# **EXHIBIT A – SAMPLE AGREEMENT**

### **CEDAR RAPIDS AIRPORT COMMISSION**

### MANAGEMENT AND OPERATION OF THE AIRPORT PARKING FACILITIES AGREEMENT

THE EASTERN IOWA AIRPORT

# TABLE OF CONTENTS

ARTICLE 1. DEFINITIONS	1
ARTICLE 2. INCORPORATION OF PROPOSAL AND RFP	4
ARTICLE 3. TERM OF AGREEMENT	4
ARTICLE 4. FACILITIES, VEHICLES, AND OPERATIONS	5
ARTICLE 5. GROSS REVENUES AND REPORTS	6
ARTICLE 6. REIMBURSEMENT AND COMPENSATION TO OPERATOR	9
ARTICLE 7. NET INCOME	11
ARTICLE 8. OBLIGATIONS OF COMMISSION	11
ARTICLE 9. OBLIGATIONS OF OPERATOR	11
ARTICLE 10. GUARANTEES	15
ARTICLE 11. LIQUIDATED DAMAGES	16
ARTICLE 12. TAKEOVER OF SERVICES	16
ARTICLE 13. ENVIRONMENTAL REGULATIONS	16
ARTICLE 14. INSURANCE	17
ARTICLE 15. RELATIONSHIP OF THE PARTIES	19
ARTICLE 16. INDEMNIFICATION	19
ARTICLE 17. DAMAGE OR DESTRUCTION OF FACILITIES	
ARTICLE 18. OFF-AIRPORT PARKING OPERATION PROHIBITION	19
ARTICLE 19. TERMINATION OF AGREEMENT, CANCELLATION, ASSIGNMENT, AND	
	20
TRANSFER	20
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS	20
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES	22 22
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS	22 22 23
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION	22 22 23 23
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION ARTICLE 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE	22 22 23 23 23 23
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION ARTICLE 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE ARTICLE 25. COMMISSION NOT LIABLE	22 22 23 23 23 23 25
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION ARTICLE 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE ARTICLE 25. COMMISSION NOT LIABLE ARTICLE 26. SUBORDINATION	22 22 23 23 23 25 25
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION ARTICLE 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE ARTICLE 25. COMMISSION NOT LIABLE ARTICLE 26. SUBORDINATION ARTICLE 27. INVALIDITY OF CLAUSES	22 22 23 23 23 25 25 26
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS	22 22 23 23 23 25 25 26 26
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION ARTICLE 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE ARTICLE 25. COMMISSION NOT LIABLE ARTICLE 26. SUBORDINATION ARTICLE 27. INVALIDITY OF CLAUSES	22 22 23 23 23 25 25 26 26
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION ARTICLE 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE ARTICLE 25. COMMISSION NOT LIABLE ARTICLE 26. SUBORDINATION ARTICLE 27. INVALIDITY OF CLAUSES ARTICLE 28. GOVERNING LAW ARTICLE 29. INSPECTIONS ARTICLE 30. NOTICE	22 22 23 23 23 25 25 26 26 26 26
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS	22 22 23 23 23 25 25 26 26 26 26 26
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION ARTICLE 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE ARTICLE 25. COMMISSION NOT LIABLE ARTICLE 26. SUBORDINATION ARTICLE 27. INVALIDITY OF CLAUSES ARTICLE 28. GOVERNING LAW ARTICLE 29. INSPECTIONS ARTICLE 30. NOTICE	22 22 23 23 23 25 25 26 26 26 26 26
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS	22 22 23 23 23 25 25 26 26 26 26 26 26 26 27
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS ARTICLE 21. LAWS, REGULATIONS, PERMITS AND TAXES ARTICLE 22. GOVERNMENTAL RESTRICTIONS ARTICLE 23. NONDISCRIMINATION ARTICLE 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE ARTICLE 25. COMMISSION NOT LIABLE ARTICLE 26. SUBORDINATION ARTICLE 27. INVALIDITY OF CLAUSES ARTICLE 28. GOVERNING LAW ARTICLE 29. INSPECTIONS ARTICLE 30. NOTICE ARTICLE 31. PARAGRAPH HEADINGS ARTICLE 32. BINDING EFFECT ARTICLE 33. PERFORMANCE ARTICLE 34. TAKEOVER OF SERVICES	22 22 23 23 23 25 25 26 26 26 26 26 26 26 27 27 27
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS	22 22 23 23 23 25 26 26 26 26 26 26 26 27 27 27 27
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS	22 22 23 23 23 25 26 26 26 26 26 26 26 27 27 27 27 28
ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS	22 22 23 23 25 25 26 26 26 26 26 26 26 26 27 27 27 27 28 29

### MANAGEMENT AGREEMENT

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by and between the CEDAR RAPIDS AIRPORT COMMISSION (hereinafter referred to as "Commission"), and \_\_\_\_\_, having its office and principal place of business at , , , , , (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 1. 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 airfield operating area, the Terminal, all common and public areas at the Eastern Iowa Airport.

1.02 "Airport Security Plan" means a program developed by Commission for the maintenance of the safety and security of the Airport and individuals using the Terminal or any other portion of the Airport, as it may be amended, modified or revised by Authority from time to time.

1.03 "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.

1.04 "Applicable Laws" means all present and future applicable laws, ordinances, orders, directives, rules, codes and regulations of all Governmental Authorities and all present and future grant assurances provided by Commission to any Governmental Authority with jurisdiction connection with Commission's operation of the Airport, as the same may be amended, modified or updated from time to time, applicable decisional law (including judicial or administrative interpretations, orders and judgments) and the Rules and Regulations.

1.05 "Budget" has the meaning assigned thereto in Section 5.08 hereof.

1.06 "<u>Commission</u>" means the Cedar Rapids Airport Commission, established under Chapter 330 of the Iowa Code to supervise the operation of the Eastern Iowa Airport.

1.07 "<u>Commencement Date</u>" means 12:00AM, prevailing local time, on the 1<sup>st</sup> day of July 2019, Operator is to commence operation and management of the Parking Facilities under the terms of this Agreement.

1.08 "<u>Customer Loyalty Program</u>" 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.

1.09 "<u>Environmental Laws</u>" means all Applicable Laws now or hereafter in effect, as the same may be amended from time to time, which govern any Hazardous Materials or relate to the protection of human health, safety or the environment, and shall include, without limitation, the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136, et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300f, et seq.; the Oil Pollution Act of 1990, 33 U.S.C. § 2701, et seq.; the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9601, et seq.; the Superfund Amendments and Reauthorization Act of 1986, Pub. Law No. 99- 499, 100 Stat. 1613; the Toxic Substances Control Act, 15 U.S.C. § 2601, et seq.; the Clean Air Act, 42 U.S.C. § 7401, et seq.; the Federal Water Pollution Control Act, 33 U.S.C., § 1251, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 5101, et seq.; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq., all as amended from time to time.

1.10 "<u>EPA</u>" means the United States Environmental Protection Agency, and any successor agency, office or department thereto.

1.11 "<u>Customer Loyalty Program</u>" 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.

1.12 "<u>FAA</u>" means the United States Federal Aviation Administration, and any successor agency, office or department thereto.

1.13 "<u>Facilities</u>" means areas on the Airport property, as set forth in Exhibit D, attached hereto, as the premises where the business of Operator may be conducted.

1.14 "<u>Facilities Manager</u>" means the individual directly responsible to the Operator, a full-time qualified and competent individual to manage, maintain, and operate the Facilities.

1.15 "<u>Governmental Authority</u>" means each federal, state and municipal government, authority and agency and its respective agencies, departments, authorities and commissions. "Governmental Authority" shall specifically include, without limitation, Commission, City of Cedar Rapids, Linn County, State of Iowa, the United States Department of Transportation, the FAA and the TSA.

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

1.17 "<u>Hazardous Materials</u>" means and includes any and all substances, materials, wastes, pollutants, oils or governmentally regulated substances or contaminants defined or designated as hazardous, toxic, radioactive, dangerous or any other similar term in or under any of the

Environmental Laws, including asbestos and asbestos-containing materials, petroleum products (such as crude oil or any fraction thereof, gasoline, aviation fuel, jet fuel, diesel fuel, lubricating oils and solvents), urea formaldehyde, flammable explosives, PCBs, radioactive materials or waste, and any other substance that, because of its quantity, concentration or physical, chemical or infectious characteristics, may cause or threaten a present or potential hazard to human health or the environment when improperly generated, used, stored, handled, treated, discharged, distributed, disposed or released.

1.18 "<u>Gross Revenues</u>" 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.

1.19 "<u>Management Fee</u>" means the total dollar amount to be paid by Commission to Operator for each year of the Term, computed and paid on a monthly basis, for the management, operation, and administration costs, excluding Reimbursable Expenses.

1.20 "<u>Non-Reimbursable Expenses and Fees</u>" the actual expenses and fees excluded from operating expenses that will be provided by Operator without rembursement from Commission and deemed included in the management fee as defined in Section 6.03 hereof.

1.21 "<u>Operating Expenses</u>" the actual direct reimbursable expenses incurred by Operator in the operation of the Parking Facilities at the exact cost thereof (without mark-up or administrative fee of any kind) as set forth in the applicable Budget or otherwise approved by Commission prior to the time at which they wre incurred, as provided in Section 6.02 hereof. The Management Fee does not include the amount of any Operating Expenses.

1.22 "<u>Operator</u>" means company selected for the management and operation of the Airport Parking Facilities.

1.23 "<u>Operator's Manual</u>" (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 Facilities.

1.24 "<u>Operating Expenses</u>" the actual direct reimbursable expenses incurred by Operator in the operation of the Parking Facilities at the exact cost thereof (without mark-up or administrative fee of any kind) as set forth in the applicable Budget or otherwise approved by Commission prior to the time at which they were incurred, as provided in Section 6.02 hereof. The Management Fee does not include the amount of any Reimbursable Expenses.

1.25 "<u>Parking Access and Revenue Control System (PARCS)</u>" 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.

1.26 "<u>Parking Facilities</u>" means any one of the public parking long-term lots, short-term lots, toll plaza, facilities, employee parking lot, or remote overflow parking areas, individually, currently existing or that may be constructed or designated as such at any time solely at Commission's discretion.

1.27 "<u>Proposal</u>" means the document(s) requested by Commission and submitted by Operator in response to the RFP.

1.28 "<u>Reimbursable Expenses</u>" means the actual direct operating expenses incurred by Operator in the operation of the Parking Facilities at the exact cost thereof (without mark-up or administrative fee of any kind) as set forth in the applicable Budget or otherwise approved by Authority prior to the time at which they were incurred, as provided in Section 9.03 hereof. The Management Fee does not include the amount of any Reimbursable Expenses.

1.29 "Renewal Option" has the meaning assigned thereto in Section 3.02 hereof.

1.30 "<u>RFP</u>" means Commission's Request for Proposals for Management and Operation of the Airport Parking Facilities at the Eastern Iowa Airport, Cedar Rapids, Iowa, dated March 14, 2019, as amended from time to time.

1.31 "<u>Rules and Regulations</u>" means those rules, procedures and regulations adopted and promulgated by Commission from time to time for the orderly use of the Airport, as the same may be amended, modified or supplemented from time to time.

1.32 "<u>Term</u>" means the period commencing on the Commencement Date and continuing for as long as this Agreement remains in effect, as provided in Section 3.01 hereof.

1.33 "<u>Terminal</u>" means the passenger terminal complex at the Airport.

1.34 "<u>TSA</u>" means the United States Transportation Security Administration, the United States Department of Homeland Security and any other agency, office or department of the federal government of the United States that is responsible for airport security matters.

# ARTICLE 2. INCORPORATION OF PROPOSAL AND RFP

2.01 <u>RFP and Proposal</u>. The RFP and the Proposal are attached to this Agreement as Exhibit "B" hereto and are incorporated and made a part hereof by reference. Operator shall be obligated to meet all specifications described in this Agreement, the RFP and the Proposal and any written clarification thereto accepted by Commission; provided, however, that in the event an express provision of this Agreement is in conflict with any provision of the RFP and/or the Proposal, this Agreement shall govern and control unless Commission deems that the provision in the RFP and/or the Proposal offers a higher level of service than indicated in the conflicting provision of this Agreement, in which case such provisions in the RFP and/or the Proposal shall govern and control.

# ARTICLE 3. TERM OF AGREEMENT

3.01 <u>Term</u>. The initial term of this Agreement shall be three (3) years commencing at 12:00 AM, prevailing local time, on the 1<sup>st</sup> day of July 2019, (Commencement Date) and will continue through midnight on the 30<sup>th</sup> day of June 2022, unless terminated earlier as provided herein.

3.02 <u>Renewal Option</u>. 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 30<sup>th</sup> day of June 2024.

3.03 <u>Commencement of Fees and Charges</u>. All fees and charges hereunder will commence on July 1, 2019 and will continue for the term of this Agreement.

3.04 <u>Early Termination of Agreement</u>. 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 Facilities without prior written approval from Commission.

# **ARTICLE 4. FACILITIES, VEHICLES, AND OPERATIONS**

4.01 <u>Description of Privileges, Uses, and Rights</u>. 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 4.02 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.

4.02 <u>Description of Facilities</u>. 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 D, 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.

4.03 <u>Commission Provided Vehicle</u>. 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 facilities. 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.

4.04 <u>Operator Provided Vehicles</u>. Operator will provide all other vehicles and equipment necessary for use in the operation and management of the Parking Facilities.

4.05 <u>Restrictions of Privileges, Uses, and Rights</u>. 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 Facilities, 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 4.02 hereof.

### ARTICLE 5. GROSS REVENUES AND REPORTS

5.01 <u>General</u>. 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.

5.02 Deposits. All Gross Revenues collected by the Operator and derived from the operation of the Parking Facilities are funds of the Commission, and 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.

5.03 <u>Reports</u>. Operator shall provide Commission, on or before the twentieth (20<sup>th</sup>) 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.

5.04 <u>Accounting Records</u>. 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.

5.05 <u>Annual Audited Statement of Net Revenues</u>. 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 (1<sup>st</sup>) such 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.

5.06 <u>Rights of Inspection and Audit</u>. 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 Revenues 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.

5.07 <u>Record Storage</u>. 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.

5.08 <u>Budget</u>. 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 6.02.

5.09 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 6. REIMBURSEMENT AND COMPENSATION TO OPERATOR**

6.01 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:

Management Agreement Term			
July 1, 2019 through June 30, 2020			
July 1, 2020 through June 30, 2021			
July 1, 2021 through June 30, 2022			
July 1, 2022 through June 30, 2023			
July 1, 2023 through June 30, 2024			

- Annual Management Fee \$\_\_\_\_\_ \$\_\_\_\_\_
- \$\_\_\_\_\_
- \$\_\_\_\_\_ (if term extended)
- \$\_\_\_\_\_ (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, 2019, and each twelve-month period thereafter.

6.02 <u>Operating Expenses</u>. 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; costs associated with Payment Card Industry (PCI) data security compliance as defined in Section 9.13 hereof; and other reasonable costs approved in writing and in advance by Commission.

6.03 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 nonresident 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 in attention 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.

6.04 <u>Other Facilities</u>. 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.

6.05 <u>Airport Improvements</u>. 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 7. NET INCOME

7.01 <u>Net Income</u>. 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 8. OBLIGATIONS OF COMMISSION**

8.01 <u>Maintenance Responsibility</u>. 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.

8.02 <u>Vehicles</u>. 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 9. OBLIGATIONS OF OPERATOR**

9.01 <u>Procedures Manual</u>. 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 Facilities, 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.

9.02 <u>Charges</u>. 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, 2019, are listed in Exhibit C 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.

9.03 <u>Consultation</u>. 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.

9.04 <u>Complaints</u>. 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.

9.05 <u>Maintenance and Repair</u>. 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.

9.06 <u>Personnel</u>. 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.

9.07 <u>Cleanliness of Premises</u>. 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.

9.08 <u>Operations</u>. 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.

9.09 <u>Security</u>. Employees, agents and representatives of Operator and its subcontractors shall comply with the Rules and Regulations, including the Airport Security Plan, and all other airport security regulations as adopted or required by TSA or other Governmental Authorities from time to time. If a breach of the Airport Security Plan or such other airport security regulation occurs as a result of the acts or omissions of an employee, agent, representative or subcontractor of Operator in any manner or form at any time after the Effective Date, Operator immediately shall remedy such breach or assist TSA or other Governmental Authorities in remedying such breach, regardless of the circumstances. Operator shall maintain the integrity of the controlled access security system of the Airport for the Term.

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.

9.10 <u>Airport Procedures</u>. 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.

9.11 <u>License Plate Inventory</u>. 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.

9.12 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.

9.13 <u>Operational and Procedural Audits</u>. 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 10. GUARANTEES**

10.01 <u>Performance Guaranty</u>. 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 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.

10.02 <u>Fidelity Guaranty</u>. 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.

10.03 Payment Guaranty. Upon written request by the Commission to Operator, 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 at its sole discretion may request said payment bond or letter of credit after Operator fails to promptly make payments as described herein. 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 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 11. LIQUIDATED DAMAGES**

11.01 <u>Assessing Liquidated Damages</u>. If any portion of the services required by this Agreement is not commenced on July 1, 2019, 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.

11.02 Liquidated Damages For Failure to Commence Operations. For each 24 hour period after 12:00 a.m., July 1, 2019, that Operator fails to commence operations, Commission will impose liquidated damages of \$2,500.00. If Operator has not commenced operations by 12:00 a.m., July 15, 2019, 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.

11.03 <u>Waiver of Liquidated Damages</u>. 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 12. TAKEOVER OF SERVICES**

12.01 <u>Takeover of Services</u> 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 13. ENVIRONMENTAL REGULATIONS**

13.01 <u>Environmental Regulations</u>. Notwithstanding any other provisions of this Agreement, Operator acknowledges that certain properties and uses of properties within the Airport are subject to Environmental Laws and 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.

13.02 <u>Violation</u>. 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 Materials, 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.

13.03 <u>Fines Resulting from Violations</u>. 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.

13.04 <u>Storm Water Regulations</u>. 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.

13.05 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 XIII, 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 14. 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.

14.01 <u>Minimum Limits of Insurance</u>. 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.
- F. Property Insurance: Operator's property brought onto the Parking Facilities is solely at its own risk and operator, at its sole cost and expense, will keep all personal property, stock, and leasehold improvements located on the Parking Facilities insured against "All Risk" of loss with an insurer in an amount at least equal to the replacement value.

14.02 <u>Deductibles and Self-Insured Retentions</u>. 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.

14.03 <u>Acceptability of Insurers</u>. Insurance shall be placed with insurers that are qualified and licensed to do business in Iowa.

14.04 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 14.01 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.

14.05 <u>Change of Coverage of Cancellation</u>. 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.

14.06 <u>Waiver of Recovery/Subrogation</u>. Operator waives all rights of recovery and shall cause its Insurers to waive their rights of subrogation against and any of their agents and employees for loss or damage covered by any of the insurance maintained by the Operator pursuant to this Agreement.

### **ARTICLE 15. RELATIONSHIP OF THE PARTIES**

15.01 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 16. INDEMNIFICATION**

16.01 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 17. DAMAGE OR DESTRUCTION OF FACILITIES**

17.01 <u>Operator's Obligations</u>. 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 18. OFF-AIRPORT PARKING OPERATION PROHIBITION**

18.01 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.

18.02 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.

18.03 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 18.01 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 19. TERMINATION OF AGREEMENT, CANCELLATION, ASSIGNMENT, AND TRANSFER

19.01 <u>Termination</u>. 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.

19.02 <u>Commission's Right of Cancellation</u>. 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.

19.03 <u>Cancellation for Default in Deposit of Gross Revenues</u>. 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.

19.04 <u>Early Termination</u>. 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 3.05 herein.

19.05 <u>Assignment, Transfer, and Subcontracting</u>. 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.

19.06 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 expiration, 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 shall, at its own cost and expense, within fifteen (15) calendar days following the termination of this Agreement, remove all of its personal property from the Parking Facilities. Any damage to the property owned or used by Commission or in which Commission has an interest resulting from such removal shall be paid by Operator. If Operator's property is not removed as herein provided, Commission may, at its option, as agent for Operator and at Operator's risk and expense, remove such property to a public warehouse for deposit or retain such property in Commission's possession and, after the expiration of thirty (30) days, sell the same, with or without notice, at a public or private sale, in accordance with Applicable Laws, the proceeds of such sale to be applied first to the expenses of the sale and next to any sum owed by Operator to Commission, and any balance remaining shall be remitted to Operator.

19.07 <u>Holdover</u>. Operator shall be obligated to holdover, at the sole discretion of the Commission in the event that a succeeding agreement shall not be in place as of the termination date of the Term of this Agreement or any renewal periods provided for herein. At the direction of Commission, Operator shall continue on a month-to-month basis for a period not to exceed twelve (12) months at the terms and conditions contained in the Agreement in place for the most recent Agreement year.

### **ARTICLE 20. ALTERATIONS OR ADDITIONS AND SIGNS**

20.01 <u>Alterations or Additions</u>. Operator shall make no alterations or additions to the Facilities constructed thereon, without the prior written consent of the Commission.

20.02 <u>Signs</u>. 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 21. LAWS, REGULATIONS, PERMITS AND TAXES**

21.01 <u>General</u>. 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.

21.02 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.

21.03 <u>Air and Safety Regulations</u>. 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.

21.04 <u>Taxes and Licenses</u>. 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 22. GOVERNMENTAL RESTRICTIONS**

22.01 <u>Federal Right to Reclaim</u>. 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 23. NONDISCRIMINATION**

23.01 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 24. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE

24.01 <u>Commission's Policy</u>. 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.

24.02 <u>Non-Discrimination</u>. 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.

24.03 <u>ACDBE Participation and Compliance</u>. 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.

24.04 <u>ACDBE Termination and Substitution</u>. 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.

24.05 Audit, Books, Ledgers, and Records. The Operator agrees to the following:

A. Operator shall at all times maintain and keep books, ledgers, accounts or other records, wherein are accurately kept all entries reflecting the statistics, including but not limited to payments made to ACDBE firms, to be reported pursuant to the Commission. Such records shall be retained by Operator for the greater period of three (3) years subsequent to the activities reported therein, or such other retention period as set forth in 49 CFR Part 23, and made available at Cedar Rapids, lowa for audit and/or examination by Commission or its duly authorized representative during all normal business hours. Operator shall produce such books and records at Cedar Rapids, lowa within thirty (30) calendar days of Commission's notice to do so or pay all reasonable expenses, including but not limited to transportation, food and lodging, necessary for an auditor selected by Commission to audit said books and records.

B. The cost of audit, with the exception of the aforementioned expenses, shall be paid by Commission provided, however, the total cost of said audit shall be borne by Operator if either or both of the following conditions exist:

1. The audit reveals an underpayment of more than five percent (5%) of payments made to ACDBE firms as compared to the commitments made by Operator, as determined by said audit; and/or

2. Operator has failed to maintain true and complete books, records, accounts, and supportive source documents as required herein.

24.06 <u>Reporting Requirements</u>. 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.

24.07 <u>Monitoring</u>. 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.

24.08 <u>Prompt Payment</u>. The Operator agrees to pay each subcontractor under the Agreement for satisfactory performance if it s 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.

24.09 <u>Sanctions for Non-Compliance</u>. 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 form future Agreements with the Commission.

# ARTICLE 25. COMMISSION NOT LIABLE

25.01 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 26. SUBORDINATION

26.01 <u>Subordination to Federal Agreements</u>. 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 27. INVALIDITY OF CLAUSES

27.01 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 28. GOVERNING LAW

28.01 This Agreement shall be governed by and in accordance with the laws of the State of lowa.

### **ARTICLE 29. INSPECTIONS**

29.01 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 30. NOTICE**

30.01 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: Marty Lenss, C.M., Airport Director 2515 Arthur Collins Parkway SW Cedar Rapids, IA 52404-8952

Operator:

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 31. PARAGRAPH HEADINGS**

31.01 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 32. BINDING EFFECT**

32.01 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 33. PERFORMANCE**

33.01 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 34. TAKEOVER OF SERVICES**

34.01 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 35. ENTIRETY OF AGREEMENT**

35.01 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 2515 ARTHUR COLLINS PKWY SW CEDAR RAPIDS, IA 502404	INSERT
Ву:	Ву:
Name:	Name:
Title:	Title:
Date:	Date:
ATTEST:	ATTEST:

# EXHIBIT A – FACILITIES



c:\pw\_workdir\pw\_ie\fvd\_djs6\d0335658\TEIA Parking.dgn



# EXHIBIT B – OPERATOR'S PRPOSAL AND THE RFP

# EXHIBIT C – PARKING RATE SCHEDULE

Effective January 1, 2019, subject to change by the Commission at any time during the term of the Agreement.

Interval	Short Term	Long Term
0 - 20 minutes	Free	Free
21 - 30 minutes	\$2.00	\$2.00
31 - 60 minutes	\$3.00	\$3.00
additional 1/2 hr.	\$1.00	\$1.00
Daily	\$14.00	\$8.00

Remote (Overflow): Parking fee paid at point of entry with free flow exit. Rate same as long-term rate of \$8.00 per day.

Valet Parking: Operated by Airport Guest Services employees at a daily rate of \$16.00. Operator reports valet parking operations and valet revenue in conjunction with valet reporting system provided by the Airport.

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.

Airline Crew Parking: Airline crew of air transportation companies shall be permitted to park within the long-term parking lot for a fee of \$50.00 per month with annual payment option of \$480.00 that discounts the fee \$120.00 per year. Entrance and exit pass cards will be issued to the airline crew. Selected Proposer will be in charge of invoicing and collection of airline crew fees.

Lost Ticket Fee: For the short-term or long-term parking lots, the lost ticket fee will be Fourteen Dollars (\$14), plus, the parking rate will 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.