's first (1st) day of operation and the last said audit report shall cover through Operator's last day of operation pursuant to this Agreement. The cost of such audits is reimbursable as an operating budget item. Such reports as outlined above shall be due on days/dates as specified by the Commission and may be subject to change. All reports shall be computer generated unless otherwise specified or approved by the Commission. If the audit reveals a discrepancy of more than five percent (5%) between the annual revenues deposited, operating expenses incurred, and management fees earned and the revenues, operating expenses and management fees as determined to be due and owing during such period by the audit, Operator will pay the cost of the audit and the amount of any discrepancy with interest at the rate of eighteen percent (18%) per annum.

4.06 Rights of Inspection and Audit. Should Commission elect from time to time to inspect, and/or audit the books of account and records or any supporting information, Operator shall provide Commission and its representatives, upon ten (10) days prior written notice, unlimited access to all of its books of account and records, reports and supporting information, all of which may be copied by Commission and its representatives. In those situations where Operator's records have been generated from computerized data, Operator agrees to provide Commission's representative with extracts of data files in a computer readable format on data disk, USB flash drives, or suitable alternative computer data exchange formats at no additional cost. Operator shall make all such information available for such examination at the Airport. If Operator so desires, and Commission concurs, the Commission or its representative may conduct the audit at a location, other than at the Airport, at Operator's expense, including, but not limited to, Operator's reimbursement of Commission's travel expenses. None of the travel expenses shall be included as a reimbursement by Operator under the provisions of this Agreement.

Operator will allow Commission's representative to interview all current or former employees, owners and subcontractors to discuss matters pertinent to the performance of the Agreement. If an audit performed in accordance with this Article reveals business expenses unallowable under the terms of the Agreement by Operator, Operator will, upon written notice from Commission, reimburse Commission any such overpriced or unallowable expenses with thirty (30)

days from presentation of Commission's findings to Operator, plus interest thereon, from the date such fees or charges became due to the date of payment, at twelve percent (12%) per annum.

Commission reserves the right to audit the books and records of Operator's parking receipts at any time for the purpose of verifying the Gross Receipts under this Agreement. Any additional monies due as a result of said audit will forthwith be paid by Operator to Commission with interest thereon, from the date such fees or charges became due to the date of payment, at twelve percent (12%) per annum.

4.07 Record Storage. All source records of Gross Revenues, which shall include, but not be limited to: Parking Tickets, Fee Computer Tapes, Shift Reports, Master Reports, Daily Revenue Reports, Storage Discs, whether computer generated or manually generated, shall be kept at all times within the City of Cedar Rapids. These records shall be maintained by the Operator until the annual report required above is delivered to and accepted by the Commission, at which time they shall be delivered to the Commission for further disposition. The Commission shall provide and maintain such storage facilities as necessary to facilitate the storage of the above records and shall provide reasonable access to such facilities. All data bases for such purpose will be maintained by the Operator who shall assure that adequate hard copies and data backups are done on a routine basis; data backups should be stored on an approved media for such storage for a period of time requested by the Commission. Data backups shall be stored on a media, at a place, and for a period of time approved by the Commission.

4.08 Budget. Within thirty (30) days from the Commencement Date of this Agreement, Operator shall prepare and submit to the Commission for review and approval an annual operating budget on forms approved by the Commission, listing all anticipated reimbursable costs, including types, quantities and estimated costs, required through the following year. Thereafter, annually, Operator shall submit a new annual operating budget for review and approval by the Commission. The approved annual operating budget may be increased or decreased by the Commission from time to time, but only if and to the extent that the Commission, in its reasonable discretion, deems such revisions necessary and appropriate under this Agreement. All approvals or revisions of said budget by Commission shall be set forth in writing and shall thereafter be binding upon Operator.

The cost of insurance and any expense for deductible loss sustained by the Operator are not reimbursable. The Commission shall approve or disapprove all or portions of the categories of

expenses or individual items contained in the Budget. Only expenses and categories of expenses approved by the Commission and in the amount approved by the Commission may be reimbursed to the Operator by the Commission. All employees of the Operator shall be paid at rates equal to those established in the budget approved by the Commission. Operator shall not be reimbursed by the Commission for any legal or other services with respect to employee relations matters applicable to employees of the Operator.

Operator shall submit with the annual operating budget a resume of all its management employees to Commission. The Operator shall perform reasonable pre-employment screening including criminal background checks, drug screening, and verify past employment of all employees hired during the term of this Agreement and shall submit said verification if so requested by the Commission. The Commission shall have the right to approve or disapprove such management personnel.

Commission may, from time to time throughout the term of this Agreement, directly provide reimbursable goods or services which are included in the Budget or which had previously been approved by the Commission in writing, and which the Commission determines would be best provided for by the Commission.

Notwithstanding the foregoing, unless Operator is notified in writing by the Commission that the operating expense associated with the purchase or performance of certain goods or services will not be incurred by the Commission, all operating expenses shall be reimbursed by Commission to Operator at Operator's cost, in accordance with Article 5.02.

4.09 Commodities and Equipment. The Commission shall provide all commodities and equipment authorized as part of the Budget, with title to same being vested to the Commission upon delivery or installation at the Facilities.

The Commission shall review the need for additional equipment which may be requested from time to time by the Operator, or which may be deemed necessary by the Commission, in order to meet the demands of new technologies or in order to provide more effective and efficient service due to revised operating procedures. Purchase of such requested equipment shall be at the sole discretion of the Commission. Any such equipment approved for purchase by Commission shall be purchased by the Operator according to purchasing procedures approved by the Commission and shall be included in the Operator's Operating Budget as approved by the Commission.

ARTICLE V. REIMBURSEMENT AND COMPENSATION TO OPERATOR

5.01 Management Fee. As compensation for Operator providing its services and performing its duties and obligations hereunder, the Commission shall pay to the Operator, in equal monthly installments, a fixed annual management fee. Payment will be paid in arrears on a monthly basis.

The annual management fee is as follows:

<u>Management Agreement Term</u>	<u>Annual Management Fee</u>
July 1, 2012 through June 30, 2013	\$55,000.00
July 1, 2013 through June 30, 2014	\$56,500.00
July 1, 2014 through June 30, 2015	\$58,000.00
July 1, 2015 through June 30, 2016	\$59,500.00 (if term extended)
July 1, 2016 through June 30, 2017	\$61,000.00 (if term extended)

For the purposes of this Management Agreement the term "year" or "annual" shall mean a period of twelve (12) months beginning July 1, 2012, and each twelve-month period thereafter.

5.02 Operating Expenses. All budgeted operating expenses incurred by Operator in the operation of the Facilities, which are specifically approved by the Commission in writing, shall be reimbursed by Commission to Operator at the Operator's cost within thirty (30) days from receipt by the Commission of a monthly "Expense Invoice" from the Operator, certified by the Facility Manager, acceptable to Commission. Documentation for operating costs other than payroll and payroll-related expenses must be accompanied and supported by copies of vendor invoices. Payroll and payroll-related expenses must be accompanied with supporting documents acceptable to the Commission to valid said expenses.

Staff of the Commission has the right to use such methods, as they deem necessary and appropriate to verify amounts claimed on Expense Invoices.

Operating expenses shall include, but not be limited to payroll, (any overtime reimbursement requested may require an explanation of the need for such overtime), employee benefits including health insurance, workers' compensation insurance and unemployment insurance, payroll taxes; uniforms; credit card processing fees and related equipment subject to Commission approval; cost of fuel and maintenance of Commission provided vehicles and equipment; supplies and tools; costs of maintenance and repair of the PARCS equipment and tickets; postage; armored car service; advertising and promotional costs, however, these must be approved in advance by Commission in

writing, and cost of marketing services to promote the Airport parking and related value added services including Customer Loyalty Program as requested and approved by Commission; utilities; cleaning; snow removal; and other reasonable costs approved in writing and in advance by Commission.

5.03 Non-Reimbursable Expenses and Fees. Non-Reimbursable Expenses is hereby defined as the following expense specifically excluded from operating expenses and will be provided by Operator without reimbursement from Commission (Non-Reimbursable Expenses are deemed included in the management fee): Operator's computer equipment, the cost of furnishings (desks, chairs, book shelves, etc.) for the parking office; salary, costs, and expenses of non-resident or indirect executive, legal, administrative, accounting, auditing, or bookkeeping personnel of Operator; travel expenses related to inspection visits, home office or regional managers travel or entertainment expenses including any travel and entertainment of local personnel; interest charges, fines, penalty charges, late fees, federal, state, and local income and personal property taxes incurred by the Operator; depreciation or amortization charges; the cost of any and all guarantees, bonds, or letters of credit, broker fees, and the cost of insurance requirements including any deductibles; the cost or expense of legal representation; any contract negotiation expense, financing costs associated with Operator's working capital; costs arising or resulting from negligence, disregard, neglect, failure, carelessness or inattention of Operator or Operator's employees or agents; Operator's cost of funds necessary to pay operating expenses prior to reimbursement by Commission; cost of obtaining and maintaining the petty cash fund; any cashier or revenue shortages; federal, state, and local income, personal, applicable sales and use taxes, and personal property taxes incurred by Operators or individuals of Operator, its agents, and employees in its operations; long distance telephone charges not directly related to services provided under this Agreement, including long distance telephone charges between the local and home/corporate office and personal calls; start up and transition costs related to the commencement of operations under this Agreement; or any other costs not included in the annual approved operating budget. In addition, operating expenses shall not include the following expenses or charges which shall be borne by the Commission: Costs of maintenance and repair by Commission of the Parking Facilities and improvements as required hereunder and real estate taxes, ad valorem taxes, possessory interest taxes or other property taxes assessed upon or levied against the Parking Facilities or any equipment, improvements and other property of the

Commission located on the Parking Facilities.

In the event that Commission disputes or contests any specific item of expense or cost to be reimbursed to Operator, Commission shall send Operator written notice stating the item being disputed or contested and the specific reason therefore. However, under no circumstances shall payment for any other items of expense or cost which are not disputed or contested by Commission not be made. Thereupon, the parties hereto shall, in good faith, diligently pursue clarification and resolution or any disputed or contested item within thirty (30) days of the aforementioned notice by Commission.

5.04 Other Facilities. The Commission shall have the right to require the Operator to manage any additional Parking Facilities not contemplated at the time of execution of this Agreement, in which event all costs of operation for such service, including transportation services, shall be reimbursable, and all revenues therefrom shall be included in Gross Revenues.

5.05 Airport Improvements. Commission reserves the right to further develop, improve, rehabilitate, repair, reconstruct, alter and expand the Airport, the Airport Parking Facilities and all roadways, parking areas, and Terminal Facilities, as it may reasonably see fit, free from any and all liability to Operator for loss of business or damages of any nature whatsoever to Operator occasioned during making of such improvements, repairs, alterations, reconstructions, and additions to the Airport.

ARTICLE VI. NET INCOME

6.01 Net Income. Net Income shall be defined to be the balance remaining after deduction of all operating expenses as authorized by the Commission and the Management Fee from the Gross Revenue.

ARTICLE VII. OBLIGATIONS OF COMMISSION

7.01 Maintenance Responsibility. Commission shall maintain all of the Facilities used by the Operator in good and adequate condition for their intended use to the extent required by law, including the roofs and exteriors of all buildings, such as toll booths and offices, connecting structures, fencing, structural concrete, asphalt paving, restriping of parking stalls, sidewalks, signs, interior and exterior lighting, landscaping, and air conditioning systems.

7.02 Vehicles. Commission shall provide all motor vehicles required in the performance of services required herein. Said motor vehicles may be capable, as determined by Commission, of performing snow removal, general maintenance, and motorist assistance.

ARTICLE VIII. OBLIGATIONS OF OPERATOR

8.01 Procedures Manual. Within ninety (90) days from the Commencement Date of this Agreement, Operator shall prepare and submit to the Commission for review and approval a Procedures Manual, customized to the Airport Parking System, including all procedures to be followed by Operator's personnel relating to the following: accident reports; accounting procedures, annual budget procedures, cash control, and control of revenue and expenses; employee standards of conduct, courtesy, appearance, and disciplinary guidelines; customer complaint procedures, customer service training, safety and emergency plans and procedures, Operator's employee parking, Operator's Staffing Plan listing employee pay classifications and rates, staffing schedule, Operator's employee benefits, Operator's employment procedures (including employee rules, policies and evaluation procedures), job descriptions, and Operator's employee training, health and life insurance coverages; revenue control equipment procedures including system data backup; snow removal plan; returned check procedures, ticket inventory and storage procedures; abandoned vehicle policy; cleaning and maintenance of Facilities and equipment schedules; and other matters as the Operator considers prudent or the Commission may require. The Procedures Manual shall be updated and/or amended when changes in the operation occur. Upon approval of said Procedures Manual by the Commission and publication by the Operator, all rights to future reuse and republication of it shall vest in the Commission.

8.02 Charges. Except as may otherwise be specifically authorized by the Commission in writing, Operator shall charge all users of the Facilities the fees or rates for such use established by the Commission pursuant to Commission's internal procedures. Commission shall have the right to amend or otherwise change the rate schedule at any time during the term of this Agreement. The current parking rates effective at the inception of this Agreement, July 1, 2012, are listed in Exhibit B attached hereto.

If the Operator charges any amount in excess of the established rates, the amount by which the amount charged differs from the established rate shall constitute an overcharge, which shall be

refunded to the customer, if possible. If not refunded, the overcharge shall be included in Gross Revenues. If the Operator or its employees charge any amount which is less than the established rates, the amount by which the amount charged differs from the established rate shall constitute an undercharge, and in accordance with the Procedures Manual, an amount equal thereto shall be paid to the Commission and be included in Gross Revenues. The Operator shall provide for the periodic, regular recalculation of manually read or exception tickets for such periods of time as the Commission may require.

8.03 Consultation. The Commission reserves the right to call upon the Operator for parking consulting services and advice with regard to the operation of the Facilities, parking access and revenue control system (PARCS) equipment, and development, implementation, and operation of a Customer Loyalty Program. Said consultant services shall be provided by Operator at no cost to Commission.

8.04 Complaints. The Operator shall provide the Commission with copies of any and all written complaints received and the Operator's response thereto within five (5) days of receipt of such complaint.

8.05 Maintenance and Repair. Operator shall be responsible for maintenance of the interiors of the toll booths, revenue control office, and any other structures which may be provided hereafter. The Operator shall be responsible for keeping the Facilities, including all parking areas, the entrance and exit areas, exit toll booths, revenue control offices, and rest rooms in or immediately adjacent to the Facilities in a neat and clean condition at all times. The Operator shall be responsible for the necessary snow removal, sanding, and ice control during the cold weather seasons (including daily freeze-thaw cycles). Specific responsibilities include clearing of snow and the spreading of ice control chemicals on the entrances and exit lanes, ramps, interior circulation roads, sidewalks, parking decks in a parking structure, if applicable, and parking surfaces of the public and employee parking lots. At the discretion of the Commission, Operator may be required to use their own personnel, equipment, and materials; Commission personnel, equipment, and materials, for which, Commission will seek reimbursement from the Operator; or utilize a subcontractor who specializes in said operations. The Operator shall be responsible for operation of the Facilities in accordance with the Procedures Manual. The Operator shall conduct daily safety, cleanliness, and functional inspections (daytime and nighttime) of the Facilities. Written reports of the inspections shall be

submitted to the Commission and shall indicate the condition of lighting, general appearance, potential safety hazards, fire equipment, graffiti, cleanliness, and any other items which may be requested by Commission. The Operator shall notify the Commission in writing of any areas requiring immediate maintenance and/or repair upon discovery of such items.

The parking equipment shall be inspected daily. Operator shall be responsible for maintenance and repair of the PARCS equipment and Customer Loyalty Program equipment, firmware, and software as applicable.

8.06 Personnel. The management, maintenance, and operation of the Facilities shall at all times be under the supervision and direction of a full-time, qualified, competent Facilities Manager who shall be subject to the direction and control of the Operator. Within ten (10) days from the commencement date of this Agreement, the Commission shall review the qualifications of the candidate Facilities Manager and notify Operator if he/she is acceptable. The Facilities Manager shall not have the responsibility for managing any Parking Facilities other than the Airport Public Parking Facilities.

Operator shall provide ten (10) days' advance written notice to Commission of any intended change in its Facilities Manager and shall include any change of address or telephone number. Prior to any change, the Commission shall review the qualifications of the candidate Facilities Manager and notify the Operator if he/she is acceptable.

Operator agrees that its employees shall be of adequate number and competently trained so as to properly conduct the operation of Facilities; sufficient staff shall be provided to operate the toll plaza in a first-class manner, to meet all reasonable demands of the public and to prevent existing patrons from waiting in line for a period in excess of ten (10) minutes. The Operator shall make every reasonable effort to schedule employees so as to minimize or avoid the payment of overtime, recognizing, however, that the intent of this Agreement is to provide a high level of service to the user of the Facilities. The Commission shall have the right, by written notification to the Operator, to increase or decrease the number of employees required to be utilized by Operator on each shift, or the number of shifts required per day or to change the hours of each shift.

Operator shall employ a sufficient number of employees trained in the use and functions of the PARCS equipment supplied by the Commission. Operator shall employ personnel to enter and update all computer data base functions including, but not limited to, vehicle inventory, ingress and

egress of vehicles, toll plaza revenues, time functions, and ticket inventories.

All employees, with the exception of the Facilities Manager and non-public contact office personnel shall be required to wear the appropriate uniform, as approved by the Commission, at all times when on duty. Operator shall cause all of its employees to conduct themselves at all times in a courteous manner toward the public and in accordance with the rules, regulations, and policies set forth in the Procedures Manual.

The Operator shall require employees to clock in or out within ten (10) minutes of the shift change time.

Employees of Operator shall be required to park their personal vehicles in designated areas as approved by the Commission.

Operator, its agents, employees, or suppliers shall not block any areas used for ingress and egress by Airport traffic unless required in an emergency.

8.07 Cleanliness of Premises. The Facilities and all equipment and materials used by Operator shall at all times be clean, sanitary, and free from rubbish, refuse, garbage, dust, dirt, rodents, insects, and other offensive or unclean materials. Operator shall be responsible for the provision of all janitorial services in its office areas.

8.08 Operations. The Operator shall, on an around-the-clock basis, provide, operate, and maintain the Facilities in a neat, clean, and operable condition.

The Operator shall be responsible for the towing, impounding, and removal of all vehicles considered abandoned in accordance with procedures set forth in the Operator's Procedures Manual.

The Operator shall provide personnel to operate equipment provided by Commission necessary to air tires, jump-start vehicles, and provide lock-out and car-search assistance to the public in the Parking Facilities.

8.09 Security. Operator acknowledges and accepts reasonable responsibility for the security and protection of Facilities assigned to it and any and all inventory, equipment, and Facilities now existing or hereafter placed on or installed in or upon its Facilities, and for the reasonable prevention of unauthorized access to its Facilities. If the Commission deems it necessary or desirable that additional security measures for the protection of the Facilities and improvements constructed thereon should be in place, the Operator shall hire additional security at the direction of the Commission, which expense shall be an operating expense.

8.10 Airport Procedures. Operator agrees to observe and abide by all procedures, rules, and regulations promulgated from time to time by the Federal, State, and local government, Commission or Airport Staff concerning security matters, parking, ingress and egress, and any other operational matters related to the operation of The Eastern Iowa Airport. This shall include, but not be limited to, Operator precluding its employees or agents, or its customers, invitees or licensees (while on the Airport property for the benefit of the Operator) from entering upon any restricted area of the Airport as noted in the procedures, rules, or regulations of the Commission, or as noted in TSR 1542 and TSR 1544 of the Transportation Security Regulations.

8.11 License Plate Inventory. Operator will operate a computerized license plate inventory service to be performed each night by Operator's employees. Operator will complete and submit on forms approved by the Commission, daily, weekly, and monthly reports of the license plate inventory. Since Commission will provide any and all devices and equipment used in this service at its own cost, such devices and equipment shall remain the property of the Commission.

8.12 Payment Card Industry (PCI) Data Security. Operator agrees to comply with the Payment Card Industry (PCI) Data Security Standard (DSS) requirements for its systems and networks and/or Commission provided systems and networks under this Agreement; which store, process, and/or transmit cardholder data as defined by PCI Security Standard Council (Cardholder Data). Operator acknowledges it is responsible for the security of cardholder data handled by the Operator. The Commission and the Operator shall meet to identify the specific systems and networks that store, process, and/or transmit Cardholder Data to determine the desired actions and identify responsibilities as applicable to the PCI DSS requirement areas.

8.13 Operational and Procedural Audits. Operator shall perform at least twice each year internal on-site audits of its operations, including a review of the records and internal controls. Such audit scope shall include but not limited to tests of the PARCS reliability, cashier reconciliations, exception tickets, compliance, and operational controls. Audit results shall be reported to the Commission within thirty (30) days of completion of such audit.

ARTICLE IX. GUARANTEES

9.01 Performance Guaranty. The Operator at its sole cost and expenses shall provide to the Commission, and shall keep in full force and effect throughout the entire term of this Agreement, a

performance bond, in a form acceptable to the Commission and drawn on such company that is qualified and licensed to do business in Iowa, or letter of credit, in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) annually. The Commission may adjust this amount at any time at its sole discretion. In such event, Operator shall submit such adjusted performance bond or letter of credit within thirty (30) days of receipt of Commission's notice thereof. Said performance bond or letter of credit may be drawn upon by Commission if Operator fails to perform its obligations under this Agreement. Operator's failure to provide and maintain current said performance bond or letter of credit shall constitute a default by Operator and shall be grounds for automatic termination of this Agreement.

9.02 Fidelity Guaranty. Operator agrees to provide and maintain at Operator's sole cost and expense fidelity bonds or an employee dishonest insurance policy covering all Operator's personnel under this Agreement in an amount not less than Two Hundred Fifty Thousand Dollars (\$250,000) each loss, to reimburse Commission for monetary losses experienced due to the dishonest acts of Operator's employees. The Commission may adjust this required minimum amount at any time at its sole discretion.

9.03 Payment Guaranty. The Operator at its sole cost and expense shall provide to Commission a payment bond or letter of credit in the sum of One Hundred Thousand Dollars (\$100,000) guaranteeing the Operator will promptly make payment to all persons supplying it labor, materials, supplies, and services used directly or indirectly by Operator. The Commission may adjust this amount at any time at its sole discretion. In such event, Operator shall submit such adjusted payment bond or letter of credit within thirty (30) days of receipt of Commission's notice thereof. Said payment guaranty or letter of credit may be drawn upon by Commission if Operator fails to perform its obligations under this Agreement. Operator's failure to provide and maintain current said payment guaranty or letter of credit shall constitute a default by Operator and shall be grounds for automatic termination of this Agreement.

ARTICLE X. LIQUIDATED DAMAGES

10.01 Assessing Liquidated Damages. If any portion of the services required by this Agreement is not commenced on July 1, 2012, Commission will incur substantial injury, including loss of use of facilities, loss of revenue, and inconvenience to the public. Damages arising from such

injury cannot be calculated with any degree of certainty. Such liquidated damages are not a penalty, but are hereby fixed and agreed upon between the parties, recognizing the impossibility of precisely ascertaining the actual amount of damages that will be sustained by Commission as a consequence of such violations or failures. If liquidated damages are assessed against Operator, that assessment is in addition, and not in lieu of, all other remedies available to Commission under this Agreement. Upon imposition of liquidated damages under this Article, Commission may either deduct the liquidated damage amounts from any payment due to Operator or deduct the liquidated damages from Operator's performance guaranty within ten (10) days of the date the liquidated damages were imposed.

10.02 Liquidated Damages For Failure to Commence Operations. For each 24 hour period after 12:01 a.m., July 1, 2012, that Operator fails to commence operations, Commission will impose liquidated damages of \$2,500.00. If Operator has not commenced operations by 12:01 a.m., July 15, 2012, the entire performance guaranty is forfeited to Commission as liquidated damages, and Commission may terminate this Agreement without further notice to Operator or liability on the part of Commission.

10.03 Waiver of Liquidated Damages. Commission may waive liquidated damage charges if it determines that the failure in service was unavoidable, as solely determined by Commission. Any such determination will be final and conclusive. If Operator believes that the occurrence of a particular event may cause a delay in the commencement of its services, it is Operator's responsibility to immediately notify Commission of the event. Regardless of whether Operator gives such notice, Commission is not obligated to waive the imposition of liquidated damages.

ARTICLE XI. TAKEOVER OF SERVICES

11.01 Commission will have the absolute right to immediately take over the operations of the Parking Facilities, either by itself or through others, by reason of Operator's failure, for any reason whatsoever, to employ, maintain in its employ, or adequately provide for the personnel necessary to keep the Parking Facilities open for public patronage.

ARTICLE XII. ENVIRONMENTAL REGULATIONS

12.01 Environmental Regulations. Notwithstanding any other provisions of this Agreement, Operator acknowledges that certain properties and uses of properties within the Airport are subject to environmental regulations. Operator agrees to observe and abide by said regulations as applicable to its use of the Airport, and in addition to any and all other Agreement requirements, and any other covenants and warranties of Operator. Operator hereby expressly warrants, guarantees, and represents to Commission that Operator agrees to comply with all applicable Federal, state, and local laws, rules, regulations and ordinances protecting the environmental and natural resources and all rules and regulations promulgated or adapted as some may from time to time be amended and accepts full responsibility and liability for such compliance.

12.02 Violation. Operator shall provide any agency's notice of environmental violation or similar enforcement action or notice of noncompliance, to Owner within twenty-four (24) hours of receipt by Operator or Operator's agent. Violation of any part of the provisions of this article or disposition by Operator of any sanitary waste, pollutants, contaminants, hazardous waste, toxic waste, industrial cooling water, sewage, or any other materials in violation of the provisions of this section of this Agreement shall be deemed to be a default under this Agreement and, unless cured within ten (10) days of receipt of notice from Commission shall be grounds for termination of this Agreement, and shall also provide Commission grounds for taking whatever other action it may have in addition to termination based upon default as provided for under this Agreement.

12.03 Fines Resulting from Violations. Operator is responsible for payment of any and all fines imposed as a result of acts of non-compliance with federal, state, or local regulations, statutes, and/or laws in effect now or in the future concerning environmental impacts that are a direct result of Operator's negligence in management of the Airport Parking Facilities.

12.04 Storm Water Regulations. Operator agrees to abide by all federal, state, and local regulations, statutes, and/or laws in effect now or in the future concerning storm water requirements. Operator agrees to insure safety and to minimize cost of compliance with stormwater discharge permit terms and conditions applicable to the Airport. Operator acknowledges further that it may be necessary to undertake such actions to minimize the exposure of stormwater to "hazardous materials", as defined by State of Iowa Code, generated, stored, handled, or otherwise used by Operator, as such term may be defined by applicable stormwater rules and regulations, by

implementing and maintaining appropriate and relevant “best management practices” as that term may be defined in applicable stormwater rules and regulations.

12.05 Indemnify and Hold Harmless. Notwithstanding any other provisions of this Agreement, Operator agrees to defend, indemnify and hold harmless Commission, its officials and employees and other storm water permit co-permittees for any and all claims, demand, cost (including attorneys fees), fees, fines, penalties, charges, and demands by and liability directly or indirectly arising from Operator’s actions or omissions, including without limitation, failure to comply with Operator’s obligations under this ARTICLE XII, the applicable storm water regulations, and storm water discharge permit, unless the result of third parties, including the Commission, or the design or maintenance of the Airport’s storm water system by Commission or third parties. This indemnification shall survive any termination or non-renewal of this Agreement.

ARTICLE XIII. INSURANCE

Operator will maintain the following insurance at all times during the term of this Agreement, in amounts not less than those specified in this section. The Commission, during the Term or any extension of the Term of this Agreement, in its sole discretion, may increase the minimum amounts for the insurance required hereunder upon sixty (60) days’ written notice to Operator.

13.01 Minimum Limits of Insurance. Operator shall maintain coverage limits of no less than:

- A. Comprehensive General Liability: Two Million Dollars (\$2,000,000) combined single limit per occurrence including, but not limited to, broad form property damage, personal injury, contractual, independent contractors, underground explosion and collapse hazard, and premises/operations.
- B. Automobile Liability: Two Million Dollars (\$2,000,000) combined single limit per accident for any auto, hired autos, and non-owned autos for bodily injury and property damage.
- C. Garagekeepers Legal Liability: Two Million Dollars (\$2,000,000) combined single limit.
- D. Worker's Compensation and Employers Liability: Worker's Compensation and Employers Liability insurance as required by the statutes of the State of Iowa.
- E. Umbrella Liability: Ten Million Dollars (\$10,000,000) an excess policy per

occurrence combined limit for bodily injury and property damage that follows form and applies in excess of the primary liability coverages required hereinabove.

13.02 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the Commission. At the option of the Commission, either (a) the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City of Cedar Rapids, the Cedar Rapids Airport Commission and their employees, or (b) Operator shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses in an amount specified by the Commission.

13.03 Acceptability of Insurers. Insurance shall be placed with insurers that are qualified and licensed to do business in Iowa.

13.04 Proof of Coverage. Concurrent with the execution of this Agreement, Operator shall provide proof of insurance coverage by providing a certificate of Operator's insurance coverage, a copy of the declarations page of the insurance policy, and a copy of all endorsements. The certificates of insurance, or endorsements attached thereto, shall provide that (a) insurance coverage shall not be cancelled, changed in coverage, or reduced in limits without at least thirty (30) days prior written notice to the Commission, (b) the City of Cedar Rapids, the Cedar Rapids Airport Commission and employees are named as additional insureds, but only to the extent same are indemnified pursuant to Paragraph 13.01 hereof, (c) the policy shall be considered primary as regards any other insurance coverage the Commission may possess, including any self-insured retention or deductible the Commission may have, and any other insurance coverage the Commission may possess shall be considered excess insurance only, (d) the limits of liability required therein are on an occurrence basis, and (e) the policy shall be endorsed with a severability of interest or cross-liability endorsement providing that the coverage shall act for each insured and each additional insured as though a separate policy had been written for each insured or additional insured; however, nothing contained therein shall act to increase the limits of liability of the insurance company.

13.05 Change of Coverage of Cancellation. If the insurance coverage required herein is canceled, changed in coverage or reduced in limits, within fifteen (15) days of receipt of notice, but in no event later than ten (10) days prior to the effective date of cancellation, change or reduction, Operator shall provide to the Commission a certificate showing that insurance coverage has been reinstated or provided through another insurance company. Upon failure to provide such certificate,

Commission, without further notice and at its option, either (a) may exercise Commission's rights as provided in the default provisions of this Agreement, or (b) procure insurance coverage at Operator's expense whereupon Operator promptly shall reimburse the Commission for such expense.

ARTICLE XIV. RELATIONSHIP OF THE PARTIES

14.01 Operator is and shall be deemed to be an independent contractor and Operator responsible to all parties for its respective acts or omissions, and Commission shall in no way be responsible therefore. Neither the Operator nor any of the officers, agents, or employees of the Operator shall be deemed to be employees of the Commission for any purposes whatsoever.

ARTICLE XV. INDEMNIFICATION

15.01 Operator shall protect, defend, reimburse, indemnify, and hold harmless the Cedar Rapids Airport Commission, the City of Cedar Rapids, and their employees, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees, court costs and expert fees) and causes of action of every kind and character arising out of, and to the extent caused by, Operator's performance and that of its officers, employees, and agents, of the terms, conditions, obligations, duties and responsibilities created under this Agreement. This duty shall survive the termination of this Agreement. However, Operator's obligations hereunder shall not apply to any matter not arising out of, incident to, or in connection with, Operator's performance of this Agreement.

ARTICLE XVI. DAMAGE OR DESTRUCTION OF FACILITIES

16.01 Operator's Obligations. If the Facilities, or any part thereof, during the term of this Agreement shall be damaged by the act, default, or negligence of Operator, or of Operator's members, agents, employees, officers, representatives, or contractors admitted to said Facilities by Operator, Operator shall at its sole cost and expense, restore said Facilities to the condition existing prior to such damage, but only to the extent such damage is caused by the above parties. If Operator fails to restore said Facilities as required above, Commission shall have the right to enter the Facilities and perform the necessary restoration, and Operator hereby expressly agrees that it shall fully assume and be liable to Commission for payment of the costs therefore, plus twenty-five

percent (25%) administrative overhead. Such restoration cost, plus the administrative cost, shall be due and payable within thirty (30) days from the date of Commission's billing notice thereof.

ARTICLE XVII. OFF-AIRPORT PARKING OPERATION PROHIBITION

17.01 Operator or related entity shall not engage in or in anyway be associated with the operation of an automobile parking lot or parking structure within five (5) miles of The Eastern Iowa Airport public parking lots, for which it has the right to determine the fee for parking or from which it derives a fee based on a percentage of the revenues of such facility during the term of this Agreement; unless such off-airport facility is operated in conjunction with a revenue enhancement plan for the Airport Parking Facilities and said plan is approved in advance by the Commission.

17.02 Related entity shall be defined as persons, corporations, or partnerships that own or operate any other parking facility within the above area. Operator shall be a "related entity" to another entity if there is any common ownership of each entity or if the same individual is an officer in each entity or if an owner of any part of one (1) entity is an officer in the other entity. An entity shall be a "related entity" to a person if that person owns any part of such entity or is an officer of such entity.

17.03 In the event Commission, at its sole discretion, determines that Operator or a related entity to Operator is engaged in or in anyway is associated with the operation of an automobile parking lot or parking structure as set forth in Paragraph 17.01 above; and said off-airport facility is not operated in conjunction with a revenue enhancement plan for the Airport Parking Facilities approved in advance by the Commission, then Commission shall have the right at any time to terminate this Agreement upon giving Operator thirty (30) days' advance written notice of such intent.

ARTICLE XVIII. TERMINATION OF AGREEMENT, CANCELLATION, ASSIGNMENT, AND TRANSFER

18.01 Termination. This Agreement shall automatically terminate and expire at the end of the term, as set forth in Article II hereof. Upon the termination of this Agreement, through passage of time or otherwise, the Operator shall aid the Commission in all ways possible in continuing the business of operating the Airport Public Parking Facilities uninterruptedly.

18.02 Commission's Right of Cancellation. Commission may cancel this Agreement by giving Operator thirty (30) days' advance written notice, during which such period Operator shall have the opportunity to cure, to be served as hereinafter provided, upon the occurrence of any one (1) of the following events:

- (1) The filing of Operator of a voluntary petition for bankruptcy.
- (2) The institution of proceedings in bankruptcy against Operator and adjudication of Operator as bankrupt pursuant to said proceeding.
- (3) The taking by a court of jurisdiction of Operator and its assets pursuant to proceedings brought under the provision of any Federal reorganizational acts and said proceeding is not dismissed, discontinued or vacated within thirty (30) days.
- (4) The appointment of a receiver of Operator's assets and the receivership shall not be set aside within thirty (30) days after such appointment.
- (5) The divestiture of Operator's estate herein by operation of law.
- (6) The abandonment by Operator of the Facilities, or of its business operations thereon.
- (7) The conduct of any business or performance of any acts not specifically authorized herein and said business or acts do not cease within thirty (30) days of receipt of written notice by Commission to cease said business or acts.
- (8) The default in the performance of any of the covenants and conditions required herein (except insurance and security for payment requirements as hereinbefore set forth) to be kept and performed by Operator and said default is not cured within thirty (30) days of receipt of written notice by Commission to do so, or if by reason of the nature of such default, the same cannot be remedied within thirty (30) days following receipt by Operator of written demand from Commission to do so, Operator fails to commence the remedying of such default within said thirty (30) days following such written notice, or having so commenced, shall fail thereafter to continue with diligence the curing thereof (with Operator having the burden of proof to demonstrate (a) that the default cannot be cured within thirty (30) days and (b) that it is proceeding with diligence to cure said default, and that such default will be cured within a reasonable period of time.

18.03 Cancellation for Default in Deposit of Gross Revenues. Failure of the Operator to properly deposit Gross Revenues or deliver to the Commission the duplicate validated deposit slips and appropriate daily reports evidencing the deposit of Gross Revenues shall constitute a default and the Commission after giving Operator notice of same and three (3) business days to cure, shall have the right to terminate this Agreement five (5) days after receipt of written notice sent by registered or certified mail to the Operator or delivered to the Facilities Manager. In the event that the Commission takes action as provided in this paragraph, the Commission shall have the right to immediately assume direct responsibility for the handling of shift and daily Gross Revenues, upon the turn in of monies by cashiers at the end of their shifts.

Operator shall report to the Commission within seventy-two (72) hours after it becomes aware of any possible theft by employees or any allegations of employee dishonesty.

18.04 Early Termination. Commission shall have the right to terminate the agreement without cause at any time upon sixty (60) days' written notice to Operator, as described in Section 2.05 herein.

18.05 Assignment, Transfer, and Subcontracting. Operator shall not, in any manner, assign, transfer, mortgage, pledge, encumber or otherwise convey an interest in this Agreement, nor contract the services permitted herein or any part thereof, without the prior written consent of Commission in the form of a Resolution. Any such attempted assignment, transfer, or subcontract without Commission approval shall be null and void.

18.06 Surrender of Premises. Notwithstanding the obligations of the Operator and rights of Commission provided herein, Operator expressly agrees that it shall immediately surrender the Facilities to Commission in good and fit conditions upon termination or cancellation of this Agreement, depreciation and wear from ordinary use for the purpose for which the premises were operated being excepted. All repairs and obligations for which the Operator is responsible shall be completed by the earliest practical date prior to surrender. Operator, within fifteen (15) calendar days following the termination of this Agreement, shall remove all of its personal property.

ARTICLE XIX. ALTERATIONS OR ADDITIONS AND SIGNS

19.01 Alterations or Additions. Operator shall make no alterations or additions to the Facilities constructed thereon, without the prior written consent of the Commission.

19.02 Signs. No signs, posters, or similar devices shall be erected, displayed, or maintained by Operator in the view of the general public in, on, or about the Facilities or elsewhere on the Airport without the written approval of the Commission.

ARTICLE XX. LAWS, REGULATIONS, PERMITS AND TAXES

20.01 General. Operator expressly covenants, warrants, guarantees and agrees that throughout the term of this Agreement, Operator shall at all times be and shall remain in full and complete compliance with all applicable statutes, regulations, rules, rulings, orders, ordinances, or directives of any kind or nature without limitation, as same may be amended, of any and all federal, state, or local governmental bodies now or hereafter having jurisdiction over Operator, Operator's operations conducted under this Agreement on the Facilities, and over those persons and entities performing any work or services on behalf of Operator or at Operator's actual or constructive request.

Operator further covenants, warrants, guarantees, and agrees that it shall comply with all ordinances of Commission including, but not limited to, the "Rules and Regulations", all operational orders issued thereunder, and any and all other laws, ordinances, regulations, rules, and orders of any governmental entity which may be applicable to Operator or in any way to Operator's business operations under this Agreement, as said laws, ordinances, regulations, rules, and orders now exist, or are hereinafter amended, promulgated, or otherwise imposed on Operator by law.

Operator agrees that it shall require its appropriate managers, supervisors, and employees to attend such training and instructional programs as the Commission may, from time to time, require in connection with policies and procedures established by Federal Aviation Regulations .

20.02 Permits and Licenses General. Operator expressly covenants, warrants, and agrees that it shall, at its sole cost and expense be strictly liable and responsible for obtaining, paying for, maintaining current, and fully complying with, any and all permits, licenses, and other governmental authorizations, however designated, as may be required at any time throughout the entire term of this Agreement by any federal, state, or local governmental entity or any court of law having jurisdiction over Operator or Operator's operations and activities, for any activity of Operator's conducted on the Facilities and for any and all operations conducted by Operator including ensuring that all legal requirements, permits, and licenses necessary for or resulting, directly or indirectly, from Operator's activities on the Facilities have been obtained and are in full legal compliance. Upon the written

request of the Commission, Operator shall provide to Commission certified copies of any and all permits and licenses which Commission may request.

20.03 Air and Safety Regulations. Operator covenants, warrants, guarantees, and agrees that it shall conduct its operations and activities under this Agreement in a safe manner, shall comply with all safety regulations of Commission and with safety standards imposed by applicable federal, state and local laws and regulations and shall require the observance thereof by all employees, contractors, business invitees, and all other persons transacting businesses with or for Operator resulting from, or in any way related to, the conduct of Operator's business on the Facilities. Operator hereby agrees that neither Operator, nor employee or contractor or any person working for or on behalf of the Operator, shall require any personnel engaged in the performance of Operator's operations to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health or safety, as determined by standards adopted pursuant to the Occupational Safety and Health Act of 1970, as same may be amended from time to time, as well as all state and local laws, regulations, and orders relative to occupational safety and health.

20.04 Taxes and Licenses. The Operator will pay all taxes of whatever character which lawfully may be levied or charged upon the Airport Parking Facilities or operation, upon the right of the Operator to perform operational services, and upon the Operator's equipment, fixtures, or other property. In the event the tax assessor of City of Cedar Rapids or Linn County seeks to levy any ad valorem tax against the Operator or upon improvements, facilities, or other property owned or used by it, the Operator, forthwith upon receipt of bill or other notification of such action, will notify the Commission. The Operator expressly undertakes and agrees to comply with any written directive by the Commission with respect to such ad valorem taxes, including, but not limited to, protesting same, petitioning for equalization, and litigating the amount of legal validity of any such taxes, and to pay the same under protest if so directed.

ARTICLE XXI. GOVERNMENTAL RESTRICTIONS

21.01 Federal Right to Reclaim. In the event a United States governmental agency shall demand and take over the entire Facilities of the Airport or the portion thereof wherein the Facilities are located, for public purposes, then this Agreement shall thereupon terminate and the authority shall be released and fully discharged from any and all liability hereunder.

ARTICLE XXII. NONDISCRIMINATION

22.01 Nondiscrimination. Operator for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in or denied the use of said Facilities, (b) that in the construction of any improvements on, over, or under such Facilities and the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, age, or handicap shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that Operator shall use the Facilities in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. In the event of the breach of any of the foregoing nondiscrimination covenants, Commission shall have the right to terminate this Agreement and to reenter and repossess said Facilities and the Facilities hereon, and hold the same as if said Agreement has never been made or issued. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.

ARTICLE XXIII. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE

23.01 Commission's Policy. The Commission is committed to a policy and program for the participation of ACDBEs in concession-related contracting opportunities in accordance with U.S. Department of Transportation's (DOT) 49 Code of Federal Regulations (CFR) Part 23 as may be amended. In advancing Commission's policy, the Operator agrees to ensure that ACDBEs, as defined in 49 CFR Part 23 and Commission's ACDBE Program, have the maximum opportunity to participate in the performance of the Agreement. The Operator will take all necessary and reasonable steps in accordance therewith to ensure that ACDBEs are encouraged to compete for and perform subcontracts under the Agreement.

23.02 Non-Discrimination. The Operator and any subcontractor of the Operator will not discriminate on the basis of race, color, national origin, or sex in the performance of the Agreement. The Operator will carry out applicable requirements of 49 CFR Part 23 in the award and

administration of agreements. Failure by the Operator to carry out these requirements is a material breach of the Agreement, which may result in the termination of the Agreement or such other remedy as the Commission deems appropriate.

The Agreement is subject to the requirements of the U.S. Department of Transportations' regulations 49 CFR Part 23. The Operator agrees that it will not discriminate against any business owner because of owner's race, color, natural origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase of lease agreement, or other agreement covered by 49 CFR Part 23.

The Operator will agree to include the statements in paragraphs (1) and (2) above in any subsequent concession agreement or contract covered by 49 CFR Part 23 that it enters and cause those businesses to similarly include the statements in further agreements.

23.03 ACDBE Participation and Compliance. ACDBE Goal: The Operator agrees that it will pursue subcontracting opportunities with ACDBE firms, certified with the Iowa Unified Certification Program, as a percentage of the value of goods and services purchased under the Agreement generated by the Operator for each year of the term, or clearly demonstrate in a manner acceptable to Commission its good faith efforts to do so. The Commission will notify the Operator in writing of said percentage, which may be amended from time to time.

23.04 ACDBE Termination and Substitution. The Operator will not terminate an ACDBE for convenience without the Commission's prior written consent. If an ACDBE is terminated by the Operator with the Commission's consent or because of the ACDBE's default, then the Operator must make a good faith effort, in accordance with the requirements of 49 CFR Part 23.25 to find another ACDBE to substitute for the original ACDBE to provide the same amount of ACDBE participation.

23.05 Reporting Requirements. The Operator agrees that within (20) twenty days after the expiration of each calendar quarter during the term of the Agreement, it will provide an ACDBE Utilization activity Report to the Commission, in a form acceptable to the Commission, the total actual payments received by each of its ACDBE subcontractors and vendors for such fiscal year, calculated in accordance with the requirements of 49 CFR Part 23. If the ACDBE participation herein required is not met, the Operator will explain in its report the reason for its failure to meet the prescribed goal and the corrective actions(s) the Operator proposes to take in the next fiscal year(s) to meet said goal.

23.06 Monitoring. Commission will monitor the compliance and good faith efforts of the Operator in meeting the requirements of this Section. Commission will have access to the necessary records to examine such information as may be appropriate for the purpose of investigating and determining compliance with this Section, including, but not limited to, records, records of expenditures, contracts between the Operator and the ACDBE participant, and other records pertaining to the ACDBE participation plan.

23.07 Prompt Payment. The Operator agrees to pay each subcontractor under the Agreement for satisfactory performance if its contract no later than (10) ten calendar days from the receipt of each payment the Operator receives from the Commission. The Operator agrees further to release retainage payments to each subcontractor within (10) ten calendar days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Commission. This clause applies to both ACDBE and non-ACDBE subcontractors.

23.08 Sanctions for Non-Compliance. Commission may, in addition to pursuing any other available legal remedy for the Operator's failure to comply with this Section, terminate, suspend or cancel the Agreement in whole or in part; and/or suspend the Operator from future Agreements with the Commission

ARTICLE XXIV. COMMISSION NOT LIABLE

24.01 Commission shall not be responsible or liable to Operator for any claims for compensation or any losses, damages or injury sustained by Operator resulting from (a) cessation for any reason of air carrier operations at the Terminal, or (b) diversion of passenger traffic to any other facility.

ARTICLE XXV. SUBORDINATION

25.01 Subordination to Federal Agreements. This Agreement shall be subject and subordinate to all the terms and conditions of any instrument and documents under which the Commission acquired the land or improvements thereon, of which said Facilities are a part, and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Operator understands and agrees that this Agreement shall be subordinate to the provisions of any

existing or future agreement between Commission and the United States of America, or any of its agencies, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

ARTICLE XXVI. INVALIDITY OF CLAUSES

26.01 The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Agreement shall have no effect upon the validity of any other part or portion hereof.

ARTICLE XXVII. GOVERNING LAW

27.01 This Agreement shall be governed by and in accordance with the laws of the State of Iowa.

ARTICLE XXVIII. INSPECTIONS

28.01 The authorized employees and representatives of the Commission and any applicable federal, state, and local governmental entity having jurisdiction hereof shall have the right of access to the Facilities at all reasonable times for the purposes of audits, examinations and inspection for compliance with the provisions of this Agreement.

ARTICLE XXIX. NOTICE

29.01 Any notice given under the provisions of this Agreement shall be in writing and shall be delivered personally or sent by certified or registered mail, postage prepaid to:

Commission:

Cedar Rapids Airport Commission
Attn: Tim Bradshaw, A.A.E.
Airport Director
2515 Arthur Collins Parkway SW
Cedar Rapids, IA 52404-8952

Operator:

Republic Parking System, Inc.
Attn: Chris J. Howley
Executive Vice President
With copy to: James C. Berry, CEO
633 Chestnut Street, Suite 2000
Chattanooga, Tennessee 37450

or to such other respective addresses as the parties may designate to each other in writing from time to time. Notice by certified or registered mail shall be deemed given on the date that such notice is deposited in a United States Post Office.

ARTICLE XXX. PARAGRAPH HEADINGS

30.01 The headings of the various articles and sections of this Agreement, and its Table of Contents, are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, contest, or intent of this Agreement or any part or parts of this Agreement.

ARTICLE XXXI. BINDING EFFECT

31.01 The terms, conditions, and covenants of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors, assigns, and sublessee, if any. This provision shall not constitute a waiver of any conditions against assignment.

ARTICLE XXXII. PERFORMANCE

32.01 The parties expressly agree that time is of the essence in this Agreement and the failure by Operator to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of Commission without liability, in addition to any other rights or remedies, relieve Commission of any obligation to accept such performance.

ARTICLE XXXIII. TAKEOVER OF SERVICES


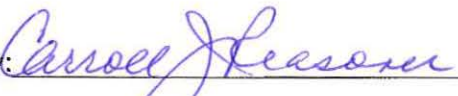
33.01 Commission shall have the absolute right to immediately take over the operations of the Parking Facilities, either by itself or through others, by reason of Operator's failure, for any reason whatsoever, to employ, maintain in its employ, or adequately provide for the personnel necessary to keep the Parking Facilities open for public patronage.

ARTICLE XXXIV. ENTIRETY OF AGREEMENT


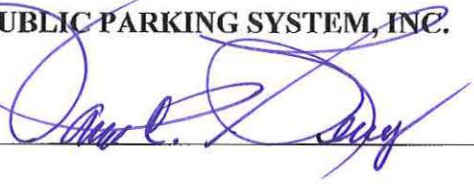
34.01 The parties agree that this Agreement sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms, and conditions contained in this Agreement may be added to, modified, superseded, or otherwise altered except by written instrument executed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written:

CEDAR RAPIDS AIRPORT COMMISSION

Attest:  By: 
Chairman

REPUBLIC PARKING SYSTEM, INC.

Attest:  By: 
Title: CHAIRMAN & CEO

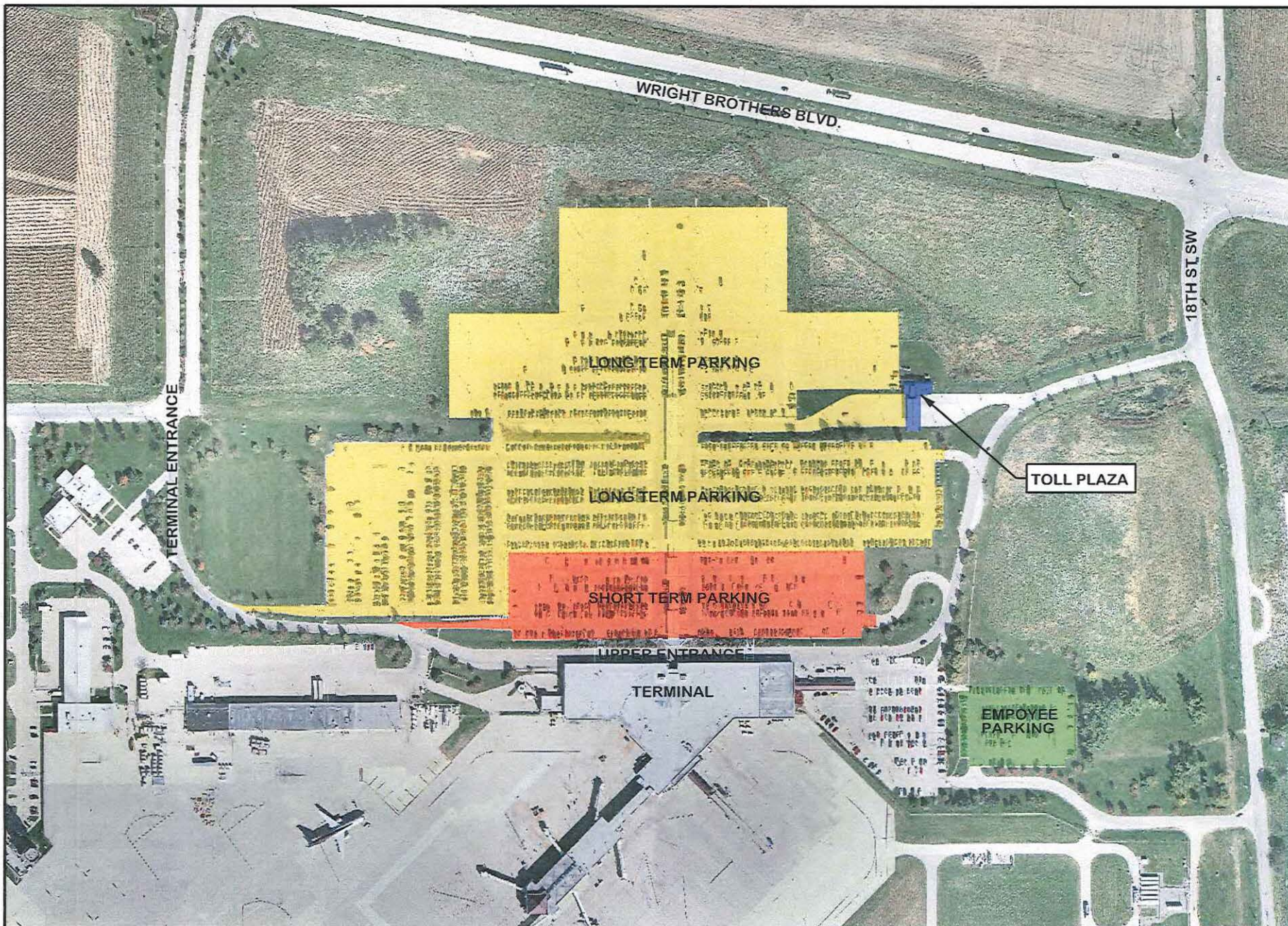


EXHIBIT A
PUBLIC AND EMPLOYEE PARKING LOTS
CEDAR RAPIDS, IA



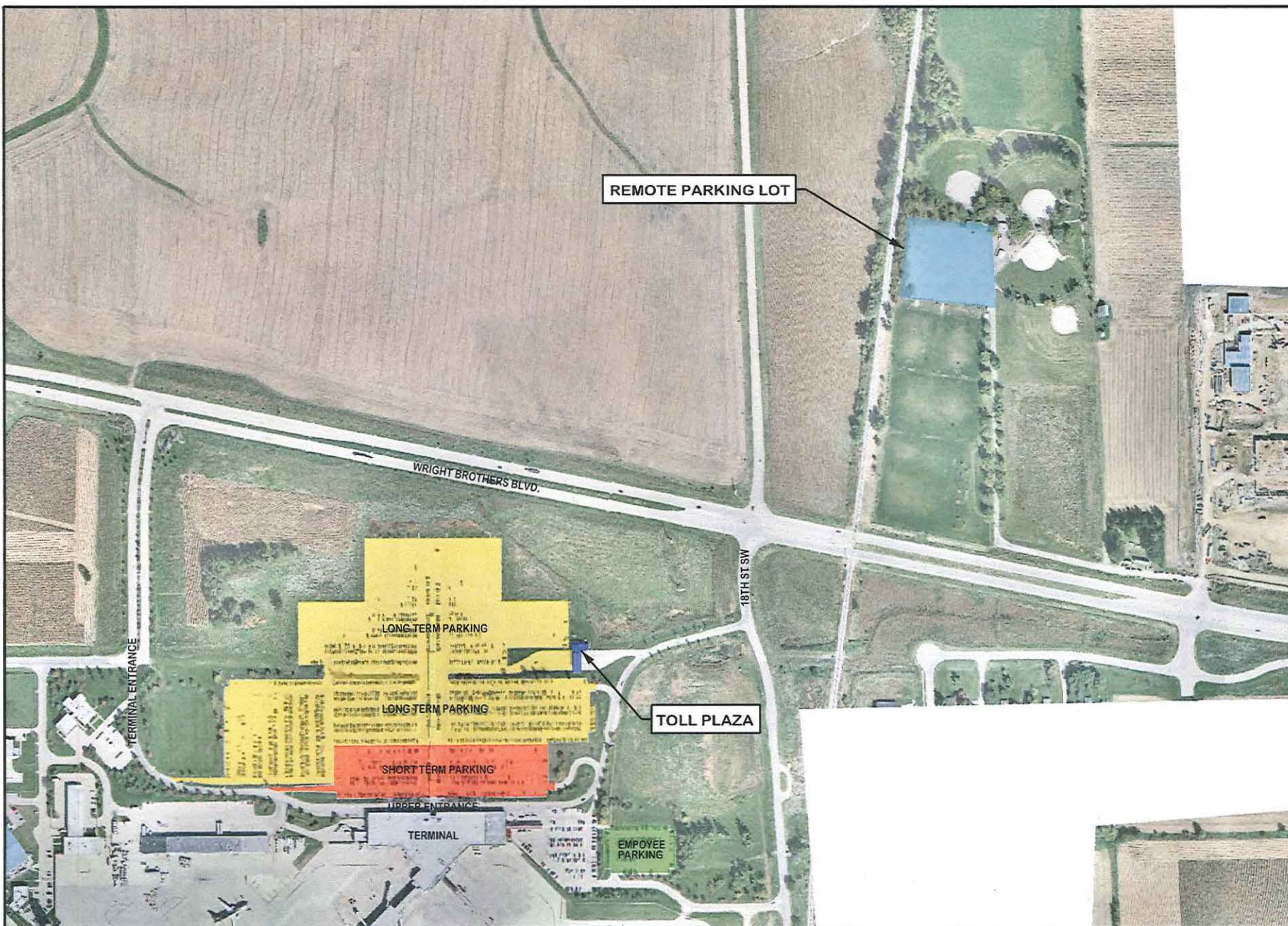


EXHIBIT B – PARKING RATE SCHEDULE

Effective July 1, 2012, subject to change by the Commission at anytime during the term of the Agreement.

Interval	Short Term	Long Term
0 - 20 minutes	Free	Free
21 - 30 minutes	\$1.50	\$1.25
60 minutes	\$2.25	\$1.25
additional 1/2 hr	\$1.00	\$1.25
Daily	\$7.00	\$5.00

Remote (Overflow): Parking fee paid at point of entry with free flow exit. Rate is same as long-term rate of \$5.00.

Employee Parking: Tenant employees with offices or places of business on the Airport shall be permitted to park in a designated employee parking lot, currently at no charge. The Commission has the option of implementing a charge for tenant employee parking. If implemented, selected Proposer will be in charge of invoicing and collection of tenant employee parking fees. If employee parking lot is full, tenant employees may use the long-term parking lot at no charge. Entrance and exit pass card will be provided to employees using the long-term public parking lot. One (1) parking space in the short-term public parking lot is available for each tenant's manager.

Aircraft Crew Parking: Aircraft crew of air transportation companies shall be permitted to park within the long-term parking lot for a fee of \$30.00 per month with annual payment option that discounts the fee \$60 per year. Entrance and exit pass cards will be issued to the aircraft crew. Selected Proposer will be in charge of invoicing and collection of aircraft crew fees.

Lost Ticket Fee: For the short-term or long-term parking lots, the lost ticket fee will be Four Dollars (\$4), plus, the parking rate will be calculated using the number of days of which the patron's vehicle was included in the nightly license plate inventory. The maximum daily rate shall apply to both the date of entry and the date of exit as well. For patrons not on the overnight inventory, the charge shall be for one day at that facility's maximum daily rate.

EXHIBIT B – PARKING RATE SCHEDULE

Effective May 1, 2014, subject to change by the Commission at anytime during the term of the Agreement.

Interval	Short Term	Long Term
0 - 20 minutes	Free	Free
21 - 30 minutes	\$2.00	\$2.00
60 minutes	\$3.00	\$3.00
additional 1/2 hr	\$1.00	\$1.00
Daily	\$9.00	\$6.00

Remote (Overflow): Parking fee paid at point of entry with free flow exit. Rate is same as long-term rate of \$6.00.

Employee Parking: Tenant employees with offices or places of business on the Airport shall be permitted to park in a designated employee parking lot, currently at no charge. The Commission has the option of implementing a charge for tenant employee parking. If implemented, selected Proposer will be in charge of invoicing and collection of tenant employee parking fees. If employee parking lot is full, tenant employees may use the long-term parking lot at no charge. Entrance and exit pass card will be provided to employees using the long-term public parking lot. One (1) parking space in the short-term public parking lot is available for each tenant's manager.

Aircraft Crew Parking: Aircraft crew of air transportation companies shall be permitted to park within the long-term parking lot for a fee of \$30.00 per month with annual payment option that discounts the fee \$60 per year. Entrance and exit pass cards will be issued to the aircraft crew. Selected Proposer will be in charge of invoicing and collection of aircraft crew fees.

Lost Ticket Fee: For the short-term or long-term parking lots, the lost ticket fee will be Twelve Dollars (\$12), plus, the parking rate will be calculated using the number of days of which the patron's vehicle was included in the nightly license plate inventory. The maximum daily rate shall apply to both the date of entry and the date of exit as well. For patrons not on the overnight inventory, the charge shall be for one day at that facility's maximum daily rate.

The Eastern Iowa Airport - Cedar Rapids

Average Week

	AM											PM											Daily Weekly											
	12:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	12:00	1:00	2:00	3:00	4:00	5:00	6:00	7:00	8:00	9:00	10:00	11:00	Total	Total	FTE							
Facility Manager							Monday - Friday																			9	45	1.0						
Supervisor						Saturday - Tuesday																					9	40	1.0					
Supervisor																Monday - Friday											8	40	1.0					
Cashier Lane 1	Includes LPI																								18	126	3.2							
Cashier Lane 2																Cashier in lane 2 as needed depending on traffic (currently not staffed)																0	0	0.0
Automated Lane																									0	0	0.0							
Automated Lane																									0	0	0.0							
Automated Lane																									0	0	0.0							
																							44	251	6.3									

FY 2018-19 Employee Wage Rates

Employee Classification	Current Wage Rate
General Manager	\$20.91
Supervisor	\$14.93
Supervisor	\$14.93
Cashier (3rd Shift Rate)	\$12.00
Cashier (3rd Shift Rate)	\$11.90
Cashier	\$10.36
Cashier	\$9.74
Cashier	\$9.00

Response to Addendum #1 Q&A Question No. 31

	FY2014	FY2015	FY2016	FY2017	FY2018	TOTAL
REVENUE						
FYTD	\$4,079,492	\$4,844,165	\$4,700,280	\$5,149,822	\$5,680,486	\$24,454,245
LESS REIMBURSABLE OPERATING EXPENSES						
Salaries & Wages	\$206,739	\$224,729	257,881	\$234,032	\$225,103	\$1,148,484
Vacation + Sick Leave	\$5,390	\$4,282	2,764	\$0	\$6,006	\$18,443
Payroll Taxes	\$22,671	\$24,179	27,179	\$23,066	\$23,684	\$120,779
Workers Comp	\$6,555	\$6,618	6,471	\$5,571	\$6,220	\$31,435
Insurance Parking Equipme	\$0	\$0	0	\$0	\$0	\$0
Health and Wefare/Employe	\$6,970	\$6,710	14,973	\$14,839	\$15,923	\$59,414
401k/Retirement Plan	\$0	\$0	0	\$0	\$0	\$0
Personnel Selection/Misc.	\$707	\$198	195	\$72	\$0	\$1,173
Repair & Maintenance	\$33	\$266	325	\$713	\$34	\$1,371
Utilities	\$0	\$0	0	\$0	\$0	\$0
Telephone	\$0	\$111	0	\$0	\$0	\$111
Materials & Supplies	\$1,748	\$2,337	1,421	\$811	\$1,608	\$7,925
Signs	\$0	\$0	0	\$0	\$0	\$0
Uniforms	\$678	\$541	1,057	\$391	\$112	\$2,779
Postage/Courier	\$805	\$1,008	999	\$882	\$884	\$4,578
Office Supplies	\$3,416	\$1,163	1,811	\$2,106	\$1,800	\$10,296
Forms/Printing/Tickets	\$0	\$177	0	\$0	\$0	\$177
Advertising	\$0	\$0	0	\$0	\$0	\$0
Payroll Processing	\$50	\$6,000	0	\$0	\$0	\$6,050
Data Processing/Audit	\$7,900	\$0	7,600	\$8,447	\$8,696	\$32,643
Security Services	\$2,661	\$2,462	2,677	\$2,757	\$2,855	\$13,412
Tickets	\$7,152	\$5,555	7,791	\$7,405	\$7,064	\$34,967
Bank Charges	\$0	\$0	0	\$0	\$0	\$0
Snow Removal	\$0	\$0	0	\$0	\$0	\$0
Thanks Again Fee	\$2,024	\$3,008	2,984	\$2,534	\$1,964	\$12,515
Cell Phone	\$916	\$600	675	\$600	\$600	\$3,391
Legal & Accounting	\$120	\$1,637	0	\$0	\$0	\$1,757
PCI Compliance	\$0	\$0	325	\$0	\$0	\$325
Auto + Truck Expense	\$0	\$222	0	\$0	\$0	\$222
Rubbish/Sweeping	\$0	\$0	0	\$0	\$0	\$0
Miscellaneous/Travel	\$201	\$462	417	\$391	\$708	\$2,179
Management Fee	\$56,500	\$58,000	59,500	\$61,000	\$62,281	\$297,281
Adjustment					\$101	\$101
TOTAL REIMBURSABLE OPERATING	\$333,237	\$350,265	\$397,046	\$365,616	\$365,542	\$1,811,707
NET RECEIPTS	\$3,746,256	\$4,493,900	\$4,303,234	\$4,784,206	\$5,314,944	\$22,642,539
FYTD NET RECEIPTS LESS MANAGEI	\$3,802,756	\$4,551,900	\$4,362,733	\$4,845,206	\$5,377,225	\$22,939,820