

**FOOD SERVICE AGREEMENT
BETWEEN
LAREDO INTERNATIONAL AIRPORT AND CHICK-FIL-A MARKETPLACE BOB
BULLOCK**

This Agreement is made and entered into on _____, 2026 (“Effective Date”) by and between the Laredo International Airport (the “Airport”) whose principal place of business is located at 5210 Bob Bullock Loop, Laredo, Texas 78045 and Chick-Fil-A Marketplace Bob Bullock (“Concessionaire”) located at 1916 Bob Bullock Loop, Laredo, Texas 78043 (together with the Airport, the “Parties”).

I. SCOPE OF WORK

1. General scope for Concessionaire:

- A. Beginning on February 1, 2026 (the “Commencement Date”) Concessionaire will provide prepared lunch food items and non-branded drinks at prices as agreed to and described in the Food Menu for the Airport (Exhibit A) from 9:00 a.m. to 7:30 p.m. Monday thru Saturday to be sold on the first floor of the terminal building. The Concessionaire will sell during those hours for forty-five (45) minutes prior to departure of all flights and shall close and open again in accordance with each day’s flight schedule, which shall be supplied by the Airport. Notwithstanding the foregoing, Concessionaire shall have the option, but is not obligated to, operate at any time during the above stated timeframe regardless of the flight schedule.
- B. Concessionaire shall be permitted to place tables and chairs in front of the leased area for the convenience of customers, with all such table and chairs being located on the Premises and being of a type and quality reasonably acceptable to the Airport.
- C. Concessionaire shall provide all items and services in adherence to all applicable food-handling and sanitary regulations, ordinances, and guidelines.
- D. Immediately upon the Commencement Date, Concessionaire shall conduct business out from the leased space which shall be located on the first floor of the terminal, at the location previously occupied by Villa Laredo and as further described in Exhibit B.
- E. Concessionaire shall be responsible for maintaining and cleaning of all their personal equipment.

2. The Airport’s obligations:

- A. The Airport shall maintain the Premises in accordance with statutes, regulations, ordinances, directives and other rules of governmental bodies or agencies or public health agencies applicable to the Airport.
- B. All items furnished by the Airport for use on the Premises shall remain the sole property of the Airport, and the Airport shall, at its sole cost and expense, maintain and make all necessary repairs or replacements to such personal property, except that Concessionaire shall be responsible for all damages to such personal property.
- C. The Airport shall at all times have ready access to the Premises to inspect and insure that the personal property is being used in compliance with this Agreement.

II. TERM

This Agreement shall expire one (1) year from the Effective Date. This Agreement may be renewed for one (1) year upon mutual agreement of the Parties.

III. CONSIDERATION

- A. Concessionaire shall pay a base rent consisting of three percent (3%) of its monthly gross sales, which it shall pay to the Airport on the 15th day of the following month. Base Rent for the final month of this Agreement shall be due and payable within fifteen (15) days thereafter, along with the report described in Paragraph 3(b) below.
- B. In addition to the base rent, Concessionaire shall provide the Airport with a breakdown, certified true, complete and correct, of all of Concessionaire's sales during the previous month. Such report shall be a detailed report each month that includes that month's sales quantity and pricing.

IV. EMPLOYEE IDENTIFICATION

All members of Concessionaire's crew must identify his or her first name and the name of the Concessionaire's external food service while working at the Airport.

V. TERMINATION OF CONTRACT

- A. Either party may terminate the contract at any time during its term without cause by giving not less than one hundred ninety (90) calendar days' prior written notice to the other party of the intention to terminate the contract and the specific termination date.
- B. If either party fails to comply with any of the obligations required of the contract, the non-defaulting party may terminate the contract thirty (30) calendar days following providing written notice to the defaulting party specifying the failure.
- C. Concessionaire shall, for a period of ninety (90) calendar days prior to the expiration date of the contract, allow access to the food service facilities at all reasonable times by persons proposing to be the successor Concessionaire for the food service vendor operations. During the final two (2) weeks prior to expiration, Concessionaire shall allow access to the food service facilities and areas by the successor Concessionaire for the purpose of providing continuity of service. In such latter event, the Airport shall ensure that the successor Concessionaire shall not interrupt or disturb Concessionaire's performance while exercising the privilege granted hereunder.

VI. LEGAL COMPLIANCE

- A. Concessionaire shall comply with Federal Aviation Administration ("FAA") rules and

regulations as presented in Exhibit C herein.

B. Concessionaire shall also comply with all laws, ordinances, regulations, orders, and directives including, but not limited to, the Texas Worker's Compensation Act, Texas Sales Tax Act, Federal Equal Employment Opportunity Act, American Disability Act, and shall conduct its operations under the contract in a safe, efficient, and sanitary manner. Concessionaire shall apply for, obtain, and maintain in force all permits and licenses required by the various agencies of federal, state, and local governments. Should the Concessionaire licenses and/or permit become suspended Concessionaire must notify Office of the Airport Director as soon as possible.

VII. SAFETY AND HEALTH

- A. Concessionaire shall comply with all Federal, State and local safety and health laws, as well as regulations governing sanitation and use of food service equipment.
- B. Concessionaire shall require all employees engaged in the performance of the contract to undergo and furnish proof of health examinations annually or as frequently as otherwise required by law), and to otherwise comply with all health regulations.
- C. The City of Laredo Health Department shall have the right to inspect, no less than one (1) time per month, the Premises for sanitation, quality of food, availability of condiments, utensils, and any other aspect of the Concessionaire's services it deems necessary. The Airport shall provide reasonable notice of any deficiencies identified during these inspections. Concessionaire's failure to correct any deficiencies presented in writing within five (5) days of receipt of notice shall be cause for termination of the Agreement.
- D. Copies of all Federal, State and Local inspection reports must be submitted to the Airport within three (3) calendar days after receipt.

VIII. EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION PROGRAM

In connection with performance of work under the contract, Concessionaire shall comply with the Fair Labor Standards Act, Fair Employment Practices, Equal Opportunity Employment Act, and all other applicable Federal and State laws.

IX. INSURANCE/FOOD PERMITS

Concessionaire will provide the Airport with proof of and maintain in full force at all times for the duration of this Agreement, any and all required insurance coverage and food handling permits, as provided in Exhibit D. The Airport shall be named as additional insured under the insurance policies.

X. INDEMNIFICATION

Concessionaire shall indemnify and hold harmless the Airport, its Trustees, Agents and Employees, from and against any and all claims, demands, and actions or causes of action of any nature whatsoever arising out of or by reason of the execution or performance of the duties and obligations of Concessionaire under the terms of the contract. The Airport shall notify Concessionaire promptly in writing of any claim or action. An indemnification agreement acceptable to the Airport shall be included in the contract.

XI. WAIVER

Only to the extent waiver is otherwise provided herein, Concessionaire hereby waives any and all right of recovery from Airport for loss to personal or real property, or loss of use thereof, howsoever occurring. This waiver shall include, but not be limited to, losses covered by policies of fire, extended coverage, and boiler explosion and sprinkler leakage.

XII. NOTICE OF INDEPENDENT EXTERNAL FOOD VENDOR STATUS

Concessionaire is engaged under this Agreement as an independent provider and not as an agent or employee of the Airport. Concessionaire and its employees are not entitled to benefits of any kind to which the Airport employees are entitled.

Concessionaire:

CHICK-FIL-A MARKETPLACE BOB BULLOCK

By: _____
MARTHA SPEER /DBA CHICK-FIL-A
MARKETPLACE BOB BULLOCK

AIRPORT:

CITY OF LAREDO
A MUNICIPAL CORPORATION

BY: _____

JOSEPH NEEB
CITY MANAGER

ATTEST:

BY: _____

JOSE A. VALDEZ, JR.
CITY SECRETARY

APPROVED AS TO FORM:

BY: _____

DOANH “ZONE” T. NGUYEN
ASSISTANT CITY ATTORNEY

EXHIBIT A

(Menus)

EXHIBIT B

[Premises Description]

EXHIBIT C

FAA CLAUSES

1. AIRPORT LAWS:

All improvements constructed on the Premises shall be subject to all applicable Airport Laws and regulations and to all federal, state, and local laws, rules and regulations pertaining to the Airport and to federally-obligated airports in general (collectively, "Airport Laws").

2. OPERATING OBLIGATIONS

A. MINIMUM OPERATING STANDARDS:

Concessionaire shall comply with the minimum operating standards or requirements in accordance with the Airport Laws and regulations applicable to Concessionaire's activities on the Premises.

B. NON-DISCRIMINATION:

Concessionaire shall furnish services on a fair, reasonable, and nondiscriminatory basis. Such services shall be deemed fair, reasonable and nondiscriminatory if furnished consistent with the current Airport Laws, and any subsequent amendments thereto or future ordinances promulgated by the Airport, FAA Grant Assurances and other rules and regulations required to be followed by the Airport.

C. INTENTIONALLY OMITTED

D. SUFFICIENT EMPLOYEES:

Concessionaire shall provide, at its sole expense, a sufficient number of employees necessary to provide the services required to adequately operate its business.

E. CONDUCT AND DEMEANOR:

Concessionaire shall control the conduct, demeanor, and appearance of its employees which provide services in connection with Concessionaire's operations.

F. NON-DISPARAGEMENT:

During the Term, Concessionaire shall not demean, disparage or in other way speak or refer negatively to the Airport or the Premises in any public forum or other way that becomes public. Concessionaire shall comply with the aforementioned. If the Airport reasonably believes that this section has been violated, such violation shall not be considered a default under this Agreement unless the Airport has provided Concessionaire with notice thereof and Concessionaire fails to take reasonable action to correct such violation.

G. NO HAZARDOUS MATERIALS:

Concessionaire shall not store fuels or hazardous material in any hangar except as approved in any applicable Federal, State, or local regulations and/or permits.

3. SECURITY PLAN:

Concessionaire shall maintain full security at the Premises pursuant to the public parts of the security plan for the Airport (the “Security Plan”). the Airport may require reasonable amendments to the Security Plan as circumstances arise provided that such amendments are being required uniformly and in a non-discriminatory manner from all similarly situated parties or the Airport is directed to require such amendment from Concessionaire by the Transportation Security Administration (the “TSA”). the Airport shall enforce the Security Plan uniformly and in a non-discriminatory manner from all similarly situated parties. In addition, Concessionaire shall cooperate fully with the Airport with regard to any information requested by the Airport pertaining to any safety management system initiated by the Airport, all of such cooperation will be requested on a non-discriminatory basis.

4. FEDERAL AIRPORT AID:

The Airport has applied for and received a grant or grants of money from the Administrator of the FAA pursuant to the Airport and Airways Development Act of 1970 (the “AIA”), as the same has been amended and supplemented, and under prior federal statutes which said Act superseded and the Airport may in the future apply for and receive such grants. In connection therewith, the Airport has undertaken and may in the future undertake certain obligations respecting its operation of the Airport and the activities if its subcontractors and permittees thereon. The performance by Concessionaire of the promises and obligations contained in this Agreement is, therefore, a special consideration and inducement to the execution of this Agreement by the Airport, and Concessionaire further agrees that if the Administrator of the FAA or any other governmental officer or body having jurisdiction over the enforcement of the obligations of the AIRPORT in connection with the Federal Airport Aid, shall make any orders, recommendations, or suggestions respecting the performance by Concessionaire of its obligations under this Agreement, Concessionaire will promptly comply therewith at the time or times, when and to the extent that the Airport reasonably may direct.

5. ANTI-DISCRIMINATION CLAUSES MANDATED BY FEDERAL GOVERNMENT:

A. The AIA: Concessionaire assures that it will undertake an affirmative action program as required by 14 Code of Federal Regulations Part 152, Subpart E, to ensure that no person shall on the grounds of race, color, creed, national origin, or sex be excluded from participating in any employment activities covered by 14 Code of Federal Regulations Part 152, Subpart E. Concessionaire assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Concessionaire assures that it will require that its covered suborganizations provide assurances to Concessionaire that they similarly undertake affirmative action programs and that they will require assurance from their suborganizations, as required by 14 Code of Federal Regulations Part 152, Subpart E, to the same effect.

B. Concessionaire for itself, its successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agrees as a covenant running with the land that: (1) no person on the grounds of race, color, or national origin shall be excluded from participating 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 grounds of race, color, or national origin shall be excluded from participating in, denied the benefits of, or otherwise be subjected to

discrimination, (3) that Concessionaire shall use the Premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

C. That in the event of breach of any of the proceeding nondiscrimination covenants, City of Laredo shall have the right to terminate the license, lease, permit, etc., and to reenter and repossess said land and the facilities thereon and hold the same as if said Agreement had never been made or issued.

6. INTENTIONALLY OMITTED

7. SUBORDINATION OF AGREEMENT:

A. This Agreement shall be subordinated to the provisions of any existing or future agreement between the Airport and the United States, 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.

B. It is expressly understood and agreed that this Agreement is subject to and subordinate to and contained in those certain contracts, agreements, resolutions and actions of the City of Laredo, Texas, constituting agreements between the City and the United States of America and its agent including but not limited to, the Federal Aviation Administration (FAA) and all regulations now and hereafter imposed upon the City and that the Airport shall not be liable to Concessionaire on account of any of the foregoing matters and all of such contracts, agreements, resolutions and regulations are incorporated herein by reference, and if any provision of this Agreement is determined to be a variance with same, such provision is unilaterally reformable to the Airport's option.

8. NATIONAL EMERGENCY:

During the time of war or national emergency, the Airport shall have the right to lease the landing area or any part thereof of the United States Government for military or naval use, and if such lease is executed, the provisions of this Agreement insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.

9. OCCUPANCY AND USE OF THE AIRPORT:

A. From time to time the Airport may adopt and enforce rules and regulations with respect to the occupancy and use of the Airport, its services and facilities, by persons, vehicles, aircraft and equipment that in the Airport's opinion will reasonably insure the safe, efficient and economically practicable operation thereof and provide for the safety and convenience of those using the Airport, and to protect the Airport and its facilities and the public from damage or injury resulting from operations on, into and from the Airport.

B. Concessionaire agrees to observe and obey any and all rules and regulations and all other Federal, State, and municipal rules and regulations and laws and to require its officers, agents, employees, contractors, and suppliers to observe and obey the same. the Airport reserves the right to deny access to the Airport and its facilities to any person, firm, or corporation that fails or refuses to obey and comply with such rules, regulations, or laws. Such rules, regulations or

municipal laws of the Airport will not be inconsistent with the terms of this Agreement nor with the valid rules, regulations, orders and procedures of the Federal Aviation Administration or any other superior governmental agency duly authorized to make or enforce rules and regulations for the operation the Airport and the operation of aircraft using the Airport.

C. Concessionaire at all times shall be furnished a current copy of any such rules and regulations and any amendments thereto.

D. The Airport reserves the right to prohibit the operation of any vehicle or equipment on the Premises that the Airport reasonably determines to be in an unsafe condition. The Airport reserves the right to require each vehicle operated on the Premises to be inspected and to obtain a permit or license authorizing such vehicle to operate on the Premises and for which a nominal fee may be charged.

10. AIRPORT SECURITY:

A. Concessionaire covenants and agrees that it will at all times maintain the integrity of the Airport Security Plan and TSR Part 1542, as each may be amended from time to time.

B. Concessionaire shall provide for the security of the air operations area to prevent ground entry or movement of unauthorized persons from or through the Premises in accordance with any regulations imposed upon the Airport by the Transportation Security Administration or others. Furthermore, Concessionaire shall ensure that its employees, customers, guests, invitees, vendors, contractors, sublessees, and anyone granted access by Concessionaire to the air operations area comply with the Airport Security Plan and TSR Part 1542, as amended. Concessionaire shall indemnify and hold harmless the Airport, its officers, and employees, from any charges, fines, or penalties that may be levied by any agency of the United States or the State of Texas by reason of such failure to comply with this requirement.

C. Concessionaire, at its own cost and expense, shall provide reasonable security in accordance with Transportation Security Administration guidelines and requirements for the leased premises including buildings and other improvements now existing or hereafter erected or installed on the Premises.

CITY OF LAREDO SPECIFIC CLAUSES

1. INTENTIONALLY OMITTED

2. INDEMNIFICATION:

Concessionaire agrees to protect, defend, indemnify and hold the Airport harmless from and against any and all loss, damage and liability arising from (i) Concessionaire's failure to perform and observe its covenants hereunder, or (ii) any act or omission of Concessionaire or its officers, agents, employees, independent contractors, licensees, sublessees and the sublessees; employees, concessionaires or assignees (collectively, "Lessee Parties") causing loss or damage to the Premises or a claim or cause of action against the Airport arising out of the obligations of Concessionaire set forth in this Agreement; provided that the terms of the foregoing indemnity

shall not apply to the gross negligence or willful misconduct of the Airport or its officers, agents, employees, independent contractors, licensees, concessionaires or assignees (collectively, “the Airport Parties”).

3. APPROVAL:

This Agreement is subject to City Council approval and also constitutes a public document under the Texas Open Meetings Act, being subject to public inspection at any time hereafter.

4. INTENTIONALLY OMITTED

5. INTENTIONALLY OMITTED

6. NON-LIABILITY OF THE AIRPORT TO THIRD PARTIES:

The Airport shall not in any event be liable to Concessionaire for any acts or omissions of, or for any condition resulting from, the operations or activities of any third person, firm, or corporation, or the agents, servants, employees or independent contractors of any such person, firm, or corporation, that results in injury, loss or damage to Concessionaire or to any other person, or loss of or damage to any personal property installed or stored on the Premises unless such loss or damage was incurred by the Airport’s negligence.

7. PROPERTY AND OTHER INSURANCE:

A. Concessionaire, at its sole cost and expense shall, throughout Term of this Agreement, keep or cause to be kept on all improvements now or hereafter located upon the Premises, upon their construction, respectively, insurance for the benefit of Concessionaire against loss or damage, including Property Insurance Coverage with a limit of 100% of the insurable replacement costs of the property on a special cause loss form with a \$500,000 extra expense limit for demolition and debris removal. Concessionaire shall be the named insured with the Airport being named as an additional named insured to protect by fire and against loss or damage by other risks embraced by “extended coverage” and against civil commotions, riots, vandalism and malicious mischief and all risk of direct physical loss, including flood and earthquake in an amount equal to the actual replacement cost of such improvements, including costs of replacing excavations and foundations, but without deduction for depreciation (hereinafter called “Full Insurable Value”). In the event a dispute arises as to the Full Insurable Value which cannot be resolved by agreements, an appraisal of the Premises and improvements thereon shall be made by an appraiser selected by the Concessionaire to determine the Full Insurable Value as defined in this provision. The resulting determination shall be conclusive between the parties for the purpose of this Section. The expense of this appraisal shall be borne by Concessionaire.

8. INTENTIONALLY OMITTED

9. CONTENTS

Concessionaire shall cause Insurance to remain on the contents of the building improvements and on the Premises for the entire term of the Agreement.

10. LIABILITY INSURANCE:

A. In addition to the insurance specified herein, Concessionaire shall maintain the insurance as specified in Exhibit "D".

11. INSURANCE POLICIES AND MODIFICATIONS:

Concessionaire will cause certificates evidencing the insurance required under Section IX to be deposited no later than five (5) days prior to or on the Effective Date.

12. CONCESSIONAIRE -INDEPENDENT CONTRACTORS:

Concessionaire in its operations hereunder shall act in the capacity of an independent contractor and the AIRPORT shall not have or be construed to have any responsibility or liability for any work, acts, or omissions of Concessionaire, its agents, employees, tenants, lessee, contractors, guests, invitees, or customers.

13. INTENTIONALLY OMITTED

EXHIBIT D

Insurance Requirements for Bids:

Revised October 13, 2010

NON CONSTRUCTION BIDS:

Insurance Requirements

The successful bidder(s) shall furnish the City with original copies of valid insurance policies herein required upon execution of the contract and shall maintain said policies in full force and effect at all times during the term of this contract.

1. Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, Coverage must be amended to provide for an each-project aggregate limit of insurance. An alternative would be to have separate limits for all lines of General Liability coverage for each project.
2. Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limits of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each-occurrence/\$1,000,000 by disease aggregate.
3. Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non-owned, and hired car coverage.
4. Any Subcontractor(s) hired by the Concessionaire shall maintain insurance coverage equal to that required of the Concessionaire. It is the responsibility of the Concessionaire to assure compliance with this provision. The City of Laredo accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.
5. A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement.
6. With reference to the foregoing insurance requirement, Concessionaire shall specifically endorse applicable insurance policies as follows:
 - a. The City of Laredo shall be named as an additional insured with respect to General Liability and Automobile Liability.
 - b. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions.
 - c. A waiver of subrogation in favor of the City of Laredo shall be contained in the Workers compensation, and all liability policies.

- d. 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.
- e. 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 the insurance.
- f. 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.
- g. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
- h. Concessionaire may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.
- i. Insurance must be purchased from insurers that are financially acceptable to the City of Laredo. Insurer must be rated A- or greater by AM Best Rating with an admitted carrier licensed by the Texas Department of Insurance.

7. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

- a. Sets forth all endorsements and insurance coverage's according to requirements and instructions contained herein.
- b. Shall specifically set forth the notice-of-cancellation or termination provisions to The City of Laredo.

8. Upon request, Concessionaire shall furnish The City of Laredo with certified copies of all insurance policies.