

MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (this “**Agreement**”) is made and entered into as of the _____ day of _____ 2025, by and between the City of Laredo, Texas (“**City**”), and Republic Parking System, LLC (“**Operator**”).

WITNESSETH:

THAT, WHEREAS, City presently owns or controls the Laredo International Airport which includes parking facilities with approximately 888 parking spaces and has the authority to contract for the management of said parking facilities;

WHEREAS, Operator is an experienced operator and manager of airport parking facilities; and

WHEREAS, City and Operator desire to enter into an agreement whereby Operator will manage all public parking of motor vehicles at such facility upon the terms, covenants and conditions herein set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1 – PREMISES

The Operator agrees to manage, operate, and market, in accordance with the terms of this Agreement, certain public parking facilities (hereinafter “Premises”) located at the Laredo International Airport (hereinafter “Airport”). These Premises include the following:

- a. Long Term Lot – 474 parking spaces
- b. Short Term Lot – 414 parking spaces

The Long-Term Lot has one (1) entrance and one (1) exit. The Short-Term Lot has two (2) entry points and two exits.

The Airport employees and employees of the Terminal tenants park free. This is managed through a proximity card system. The Airport uses QR codes to provide free parking at the airport’s discretion. The Airport reserves the right to modify the Premises as needed during the Term of this Agreement.

ARTICLE 2 – TERM

The initial term of this Agreement shall be for a period of three (3) years beginning as of the date of this Agreement’s execution by City. The Parties have the option to renew for two (2), additional one (1) year periods at the discretion of the Airport Director and under terms agreed upon between the Operator and Airport. Should the Operator desire to extend the Agreement for the additional one (1) year period, it must so notify the Airport Director in writing no later than ninety (90) days before the expiration of the prior term. Renewals shall be in writing and signed by the City’s Purchasing Agent and City Manager or City Manager designee, without further action by the Laredo City Council, subject to and contingent upon appropriation of funding therefore. All annual agreements shall be bound by the terms of the bid

documents. The City shall also have the right to extend this contract under the same terms and conditions beyond the original term or any renewal thereof, on a month to month basis, not to exceed three (3) months. Said month to month extensions shall be in writing, signed by the City's Purchasing Agent & City Manager or his designee, and shall not require City Council approval, subject to and contingent upon appropriation of funding therefore. The City reserves the right to renew or rebid this agreement at the end of each term.

This Agreement shall be the responsibility of and administered by the Operator and Laredo International Airport.

ARTICLE 3 – OPERATOR'S OBLIGATIONS AND SERVICES

Operator hereby covenants and agrees that it will:

1. Supervise and direct the operation of the premises as a parking facility and render the usual and customary services incidental thereto. Operational hours are 7 days a week starting from one (1) hour prior to the first scheduled arrival/departure aircraft (whichever is earliest) and end one (1) hour after the last arrival/departure (whichever is later).
2. Employee sufficient personnel to operate parking premises during operational hours to assure effective, efficient, courteous and convenient operation. During afterhours, Operator will provide 24/7 live customer support phone lines. Operator will provide parking lot attendants and supervision in sufficient numbers for prompt and efficient service to the general public. Automated lanes may be used as long as sufficient staff are available to respond personally to customer questions.
3. Ensure that Operator's employees wear Operator provided uniforms or be dressed appropriate for the environment. Closed toed shoes must be worn for safety.
4. Routinely maintain the parking equipment provided by Operator and/or Airport in good operating condition and repair, and keep the Premises in a neat and orderly condition. Response time for equipment repair should be within two (2) hours of notification. Entrance/exit wait times should be less than ten (10) minutes. Equipment repair due to Operator negligence will not be reimbursed by City.
5. Provide bilingual (English/Spanish) signs and instructions at all entrance/exit points and at all pay stations.
6. Supervise and control the handling of all money received in the operation of the parking premises and provide bookkeeping and accounting services with respect thereto. An adequate system of internal controls satisfactory to the Airport shall be established by the Operator to cover the receipt and expenditure of funds.
7. Shall deposit all Gross Receipts into an account as designated by the City and in the name of the City on the second and fourth Monday of each month.
8. Remit any and all taxes due on gross receipts.
9. Provide equipment that facilitates contactless payments, so passengers will be able to pay with Apple Pay, Google Pay, etc.
10. Shall plan and execute marketing strategies in conjunction with and complementary to the Airport's marketing efforts. The vendor shall analyze parking data and trends and provide this data along with recommendations to the Airport on a regular basis. All marketing shall be approved by the Airport Director.
11. Shall provide shuttle service. The proximity of the parking lots to the terminal do not require shuttle buses but there must be a mode of transportation provided upon request

(golf car for ADA passengers parking in the long-term lot, Operator employee travel to entry/exit points, provide emergency service, etc.) Operator will be solely responsible for the complete operation and maintenance of the transportation as operating expenses as approved by the airport. The vehicles if required shall be properly licensed, inspected, maintained and be kept clean and damage-free. The appearance and habitability of the vehicles shall at all times be subject to the inspection and approval of the Airport. Vehicle must have Operator logo prominently displayed on vehicle. Operator should furnish drivers who shall be fully qualified, licensed and insured. Drivers shall be uniformed, neat in appearance, courteous and shall be subject to inspection by the Airport at any time. The driving component is a limited operation; it can consist of staff performing other duties while on shift, called on an as-needed basis. The shuttle vehicle may be parked under the Terminal canopy.

12. Shall provide nightly licenses plate inventory of all vehicles parked in Airport parking facilities as requested by the Airport.
13. Shall install an Automated license plate screening system at entrance and exit before the expiration of the initial term of this agreement.
14. Shall maintain the areas in the Terminal that are under Operator's control including but not limited to dusting, sweeping, mopping and trash removal.

ARTICLE 4 – OPERATING EXPENSES

Operating expenses shall include, costs, charges and administrative expenses for:

- Salaries, wages, and payroll burden including fringe benefits
- Any necessary licenses and permits
- Compliance with governmental laws, regulations
- State sales tax on gross revenue
- Credit card fees
- Uniforms
- Office and cleaning supplies
- Equipment maintenance and repair
- Remote management services
- Mystery shopping services
- Telephone & Internet services
- Automobile insurance (if applicable)
- General Liability Insurance
- Postage and freight
- Employee recruitment, training
- Bookkeeping and administrative services
- Marketing

Operating Expenses shall include any expenses not listed above that are approved by the Airport prior to expenditure. Invoice for all operating expenses for the previous month should be received by the Airport on or before the 20th day of the month. If invoice is submitted via any way other than email, the date actually received by the Airport should be no later than the 20th day of the month. The Airport shall reimburse the Operator for all authorized and approved budgeted expenses, less any undocumented

expenses, within thirty (30) days following the receipt by the Airport of such invoice. The monthly Operator's Management Fee shall be included in the monthly invoice. Except for payroll and payroll related expenses, receipts for all expenditures shall be included with Operator's monthly invoice. Payroll and payroll related expenses shall be submitted in accordance with the policies agreed to between the Airport and the Operator (See Article 8). The Operator's monthly invoice shall be in a format approved by the Airport. See Exhibit C for sample.

Operating Expenses shall not include the costs of business licenses, permits, headquarters' bookkeeping, administrative, or accounting fees, taxes on Operator's personal property, debt retirement, or any other expense that is not included in the Operator's approved Annual Budget and insurance other than insurance on the Premises in this Agreement.

If the Airport disputes any Operating Expense, Airport shall give Operator written notice specifying the item disputed and the reason therefor. Payment for any Operating Expense which is not disputed shall not be withheld. The Operator, within 30 (thirty) days, has the right to present a written explanation of the disputed invoices or charges to the Airport. The Airport shall determine the validity of the disputed invoices or charges based on additional documentation supplied by the Operator. If approved, after additional documentation is considered, the amount shall be added to the next invoice paid by the Airport. The Airport's decision in any matter pertaining to disputed invoices or charges is final.

Reports received by the Airport after the 20th day of the month could be considered Operator is in default of this entire agreement.

ARTICLE 5 – GROSS RECEIPTS

Gross Receipts as used herein shall be defined as all sums collected by the Operator, or sums which should have been collected by the Operator, from the rental of space for the parking and storage of motor vehicles whether on an hourly, daily, weekly, or monthly basis, less all refunds, credit card fee discounts, and other discounts as authorized by the Airport; sales tax, use tax, excise tax, occupancy tax, gross receipts tax, or other taxes assess upon or attributable to said receipts. Said taxes shall be held by the Operator and paid directly to the applicable taxing entity. All taxes discounts and refunds shall be accounted for and included in the Operator's monthly revenue statement including fees or discounts paid to a third party derived from usage of credit cards to pay parking fees. Gross Receipts due the Airport shall include and reflect adjustments for any and all cashier shortages, overcharges, undercharges, and uncollected parking fees. Dishonored checks, uncollectible or uncollected fees and credit card charges and other bad debts shall not be included in Gross Receipts Due provided such transactions were processed in accordance with procedures previously accepted and approved by the City or its designated representative.

The Operator shall collect and hold in trust for and on behalf of the Airport all Gross Receipts due from parking customers. Operator shall deposit all Gross Receipts daily. The 2nd and 4th Monday of each month, a transfer should be made to the bank account designated by the City. A penalty for failure to transfer said Cash Receipts on due date shall be assessed equaling ten (10%) percent of the total amount of that time period's Gross Receipts. Failure to transfer the Cash Receipts within the required time period in excess of two (2) occurrences per quarter shall be cause for immediate termination of this Agreement.

On or before the 15th of each month shall prepare and submit to Airport all operating reports, financial statements and other daily reports as required by the Airport. Failure to submit this statement on or before the indicated date may be cause for immediate cancellation of this Agreement.

ARTICLE 6 – MONTHLY MANAGEMENT FEE

As compensation for the Operator's performance hereunder, the Airport shall pay to the Operator each month a Management Fee. Such fee shall be included in the Operator's monthly invoice as indicated in Article 4 – Operating Expenses. The annual Management Fee is as follows:

Contract Year	Amount
1	\$36,000
2	\$36,720
3	\$37,454

ARTICLE 7 – ANNUAL BUDGET

Annually during the term of this Agreement (90 days prior to end of term), Operator shall prepare and deliver to Airport Director a budget, for Airport's reasonable approval, reflecting the Gross Receipts and Operating Expenses (defined in Article 4) which Operator expects to receive and incur, respectively, during Airport's forthcoming fiscal year (the "Budget"). The three (3) years of budget included in the proposal are the versions to be submitted, with only minor adjustments expected. If Operator fails to submit a budget for the forthcoming fiscal year within the specified 90 days, the prior year's budget will remain in effect and will be used as the operating budget until the next term's budget is due.

If at any time during the period covered by an approved Budget it appears to Operator that the actual total of all Operating Expenses likely to be incurred during said period will exceed the Budget's projected total by more than ten percent (10%), Operator shall so advise Airport, and Airport and Operator shall jointly discuss what actions, if any, could be taken to minimize the Operating Expenses without substantially impairing the operation of the Premises.

Following the execution and return of this Agreement to the Airport, the Operator shall within 30 (thirty) days, of the commencement of this Agreement, furnish the Airport with a monthly budget for the first year of this Agreement which shall be the same budget submitted for the first year included in the Operator's proposal unless otherwise revised and approved by the Airport.

ARTICLE 8 – OPERATIONAL PROCEDURES AND POLICY MANUAL

An Operational Procedures and Policy Manual (hereinafter "Manual"), reflecting the operation of the facility as proposed by the Operator shall be submitted to the Airport within thirty (30) days of the commencement date of this Agreement. The Manual shall include, at a minimum, the following:

1. General operating and management policies
2. Customer service policies
3. A sample of monthly invoice to Airport
4. Cash control, audit and ticket exceptions, including validation procedures
5. Lost ticket and missing ticket procedures
6. Employee job descriptions
7. Employee training guide
8. Employee schedules
9. Emergency procedures and phone numbers
10. Local and Regional Office contact information

11. Company personnel policies
12. Credit Card approval procedures
13. Organizational chart with contact information

The Manual shall be modified as the operation of the facility or the information contained in the Manual changes. The Operator is responsible for the maintenance of the Manual to assure that all data is correct and current. The Manual shall be reviewed and revised annually within thirty (30) days following the annual commencement date of this Agreement. It shall be the Operator's responsibility to submit the revised Manual for review and approval by the Airport. The provisions of the Manual, and any subsequent amendments, are incorporated herein by reference.

Operator shall be responsible for maintaining compliance of the revenue-processing parking equipment and related hosting and other systems servicing the Premises, including their deployment in their current configuration (the "Systems" with prevailing industry standards governing the storing, handling, processing and transmission of personal and financial information, including, but not limited to Payment Card Industry standards (collectively, the "Standards"). The Airport agrees not to knowingly make any changes to the Systems which may impact their compliance with the Standards during the Term of this Agreement without first apprising Operator in writing, it being the intent of the parties that Operator shall at all times have current information regarding the Systems for Standards compliance purposes and be fully accountable to the Operator with respect thereto.

Operator shall notify the Airport in writing if it becomes aware that the Systems or any portion thereof are not compliant with the Standards at any time during the Term, and shall obtain competitive quotations for requisite upgrades, the cost of which shall be paid by the Airport. All costs incurred by Operator in the performance of its obligations to remain in compliance with the Standards shall be operating expenses, provided that Operator included these expenses in the budget or the Operator seeks prior approval of the Airport for any proposed cost that exceeds more than ten (10%) percent of the projected budget line item.

ARTICLE 9 – RECORDS AND REPORTS

The Operator shall keep and maintain true and accurate reports of Gross Receipts Due and Operating Expenses for four (4) years and in accordance with Generally Accepted Accounting Principles (GAAP). The Operator should keep validated deposit slips and present to the Airport any such deposit slips requested. The Operator should include with the monthly reporting to the airport the following:

1. Daily report of Gross Receipts Due, overnight vehicle count, ticket validations and exceptions, and ticket reconciliation in accordance with the Operations Procedures and Policy Manual.
2. Monthly activity and Gross Receipts Due summaries and certifications, to be reconciled to Daily Report.

In addition, the Operator shall have available to the Airport for inspection, upon twenty-four (24) hours' notice and within normal business hours, the following:

1. Records of all tickets purchased, ticket dispenser number and date used.
2. All used parking tickets, lost ticket forms and validations for a twelve (12) month period. At the end of this period all of these records shall be turned over to the Airport.
3. All shift reports for a twelve (12) month period. At the end of this period, copies of all these records shall be turned over to the Airport.

4. Any and all other accounting records maintained locally which pertain to the receipt of parking revenues and operating expenses.

Non-compliance with Article 9 could construe the Operator in default of this agreement. The Airport has the right to request an outside audit of the financials at any time at the Operator's cost.

ARTICLE 10 – LOST TICKETS, DISCOUNTED PARKING, EMPLOYEE PARKING

Lost tickets shall be accounted for by a lost ticket form, in a format approved by the Airport Director and signed by the customer.

The Airport discounts parking for the handicapped. Discounted parking shall be accounted for by Operator and included in the monthly reporting.

The Airport provides free parking for City officials, Airport employees, and employees of the Terminal tenants. The employee shall provide an parking form provided by the Airport Security department and signed by the Airport Director or designee.

The Airport provides free parking in certain circumstances, including to individuals doing business with the Airport, the media covering events occurring at the Airport, individuals attending meetings for City business at the airport, etc. The Operator will provide QR codes to Airport Administration to place on the parking ticket. Operator should provide a report of all QR codes along with the parking fee waived used for the month in the monthly reporting packet.

ARTICLE 11 – INSURANCE

Operator shall carry and maintain, as an Operating Expense, the following insurance coverages:

1. Worker's Compensation Insurance at statutory limits, including Employers Liability coverage a minimum limit of:
\$1,000,000 each occurrence each accident/\$1,000,000 by disease each occurrence/
\$1,000,000 by disease aggregate
2. Commercial Automobile Liability Insurance at minimum combined single limits of:
\$2,000,000 per occurrence for bodily injury and property damage, including owned, non-owned, and hired car coverage
3. Garage liability or commercial general liability insurance on an occurrence form basis with limits of not less than:
\$2,000,000 per occurrence/\$2,000,000 annual aggregate per location

The Operator shall specifically endorse applicable insurance policies as follows:

1. City of Laredo shall be named as an additional insured with respect to General Liability and Automobile Liability.
2. All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.

3. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers Compensation, and all liability policies.
4. All insurance policies shall be endorsed to require the insurer to immediately notify the City of Laredo of any material change in the insurance coverage.
5. All insurance policies shall be endorsed to the effect that the City of Laredo will receive at least sixty- (60) days' notice prior to cancellation or non-renewal of insurance.
6. All insurance policies, which name the City of Laredo as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
8. Operator may maintain reasonable and customary deductibles, subject to approval by the City.
9. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.
10. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance (COI) shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:
 - Shall specifically set for the notice-of-cancellations or termination provisions to the City of Laredo.
 - Upon request, Operator shall furnish the City of Laredo with certified copies of all insurance policies.
 - Certificates of insurance are subject to review and approval from the City of Laredo Risk Manager.
 - Operator is required to maintain current and active all: certifications, licenses, permits and/or insurance coverages, required to perform work, throughout the agreement.

The City reserves the right to increase the amounts of insurance coverage described herein above and to require any additional riders or provisions in said policies or certificates as shall be considered necessary by the City and consistent with the terms and conditions of this agreement. The City shall notify Operator of any increase, additional riders, provisions or certificates in writing at least 90 days before the renewal date of the policy. Increases shall not be unreasonable or for the purpose of intending to cause breach of contract or to place a due burden on the Operator

All notices under this Article shall be given to City at the following address:

Laredo International Airport
Attn: Airport Director
5210 Bob Bullock Loop
Laredo, TX 78041

ARTICLE 12 – CONTRACT REQUIREMENTS

Vendors doing business with the City of Laredo shall comply with all provisions of the City of Laredo's Code of Ethics. Vendors may be required to participate in Code of Ethics trainings. (Ordinance 2012-0-126)

ARTICLE 13 – EQUIPMENT AND IMPROVEMENTS

Operator may, with Airport's written approval, purchase and install equipment or improvements which the parties agree should be installed as part of the Premises' signage, revenue control, traffic control and/or operational systems. Title to equipment and improvements so purchased and installed by Operator shall vest in Airport upon installation. The total cost thereof (including delivery and installation costs) shall be reimbursed to Operator within thirty (30) days after receipt of Operator's statement showing the description and cost of each item. Operator agrees that it will not make or construct any improvements, additions or alterations to the Premises without the prior written consent of the Airport Director.

ARTICLE 14 - INTELLECTUAL PROPERTY

Operator hereby grants to Airport, during the term of this Agreement only, a non-assignable, non-exclusive right and license to use Operator's intellectual property, including but not limited to its trade names, trademarks and any and all on-site parking amenities programs (The "**Intellectual Property**"), to the extent related to Operator's administration, management and operation of the Premises. Upon termination of this Agreement for any reason, Operator shall have the right, at its sole cost and expense, to remove the Intellectual Property from the Premises, and Airport shall refrain from all further use of the Intellectual Property.

ARTICLE 15 - AIRPORT'S OBLIGATIONS

Airport shall, at its expense, be responsible for the performance of the following:

1. Except for duties expressly delegated to Operator pursuant to Article 3 above, all repair and maintenance of the Premises, systems and improvements in good condition and repair.
2. Alterations, improvements and additions that Airport deems necessary and/or as may be required by the Americans With Disabilities Act of 1990.
3. All installation, removal, replacement or modification of signage at the Premises as may be required by law or desired by City in order to adhere to the Manual on Uniform Traffic Control Devices (MUTCD) or similar standards.
4. Provide Safety and/or security personnel and equipment upon request or when necessary.
5. Airport shall provide a Support Space to Operator, provided such space is available. In the event another prospective tenant or lessee requests to lease such Support Space for monetary consideration, Airport reserves the right to reclaim said space upon providing reasonable written notice to Operator. Operator acknowledges that any such reclaimed space shall revert to Airport's control for leasing or other use as determined by Airport, and Operator shall vacate the Support Space within the notice period provided by Airport.

With respect to #4 above, City expressly acknowledges that Operator does not have knowledge or expertise as a guard or security service, and does not employ personnel for that purpose, nor do Operator's employees undertake the obligation to guard or protect or that purpose, nor do Operator's employees undertake the obligation to guard or protect customers against the intentional acts of third parties. City shall determine, at City's discretion, whether and to what extent any precautionary warnings, security devices, or security services may be required to protect patrons in and about the Premises.

ARTICLE 16 – INDEMNIFICATION

Operator shall defend, indemnify and hold harmless City from and against any and all costs, expenses, losses, liability, claims, judgments and demands (collectively, “**Losses**”) caused by Operator’s breach of this Agreement or caused by the negligence of Operator or Operator’s employees, agents or third parties but Operator shall not be liable for any such Losses occasioned by failure of City to comply with its obligations hereunder or by reason of the negligence of City, its agents, employees or third parties. To the extent authorized by the laws and Constitution of the State of Texas, City shall defend, indemnify and hold harmless Operator from and against any and all Losses caused by City’s breach of this Agreement or caused by the acts or omissions of City, its agents or employees, or by reason of the physical or structural condition of the Premises, or equipment contained therein, or by fire, gas, water, electricity failure or malfunction, or by the breaking overflowing or leaking of roofs, pipes, or walls of the Premises, or for such other damage or injury caused by any acts or events whatsoever including, but not limited to acts or omissions of third parties in or about the Premises, or any Losses (including reasonable attorneys’ fees) in connection with any claims or proceedings to avoid or recover Gross Receipts arising under or related to Title 11, Chapter 5 of the United States Code (the “**Bankruptcy Code**”). Operator shall at all times be regarded as an independent contractor and shall not at any time act as agent for City.

ARTICLE 17– LICENSES AND PERMITS

Operator shall obtain and maintain all licenses and permits required by an Operator of parking facilities by any governmental body or agency having jurisdiction over Operator’s operation at the Premises and will abide by the terms of such licenses and permits. Any license or permit fees for these Premises shall be deemed an Operating Expense. A copy of any licenses or permits required will be provided to the Airport upon receipt of said license or permit.

ARTICLE 18 – LAWS AND ORDINANCES

Operator shall not use all or any part of the Premises for any use or purpose which is (i) forbidden by or in violation of any law of the United States, any state law or any city ordinance, or (ii) may be dangerous to life, limb or property. Operator shall comply and abide to any and all Federal Aviation Administration guidelines.

ARTICLE 19 – LOSS OR DAMAGE TO PREMISES

In case of any substantial loss of or damage to the Premises as the result of a taking under the power of eminent domain, or by fire, storm or other casualty, City may (i) repair or restore the Premises at City’s expense, or (ii) abandon the operation and terminate this Agreement by giving at least ten (10) days prior written notice to Operator. If City so terminates, City shall not be liable to Operator for Management Fees arising after the date of taking or casualty; provided, however, if any portion of the Premises remains suitable for parking and Operator, with City’s prior written approval, continues its operations, Operator shall be entitled to receive its Management Fees for the period during which such operations are continued. If City repairs and restores the Premises, no Management Fees shall be due for the period the Premises are unsuitable for the ordinary conduct of parking business, and Operator shall not be required to provide services hereunder, but this Agreement shall continue in effect and the term shall be extended for a period equal to the period needed for repair and restoration.

ARTICLE 20 – RELATIONSHIP TO THE PARTIES

No partnership or joint venture between the parties is created by this Agreement, it being agreed that Operator is an independent contractor.

ARTICLE 21 – GENERAL CIVIL RIGHTS PROVISIONS

In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

If the Operator transfers its obligation to another, the transferee is obligated in the same manner as the Operator.

The above provision obligates the Operator for the period during which the property is owned, used or possessed by the Operator and the Airport remains obligated to the Federal Aviation Administration.

ARTICLE 22 – TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

ARTICLE 23 – COMPLIANCE WITH NON-DISCRIMINATION REQUIREMENTS

During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

**ARTICLE 24 – CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY
ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM**

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by City of Laredo pursuant to the provisions of the Airport Improvement Program grant assurances.

- A. The Operator for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, "as a covenant running with the land") that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the

- benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Operator will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts and Authorities.
- B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non-discrimination covenants, City of Laredo will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.

With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, City of Laredo will there upon revert to and vest in and become the absolute property of Laredo and its assigns.

ARTICLE 25 - AIRPORT CONCESSION DISAVANTAGED BUSINESS DEVELOPMENT

This Agreement is subject to the requirements of the 49 CFR Part 23, and as follows:

- a. The requirements of 49 CFR Part 23, regulations of the U.S. Department of Transportation, applies to this concession. It is the policy of the Laredo International Airport to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this concession will be conditioned upon satisfying the requirements of this proposal/bid specification. These requirements apply to all concessions, firms and suppliers, including those who qualify as an ACDBE.

An ACDBE concession specific goal of .42% percent of (annual gross receipts; value of leases and/or purchases of goods and services) has been established for this concession. The concession firm shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26, to meet the concession specific goal for ACDBE participation in the performance of this concession.

The Operator will be required to submit the following information:

- (1) the names and addresses of ACDBE firms and suppliers that will participate in the concession;
- (2) a description of the work that each ACDBE will perform;
- (3) the dollar amount of the participation of each ACDBE firm participating;
- (4) written and signed documentation of commitment to use a ACDBE whose participation it submits to meet a contract goal;
- (5) written and signed confirmation from the ACDBE that it is participating in the concession as provided in the prime concessionaire's commitment; and,
- (6) if the contract goal is not met, evidence of good faith efforts.

ARTICLE 26 – FORCE MAJEURE

Neither party shall be in violation of this Agreement for failure to perform any of its obligations by reason of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of the public enemy, acts of public authority, weather conditions, riots, rebellion, accidents, sabotage or any other circumstances for which it is not responsible and which are not within its control. No Management Fee shall be due to Operator if it suspends operations for any such cause or event for the period of such suspension.

ARTICLE 27 – GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

ARTICLE 28– APPROVALS

Whenever the approval of either party is required herein, such approval shall not be unreasonably withheld or delayed.

ARTICLE 29 – WAIVERS

No waiver of default by either party of any term, covenant or condition hereof to be performed or observed by the other party shall be construed as, or operate as, a waiver of any subsequent default of the same or any other term, covenant or condition hereof.

ARTICLE 30 – SEVERABILITY

If any provision hereof is to be held to be invalid by a court of competent jurisdiction, such invalidity shall not affect any other provision hereof, provided such invalidity does not materially prejudice either party in its rights and obligations contained in the valid provisions of this Agreement.

ARTICLE 31 – TERMINATION

Either party may terminate this Agreement if the other party breaches any covenant, term, or condition of this Agreement and fails to cure such breach within ten (10) days after receipt of written notice in the case of a monetary breach, or within thirty (30) days after receipt of written notice in the case of a non-monetary breach; provided, however, that if such non-monetary breach cannot reasonably be cured within said thirty (30)-day period, the breaching party shall not be in default hereunder if it commences and diligently pursues corrective action within such period until the breach is cured. In addition, either party may terminate this Agreement immediately upon written notice if the other party files or becomes subject to bankruptcy, insolvency, receivership, or similar proceedings, or makes an assignment for the benefit of creditors. Termination under this Section shall be in addition to, and not in limitation of, any other rights or remedies available at law or in equity.

ARTICLE 32 – SALE OF PREMISES

Subject and subordinate to all termination rights hereunder, in the event of a sale of the Premises, in whole or in part, this Agreement and Operator's rights hereunder shall not be disturbed so long as Operator keeps and performs its agreements contained herein.

ARTICLE 33 – ASSIGNMENT

Operator shall not assign or transfer this Agreement or its right, title or interest herein without the prior written consent of City.

ARTICLE 34 – NOTICES

Any notice or communication required to be given to or served upon either party hereto shall be given or served by personal service or by express delivery or by mailing the same, postage prepaid, by United States registered or certified mail, return receipt requested, to the following address:

TO CITY: Laredo International Airport
 Attn: Airport Director
 5210 Bob Bullock Loop
 Laredo, TX 78041

TO OPERATOR: Republic Parking System, LLC
 307-7th Avenue, Suite 607
 New York, NY 10001

Either party may designate a substitute address at any time hereafter by written notice thereof to the other party.

ARTICLE 35 – ENTIRE AGREEMENT

This Agreement, together with all exhibits hereto, constitutes the entire agreement between the parties, and supersedes all representations, statements or prior agreements and understandings both written and oral with respect to the matters contained in this Agreement and exhibits hereto. No person has been authorized to give any information or make any representation not contained in this Agreement. This Agreement may be amended only by written agreement of the parties.

ARTICLE 36 – PARTIES BOUND

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, successors, executors, administrators, legal representatives and permitted assigns.

ARTICLE 37 – NEITHER PARTY DEEMED DRAFTER

The parties to this Agreement have had sufficient time to consult legal counsel and negotiate changes regarding the terms hereof. Therefore, neither party shall be deemed the drafter of this Agreement and, as such, this Agreement shall not be construed against either party due to the drafting hereof.

ARTICLE 38 - ATTORNEY FEES

In the event that either party hereto should (i) retain legal counsel and/or institute any suite against the other for violation of this Agreement or to enforce any of the covenants or conditions herein, or (ii) intervene in any suit in which the other is a party to enforce or protect its interest or rights hereunder, the prevailing party in any such suit shall be entitled to all of its costs, expenses and reasonable fees of its attorney(s) in connection with therewith. The rights and obligations of this Section shall survive the termination or expiration of this Agreement.

ARTICLE 39 – AUTHORITY

The individual signing this Agreement on behalf of City hereby represents that her or she has been empowered with full authority to act on behalf of City in connection with this Agreement, and that execution of this Agreement has been duly authorized by City. The individual signing this Agreement on behalf of Operator hereby represents that he or she has been empowered with full authority to act on behalf of Operator in connection with this Agreement, and that execution of this Agreement has been duly authorized by Operator.

ARTICLE 40 - COUNTERPARTS AND DELIVERY OF SIGNATURES

This Agreement may be executed in any number of separate counterparts, each of which shall together be deemed an original, but the several counterparts shall together constitute but one and the same Agreement. A facsimile, portable document format (PDF) file or other reproduction of this Agreement (or the signature page of this Agreement) may be executed by one or more parties hereto, and an executed copy of this Agreement (or signature page of this Agreement) may be delivered by one or both parties by facsimile or by electronic mail in a PDF file or by similar electronic transmission device pursuant to which the signature of or on behalf of such party can be seen, and such execution and delivery shall be considered valid, binding and effective for all purposes. At the written request of either party, the parties agree to execute an original of this Agreement with original signatures.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CITY

City of Laredo
A Municipal Corporation

By: _____

Joseph W. Nebb
City Manager

OPERATOR

Republic Parking System
A Limited Liability Corporation

By: _____

Name: Scott Hutchison
Title: Executive Vice President

APPROVED AS TO FORM:

Doanh “Zone” T. Nguyen
City Attorney

ATTEST:

Mario Maldonado, Jr.
City Secretary