



ST. LOUIS LAMBERT  
INTERNATIONAL AIRPORT™

AUG 15 2017

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**AIRPORT TERMINAL SERVICES, INC.**

**d/b/a "Wingtips"**

**AIRPORT COMMON USE CLUB**

**CONCESSION AGREEMENT**

**AL#-046**

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**ST. LOUIS LAMBERT INTERNATIONAL AIRPORT™**  
**CONCESSION AGREEMENT**  
(Common Use Club)

**THIS AGREEMENT**, made and entered into as of the 19<sup>th</sup> day of July 2017, ("**Agreement**") by and between the CITY OF ST. LOUIS ("**City**"), a municipal corporation of the State of Missouri and Airport Terminal Services, Inc. d/b/a "Wingtips" ("**Concessionaire**"), a corporation organized and existing under the laws of the State of Missouri and qualified to do business in the State of Missouri.

**WITNESSETH, THAT:**

**WHEREAS**, the City now owns, operates and maintains an international airport known as St. Louis Lambert International Airport ("**Airport**"), located in the County of St. Louis, Missouri;

**WHEREAS**, a Common Use Club Concession at the Airport is a valuable accommodation of the public;

**WHEREAS**, the City has determined that it is in the public interest for the following objectives to be met in the provision of a Common Use Club Concession:

- Provide a Common Use Airport Club Concession providing travelers with a comfortable and inviting space that meets or exceeds Airport user needs and adds value to other Airport and airline services;
- Limit club access to travelers that have purchased a club membership (including day passes, longer term memberships, and reciprocal memberships);
- Feature sales of food, non-alcoholic beverages and alcoholic beverages to club patrons only;
- Allow food items to be brought into the club Premises from other airport concessions;
- to be responsive to the Federal Aviation Administration ("**FAA**") and City goals for Airport Concession Disadvantaged Business Enterprise ("**ACDBE**") participation in concessions;
- to provide a high level of service at prices that are attractive to Airport users and competitive with local prices;
- to provide an environment where both Concessionaire and Airport can be financially successful; and
- to optimize concession revenues for St. Louis Lambert International Airport.

**WHEREAS**, the City desires to maximize opportunities for disadvantaged, minority and women-owned enterprises in the Common Use Airport Club Concession at the Airport as well as additional revenue and more favorable terms to the City; and

**WHEREAS**, the City has advertised and received bids for the right to develop, manage and operate a Common Use Club Concession at the Airport, and by this process the City has determined that the Concessionaire is a qualified and responsive bidder that submitted the highest and best bid deemed most advantageous to the City for the development, management, and operation of a first-class Airport Common Use Club Concession ("**Concession**") at the Airport, and best meets the City objectives.

**NOW, THEREFORE**, for and in consideration of the payments, promises and the mutual covenants and agreements herein contained and other valuable considerations, the City and the Concessionaire agree as follows:

## ARTICLE I DEFINITIONS AND INTERPRETATIONS

SECTION 101. DEFINITIONS. The following words and phrases have the following meanings:

**"Agreement"** shall mean this concession contract for Common Use Club service and any amendments thereto, duly approved by the City.

**"Airport"** as stated in the preamble hereof.

**"Airport Operations Area"** or **"AOA"** shall mean those areas of the Airport used for landing, taking-off, movement, and parking of aircraft, as the same now exists or as the same hereafter may be added to, modified, changed, or developed.

**"Airport Common Use Club"** shall mean a space operated by the Concessionaire where, for the payment of a fee, Club members may enjoy an inviting space to work or relax away from the more trafficked areas of the public concourses. A selection of complimentary snacks and beverages are offered.

**"Airport Concession Disadvantaged Business Enterprise" or "ACDBE"** shall mean a small business concern:

- That is at least fifty-one percent (51%) owned by one or more individuals who are both socially and economically disadvantaged; or, in the case of a corporation, in which fifty-one percent (51%) of the stock is owned by one or more such individuals; and
- Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.



**“Airport Properties Department”** shall mean that department of the City of St. Louis Airport Authority that has as its primary responsibility the administration of all tenant, permittee, agent, concessionaire and other space at the Airport, and shall be the Concessionaire’s point of contact with the Airport on all issues related to this Agreement.

**“Authority”** shall mean the City of St. Louis Airport Authority, the City department responsible for managing and operating the Airport.

**“Build-Out” or “Build-Out Costs”** shall mean costs incurred for the demolition, redevelopment, Refurbishment, or modification of Existing Improvements and/or the installation or construction of New Improvements to the Premises, including (but not limited to) furnishings, fixtures, equipment and finishes including costs of architectural design and engineering fees, outside project management, installation and preparation of all assets for their intended use, general contractors, sub-contractors, franchise fees, taxes, permits, insurance and construction bonds; but excluding the costs of interest during construction and internal costs of Concessionaire’s employees.

**“Build-Out Period”** shall mean the nine (9) month period beginning on the Commencement Date (see Article IV).

**“City”** as stated in the preamble hereof.

**“Commencement Date”** shall mean the first day of the month following the full execution of the Agreement by the City (see Article IV, Section 401).

**“Concession”** as stated in the preamble hereof.

**“Concessionaire”** as stated in the preamble hereof.

**“Concession Fee Payments”** shall have the meaning stated in Article V, Section 502.

**“Concession Period”** shall mean Ten (10) Contract Years immediately following the Build-Out Period (see Article IV, Section 401).

**“Contract Year”** shall mean a twelve (12) consecutive month period beginning immediately following the expiration of the Build-Out Period, and each twelve (12) month period thereafter during the Term of this Agreement (see Article IV).

**“Days” or “days”** shall mean consecutive calendar days unless otherwise expressly provided herein.

**“Director”** shall mean the Director of Airports of the City of St. Louis Airport Authority or his/her designee, and incorporates the granting of approval requirements of Section 1515 hereof.

**“Environmental Laws”** mean all applicable federal, state, and local statutes, ordinances,

regulations, rules, laws, permits, Environmental Permits, permit conditions, and orders relating to the generation, emission, discharge, release, use, storage, transportation, or disposal of pollutants, contaminants, Hazardous Materials, wastes, hazardous substances, or chemicals or the preservation or regulation of the environment or natural resources including, without limitation, the Clean Air Act, 42 U.S.C. §7401 *et seq.*; the Clean Water Act, 33 U.S.C. §1251 *et seq.*, and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §136 *et seq.*; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. §1401 *et seq.*; the Noise Control Act, 42 U.S.C. §4901 *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. §651 *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. §6901 *et seq.*, as amended by the Hazardous and Solid Waste, Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. §300f *et seq.*; the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. §9601 *et seq.*, as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right-to-Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Hazardous Material Transportation Act, 49 U.S.C. §5101 *et seq.*; the Endangered Species Act, 16 U.S.C. §1531 *et seq.*; the National Environmental Policy Act, 42 U.S.C. §4321 *et seq.*; the Toxic Substance Control Act, 15 U.S.C. §2601 *et seq.*; the Atomic Energy Act, 42 U.S.C. §2011 *et seq.*; and the Nuclear Waste Policy Act of 1982, U.S.C. §10101 *et seq.*, as such statutes and laws may be amended from time to time, all regulations, rules, executive orders, policies and instructions pertaining to and lawfully promulgated pursuant to such statute or law as they now exist or may be amended from time to time.

**"Environmental Permits"** means any and all permits, licenses, approvals, authorizations, consents, or registrations required by Environmental Laws, whether federal, state or local, and any duly filed environmental covenants or land use restrictions applicable to the Airport or the Premises.

**"Existing Improvements"** shall mean, without limitation all equipment, fixtures and related installations, and improvements including all appurtenances thereto existing within the Premises as of the Commencement Date and owned by the City.

**"Expiration Date"** shall mean the last day of the Term of the Agreement, as provided for in Section 401 herein.

**"Federal Aviation Administration" or "FAA"** means the Federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any successor agency thereto.

**"Good Faith Efforts"** shall mean efforts to achieve an ACDBE goal or other requirement that, by their scope, intensity and appropriateness to this objective, can reasonably be expected to meet the program requirements.

**"Gross Receipts"** shall mean the total revenues from all sources and all types (including Membership Fees, and sales of food, beverages, and other goods not provided on a complimentary basis) at this Airport under the Agreement performed by Concessionaire, its subcontractors, sublessees, subsidiaries, associated companies or otherwise, regardless of the point of origin or delivery of the order; and, only the following may be excluded or deducted, as the case may be, from Gross Receipts:

- federal, state, county and municipal sales taxes or other sales taxes separately stated and collected from customers;
- cash or credit refunds given to customers for returned products or unperformed services purchased at the Airport;
- receipts in the forms of refunds from or the value of merchandise, supplies or equipment returned to shippers, suppliers or manufacturers;
- sale or trade-in value of any equipment or fixtures that were sold or transferred from the Premises provided the sale or transfer was approved for removal by the Director and the equipment or fixture was owned by Concessionaire; and
- revenues derived from payments received by Concessionaire for loans made to sublessees, fees charged for services provided sublessees, or other fees assessed by the Concessionaire for the use of Airport facilities for which Concessionaire has a direct lease, so long as the charge is assessed in accordance with this Agreement.

**“Hazardous Materials”** means friable asbestos or asbestos-containing materials, polychlorinated biphenyls (“PCB’s”), petroleum, or crude oil or any fraction or derivative thereof, natural gas, source material, special nuclear material, byproducts, pesticides, hazardous waste, toxic substance, or any material defined or treated as hazardous substance, regulated special waste, pollutant or contaminant (or comparable term) under any of the Environmental Laws. The City and Concessionaire stipulate and agree the existence and definition of Hazardous materials shall be construed herein in accordance with all applicable federal, state, City or local laws, statutes or regulations relating to the protection of human health or the environment.

**“Initial Minimum Investment”** shall have the meaning stated in Article VII, Section 702 hereof.

**“Membership Fee”** shall mean a fee paid to use the club. This fee may be paid by the patron or some other entity (e.g., employer, credit card company as membership benefit, etc.)

**“Mid-Term Reinvestment”** shall have the meaning stated in Article VII, Section 704 hereof.

**“Minimum Annual Guarantee”** or **“MAG”** as stated in Article V, Section 502 hereof.

**“New Improvements”** shall mean, without limitation, all improvements, Refurbishments, modifications, installations, construction, equipment, and fixtures built, installed, constructed, or erected by the Concessionaire or sublessees, and forming a part of and which are permanently affixed or attached to any portion of Airport’s real property or Existing Improvements within the Premises.

**“Percentage Fee”** shall mean the product of (i) Gross Receipts for the appropriate period multiplied by (ii) Percentage Fee Rates as set out in Article V, Section 502 hereof.

**“Percentage Fee Rate”** shall mean the designated portion or percentage of Concessionaire’s Gross Receipts that are payable to the City as set out in Article V, Section 502 hereof.

**“Premises”** shall mean a location or locations described in Section 201, and shown on Exhibit “A,” that has or have been designated by the City for the operation of Concessionaire’s common use club or for other uses provided specifically herein, together with all Existing Improvements thereon.

**“Provisions”** shall mean the terms, covenants, conditions, warranties, and specifications of this Agreement.

**“Refurbish” or “Refurbishment”** shall mean to construct, install, refurbish, improve, upgrade the Premises including Existing Improvements and/or return the Premises to original condition, including modernization/redesign by replacement of furnishings, fixtures including finishes, and/or the installation or construction of New Improvements.

**“Refurbishment Costs”** shall mean costs incurred to upgrade, Refurbish or improve the Premises including Existing Improvements and/or return the Premises to original condition, including modernization/redesign by replacement of furnishings, equipment, fixtures including finishes and/or the installation or construction of New Improvements, costs of architectural design and engineering fees, outside project management, installation and preparation of all assets for their intended use, general contractors, sub-contractors, franchise fees, taxes, permits, insurance and construction bonds; but excluding the costs of interest during construction and the internal costs of Concessionaire’s employees.

**“Remediation Costs”** means any reasonable losses, expenses, or costs incurred by the City in connection with environmental remediation: (i) required by the appropriate governmental agency responsible for enforcing applicable Environmental Laws or Environmental Permits, and/or (ii) attributable to Hazardous Materials left on City property in excess of applicable remediation standards derived by the U.S. Environmental Protection Agency, the U.S. Occupational Safety and Health Administration, the Missouri Department of Natural Resources or other governmental health agency as appropriate for commercial property, safe for occupational exposure or Airport use or which are in violation of Environmental Laws or Environmental Permits, and caused by, or arising out of Lessee’s operations or activities at the Premises or the Lessee’s use of the City’s property. Remediation Costs include reasonable investigation and evaluation costs, costs to implement institutional controls or restrictive covenants, sampling and analysis costs, reporting costs, planning and design costs, consultant and contractor costs, labor costs, equipment costs, construction costs, access costs, disposal costs, transportation costs, reasonable administrative costs, reasonable attorneys’ fees and other legal fees and litigation expenses, permit fees and costs, monitoring costs, oversight and inspection costs, claims, demands, causes of action, suits, judgments, damages, compensation, debts, costs, expenses, losses, penalties, fines, stipulated penalties, punitive damages, and other similar liabilities caused by or arising out of Lessee’s handling, use, storage, release, disposal, generation, emission or discharge of Hazardous Materials at the Airport including the Premises.

**“Removable Fixtures”** shall mean all furnishings, equipment, personal property, and proprietary

fixtures installed or placed by the Concessionaire within the Premises that are not permanently affixed to any wall, floor or ceiling within the Premises or Existing Improvement, and identified and listed by Concessionaire on its Removable Fixtures list approved by the Director, as provided for in Section 714 of this Agreement.

**“Rules and Regulations”** means those lawful, reasonable, and not unjustly discriminatory rules and regulations, including ordinances and operating directives, promulgated by the Airport Director, the Airport Commission, or the City from time to time for the orderly operation of the Airport.

**“Sales Category”** as stated in Article V, Section 502.B hereof.

**“Term”** shall mean the entire term of this Agreement (See Section 401).

**“Transportation Security Administration”** or **“TSA”** means the Transportation Security Administration created under the Aviation and Transportation Security Act of 2001, as amended, or any successor agency thereto.

**“Unamortized Investment”** shall mean the undepreciated value of Concessionaire’s investment in Build-Out Costs as set out in Article II, Section 201 hereof.

SECTION 102. INTERPRETATIONS. References in the text of this Agreement to articles, sections, paragraphs, or exhibits pertain to articles, sections, paragraphs, or exhibits of this Agreement, unless otherwise specified.

1. The terms “hereby,” “herein,” “hereof,” “hereto,” “hereunder,” and any similar terms used in this Agreement refer to this Agreement.
2. Words importing persons shall include firms, associations, partnerships, trusts, corporations, and other legal entities, including public bodies, as well as natural persons.
3. Any headings preceding the text of the articles and sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction, or effect.
4. Words importing the singular shall include the plural and vice versa. Words of any gender shall be deemed to include correlative words of the other gender.
5. The term **“including”** shall be construed to mean “including without limitation,” unless otherwise expressly indicated.
6. All references to number of days shall mean calendar days.
7. Words used in the present tense include the future.

## ARTICLE II PREMISES

SECTION 201. PREMISES. City hereby permits the Concessionaire to install, maintain and operate an Airport Common Use Club Concession at the location on Airport property, in Terminal 2, in accordance with rights granted under Section 301 entitled "Rights", as described in **Exhibit "A"** entitled "Premises", which is attached hereto and made a part hereof. The rights granted in Section 301 hereof must only be exercised within the Premises.

The Director shall have the right to add, substitute, relocate or delete portions of the Premises upon reasonable notice to the Concessionaire. The City will not be liable or responsible for any loss whatsoever, including without limitation, any inconvenience or loss by the Concessionaire of work time, profit or business, actual, incidental, consequential or special damages resulting from these changes to the Premises. In the event that the Premises are relocated or reclaimed, Concessionaire will be reimbursed the Unamortized Investment of the relocated Premises. In addition, the City will make reasonable efforts to find replacement space that is of equal size and value as that of the reclaimed Premises. If replacement space is developed by Concessionaire with less than three (3) years remaining on the Term then the Build-Out Costs of the replacement space will be amortized on a straight-line basis over a five (5) year life, with any Unamortized Investment being paid to Concessionaire upon contract termination

Concessionaire accepts the Premises "AS IS" with no warranties or representations of any kind, expressed or implied, either oral or written, made by the City or any of its officers, employees, agents, or representatives. The City without limitation expressly disclaims and negates as to the Premises any implied or expressed warranty of merchantability, any implied or expressed warranty for a particular purpose and any expressed or implied warranty with the respect to the Premises or any portion thereof and/or the use or condition of the Premises.

SECTION 202. RESERVATIONS. The grant of lease hereunder is subject to the following reservations and conditions:

- A. Concessionaire shall not exercise the rights granted by this Agreement to Concessionaire in such a way as to interfere with or adversely affect the use, operation, maintenance, expansion or development of the Airport, or with the operation of other tenants or users of the Airport.
- B. The City reserves for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises, together with the right to cause or allow in said airspace such noise, vibration, fumes, dust, fuel particles, illuminations, interference with television, radio or any other type of transmission and other effects as may be caused in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from, or operating on or about the Airport.
- C. The City reserves the right to grant utility and maintenance rights-of-way to itself and other over, under, through, across or on the Premises provided that such use will not substantially or materially interfere with Concessionaire's use of the Premises, and provided further that such reservation or grant of rights shall not directly result in additional cost or expense to Concessionaire.

- D. The City reserves the right (but shall not be obligated to Concessionaire) to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Concessionaire in this regard.
- E. The City reserves the right to further develop or improve the landing area and all publicly-owned air navigation facilities of the Airport as City in its sole and absolute discretion as it sees fit, regardless of the desires or views of the Concessionaire, and without interference or hindrance of any kind.
- F. The City reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstructions, together with the right to prevent Concessionaire from erecting, or permitting to be erected, any building or other structure on the Premises or the Airport which sole and absolute opinion of the City would limit the usefulness of the Airport, adversely effects the operations of the Airport or constitute a hazard to aircraft or air navigation.
- G. During the time of war or national emergency the City shall have the right to enter into an agreement with the Government of the United States of America (“**U.S. Government**”) for use of part of all of the landing area, the publicly-owned air navigation facilities and/or other areas or facilities of the Airport including the Premises and the rights granted herein. If any such agreement is executed, the provisions of this Agreement, insofar as they are inconsistent with the provisions of the agreement with the U.S. Government, shall be suspended immediately upon receipt written notice from the City.
- H. This Agreement shall become subordinate to provisions of any existing or future agreement between the City and the United States of America or any agency thereof relative to the operation, expansion, improvement, development, 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 operation, expansion, improvement, development or maintenance of the Airport.
- I. The City reserves all gas, oil and mineral rights in and under the soil; provided, however, that the City, in the exercise of such rights, shall not substantially or materially interfere with the surface of the soil or with Concessionaire’s use of improvements thereon.

SECTION 203. ACCESS. Subject to the Provisions of this Agreement hereof, Concessionaire has the right of free access, ingress to and egress from the Premises for Concessionaire’s employees, agents, guests, patrons, licensees and invitees.

SECTION 204. PREMISES ADJUSTMENTS. If Premises are increased, reduced or changed as provided for in Section 201 of this Agreement, revised exhibits may be substituted for those herein without the necessity to amend this Agreement, which substitution shall be made by notice to Concessionaire from the Director on behalf of the City.

SECTION 205. STORAGE, CLOSET, OFFICE & EMPLOYEE BREAKROOM SPACE. Storage space, Concessionaire employee break room space and/or office space are **NOT** included in or provided for as part of this Agreement. If such space is required by the Concessionaire, the Concessionaire will be required to execute a separate agreement for any such space.

### ARTICLE III CONCESSION RIGHTS

SECTION 301. RIGHTS. City hereby grants to Concessionaire, subject to and in accordance with all of the Provisions of this Agreement the **non-exclusive** right, license and privilege and Concessionaire hereby assumes the obligation to design, construct, operate, manage and maintain an Airport Common Use Club Concession within the Premises, subject to and in accordance with all the Provisions of this Agreement (see Article VI entitled "Concessionaire's Operations").

SECTION 302. LIMITATION OF RIGHTS. Concessionaire is not granted the right to offer for sale any merchandise, products, or services, or engage in any other business or commercial activity on the Airport that is not specifically granted under this Agreement. If any services or products, other than those specifically mentioned in this Agreement and/or approved by the Director, are offered for sale by Concessionaire, Concessionaire will cease and desist from any further sale or provision thereof immediately and not later than upon receipt of written notice from the Director. The Director's decision shall be final and binding.

The Concessionaire acknowledges, stipulates and agrees that the City reserves the right, at any time during the Term of the Agreement, to enter into other agreements for concepts similar to those in operation at the Airport including those of the Concessionaire.

The use of areas not specifically included in Exhibit "A" must be approved in advance and in writing by the Director (see Section 1515 entitled "Required Approvals").

This Agreement grants no real or implied rights to any concession privileges at or on the Airport other than in the designated areas.

Concessionaire shall not engage in advertising or provide an area for the distribution of advertisements on behalf of any company other than itself (or the brands which it operates under certain license and/or franchise agreements). City shall be the sole judge whether the conduct of Concessionaire's representative in the solicitation of business constitutes a violation of this paragraph, and upon notice from the City, Concessionaire shall forthwith take all steps necessary to eliminate the undesirable condition. Notwithstanding, Concessionaire may advertise and promote its offerings (including special promotions) in an attempt to maximize Gross Receipts and provide the highest customer satisfaction for Airport passengers (see Section 710 entitled "Signs").

### ARTICLE IV CONCESSION TERM

SECTION 401. TERM. The "**Term**" of this Agreement consist of up to a **Nine (9) month "Build-Out Period"** beginning on the Commencement Date, and followed by the "**Concession Period**" consisting of **Ten (10) Contract Years**, unless sooner terminated in accordance with other Provisions of this Agreement. The Commencement Date, Build-Out Period and the Concession Period and the Expiration Date will be written by the City below.



"Commencement Date": August 1, 2017

"Build-Out Period": Aug 1, 2017 to Apr. 30, 2018

"Concession Period": May 1, 2018 to Apr. 30, 2028

"Expiration Date": April 30, 2028

SECTION 402. SURRENDER OF POSSESSION. No notice to quit possession at the expiration date of the Term of this Agreement shall be necessary. Concessionaire covenants and agrees that at the expiration date of the Term of this Agreement, or at the earlier termination hereof, it will peaceably surrender possession of the Premises, in a clean, sanitary, and good condition as that existing at the time of Concessionaire's initial entry upon the Premises under this Agreement, reasonable wear and tear (taking into account the improvements, repair and maintenance required to be done by Concessionaire), acts of God, and other casualties excepted, and the City shall have the right to take possession of the Premises with or without due process of law (see Section 201 entitled "Premises" and Section 714 entitled "Title to Improvements, Equipment and Removable Fixtures").

SECTION 403. HOLDOVER PROVISION. If Concessionaire shall, with the prior written approval of the Director, holdover after the expiration of the Term of this Agreement, the resulting tenancy shall, unless otherwise mutually agreed, be for an indefinite period of time on a month-to-month basis. During such month-to-month tenancy, Concessionaire shall pay to City the same Concession Fee Payments for Contract Year 5 of the Concession Period and other fees and charges as set forth herein, unless different fees shall be agreed upon in writing by the Director on behalf of the City and the Concessionaire, and both parties shall be bound by all the Provisions of this Agreement.

## ARTICLE V FEES AND RENTALS

SECTION 501. GENERAL. Concessionaire, for and in consideration of the rights and privileges granted herein, agrees to pay the Concession Fee Payments and other fees and charges as set forth in this Agreement including, without limitation, in Sections 502, 503, 504, 506, 505, 507, 509, 510, 512, Sections 702, 703, 704, the utilities described in Section 804 and the liquidated damages described in Article XIII, *without demand*, during the Term of this Agreement.

SECTION 502. CONCESSION FEE PAYMENTS. Concessionaire agrees to pay to City for each Contract Year during the entire Term of this Agreement, a sum equal to the greater of the "**Minimum Annual Guarantee**" ("**MAG**") as set forth in Section 502.A and Section 502.B below or the aggregate of the applicable Percentage Fee as set forth in Section 502.C below which will

be applied to the Gross Receipts of Concessionaire for each Contract Year or portion thereof (the “**Concession Fee Payments**”).

- A. For the Concession Period, Contract Years One (1) through Ten (10), the **MAG** will be as follows:

<u>Contract Year</u>	<u>Minimum Annual Guarantee (MAG)</u>
1	\$300,000
2	\$307,500
3	\$315,188
4	\$326,219
5	\$338,452
6	\$350,298
7	\$361,683
8	\$374,342
9	\$385,572
10	\$395,211

- B. **Percentage Fee Rates by Sales Category** for the Contract Years 1 through 5 the Agreement, as applied to Gross Receipts.

<b>Sales Category</b>	<b>Percentage Fee</b>
Food	5%
Non-Alcoholic Beverage	5%
Alcoholic Beverages	5%
Approved Merchandise (including Membership Fees )	5%

C. **Percentage Fee Rates by Sales Category** for the Contract Years 6 through 10 the Agreement, as applied to Gross Receipts.

Sales Category	Percentage Fee
Food	8%
Non-Alcoholic Beverage	8%
Alcoholic Beverages	8%
Approved Merchandise (including Membership Fees )	8%

Items not clearly belonging to one of the Food & Beverage Categories listed above will be assigned a Food & Beverage Category by the Director. The Director's decision shall be final and binding.

SECTION 503. PAYMENT. Payments for each month of each Contract Year shall consist of the following:

- A. MAG Payments. The "**MAG Payment**" shall consist of an amount equal to 1/12 of the MAG for the applicable Contract Year paid in advance on or before the first (1<sup>st</sup>) day of each month during the applicable Contract Year during the Term of the Agreement.
- B. Percentage Fee Payments. The Percentage Fee payment shall consist of an amount equal to the portion of the aggregate, applicable Percentage Fee Rate applied to the Gross Receipts for the previous month to be paid on or before the 15<sup>th</sup> day of the second month and each succeeding month during each Contract Year during the Term of the Agreement (see Section 505 entitled "Unpaid Fees" and Article XIII entitled "Liquidated Damages" for the amount of any applicable service charge or liquated damages.)

SECTION 504. REPORTS

- A. Statement of Gross Receipts. Concessionaire shall submit to the City, by the fifteenth (15<sup>th</sup>) day of the second and each succeeding month of each Contract Year hereof, during the Term of the Agreement, two (2) copies of an accurate statement of Gross Receipts certified by an officer of the Concessionaire. Concessionaire shall report Gross Receipts on a form approved by the Director. The Director reserves the right to request Concessionaire to provide documentation in a manner satisfactory to the Director, the specifics of all refunds deducted from Gross Receipts. The City reserves

the right to use these statements of Gross Receipts as a source of information to bidders in future solicitations for this or similar concessions.

- B. Final Statement of Gross Receipts. The final statement of Gross Receipts will be due fifteen (15) days following expiration or early termination of this Agreement. The City reserves the right to use these statements as a source of information to bidders in future solicitations for this or similar concessions.
- C. Certified Audited Report of Gross Receipts. Concessionaire shall submit to the Airport Properties Division an audited report of Gross Receipts within one hundred twenty (120) days following the conclusion of each Contract Year, during the Term of the Agreement. This audit report must be prepared by an independent Certified Public Accountant. The audit report must, at a minimum, certify the accuracy of: 1) reported total accumulated Gross Receipts; and 2) the aggregate amount of goods and services attributable to ACDBE participants. The audit report must also include a schedule showing the total of actual Concession Fee Payments to the City during the Contract Year and must state an opinion as to the correctness of the Concession Fee Payments without exception. Delivery of an audit report containing a qualified opinion, an adverse opinion or a disclaimer of opinion as defined in the Statement on Auditing Standards, or as same may from time to time be amended or superseded, issued by the Auditing Standards Board of the American Institute of Certified Public Accountants, will be deemed to be a default pursuant to Article XI herein.
- D. Annual Audit Overpayment/Underpayment. In the event the annual audit indicates there was an underpayment of any rents, fees, charges, or other payments due and payable to the City, Concessionaire shall immediately pay the amount of the underpayment to the City. In the event of an overpayment, Concessionaire shall, upon City verification and approval, deduct the amount of the overpayment from the next scheduled Concession Fee Payment. If an overpayment occurs during the last Contract Year of the Term of the Agreement, the City will pay the amount of the overpayment to Concessionaire within thirty (30) days of receipt of the final audit report.
- E. Waiver of Audited Report of Gross Receipts Requirement. At the written request of the Concessionaire, the City may waive the annual Certified Audited Report of Gross Receipts requirement if, during the previous Contract Year, Concessionaire was not required to pay Concession Fees as set forth in Sections 502 and 503. The City will review Concessionaire's payment history prior to approving the waiver request.
- F. Monthly ACDBE Activity Reports. Concessionaire shall submit to the City by the 15<sup>th</sup> day following each calendar month an accurate statement of ACDBE utilization. Concessionaire shall document, in a manner satisfactory to the Director, the specifics of all Gross Receipts attributable to ACDBEs in addition to purchases from certified ACDBEs. This statement must be certified as accurate by an officer of the Concessionaire. Concessionaire shall submit monthly ACDBE activity reports to the City in a form approved by the Director.

G. Joint Venture Activity Reports. If Concessionaire operates as a Joint Venture, Concessionaire is required to submit the following documents, as applicable, to the City in a form approved by the Director by the 15<sup>th</sup> day following each calendar quarter (April 15<sup>th</sup>, July 15<sup>th</sup>, October 15<sup>th</sup>, and January 15<sup>th</sup>) or as indicated below:

1. A copy of the fully executed Joint Venture agreement in the form submitted to the Airport for approval within thirty (30) days of execution of the Joint Venture agreement or by the Commencement Date of this Agreement, whichever is earlier;
2. An advance schedule of management committee meetings (including subcommittees) and minutes of such management committee meetings;
3. Joint Venture activity reports by the ACDBE partner(s) and acknowledged by the non-ACDBE partner detailing the activity of the ACDBE partner in relation to its assigned role in the operation and a detailed summary of its activities for the preceding quarter. Concessionaire must include in the activity reports any activity with regard to capital contributions, loans, loan repayments, etc.;
4. Documentation of all capital contributions made by the Joint Venture partners (ACDBE and non-ACDBE), including any promissory notes, within thirty (30) days of occurrence;
5. Any proposed amendments to the Joint Venture Agreement to the Business Diversity Development office for review and approval prior to its effective date;
6. Reconciliation of Administrative or Management Fees by the Joint Venture partners annually;
7. Federal tax returns filed by the Joint Venture, including all supporting schedules and K1s within thirty (30) days of filing the return;
8. An equity statement for each partner in the Joint Venture within thirty (30) days of the Joint Venture's fiscal year end; and
9. Additional information related to the above in order to demonstrate compliance with 49 CFR Part 23 and the FAA's Joint Venture Guidance as may be requested by the City from time to time.

H. ACDBE Documentation. Concessionaire shall keep, and make available to the City, such records (copies of subcontracts, paid invoices, documentation or correspondence) as are necessary for the City to determine compliance with the ACDBE participation goal. These records must be retained for a minimum of three (3) years after the termination of this agreement. The City reserves the right to investigate, monitor and/or review records for compliance.

SECTION 505. UNPAID FEES. All unpaid Concession Fee Payments or any other fees, charges or payments due the City hereunder shall bear a service charge of 1½% per month if same is not paid and received by the City on or before the twentieth (20<sup>th</sup>) day of the month in which said payments are due; and Concessionaire agrees that it shall pay and discharge all costs and expenses including attorney fees and litigation cost incurred or expended by the City in collection of said delinquent amounts due, including service charges.

SECTION 506. PERFORMANCE AND PAYMENT BOND. Concessionaire agrees to furnish a Performance and Payment Bond or other security in a form acceptable to City in the principal amount equal to **Fifty Thousand Dollars (\$50,000)** prior to execution of this Agreement. Such bond or other form of security agreed to by the City, shall remain in full force and effect throughout the Term of this Agreement **and shall extend at least one hundred eighty (180) days following the expiration or early termination of this Agreement.** In the event that said bond should expire prior to expiration or early termination of this Agreement, Concessionaire warrants, covenants and agrees to provide City a renewal bond sixty (60) days *prior* to the expiring bond's expiration date. Such bond shall guarantee the payment of all fees and performance of all Provisions of this Agreement. The Performance and Payment Bond shall be in the form of standard commercial guaranty bond running to City, written by a surety company authorized to do business in Missouri: having a "Best" key rating of not less than A and with a "Best" Financial Size Category of not less than Class VIII; and shown on the most recent U.S. Treasury Circular No. 570 as having an "underwriting limitation" of at least the amount of the penal sum of the bond. The bond shall be kept in full force and effect during the Term hereof, **and shall extend at least one hundred eighty (180) days following the expiration or early termination of this Agreement.** City may agree to another form of deposit which shall provide equal protection of City's interest. If City cashes the bond or other form of deposit agreed to by the City, Concessionaire agrees to furnish a replacement Performance and Payment Bond or other form of deposit in the same principal amount within twenty (20) days.

SECTION 507. PROMPT PAYMENT OF TAXES AND FEES. Concessionaire warrants, covenants and agrees to pay promptly all lawful general taxes or payments in lieu of taxes, special assessments, excises, license fees, permit fees, and utility service charges of whatever nature, applicable to its operation at the Airport, and to take out and keep current all licenses (municipal, state or federal) required for the conduct of its business at and upon the Airport or under this Agreement, and further covenants and agrees not to permit any of said taxes, payments, assessments, fees and charges to become delinquent.

SECTION 508. ACCOUNTING RECORDS AND REPORTS. During the Term hereof, Concessionaire shall make available in the St. Louis area true, accurate, complete and auditable records of all business it conducts at the Airport. Concessionaire shall make same records available in the St. Louis area for three (3) years following the expiration or early termination of this Agreement. These records shall be accessible during usual business hours to the City or its duly appointed agents or auditors. Concessionaire is not required to maintain its records in the St. Louis area, as provided above, if it agrees to pay for all costs associated with conducting audits performed by the City, or its duly appointed agents or auditors, at the Concessionaire's place of records.

SECTION 509. RIGHT TO AUDIT.

- A. City, or its duly appointed agents or auditors, reserves the right to audit Concessionaire's, subcontractor's, or others doing business under this Agreement, books, records and receipts at any time for the purpose of verifying the Gross Receipts hereunder. If the audit reveals a change in Gross Receipts that results in Concessionaire owing additional Concession Fee Payments, Concessionaire will, within thirty (30) days, remit to the City the additional Concession Fee Payments. If the results of the audit(s) reveal a discrepancy of more than five percent (5%) between Gross Receipts reported by Concessionaire and Gross Receipts determined by the audit, the cost of the audit shall be borne by Concessionaire.
- B. If, as a result of an audit by any governmental entity, Concessionaire is required to restate Gross Receipts as defined herein, Concessionaire will, within thirty (30) days of finalization of the audit, report the change in Gross Receipts to the Airport. If the change in Gross Receipts results in Concessionaire owing additional Concession Fee Payments, Concessionaire will, within thirty (30) days, remit to the City the additional Concession Fee Payments.

**SECTION 510. ADDITIONAL FEES, CHARGES AND RENTALS.** Concessionaire shall pay additional fees, charges and rentals under the following conditions:

- A. If the City has paid any sum(s) or has incurred any obligations or expenses for which Concessionaire has agreed to pay or reimburse the City for; or
- B. If the City is required or elects to pay any sum(s) or incurs any obligations or expenses because of the failure, neglect or refusal of Concessionaire to perform or fulfill any of the Provisions of this Agreement.

Such payments shall include all interest, costs, damages and penalties in conjunction with such sums so paid or expenses so incurred and may be added to any installment of fees, charges and rentals thereafter due hereunder. Each and every part of such payment shall be recoverable by the City in the same manner and with like remedies as if it were originally a part of the basic fees, charges and rentals, as set forth herein.

For all purposes under this paragraph, and in any suit, action or proceeding of any kind between the parties hereto, any receipt showing the payment of any sum(s) by the City for any work done or material furnished shall be prima facie evidence against Concessionaire that the amount of such payment was necessary and reasonable.

**SECTION 511. NOTICE, PLACE AND MANNER OF PAYMENT.** Payments to the City required by this Agreement shall be made at the Airport Administrative Office at the address as set forth in Section 1501, or at such other place or by whatever payment method that the City may determine as the City may hereafter notify Concessionaire, and shall be made in legal tender of the United States of America.

**Section 512. COLLECTION OF SUBTENANT FEES.** If applicable, Concessionaire is responsible for the collection of all subtenant fees and/or charges, and is responsible for any uncollected funds. Failure by a subtenant to pay Concessionaire shall not relieve Concessionaire

from paying to the City the fees and payments set forth herein.

## ARTICLE VI CONCESSIONAIRE' S OPERATIONS

### SECTION 601. STANDARDS OF SERVICE.

- A. The Concessionaire warrants, represents, covenants and agrees to meet the City's objectives as set out in the preamble hereof.
- B. The Concessionaire shall furnish a first-class Airport Common Use Club Concession serving the needs of all Airport users.
- C. Concessionaire shall limit club access and service to patrons who have purchased or otherwise obtained a club membership;
- D. Concessionaire shall ensure that each passenger and Airport customer receives prompt, efficient and courteous service. In conjunction with this requirement, Concessionaire shall ensure that the location has adequate staff to provide this level of service. Concessionaire shall ensure the Airport Common Use Club Concession location has adequate staff available during normal peak operating hours and during any special or emergency circumstances.
- E. Concessionaire shall have a sufficient quantity of inventory available and ensure that the Premises is fully stocked and available to passengers at all times.
- F. Concessionaire shall have procedures in place to handle unusual situations such as heavy demand, weather delays, etc.
- G. Concessionaire shall provide a range of complimentary snacks and non-alcoholic and alcoholic beverages.
- H. Concessionaire shall allow club members to consume food in the club Premises that has been purchased from other airport vendors and concessionaires.
- I. The Premises shall be kept clean, neat, and businesslike and in an orderly condition at all times and Concessionaire shall provide for timely disposal of trash and debris at locations designated by the City.
- J. Concessionaire shall ensure all necessary licenses, permits, notices and inspection certificates shall be on the Premises and/or posted as required.
- K. Any items sold by the Concessionaire shall only be for sale to club patrons (who have paid a Membership Fee or otherwise obtained club access) and prices shall be clearly displayed.



- L. Concessionaire shall ensure all signage shall be professionally designed and produced—no homemade signs are permitted and, illuminated signage shall be fully illuminated at all times (see also Article VII, Section 710 entitled “Signs”).
- M. Concessionaire shall ensure club entrances are clean and free from obstruction and debris. Concessionaire shall ensure all doors, windows, walls and fixtures shall be clean, free of smudges, dirt, grime and/or chipped or peeling paint, floor surfaces shall be clean and swept at all times, walls, ceilings, glass surfaces, awnings, blade signs, ceilings and facades shall be clean and free of dirt and dust at all times, ceiling lights and vents shall be kept dust free and operational and all lights and light fixtures shall be clean and operational.
- N. Concessionaire shall ensure equipment in the unit is clean, operational and maintained to ensure proper and safe operation.
- O. Concessionaire shall ensure storage and employee hand washing sinks, soap/sanitizer dispensers and hand drying devices are available and operational.
- P. If applicable, Concessionaire shall ensure all cooking ventilation hoods, filters and related ductwork shall be cleaned and maintained on a regular basis to prevent health or safety issues.
- Q. Concessionaire shall ensure refuse containers and refuse areas are available in the unit, adequate to handle volume of unit, wiped clean and not overflowing.
- R. Concessionaire shall ensure cashiers and/or staff record each individual sale on the register; all sale totals shall be visible to the customer; itemized register receipts shall be offered with every transaction; sale shall be rung up efficiently and effectively; cashier and/or staff shall be proficient with the operation of cash register and credit card machines; an appropriate number of registers shall be open to meet sales volume; and all locations shall provide cash and credit card transactions.
- S. Concessionaire shall accept, at minimum, cash, three (3) major credit cards, debit cards, and other legal tender. The Concessionaire is also encouraged, but not required, to accept electronic expedited payment options.
- T. Concessionaire shall use reasonable efforts to employ an adequate number of bilingual personnel to serve non-English-speaking patrons as market demand may warrant.
- U. Concessionaire is not permitted to store items including, but not limited to trash, boxes, and/or merchandise under tables or other locations on the floor of the Premises in view of the club patrons and traveling public.
- V. Concessionaire shall assure that its agents and employees do not engage in the solicitation of or use pressure sales tactics for products offered on or about the Airport.

- W. All items, merchandise and/or products provided, sold or used must meet and/or comply with Transportation Security Administration (TSA) and/or Federal Aviation Administration (FAA) security regulations.
- X. Concessionaire's operations shall fully comply with all Federal Aviation Administration (FAA) regulations including security requirements, Airport rules and regulations and Airport security plan.
- Y. Deliveries of supplies, cash and coin to the Concession Premises shall be made at such times, by such routes/modes and at such locations as the City may reasonably approve.

SECTION 602. ONSET OF SERVICE. Concessionaire shall be solely liable and responsible for all costs and expenses pertaining to the design, construction, acquisition, installation, replacement, relocation and maintenance of any Existing Improvements, all New Improvements, all Removable Fixtures, equipment and fixtures as is necessary to provide service pursuant to this Agreement.

Concessionaire is encouraged to incorporate environmentally responsible and resource-efficient "green" design and construction methods when construction and designing this unit (see Article VII).

#### SECTION 603. HOURS OF OPERATION.

- A. The Common Use Club Concession must be open seven (7) days a week, three hundred sixty five (365) a year, including all holidays, with operating hours, staffing levels and inventory that support passenger activity at the Airport.
- B. The minimum hours of operation for serving the public shall be **8:00am Central Standard Time until the earlier of 10:00pm or the last scheduled Terminal 2 departure each evening.** The last scheduled departure will be based on the specific flight schedules of each airline.
- C. In the event that scheduled flights are delayed past the normal last scheduled departures due to weather or other causes, Concessionaire will remain continuously open as long as club patronage warrants.
- D. Concessionaire may *not* change the hours of operation without written application to, and the written approval of, the Director. The Director may require Concessionaire to change its hours of operation, with very limited notice, to reflect changing operational circumstances at the Airport.
- E. Specific requests for exceptions to the approved operating hours for holidays and/or other reasons (refurbishments) must be submitted in writing to the City not less than five (5) days prior to the proposed change and must be approved in writing by the Director.

- F. On demand from the City, Concessionaire shall submit to the City a report generated from Concessionaire's point-of-sale (POS) system, or by such other means as approved by the Director, showing the time of the first and last Gross Receipts generated for the specified period.

SECTION 604. PROMOTION.

- A. Concessionaire shall implement a marketing and promotion plan that includes, but is not limited to, advertising within the Airport and social media outlets, the use of coupons, business partnerships (such as credit card users), senior citizen programs and Essential Air Service ("EAS") passenger programs for the Common Use Club Concession location.
- B. Concessionaire warrants, covenants and agrees that it shall take all reasonable measures in every proper manner to maintain, develop and increase the business conducted by it hereunder.
- C. Concessionaire shall not divert, cause or allow any business to be diverted from the Airport by referral or any other method. Any action taken by Concessionaire to diminish the Gross Receipts of Concessionaire under this Agreement shall constitute a material breach hereof and a cause for the termination of this Agreement by the City.

SECTION 605. INSPECTION REPORTS. Concessionaire shall be required to submit to the City by the 20<sup>th</sup> day following each calendar quarter (April 20<sup>th</sup>, July 20<sup>th</sup>, October 20<sup>th</sup>, and January 20<sup>th</sup>) one (1) copy of any health inspection, secret shopper report or brand inspection, if applicable, conducted during that respective calendar quarter to the Airport Properties Office. If said inspection does not result in a written report, Concessionaire shall submit a written summary of the nature and findings of such inspection as they were communicated to the Concessionaire. Concessionaire shall also provide the Director with any required corrective actions and timeframes for each corrective action to be implemented.

SECTION 606. MANAGER. Concessionaire shall at all times retain one (1) or more qualified, competent and experienced manager(s) who shall manage and supervise the operations and the facilities and fully represent and act on behalf of the Concessionaire in all matters pertaining to its business operation. The manager(s) shall be available during regular business hours. A responsible subordinate shall be in charge and available at all times during the manager's absence. The manager and/or subordinate shall be available after hours to resolve any issues pertaining to the Concession operations.

SECTION 607. PERSONNEL.

- A. Concessionaire shall ensure, *at its sole cost and expense*, all employees obtain an Airport-issued ID badge from the Airport Police Department and shall ensure all employees wear and display in an acceptable manner their Airport ID at all times while on Airport property. Employees shall fully comply with TSA regulation 1542 regarding conduct and access to the AOA.

- B. Concessionaire, *at its cost*, acknowledges and agrees that all employees applying for an Airport ID badge must submit to a fingerprint-based criminal history record check.
- C. Concessionaire, *at its cost*, acknowledges and agrees that it shall conduct employee background checks of each of its personnel if required by the FAA, TSA and/or the City. Concessionaire recognizes and agrees that security requirements may change and Concessionaire agrees that it shall comply with all such changes throughout the Term of this Agreement.
- D. Concessionaire acknowledges only direct support vehicles and/or equipment will be allowed on the AOA. Qualifying, direct support vehicles and/or equipment must be approved by the Airport Police Department and all drivers must attend Airport-sponsored driver training prior to driving on the AOA, and attend any recurrent driver training required by the Airport.
- E. Concessionaire understands and agrees that fines and/or penalties may be assessed by the FAA or the TSA for Concessionaire's noncompliance with the provisions of TSA regulation 1542 as amended or other applicable laws or regulations. Concessionaire shall promptly reimburse the City, within thirty (30) days of the City's request, for any fines or penalties paid by the City due to Concessionaire's noncompliance with said laws or regulations.
- F. Concessionaire shall require its employees (except managerial and supervisory employees) to wear appropriate uniforms and company-issued name tags so they may be identified by the public and indicates the fact and nature of their employment. Uniforms will be clean, neat, and worn according to company standards during the entire time the employee is on Airport property.
- G. Concessionaire shall employ only properly trained, efficient, pleasant, neat, clean and courteous personnel, each of whom shall be proficient in the duties to be performed in the operation of this Concession.
- H. Concessionaire shall ensure staff and cashiers demonstrate customer service by presenting a pleasant greeting and smile upon customer's arrival, having excellent product and menu knowledge and providing prompt service.
- I. Concessionaire shall ensure staff and cashiers cease any personal conversations and promptly assist the customer, and shall practice "customer comes first."
- J. Concessionaire shall ensure staff shall be knowledgeable about and adhere to customer service policies for redemption of gift certificate, gift cards and/or airline vouchers.
- K. All employees shall act in a courteous and helpful manner at all times with customers and fellow employees. Employees are expected to behave in businesslike and professional manner at all times while in uniform and on Airport property.

- L. Employees shall provide a friendly and professional greeting to customers whenever and wherever contact is made; employees shall display a positive attitude toward passengers and fellow employees; English shall be spoken by staff, except when necessary to accommodate customer; the use of foul or inappropriate language in public areas at any time is prohibited; employees shall smile and use a pleasant tone of voice when conversing with the customers; employees shall be actively working while on duty and refrain from gathering and "chatting" in groups while on duty, unless necessary; employees shall refrain from the use of cell phones while on duty; employees shall not nap or sleep in public areas while in uniform; and employees shall be attentive to customers.
- M. Employees are not permitted to utilize public seating, boarding areas, gate areas and/or club areas with the Terminal and Concourses. The above areas are intended for use by the traveling public and not as rest or club facilities for employees.
- N. Concessionaire shall provide proper training to all employees including on-going customer service training and for the certification and/or licensing of employees in all areas of service as their duties might legally require. The Concessionaire shall participate in the Airport's customer service program.
- O. Concessionaire agrees that it will be responsible for ensuring that its employees abide by all applicable federal, state, City, and local laws, rules and regulations including, without limitation, the Airport's Rules and Regulations, the Airport's Security Plan and all applicable FAA, TSA, & City security rules, regulations, plans orders, directives, requirements, and procedures.
- P. Concessionaire shall prohibit and restrain its agents, servants and employees from loud, noisy, boisterous or otherwise objectionable behavior. Upon objection from the Director concerning the conduct or appearance of any such persons, Concessionaire shall immediately take all steps necessary to remove the cause of the objection.
- Q. The Airport will provide the Concessionaire, at no cost or expense, **one (1) Terminal 1 Short Term Parking Garage** parking pass. Additional parking passes shall be at *the sole cost and expense* of the Concessionaire.
- R. Lambert-St. Louis International Airport® is a smoke-free facility. Smoking is permitted only in designated smoking areas.

SECTION 608. KNOWLEDGE OF AIRPORT. Employees of Concessionaire are expected to be able to assist Airport users with way-finding within the Airport. Concessionaire shall ensure that each of its employees (i) have information regarding the locations of other concessions, restrooms, elevators, airlines, gates, information desks and other facilities within the Airport and provide such information upon request, with courtesy and accuracy, and (ii) have a list of emergency and other important telephone numbers as well as other means through which such employees can respond to customers' requests for information.

SECTION 609. PRICING. The City has established an "airport-pricing" policy for this Concession. Concessionaire must charge fair, reasonable and nondiscriminatory prices that are attractive to the public and no more than the average price of a similar product or service at three (3) airports of comparable size and activity as that of the Airport.

- A. For the purposes of this Agreement, Concessionaire shall establish a pricing structure for its products or services as follows:
1. The price charged for a product or service must be no more than the average price of a similar product or service at three (3) different airports of comparable size and activity as that of the Airport. The three (3) airports used for the price comparison must be designated by Concessionaire and approved by the Director.
  2. Requests for changes to the comparable airports for the determination of prices based on the airport-pricing policy and the reasons for such changes must be provided to the Director for approval and will become effective only upon receipt of the Director's approval.
  3. Products containing selling prices printed by the manufacturer are excluded and must not be sold for more than published prices.
  4. Where an identical product is not available at an agreed comparable location, any difference in size or quality shall constitute a price differential.
- B. During the Term of this Agreement, no less than one (1) time per Contract Year, thirty (30) days after each Contract Year anniversary date, Concessionaire shall conduct, or shall cause to be conducted, a price comparison of all current items available within the Premises. The price comparison must compare the price of all current items and services available at the Airport with the price at comparable airport locations as described in this Section 609. In the event of non-compliance with the pricing requirements herein, Concessionaire must bring all products and services into compliance with the pricing requirements within seven (7) days after such non-compliance is identified. This price comparison must be submitted to the Airport Properties Division.
- C. The Director reserves the right to independently compare Concessionaire's prices to the agreed upon comparable airport location prices, as described in this Section 609, and if prices are determined to be more than the average comparable price, require Concessionaire to reduce prices based upon its documented comparison.
- D. Concessionaire shall not increase any prices without prior written approval of the Director.
- E. All new items are subject to the pricing requirements of this Section 609 hereof and may be proposed at any time.
- F. Concessionaire is permitted, but not required, to offer discounted prices to employees of the City and other Airport employees. Before implementing a discount policy

Concessionaire shall first provide thirty (30) days advance written notice to the Director. The notice must provide the details surrounding the discount policy (e.g., who it covers, how much is the discount, etc.). The Director will not unreasonably withhold approval to implement the policy. In addition, discounts may be changed, modified or discontinued with thirty (30) days prior written notice to the Director.

G. Membership Fees charged shall not be unjustly discriminatory.

SECTION 610. CONFLICTS. Concessionaire shall monitor the movement of its vehicles and/or equipment to minimize conflict with other functions and users of the Airport and shall coordinate its use of the Airport with other users.

SECTION 611. RECORD KEEPING. Concessionaire agrees to provide a system for the collection of all monies and provision of accounting, audit and statements of Gross Receipts as required by Article V of this Agreement. This system shall be capable of providing comprehensive records, in a format acceptable to the Director, of daily, monthly and annual sales of Concessionaire and ACDBE participant(s) under this Agreement (these records are to be retained by Concessionaire). Concessionaire must also maintain records that document, in a format acceptable to the Director, the portion of Gross Receipts attributable to ACDBE participants.

SECTION 612. TRANSITION PERIOD. If applicable, during any future transition of the Common Use Club Concession to another Concessionaire, the incumbent Concessionaire hereby warrants, represents, covenants and agrees that Concessionaire shall use its best efforts to assure a smooth transition and agrees to closely coordinate the planning and execution of the transition with the Director.

SECTION 613. OPERATION.

- A. Concessionaire shall be responsible for all aspects of the management and operation of this Concession. Further, Concessionaire shall provide and be responsible for all employees and necessary components of the operation, including inventory, fixtures, equipment and supplies.
- B. The City shall not be responsible for any equipment, Existing Improvements, New Improvements, supplies or fixtures used, maintained or stored on the Premises, nor will it be responsible for any damage or loss to any such items resulting from any cause whatsoever including, without limitation, flood, fire, explosion, vandalism, casualty, acts of God or other causes outside the direct control and responsibility of the City.
- C. Concessionaire shall, no later than the fifteenth (15<sup>th</sup>) day of each month during the Term of the Agreement, provide to the City a report or reports and affiliated records as required, detailing the maintenance work performed by or on its behalf, in maintaining the Premises. Reports shall include, but not be limited to, grease trap service, hood and duct cleaning, pest control service, scheduled drain cleaning, pipe replacement, and water conditioning equipment service.

#### SECTION 614. COMMUNICATION.

- A. At the Airport Properties Department's discretion, Concessionaire's local manager shall schedule monthly or quarterly meetings with the appropriate representative of the Airport Properties Department and the Business Diversity Development Office to discuss sales, ACDBE participation and any other relevant issues which may affect Concessionaire's operation at the City. Concessionaire shall also be available for meetings at other times as necessary.
- B. Concessionaire shall be responsible for notifying the Airport Properties Department of any problem that reduces service or sales levels or in any way impairs Concessionaire's operation. The Airport will make every reasonable effort to assist in eliminating such problems.

SECTION 615. CUSTOMER COMMENTS. Concessionaire shall establish procedures for handling all customer comments. Concessionaire shall respond in writing to every comment, written or oral, within seven (7) calendar days of the comment and shall make good faith efforts to explain, resolve or rectify the cause of any complaint. Concessionaire shall provide the Airport Properties Department with a copy of such comments and its written response thereto.

SECTION 616. DELIVERIES. Concessionaire shall monitor the movement of deliveries to avoid conflict with other functions and users of the Airport and shall coordinate its use of the receiving docks with other users. All deliveries to or pick-ups from the Airport Terminal buildings by Concessionaire or its agents will be through the Terminal 1 delivery dock at the west end of the lower level or the Terminal 2 delivery dock at the east end of the lower level. **All deliveries are the sole responsibility of Concessionaire and not the City.** Deliveries of product to the unit, whenever possible, will be made through secure doors. Deliveries on the Concourse will be made at times of minimum passenger flows. **Shippers, carts or other delivery equipment will be unloaded immediately and removed from the public areas of the Airport.** Concessionaire is not permitted to block or impede the flow of passenger traffic while delivering products. **Delivery equipment will never be left unattended; an employee must physically be with the delivery equipment at all times.** Any unattended delivery equipment will result in Concessionaire being assessed liquidated damages pursuant to Article XIII.

All shippers, carts and/or other delivery equipment shall be equipped with "soft" wheels such as polyurethane, rubber, thermoplastic rubber, pneumatic or semi-pneumatic to ensure merchandise is transported quietly. "Hard" wheels such as phenolic, polyolefin, nylon, cast iron and steel are not permitted in the public areas of the Airport. The wheels on all carts and/or delivery equipment are to be kept in good condition, and must be periodically checked for embedded items, such as screws, nails or rocks that could damage the flooring. Motorized carts are not permitted in the Terminals and/or Concourses unless approved in writing by the Director.

Concessionaire shall comply with all Transportation Security Administration (TSA) and/or Federal Aviation Administration (FAA) regulations concerning the delivery, distribution and storage of products.



SECTION 617. OPERATIONAL AUDIT. During the Term of this Agreement, Concessionaire shall be subject to regular operational inspections of Concessionaire's Common Use Club Concession operation at the Airport.

SECTION 618. ENTERTAINMENT SYSTEMS/WIRELESS DATA. No radio or television or other similar device shall be installed without first obtaining, in each instance, the Director's written consent which will not be unreasonably withheld. No antenna or aerial shall be erected on the roof, interior walls or exterior walls of the Premises or on the Airport without, in each instance, first obtaining the prior written consent of the Director. Any radio, television, or other similar device, antenna or aerial so installed without such prior written consent shall be subject to removal and/or forfeiture without notice at any time. No loudspeakers, televisions, phonographs, radios, or other devices shall be used in a manner so as to be heard outside the Premises without the prior written consent of the Director. Surveillance equipment shall be permitted within the Premise for surveillance within the Premises only. Concessionaire shall not be permitted, nor permit others to use, establish, purchase, sell, or maintain any type of wireless data transmission service or antennae in, on or from the Premises without obtaining the prior written consent of the Director, whose consent may be withheld for any reason whatsoever, or for no reason. The cost removal of any of the foregoing shall be borne by the Concessionaire. It is agreed that all television, radio, antenna, wireless data transmission service, and other similar devices installed and in place prior to the Commencement Date are considered approved by the Director. In addition, wireless transmission of data from Concessionaires point of sales systems to its accounting and other systems will be reasonably permitted.

SECTION 619. PRODUCT, SERVICE AND/OR MERCHANDISE LIMITATIONS. The following products, services and/or merchandise **are not permitted** to be sold under or through this Common Use Club Agreement or from the Premises:

- News and gift merchandise;
- Duty-free merchandise;
- Electronics and/or music merchandise;
- Vending, automated and/or mechanical retail devices;
- Fresh and/or pre-popped popcorn;
- Insurance of any kind;
- Commercial advertising services, signage and displays;
- Telephone, Internet access and Broadband facilities;
- Ground transportation and parking services;
- Hotel accommodations;
- Banking services including Automatic Teller Machines (ATM), foreign currency exchange and money orders;
- Baggage carts and/or lockers;

- Airline tickets;
- Travel agency activities; and
- Check-cashing services

All items sold must meet and/or comply with Transportation Security Administration (TSA) and/or Federal Aviation Administration (FAA) security regulations.

## ARTICLE VII IMPROVEMENTS AND ALTERATIONS

### SECTION 701. CONSTRUCTION BY CONCESSIONAIRE.

- A. Concessionaire takes the Premises “AS IS” as provided for in Article II, Section 201 hereof, and agrees, at Concessionaire’s sole cost and expense, to design, erect, construct, install, replace, Refurbish, equip and furnish all necessary New Improvements, Removable Fixtures, equipment, fixturing, and make related facility changes as needed to operate a Common Use Club Concession, pursuant to this Agreement, subject to the Provisions of this Agreement.
- B. Concessionaire agrees that all such work shall be completed according to the Tenant Design Standards, which are filed of record in the Office of the Director of Airports.
  1. Concessionaire shall submit a signed Tenant Construction or Alteration Application (“TCA”) including complete construction drawings and specifications, as required by Section 705, to the Airport Properties Department. The TCA shall be submitted along with any future phasing and construction schedules as agreed to between the Concessionaire and the City. Concessionaire also understands and agrees that certain work elements described in its TCA may require separate or additional approval from the City before proceeding with a specific work element. As such, Concessionaire’s ongoing coordination with the City, at all times, is crucial.
  2. Concessionaire shall submit a St. Louis County building permit number not more than thirty (30) days following submission of the TCA to the Airport Properties Department. (A building permit number is required before the TCA can be approved.)
  3. Concessionaire shall submit the contractor’s liability insurance certificates, performance bonds, and payment bonds as required by Sections 706 and 707, to the Airport Properties Department not more than forty-five (45) days following the TCA approval by the Airport Properties Department *and* prior to beginning of work.
  4. Concessionaire shall use only City-approved contractors or subcontractors for improvements affecting control and/or programming of Airport systems including but not limited to security access control, fire alarm and detection, HVAC control, closed circuit televisions (CCTVs) and elevators.
  5. Concessionaire shall submit a certificate of completion and a certified copy of a St. Louis County occupancy permit to the Airport Properties Department, as required by Section

709 hereof.

In the event Concessionaire encounters material believed to be asbestos or polychlorinated biphenyl (PCB) which has not been rendered harmless, or specifically identified with method of removal, handling or protection, Concessionaire shall immediately stop work in the affected area and report the condition to the Director in writing. The work in the affected area shall not thereafter be resumed except by written agreement of the Director and Concessionaire if in fact the material is asbestos or PCB and has not been rendered harmless. The work in the affected area shall be resumed in the absence of asbestos or PCB, or when it has been rendered harmless, by written agreement of the Director and Concessionaire. Concessionaire shall not be required to perform, without their consent, any work related to asbestos or PCB.

SECTION 702. INITIAL MINIMUM INVESTMENT. In connection with Concessionaire's performance under Section 701 and Section 702 of this Agreement, Concessionaire shall expend or cause to be expended for Build-Out Costs not less than **Four Hundred Thousand Dollars (\$400,000.00) (the "Initial Minimum Investment")**. Concessionaire shall complete or cause to be completed such New Improvements subject to and in accordance with all the Provisions of this Agreement. Concessionaire's Build-Out shall be completed no later than **nine (9) months after the Commencement Date** of the Agreement unless delayed or postponed at the Director's written direction.

Concessionaire shall furnish the Director with satisfactory proof of Build-Out Costs for the unit within one hundred eighty (180) days following completion of work to the Premises. This proof of Build-Out Costs must include, at a minimum, an itemized account of all included costs, supported by paid invoices (copies to be provided only if specifically requested by the Director) and certified by an Independent Certified Public Accountant, and will supply the resulting audit report to the Director. Concessionaire shall provide to the Director any other proof or documentation required by the Director to ensure compliance with the Provisions of this Article VII.

Concessionaire is encouraged by City to productively expend the entire Initial Minimum Investment; however, in the event Concessionaire's actual expenditures for Build-Out Costs are less than the Initial Minimum Investment, the difference shall be an item of additional payment due and payable to City within thirty (30) days after the receipt of an invoice for such difference from City.

SECTION 703. LIQUIDATED DAMAGE FOR LATE OPENING. If the Premises is not open for business at the start of the Initial Concession Period, the Concessionaire may be required to pay to the City liquidated damages of Two Hundred Dollars (\$200.00) per day until the Premises is open to the traveling public for business unless otherwise agreed to in writing by the Director.

SECTION 704. MID TERM REINVESTMENT Concessionaire covenants, warrants, represents, and agrees that the Concessionaire shall expend or cause to be expended not less than **Thirty Thousand Dollars (\$30,000.00) (the "Mid-Term Reinvestment")** to Refurbish the Premises. The Mid-Term Reinvestment to make Refurbishments to the Premises shall include only those costs incurred or expended by the Concessionaire or its sublessees' **from January 1, 2024**

**through April 30, 2024.** Concessionaire must perform and complete the refurbishments for the Mid-Term Reinvestment in accordance with the Provisions of this Agreement.”

SECTION 705. PREPARATION OF PLANS AND SPECIFICATIONS. Concessionaire shall submit detailed drawings, plans, schedules and specifications sealed by an appropriate Missouri registered professional for improving and equipping the Premises. **Concessionaire shall begin work on proposed construction only after it has received the written approval of its plans, schedules and specifications from the Director.**

SECTION 706. CONTRACTOR'S LIABILITY INSURANCE. In any contract appertaining to improving and equipping the Premises, Concessionaire shall require the contractor to cause the City, its Board of Aldermen, Airport Commission and their respective officers, agents and employees, to be insured against the risk of claims and demands, just or unjust, by third persons against the City, its Board of Aldermen, Airport Commission and their respective officers, agents and employees, against and from all such claims and demands, with bodily injury limits of not less than Three Million Dollars (\$3,000,000) as to any one person, and Three Million Dollars (\$3,000,000) as to any one occurrence, and with property damage limits of not less than Three Million Dollars (\$3,000,000) as to any one occurrence. Said insurance shall be in a form acceptable to the City.

SECTION 707. PERFORMANCE AND PAYMENT BONDS. Concessionaire shall require each of its contractors and suppliers of construction materials to furnish both a Performance Bond **and** a Payment Bond **each** in the full amount of any contract in a form acceptable to the City. The Payment Bond shall comply with the coverage requirements and conditions of Section 107.170 RSMo (Revised Statutes State of Missouri). Copies of the bonds shall be given to the City for approval before work begins. Any sum or sums derived from the Performance Bond and Payment Bond shall be used for the completion of said construction and/or the payment of laborers and material suppliers, as the case may be.

SECTION 708. MECHANICS' AND MATERIALMEN'S LIENS. Concessionaire agrees not to permit any mechanics' or materialmen's or any other lien or encumbrance to be attached or foreclosed upon the Premises or any part or parcel thereof, or the improvements thereon, by reason of any work or labor performed or materials furnished by any mechanic or materialman or for any other reason.

SECTION 709. CERTIFICATE OF COMPLETION. Upon the completion of the improvements hereunder, Concessionaire shall submit to the Director a copy of its acceptance letter certifying completion and a certified copy of any certificate or permit which may be required by any federal, state or local government or agency in connection with the completion or occupancy thereof by Concessionaire. Concessionaire will provide the City with sealed as-built drawings, preferably in an electronic format, within ninety (90) days of opening of the Common Use Club Concession location.

SECTION 710. SIGNS.

A. Concessionaire shall not erect, maintain or display any signs on the Premises without the

prior written approval of the Director. The term "sign" as used herein, shall mean advertising signs, billboards, identification signs or symbols, posters, displays, logos, or any similar devices. Subject to the foregoing, Concessionaire shall have the right to install such advertising and identification signs as may be necessary for the proper conduct of a Common Use Club Concession as contemplated hereunder. Concessionaire shall comply with all rules promulgated by the Director regarding the placement of signs and advertising on the Premises.

- B. Concessionaire shall be responsible for the cost of any new signs or modifications to Airport directories and other existing signs, including sign systems required by the Director. All modifications to these signs must be approved by the Director and are subject to all applicable requirements of this Section 710 hereof and the Tenant Design Standards.
- C. Prior to the erection, construction or placement of any sign, Concessionaire shall submit to the Director for approval, all drawings, electrical details, sketches, designs, elevations, mounting details and dimensions of such signs. Any conditions, restrictions or limitations with respect to the use thereof as stated by the Director in writing shall become conditions of the Agreement.
- D. Concessionaire shall not place any advertising matter, displays or other literature not directly pertaining the local food & beverage concession or place any signs (excluding the facility name – e.g., Burger King) outside of the Premises without the prior written approval of the Director.
- E. As part of the development of any facility, Concessionaire will be required to install an approved blade sign as part of the initial construction.
- F. Handwritten signs are strictly prohibited.
- G. The Director reserves the right to require the removal of any signs or advertising in, on or within the Premises deemed unacceptable or improper, and the Director's decision shall be final and binding.

SECTION 711. PLUMBING LINES & WATERPROOFING. The City shall require Concessionaire to install, keep, maintain and repair all pipes or lines for water, drainage or sewer within or directly serving the Premises ("**plumbing lines**") such that they are sealed or protected against leakage or discharge of odors in conformance with the City's requirements whether or not such requirements exceed the minimum requirements of the applicable building codes. In the event that such plumbing lines leak, Concessionaire shall, at its *sole cost and expense*, and within one (1) calendar day of receipt of notice from the City (which notice may be by telephone) commence repair of such plumbing lines. Any such repair shall be in strict conformance to the Tenant Design Standards. Concessionaire shall promptly reimburse the City or other tenant for any physical damage to their property including, without liability, property resulting from such leakage. Upon the third (3<sup>rd</sup>) occasion of a leak from the same plumbing lines during a one (1) year period, the City shall be entitled to hire its own plumbing contractor to correct the problem and the City shall be reimbursed from Concessionaire the cost and expense of the repairs plus

fifteen percent (15%) as set forth in Section 803.

The City shall require Concessionaire to install, maintain and repair waterproof membrane systems under all floors of the Premises, such that they are sealed or protected against leakage in conformance with the City's requirements whether or not such requirements exceed the minimum requirements of the applicable building codes. In the event that such floors leak, Concessionaire shall at its sole cost and expense and as soon as reasonably practical upon receipt of notice from the City (which notice may be by telephone) repair such waterproof system. Any such repair shall be in strict conformance to the Tenant Design Standards. Concessionaire shall reimburse the City or other tenant for any physical damage to its ceiling tiles and/or other property resulting from such leakage.

SECTION 712. GREASE INTERCEPTION SYSTEM. Concessionaire is required to install and maintain a grease interception system of sufficient size to serve its operation and prevent the release of grease in the waste water. The grease interception system will be serviced as such intervals as necessary to prevent the release of grease in the waste water. Grease traps shall be cleaned on a regular schedule and/or as needed. Grease shall be transported to and from a unit via a sealed container in which the grease is pumped into and out of the container in a safe and clean manner so as to lessen the occurrence of a "spill" and/or tracking grease on Airport surfaces.

SECTION 713. EXHAUST FANS, VENTS & HOODS. The City shall require Concessionaire to install, maintain and repair exhaust fans, vents and hoods if and as they relate to operation of the Common Use Club unit in conformance with the City's requirements whether or not such requirements exceed the minimum requirements of the applicable building codes. Concessionaire shall ensure all Concessionaire-owned and maintained exhaust fans, vents and hoods are clearly marked with Concessionaire's name. Concessionaire shall also ensure all exhaust fans, cooking vents and hoods, filters and related ductwork shall be cleaned and maintained on a regular basis to prevent health, fire or safety issues.

In the event that such exhaust fans, vents and/or hoods are not maintained causing excess build-up of grease or other kitchen contaminants, Concessionaire shall, at its *sole cost and expense*, and within one (1) calendar day of receipt of notice from the City (which notice may be by telephone) commence maintenance and repair of the exhaust fans, vents and/or hoods and/or any property damaged by the equipment. Any such repair shall be in strict conformance to the Tenant Design Standards. Concessionaire shall promptly reimburse the City or other tenant for any physical damage to anything, improvement or property relating to the exhaust fan(s), vent(s) and/or hood(s). Upon the third (3<sup>rd</sup>) occasion of damage from exhaust fan(s), vent(s) and/or hood(s) from the same exhaust fan(s), vent(s) and/or hood(s) lines during a one (1) year period, the City shall be entitled to hire its own contractor to correct the problem and/or repair the damaged property, and the City shall be reimbursed from Concessionaire the cost and expense of the repairs plus fifteen percent (15%) as set forth in Section 803.

SECTION 714. TITLE TO NEW IMPROVEMENTS, EQUIPMENT AND REMOVABLE FIXTURES. All New Improvements constructed or placed in the Premises by Concessionaire that are not Removable Fixtures, as well as all alterations, modifications and enlargements thereof shall become part of the Premises with title vesting to the City upon expiration or earlier

termination of this Agreement. This vesting of title is subject, however, to Concessionaire's obligation to operate, repair, maintain and replace, and its right of possession, use and occupancy during the term and in accordance with this Agreement.

All Removable Fixtures shall remain the property of Concessionaire, and shall be removed by Concessionaire at date of expiration or early termination of this Agreement. Within sixty (60) days after the expiration of the Build-Out Period, a list of such Removable Fixtures shall be submitted in writing to the Director by Concessionaire for the Director's approval, and such list shall be updated by Concessionaire no less than one (1) time per Contract Year, thirty (30) days after the Contract Year anniversary date or as may be necessary or as requested by the City.

The City reserves the right, and Concessionaire agrees that the Director may require Concessionaire to promptly and timely remove any or all Removable Fixtures and restore the Premises to an acceptable condition as approved by the Director. Concessionaire agrees to bear all costs of such removals and restorations (see Section 403 entitled "Surrender of Possession"). If after thirty (30) days following the expiration or early termination of this Agreement, Concessionaire fails to remove its Removable Fixtures and other personal property from the Premise, such Removable Fixtures and personal property may be deemed abandoned by the Director at his or her sole determination. In addition to whatever other rights are available to the City, with prior notification of Concessionaire, the City may: (i) remove, sell, or store Concessionaire's property at Concessionaire's expense, or (ii) take title to Concessionaire's property in lieu of removal on behalf of Concessionaire. If the City takes title to such property or otherwise disposes of the property, the City shall be entitled to all proceeds of sale of such Concessionaire property as liquidated damages for the breach of this covenant to remove.

## ARTICLE VIII USE OF PREMISES

SECTION 801. COMPLIANCE WITH LAWS AND REGULATIONS. Concessionaire shall comply with all applicable Rules and Regulations, the Airport Certification Manual, Airport Security Plans and procedures, and operating directives, environmental plans or program, promulgated or established by the Airport Authority, the Airport Commission, the Director, or the City, as they may be amended from time to time. In addition, Concessionaire shall comply with all statutes, laws, ordinances, orders, judgments, decrees, permits, regulations, environmental plans and programs, Environmental Permits, Environmental Laws, directions and requirements of all federal, state, City, local and other governmental authorities, now or hereafter applicable to the Premises or to any adjoining public ways, as to the manner of use or the condition of the Premises or of adjoining public ways.

SECTION 802. USE. Concessionaire shall provide and pay for all repairs and maintenance of the Premises, *except* the following which shall be the responsibility of the City:

- a. The structural components of the building.
- b. The utility system to the point of Concessionaire's connection to the utility system, except where the utility systems are owned or controlled by the utility

companies.

- c. The washing of the exterior of windows in the terminal building.

Concessionaire shall perform the following functions as part of its responsibilities in the repair and maintenance of the Premises. The following list includes certain functions but Concessionaire's responsibilities are not limited to those functions:

- d. Perform custodial services daily.
- e. Keep all its equipment and fixtures within the Premises in good repair and appearance including, without limitation, all New Improvements, Existing Equipment and Removable Fixtures.
- f. Keep the Premises free from all fire and other hazards to persons and property and furnish and maintain adequate portable fire protection equipment.
- g. Repair all damage to the Premises and the Airport when such damage results from the careless or negligent acts of Concessionaire or its agents or employees.
- h. Provide for complete, sanitary handling and disposal of all trash, garbage, recycling and refuse (liquid or solid) in accordance with standards established by the Director applicable to all Airport tenants. Such standards may require the use of special devices including, but not limited to, special containers, compactors and disposal systems. Concessionaire agrees to promptly provide and install same and to abide by such standards.
- i. If the City provides or designates a service for picking up refuse and garbage, Concessionaire will be required to use said service.
- j. If the City establishes a recycling program, the Concessionaire will fully participate in said recycling program. Concessionaire must comply with all applicable City, county, state and federal regulations regarding recycling.
- k. Concessionaire shall break down or cause to break down all cardboard boxes prior to their disposal.
- l. Provide waste receptacles inside the Premises for customer and passenger use.
- m. If the City or the Airport establishes a food waste reduction program, the Concessionaire shall fully participate in said food waste reduction program.
- n. Confine all handling and holding of Concessionaire's property to the Premises.
- o. Keep all papers and debris picked up daily from the Premises.



- p. Keep the Premises free of all pests, providing such pest control services as required.
- q. Keep unit secured at all times.
- r. Provide, at Concessionaire's sole cost and expense, a functional mailing address or other means of receiving mail, and shall ensure all mail is directed to that address. The City is not responsible for the Concessionaire's mail or the subsequent delivery thereof.
- s. No storage will be permitted on the exterior areas of the Premises.

The Director may temporarily or permanently close any roadway or other right-of-way for access to the Premises, so long as another means of access is provided. Concessionaire understands and agrees that there may be inconveniences caused by construction or renovations of the Airport, and Concessionaire hereby releases and discharges the City from any and all inconvenience claims, liability or causes of action arising out of or incidental to the closing of any right-of-way, including, without limitation, loss of profit or business, actual, incidental, consequential or special damages. Notwithstanding, if Concessionaire is negatively impacted the City will make good faith efforts to work with Concessionaire to provide a solution that will offset the negative impact.

**SECTION 803. RIGHT TO ENTER, INSPECT AND MAKE REPAIRS.** The City and its authorized officers, agents, employees, contractors, subcontractors and other representatives shall have the right (at such times as may be reasonable under the circumstances and with as little interruption of Concessionaire's operations as is practicable) to enter upon and in the Premises for the following purposes:

- A. To inspect such Premises to determine whether Concessionaire has complied and is complying, with the Provisions of this Agreement.
- B. To perform maintenance and make repairs Concessionaire is obligated, but has failed to do after the City have given Concessionaire notice to do so, in which event, Concessionaire shall reimburse the City for the costs thereof, plus a charge of fifteen percent (15%) for overhead, within thirty (30) days of the City's written request or demand.
- C. To gain access to the mechanical, electrical, utility and structural systems of the Airport for the purpose of maintaining and repairing such systems.
- D. To perform inspections, testing, reporting, surveys, environmental inspections and remediations, studies and assessments during normal business hours.

**SECTION 804. UTILITIES.**

- A. Metered Utilities. All utilities, including but not limited to electricity, water and gas, to the Premises will be separately metered wherever practical. Concessionaire shall be required to install dedicated electric meters, water meters and gas meters at its sole cost and expense.

- B. Electrical Fee. The City shall provide a main electric panel from which Concessionaire shall obtain electricity at a cost based upon metered usage. Charges for those utilities not separately metered may be prorated and billed to Concessionaire by the City. All City-issued utility bills will include an Airport processing and administrative fee.
- C. Electrical Service & Supply. Concessionaire shall be responsible for the cost of electric meters and sockets and all connections to and within the Premises. If electrical service outlets are not available where needed, Concessionaire shall be responsible for bringing electrical service to the Premises. Concessionaire shall be responsible for any needed modifications or upgrades in electrical supply caused by increased lighting or other changes to the Premises made by the Concessionaire.
- D. Water Usage Fee. Concessionaire's water usage shall be charged at a cost based upon metered usage. Charges for those utilities not separately metered may be prorated and billed to Concessionaire by the City. All City-issued utility bills will include an Airport processing and administrative fee.
- E. Gas Usage Fee. Concessionaire's gas usage shall be charged at a cost based upon metered usage. Charges for those utilities not separately metered may be prorated and billed to Concessionaire by the City. All City-issued utility bills will include an Airport processing and administrative fee.
- F. Heating, Ventilation & Air Conditioning ("HVAC"). Concessionaire shall be required to construct and maintain separate HVAC equipment on New Improvements constructed under the Agreement. All HVAC equipment shall be connected to the Airport's fire detection system.
- G. Other Utilities Concessionaire shall provide and pay for all other utilities (including telephone and other third party service) it requires, including but not limited to deposits; installation costs; costs of upgrading or relocating utility service; connection charges; telephone and/or data lines it requires; meter deposits; and all service charges for telephone and other utility services metered directly to the Premises, regardless of whether or not such utility services are furnished by the City or a utility service company.
- H. Fire Detection & Suppression Equipment. If required by building codes or other regulations, Concessionaire shall pay for the cost of installation of fire detection and suppression distribution equipment in the Premises. Concessionaire shall pay for the connection of fire detection equipment up to City provided z-tie boxes. Concessionaire shall pay for the connection of fire suppression equipment up to City provided sprinkler mains and tamper switches.

Concessionaire shall not at any time overburden or exceed the capacity of mains, feeders, ducts, conduits, or other facilities by which such utilities are supplied to, distributed in or serve the Premises.

The City shall not be liable to Concessionaire for damages or any losses for the interruption of any utility service, or for any delay in the supplying or furnishing of any utility service. Concessionaire does hereby release and discharge the City from any and all inconvenience, claims or cause of actions arising out of or incidental to such interruption, including, without limitation, loss of profit or business, actual or incidental, consequential or special damages.

SECTION 805. INTERFERENCE WITH AIRPORT UTILITIES. Concessionaire shall not interfere with the Airport's utilities systems including but not limited to drainage or sewage systems, plumbing, heating, cooling and air condition systems, electrical systems, communications systems, domestic hot or cold water, gas, fire suppressions systems, fire alarm systems, and fire hydrants on the Airport, without prior notification to, and written approval from the Director.

SECTION 806. INTERFERENCE TO AIR NAVIGATION. Concessionaire warrants, represents and agrees that no obstruction to air navigation, as such are defined from time to time by application of the criteria of Part 77 of the Federal Aviation Regulations or subsequent and additional regulations of the Federal Aviation Administration (FAA), will be constructed or permitted to remain in or on the Premises. Any obstructions will be immediately removed by Concessionaire at its expense. Concessionaire warrants, represents and agrees not to increase the height of any structure or objects or permit the growth of plantings of any kind or nature whatsoever that would interfere with the line of sight of the Air Traffic Control Tower and its operations. Concessionaire further warrants, represents and agrees not to install any structures, objects, machinery or equipment that would interfere with the operation of navigation aids or that would interfere with the safe and efficient operations of the Airport, or interfere with the operations of other tenants and users of the Airport.

## ARTICLE IX INSURANCE, DAMAGE AND INDEMNIFICATION

SECTION 901. INSURANCE. General. Concessionaire at all times during the term hereof, shall cause St. Charles County, Missouri; St. Clair County, Illinois; St. Louis County, Missouri; the City; their officers, agents and employees to be insured on an occurrence basis against the risk of all claims and demands by third persons for bodily injury (including wrongful death) and property damage arising or alleged to arise out of the activities or omissions of Concessionaire, its officers, agents, and employees pursuant to this Agreement both on the Premises and the Airport.

A. Risks and Minimum Limits of Coverage. Concessionaire shall procure and maintain the following policies of insurance:

1. Commercial General Liability in an amount not less than five million dollars (\$5,000,000.00), per occurrence and in aggregate.
2. Automobile Liability Insurance in an amount not less than three million dollars (\$3,000,000.00) combined single limit per occurrence (for automobiles used by Concessionaire in the course of its performance hereunder, including Concessionaire's non-owned and hired autos). In addition, Concessionaire shall carry excess coverage in the amount of seven million dollars (\$7,000,000.00), to

Concessionaire automobile liability insurance.

3. Workers' Compensation and Employer's Liability Insurance in accordance with Missouri laws and regulations. With respect to Workers' Compensation Insurance, if Concessionaire elects to be self-insured, Concessionaire shall comply with the applicable requirements of law. Concessionaire shall require that all its subcontractors or licensees similarly provide such coverage (or qualify as a self-insured) for their respective employees. City, its officers, employees, or agents shall not be liable or responsible for any claims or actions occasioned by Concessionaire's failure to comply with the provisions of this subparagraph and that the indemnification provisions hereof shall apply to this Section. It is expressly agreed that the employees of Concessionaire are not employees of the City for any purpose, and that employees of the City are not employees of Concessionaire.
  4. Contents Insurance. Concessionaire shall be solely responsible for obtaining insurance policies that provide coverage for losses of Concessionaire owned property including, without limitation, Concessionaire's personal property and Removable Fixtures. The City shall not be required to provide such insurance coverage or be responsible for payment of Concessionaire's cost for such insurance.
  5. Builders Risk Insurance. During any period of construction or reconstruction for which Concessionaire contracts, Concessionaire shall carry, or shall require its contractor or contractors to carry, a policy of Builders Risk Insurance in an amount sufficient to insure the value of the work. The City shall be named Loss Payee on Builders Risk coverage to the extent of the City's interest therein (except to the extent coverage relates to Concessionaire's equipment and personal property). Concessionaire may elect to self-insure for individual projects with a total cost of fifty thousand dollars (\$50,000.00) or less.
  6. Other Property Coverage. Concessionaire shall provide an "All Risk" insurance policy providing protection from direct loss arising out of any fortuitous cause other than those perils or causes specifically excluded by form and which covers Concessionaire's improvements to the Premises including, without limitation, New Improvement, Removable Fixtures, trade fixtures, and equipment. The City shall be named Loss Payee on such coverage to the extent of the City's interest therein (except to the extent coverage relates to Concessionaire's Removable Fixtures and personal property).
- B. Issuers of Policies. The issuer of each policy required herein shall be a financially sound insurance company authorized to issue insurance policies in the State of Missouri. Acceptable insurers include insurance companies with an "A.M. Best Company" rating of at least an "A," or other insurers or insurance syndicates of similar recognized responsibility.
1. Form of Policies. The insurance may be in one or more policies of insurance.

2. Non-waiver. Nothing the City does or fails to do shall relieve Concessionaire from its duties to provide the required coverage hereunder, and the City's actions or inactions shall not be construed as waiving the City's rights hereunder.
3. Insured Parties. Each policy by endorsement, except those for Workers' Compensation and Employer's Liability, shall name the City, its officers, agents, and employees as "additional insured" on the certificate of insurance, including all renewal certificates, to the extent of Concessionaire's indemnification obligations hereunder. Inclusion as an "additional insured" is not intended to and shall not, make the City a partner or joint venturer with Concessionaire in its operations.

**The "additional insured" language shall read exactly as follows: "St. Charles County, Missouri, St. Clair County, Illinois, St. Louis County, Missouri, the City and its Board of Aldermen and Airport Commission, and their respective officers, employees, and agents are additional insured on the General Comprehensive and Automobile Liability portions of the insurance.**

**The "Certificate Holder" portion should read exactly: "City of St. Louis, St. Louis Lambert International Airport, P.O. Box 10212, St. Louis, Missouri 63145."**

4. Deductibles. Concessionaire shall assume and bear any claims or losses to the extent of any deductible amounts and waives any claim it may ever have for the same against the City, its officers, agents, or employees; provided, however, that nothing herein stated shall diminish Concessionaire's rights or increase Concessionaire's obligations in respect to its undertakings or hold harmless defense and indemnification set forth in Section 904 hereof.
5. Cancellation. Each policy shall expressly state that it may not be cancelled, materially modified or non-renewed unless a thirty (30) day advance notice is given in writing to the City by the insurance company, or authorized representative of Concessionaire.
6. Subrogation. Each policy shall contain an endorsement by which the issuer waives any claim or right in the nature of subrogation to recover against the City, its officers, agents, or employees.
7. Endorsement of Primary Insurance. Each policy hereunder except Workers' Compensation shall be primary insurance to any other insurance available to the Additional Insured and Loss Payee with respect to claims arising hereunder.
8. Liability for Premium. Concessionaire shall be solely responsible for payment of all insurance premiums required pursuant to this Agreement, and the City shall not be obligated to pay any premiums; provided, however, that if Concessionaire

fails to obtain the insurance as required herein or make premium payments, the City may, without further notification, effect such insurance or make such payments on Concessionaire's behalf and, after notice to Concessionaire, the City may recover the cost of those payments with the installment of Fees and Charges next due, plus fifteen percent (15%) administrative charge, from Concessionaire.

9. Proof of Insurance. Within thirty (30) days of the effective date of this Agreement and at any time during the term hereof, Concessionaire shall furnish the City with certificates of insurance. At least fifteen (15) days prior to the expiration of any such policy, Concessionaire shall submit to the City a certificate showing that such insurance coverage has been renewed. If such coverage is canceled or reduced, Concessionaire shall, within fifteen (15) days after the date of such notice from the insurer of such cancellation or reduction in coverage, file with the City a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon reasonable notification by the City to Concessionaire, the City shall have the right to examine Concessionaire's insurance policies.
- C. Maintenance of Coverage. Notwithstanding the proof of insurance requirements set forth above, it is the intention of the parties hereto that Concessionaire, continuously and without interruption, maintain in force the required insurance coverages set forth above.
- D. City Right to Review and Adjust Coverage Limits. The City reserves the right at reasonable intervals during the term of this Agreement to cause the insurance requirements of this Article to be reviewed, at its sole cost, by an independent insurance consultant experienced in insurance for public airports, taking into consideration changes in statutory law, court decisions, or the claims history of the airline industry as well as that of Concessionaire, and, based on the written recommendations of such consultant, and in consultation with Concessionaire, to reasonably adjust the insurance coverages and limits required herein but not more often than every twenty-four (24) months.

SECTION 902. CONCESSIONAIRE ACTIONS AFFECTING INSURANCE. Concessionaire shall not knowingly do or permit to be done anything, either by act or failure to act, that may cause the cancellation or violation of the provisions, or any part thereof, of any policy of insurance for the Airport, or that may cause a hazardous condition so as to increase the risks normally attendant upon operations permitted by this Agreement. If such Concessionaire's act, or failure to act, causes cancellation of any policy, then Concessionaire shall immediately, upon notification by the City, do whatever is necessary to cause reinstatement of said insurance. Furthermore, if Concessionaire does or permits to be done any act or fails to do any act which causes an increase in the City's insurance premiums, Concessionaire shall immediately remedy such actions and/or pay the increase in premiums, upon notice from the City to do so; but in any event, Concessionaire will hold the City harmless for any expenses and/or damage resulting from any such action.

#### SECTION 903. DAMAGE TO PREMISES.

- A. Minor Damage. If any part of the Premises, or adjacent facilities directly and substantially

affecting the use of the Premises, is partially damaged by fire or other casualty, but said circumstances do not render the Premises untenable as determined by the City, the same shall be repaired to usable condition with due diligence by the City as provided in this Section. In such case, the fees payable hereunder with respect to affected Premises shall be paid up to the time of such damage and shall thereafter be abated ratably in the proportion that the untenable area bears to the total Premises of the same category or type of space. Such abatement in fees will continue until the affected Premises are restored adequately for Concessionaire's use.

B. Substantial Damage. If any part of the Premises, or adjacent facilities directly and substantially affecting the use of the Premises, is so extensively damaged by fire, or other casualty, as to render any portion of said Premises untenable but capable of being repaired, as determined by the City, the same shall be repaired to usable condition with due diligence by the City as provided in this Section. In such case, the fees payable hereunder with respect to affected Premises shall be paid up to the time of such damage and shall thereafter be abated ratably in the proportion that the untenable area bears to the total Premises of the same category or type of space. Such abatement in fees will continue until the affected Premises are restored adequately for Concessionaire's use. The City shall use reasonable efforts to provide alternate facilities to continue Concessionaire's operation while repair, reconstruction, or replacement is being completed, at a rental rate not to exceed that provided herein for comparable space, provided that Concessionaire's rental costs shall not increase as a result of any such alternate facilities unless Concessionaire requests additional space and/or space replacement of a classification at higher rental rates concurrent with such reassignment to alternate facilities.

C. Total Damage.

1. If any part of the Premises, or adjacent facilities directly and substantially affecting the use of the Premises, is damaged by fire or other casualty, and is so extensively damaged as to render any portion of said Premises incapable of being repaired, as determined by the City, the City shall notify Concessionaire as soon as practicable under the circumstances after the date of such damage of its decision whether to reconstruct or replace said space. However, the City shall be under no obligation to replace or reconstruct such premises. The fees payable hereunder with respect to affected Premises shall be paid up to the time of such damage and thereafter shall cease until such time as replacement or reconstructed space shall be available for use by Concessionaire.
2. If the City elects to reconstruct or replace affected Premises, the City shall use reasonable efforts to provide alternate facilities to continue Concessionaire's operation while repair, reconstruction, or replacement is being completed, at a rental rate not to exceed that provided herein for comparable space. However, if such damaged space shall not have been replaced or reconstructed, or the City is not diligently pursuing such replacement or reconstruction, within six (6) months after the date of such damage or destruction, Concessionaire shall have the right, upon giving the City thirty (30) days advance notice, to delete the affected Premises from this Agreement, but this Agreement shall remain in

effect with respect to the remainder of said Premises, unless such damaged or destroyed premises prevent Concessionaire from operating its Common Use Club Concession at the Airport. In the event certain Premises are deleted from the Agreement, the MAG and any other rental payments will be proportionally reduced, based upon the percentage of Gross Receipts of the deleted Premises compared to total Gross Receipts generated throughout the Airport during the prior twelve (12) month period, to reflect the loss of the Premises.

3. If the City elects not to reconstruct or replace affected Premises, the City shall meet and consult with Concessionaire on ways to permanently provide Concessionaire with adequate replacement space for affected Premises. Concessionaire shall have the right, upon giving the City thirty (30) days advance notice, to delete the affected Premises from this Agreement, but this Agreement shall remain in full force and effect with respect to the remainder of said Premises, unless the loss of such premises prevents Concessionaire from operating its Common Use Club Concession at the Airport. In the event certain Premises are deleted from the Agreement, the MAG will be proportionally reduced, based upon the percentage of Gross Receipts of the deleted Premises compared to total Gross Receipt generated throughout the Airport during the prior twelve (12) month period, to reflect the loss of the Premises.

D. Scope of Restoration of Premises.

1. The City's obligations to repair, reconstruct, or replace affected Premises under the provisions of this Section shall in any event be limited to using due diligence and reasonable efforts to restore affected Premises to substantially the same condition that existed prior to any such damage and shall further be limited by the provisions of Sections 903 A-C. If the City elects to repair, reconstruct, or replace affected Premises as provided in this Section, then Concessionaire shall proceed with due diligence and at its sole cost and expense to repair, install, reconstruct, or replace its signs, fixtures, equipment, furnishings, Removable Fixtures, New Improvements, and other items provided, constructed, or installed by Concessionaire in or about the Premises in a manner and in a condition at least equal to that which existed prior to said damage or destruction.
2. In lieu of the City's repair, reconstruction, or replacement of the affected Premises, as provided in this section, if Concessionaire requests to perform said function with respect to damage under Sections 903 A and B, the City may, in its sole discretion, allow Concessionaire to do so. Any such work by Concessionaire must be done in accordance with the requirements of Article VII. The City shall reimburse Concessionaire for the cost of such authorized work performed by Concessionaire as agreed to in writing by the City and the Concessionaire. Concessionaire shall be considered to be doing such work on its own behalf and not as a Concessionaire or contractor of the City.

- E. Damage From Concessionaire Negligence. Notwithstanding the provisions of this Section, if damage to or destruction of the Premises is due to the negligent or willful



acts of Concessionaire, its agents, servants, or employees, or those under its control, there shall be no abatement of fees during the restoration or replacement of said Premises. In addition, Concessionaire shall have no option to delete the affected Premises from this Agreement. To the extent that the costs of repairs pursuant to this section shall exceed the amount of any insurance proceeds payable to the City by reason of such damage or destruction, Concessionaire shall promptly pay the amount of such additional costs to the City.

#### SECTION 904. INDEMNIFICATION.

- A. Concessionaire shall defend, indemnify, and hold harmless St. Charles County, Missouri, St. Clair County, Illinois, St. Louis County, Missouri, the City, their respective officers, agents and employees (the “**Indemnified Parties**”) from and against any and all loss, liability, penalties, damages of whatever nature, causes of action, suits, claims, demands, judgments, injunctive relief, awards, settlements, costs, and expenses, including payments of claims of liability resulting from any injury or death of any person or damage to or destruction of any property including all reasonable costs for investigation and defense thereof (including but not limited to attorneys’ fees, court costs and expert fees) of any nature, arising out of and in connection with this Agreement, the conduct of the Concessionaire or Concessionaire’s use of the Premises or other areas or facilities at the Airport by Concessionaire, its agents, officers, employees, contractors, independent contractors, subcontractors, licensees, invitees, and sublessees, including, but not limited to:
- i. the acts or omissions of Concessionaire, its agents, officers, employees, contractors, independent contractors, subcontractors, licensees, invitees, sublessees, or suppliers;
  - ii. Concessionaire’s use or occupancy of the Airport including the Premises; and
  - iii. any violation by Concessionaire in the conduct of Concessionaire’s Common Use Club Concession or its use of its Premises or other areas or facilities at the Airport of any Provision of this Agreement.

Concessionaire shall, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not.

- B. Concessionaire shall defend, indemnify, pay, and hold harmless the Indemnified Parties from and against all applicable taxes and assessments for which the City may become liable and which by law may be levied or assessed on the Premises, or which arise out of the operations of Concessionaire or by reason of Concessionaire’s occupancy of its Premises except for any taxes or assessments based on the gross or net income or gross or net receipts of the City that are not allocable to Concession-related receipts. However, Concessionaire may, at its own risk, cost, and expense, and at no cost to the City, contest, by appropriate judicial or administrative proceedings, the applicability or the legal or constitutional validity of any such tax or assessment, and the City will, to the extent permitted by law, execute such documents as are

reasonably necessary to permit Concessionaire to contest or appeal the same. Concessionaire shall be responsible for obtaining bills for all of said taxes and assessments directly from the taxing authority and shall promptly deliver to the City, upon request by the City, copies of receipts of payment. If the City receives any tax billings falling within the scope of this paragraph, it will forward said billings to Concessionaire. Concessionaire shall, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not.

- C. Concessionaire shall defend, indemnify, and hold harmless the Indemnified Parties from and against any claim, suit, demand, action, liability, loss, damage, judgment, or fine, and all costs and expenses of whatever kind or nature associated therewith in any way arising from or based in whole or substantial part upon claim or allegation of a violation of any federal, state, or local laws, statutes, resolutions, regulations, ordinance, or court order affecting the Airport, by Concessionaire, its agents, employees, contractors, or suppliers, in conjunction with Concessionaire's use and/or occupancy of the Premises or its operations at the Airport. Concessionaire will, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not. Concessionaire shall include the substance of this Subsection (C) in every sublease, contract or other agreement which Concessionaire may enter into related to its activities at the Airport, and any such sublease, contract or other agreement shall specifically provide that the City is a third-party beneficiary of this and related provisions. This provision does not constitute a waiver of any other condition of this Agreement prohibiting or limiting assignments, subletting or subcontracting.
- D. Concessionaire shall defend, indemnify, and hold harmless the Indemnified Parties from and against any claim, suit, demand, action, liability, loss, damage, judgment, or fine, and all costs and expenses of whatever kind or nature arising from or based in whole or part upon the presence in, or the release into, the environment or the Airport of any Hazardous Materials to the extent caused by, or resulting from, the acts or omissions of Concessionaire or its agents, officers, employees, contractors, independent contractors, sublessees, invitees, licensees, or suppliers at the Airport whether resulting from negligent conduct or otherwise.
- E. If a prohibited incursion into the Airport Operations Area (AOA) occurs, or if the AOA or sterile area security is breached, by or due to the negligence or willful act or omission of any of Concessionaire's employees, officers, agents, contractors, independent contractors, sublessees, invitees, licensees, or suppliers, and such incursion or breach results in a civil penalty action against the City, Concessionaire shall assume the defense of any such action and be responsible for any civil penalty or settlement amount required to be paid by the City as a result of such incursion or breach. The City shall notify Concessionaire of any allegation, investigation, or proposed or actual civil penalty sought for such incursion or breach. Civil penalties and settlement and associated expenses reimbursable under this paragraph include but are not limited to those paid or incurred as a result of violation of FAA or TSA regulations or security directives.

- F. Concessionaire's obligation to defend and indemnify past officers, employees, and agents of the City shall apply to such persons only for claims, suits, demands, actions, liability, loss, damages, judgments, or fines arising from events, occurrences, and circumstances during which said officers, employees, and agents held their office or position with the City.
- G. The City shall promptly notify Concessionaire of each claim, action, proceeding, or suit in respect of which indemnity may be sought by the City against Concessionaire hereunder, setting forth the particulars of such claim, action, proceeding or suit; shall furnish Concessionaire with a copy of all judicial filings and legal process and any correspondence received by the City related thereto; and shall tender the defense of same to Concessionaire.
- H. The duty to defend, indemnify, hold harmless, and reimburse shall apply to any claim, demands, or suits made against the City for which Concessionaire is responsible pursuant to this Section. Provided, however, that upon the filing by anyone of a claim with the City for damages arising out of incidents for which Concessionaire herein agrees to indemnify and hold the City harmless, the City shall promptly notify Concessionaire of such claim and, if Concessionaire does not settle or compromise such claim, then Concessionaire shall undertake the legal defense of such claim both on behalf of Concessionaire and on behalf of the City, at Concessionaire's expense; provided, however, that Concessionaire shall immediately notify City if a conflict between the interests of Concessionaire and City arises during the course of such representation. Concessionaire shall use counsel reasonably acceptable to the City Counselor of the City or his or her designee, after consultation with the Airport Director, in carrying out its obligations hereunder.

The provisions of this Section shall survive the expiration or early termination of this Agreement. It is specifically agreed, however, that the City, at its option and at its own expense, may participate in the legal defense of any claim defended by Concessionaire in accordance with this Section. Any final judgment rendered against the City for any cause for which Concessionaire is liable hereunder shall be conclusive against Concessionaire as to amount upon the expiration of the time for appeal there from. Nothing in this Article shall be deemed a change or modification in any manner whatsoever of the method or conditions of preserving, asserting, or enforcing any claim of legal liability against the City. This Section shall not be construed as a waiver of the City's sovereign or other immunity.

- I. The City, at its own expense except as otherwise provided herein, shall be invited to attend and participate in all meetings (including those related to settlement) and to appear and participate in all judicial proceedings and to the extent of its interests, approve, in writing, the terms of any settlement related to any claim, action, proceeding or suit set forth in this Section.
- J. Notwithstanding the provisions of this Section, Concessionaire shall have no obligation to defend, indemnify, or hold harmless the City for any consequential damages or for any amounts to be paid in connection with losses, liabilities, penalties, damages of

whatever nature, causes of action, suits, claims, demands, injunctive relief, judgments, awards and settlements because, and to the extent, of the negligence or willful misconduct of the City, but only if the City is conclusively determined to be more than ten percent (10%) liable due to contributory negligence.

- K. This Section shall survive the expiration or early termination of this Agreement. Concessionaire understands and agrees that any insurance protection furnished by Concessionaire pursuant to Section 901 shall in no way limit Concessionaire's responsibility to indemnify and hold harmless the City under the provisions of this Agreement.

SECTION 905. CITY NOT LIABLE. Unless otherwise expressly provided for in this Agreement, the City shall not in any event be liable to Concessionaire for:

- A. Any acts or omissions of Concessionaire, its officers, directors, employees, agents, contractors, independent contractors, licensees, sublessees, invitees, or suppliers, or for any conditions resulting from the operations or activities of Concessionaire's directors, officers, employees, agents, contractors, independent contractors, licensees, invitees, sublessees, or suppliers;
- B. Concessionaire's failure to perform any of the obligations hereunder or for any delay in the performance thereof;
- C. Any environmental condition in existence at the Airport, or any part thereof, which condition may interfere with Concessionaire's business or other operations or activities, or which might otherwise cause damages to Concessionaire through loss of business, destruction of property, or injury to Concessionaire, its officers, directors, employees, agents, contractors, suppliers, passengers, invitees, or licensees except to the extent such conditions are caused by the City, its employees or agents; or
- D. Bodily injury or any loss or damage to real or personal property or business income occasioned by flood, fire, smoke, earthquake, lightning, windstorm, hail, explosion, riot, strike, civil commotion, vandalism, malicious mischief, or acts of war or terrorism, or for any injury, loss or damage not caused by the negligence, willful misconduct, or bad faith of the City.

## ARTICLE X ASSIGNMENT AND SUBCONTRACTING

SECTION 1001. ASSIGNMENT AND SUBCONTRACTING.

- A. Concessionaire shall not assign or transfer this Agreement. In the event there is an assignment of this Agreement by operation of law, the City shall be entitled within ninety (90) days after written notice thereof to exercise the City's option hereby given to terminate this Agreement no sooner than thirty (30) days after the date of such determination by the City. An assignment by operation of law, as the term is used

herein, shall include but not be limited to the vesting of Concessionaire's right, title and interest in the Concessionaire's furnishings, Removable Fixtures, or Concessionaire's interest in this Agreement, as a trustee in bankruptcy or as an assignee for the benefit of creditors or in a purchase thereof at a judicial sale or other involuntary or forced sale. It is the purpose of the foregoing provision to prevent the vesting in any such purchaser, referee, trustee, or assignee, any rights, title or interest in the City premises or any of the Removable Fixtures, except subject to the City's right to terminate this Agreement.

- B. Concessionaire shall not sublet the Premises and/or subcontract or transfer any part of the services to be performed hereunder, except as may be necessary to comply with the ACDBE participation goal in Article XII of this Agreement. At least sixty (60) days prior to any contemplated subletting of the Premises or subcontracting of this Agreement, Concessionaire must submit a written request to the Director. This request must include a copy of the proposed subcontract or sublease. Any sublease for space or subcontract or granting of rights acquired hereunder shall be subject to the review and written approval of the Director. Such sublease or subcontract, however, must require at a minimum: (i) strict compliance with all applicable Provisions of this Agreement; (ii) a provision that the sublessee or subcontractor will use the facilities solely for the purposes identified in this Agreement; (iii) a provision ensuring that all concession services are available during the hours of operation required in Section 603 of this Agreement; (iv) a provision providing that all terms of the sublease are subject to and subordinate to the Provisions of this Agreement; and (v) a provision that the term of the sublease shall expire immediately at the expiration or early termination of this Agreement.

The parties understand and agree that Concessionaire is responsible for the performance of its assignees, sublessees, and subcontractors under this Agreement. Concessionaire agrees to initiate and take all corrective action should a subcontractor or sublessee fail to comply with its contract with the Concessionaire or any Provision of this Agreement. There will be no reduction of the Minimum Annual Guarantee payable to the City during any such period of change-out or vacancy of a subcontractor or sublessee.

- C. No subcontract, sublease, or other agreement shall be effective as it pertains to the City until such time as the City receives a fully executed copy of the approved subcontract, sublease or agreement as provided for above. Any such assignment or transfer or subcontract of services or the subletting of the Premises without the consent of the City, as provided for above, shall constitute a default on the part of Concessionaire under this Agreement, and the City may terminate this Agreement as provided for in Article XI. No action or failure to act on the part of any officer, agent or employee of the City shall constitute a waiver by the City of this provision.

ARTICLE XI  
TERMINATION OF AGREEMENT IN ENTIRETY

SECTION 1101. CITY'S RIGHT TO TERMINATE. The City, acting by and through its Director, may declare this Agreement terminated in its entirety, in the manner provided in Section 1103 hereof, upon the happening of any one or more of the following events. By example, but not by way of limitation, the following acts or omissions shall constitute a material breach thereby justifying the termination of this Agreement in its entirety:

- A. If the fees, charges, or other money payments which Concessionaire herein agrees to pay, or any part thereof, shall be of a material amount (defined for this Section as an amount in excess of Five Thousand Dollars (\$5,000.00)) and shall remain unpaid after the date the same shall become due and Concessionaire does not satisfy the obligation after written notice and a reasonable cure period.
- B. If during the term of this Agreement, Concessionaire shall:
  - 1) Apply for, or consent to the appointment of a receiver, trustee or liquidator of all or a substantial part of its assets;
  - 2) File a voluntary petition in bankruptcy, or admit in writing its inability to pay its debts as they come due;
  - 3) Make a general assignment for the benefit of creditors;
  - 4) File a petition or an answer seeking reorganization or arrangement with creditors or to take advantage of an insolvency law;
  - 5) File an answer admitting the material allegations of a petition filed against any said assignee or sublessee in any bankruptcy, reorganization or insolvency proceedings; or if during the term of this Agreement, an order, judgment or decree shall be entered by any court of competent jurisdiction; or the application of a creditor, adjudicating Concessionaire as bankrupt or insolvent; or approving a petition seeking a reorganization of Concessionaire, and such order, judgment or decree, shall continue unstayed and in effect for any period of ninety (90) consecutive days;
  - 6) Fail to maintain the quality of services and prices to the satisfaction of the Director as required hereunder;
  - 7) Fail to prevent cessation or deterioration of service for a period which, in the opinion of the Director, materially and adversely affects the overall performance of Concessionaire under this Agreement;
  - 8) Allow a lien to be filed against Concessionaire or any of the equipment or furnishings therein because of or resulting from any act or omission of

Concessionaire that is not removed or enjoined within thirty (30) days;

- 9) Desert, vacate or discontinue all or a portion of its operation of the Premises that in the opinion of the Director results in a failure to provide the public and others the service contemplated hereunder; or
- 10) Fail in the performance of any Provision herein required to be performed by Concessionaire when not cured upon written notice and a reasonable cure period.

On the date set forth in the notice of termination, the term of this Agreement and all right, title and interest of Concessionaire shall expire, except as otherwise provided in Section 1103 hereof.

Failure of the City to take any authorized action upon default of any Provision required to be performed, kept and observed by Concessionaire shall not be construed to be or act as a waiver of default or in any subsequent default of any Provision herein contained to be performed, kept and observed by Concessionaire. The acceptance of monies by the City from Concessionaire for any period or periods after a default by Concessionaire of any Provision herein required to be performed, kept and observed by Concessionaire shall not be deemed a waiver or estopping of any right on the part of the City to terminate this Agreement for failure by Concessionaire to so perform, keep or observe any said Provision.

**SECTION 1102. CONCESSIONAIRE'S RIGHT TO TERMINATE.** Concessionaire, at its option, may declare this Agreement terminated in its entirety, in the manner provided in Section 1103 hereof for the following causes:

- A. If a court of competent jurisdiction issues an injunction or restraining order against the City preventing or restraining the use of the Airport for Airport purposes in its entirety or in substantial entirety.
- B. If the City shall have abandoned the Airport for a period of at least sixty (60) days and shall have failed to operate and maintain the Airport in such manner as to permit landings and takeoffs of planes by scheduled air carriers.
- C. If the City shall have failed in the performance of any specific covenant constituting a material breach within the control of the City and required by this Agreement to be performed by the City.

**SECTION 1103. PROCEDURES FOR TERMINATION.** No termination declared by either party shall be effective unless and until not less than forty-five (45) days have elapsed after written notice by either party to the other specifying the date and cause of termination. No such termination shall be effective if the party at default (i) cannot by the nature of the default cure it within such forty-five (45) day period; (ii) commences to diligently correct such default within such forty-five (45) day period; and (iii) corrects such default as is reasonably practicable. Notwithstanding the foregoing, the effective date for termination shall be thirty (30) days after written notice by City to Concessionaire for failure to make any payment when due, or for failure to provide the security for performance as specified in Article V or for failure to provide any insurance coverage as

specified in Article IX unless cured in such thirty (30) days after written notice by City to Concessionaire.

SECTION 1104. RIGHTS CUMULATIVE. It is understood and agreed that the rights and remedies of the City and Concessionaire specified in this Article are not intended to be and shall not be exclusive of one another or exclusive of any common law right of either of the parties hereto or any other remedies otherwise available to the parties at law or in equity.

ARTICLE XII  
AIRPORT CONCESSION DISADVANTAGED BUSINESS  
ENTERPRISE (ACDBE) PARTICIPATION

SECTION 1201. COMPLIANCE.

- A. An ACDBE race conscious participation goal has not been established for this concession opportunity. However, Concessionaire agrees by way of original proposal to meet a minimum ACDBE participation goal of not less than **3.67%** participation by methods of participation allowed by DOT 49 CFR Part 23. The goal will be measured as a percentage of total Gross Receipts. The goal remains in effect throughout the Term of the Agreement. Credit toward the ACDBE participation goal will only be given for the use of Missouri Regional Certification Committee (“**MRCC**”) certified ACDBEs
- B. If Good Faith Efforts resulted in the fulfillment of the ACDBE goal, Concessionaire will not be required to perform additional Good Faith Efforts, except in the event that Concessionaire’s ACDBE participation fails to continue to meet the goal or comply with the applicable federal regulations. In the event Concessionaire’s ACDBE participation fails to continue to meet the goal or comply with applicable federal regulations, Concessionaire will be required to perform the Good Faith Efforts procedure specified in the applicable federal regulations for the type of participation sought within three (3) months following the loss of ACDBE participation and continue at intervals of not less than twelve (12) months, or until the ACDBE goal is reached by Concessionaire.
- C. If Good Faith Efforts did not result in fulfillment of the ACDBE goal, Concessionaire must again complete the Good Faith Efforts procedure specified in the applicable federal regulations for the type of participation sought within three (3) months following commencement of the Term of this Agreement and continue at intervals of not less than twelve (12) months, or until the ACDBE goal is reached by Concessionaire.
- D. In the event that any ACDBE Sublessee defaults, Concessionaire agrees to immediately take steps to obtain a replacement certified ACDBE through Good Faith Efforts. Notwithstanding, if ACDBE goes over the Personal Net Worth limitation, their participation will still count until the end of the lease term as per FAA/DOT regulations. It is the intent of City to have a certified ACDBE Sublessee replace any ACDBE Sublessee that has defaulted. Replacement ACDBE’s must be approved in writing by the Director. If a replacement ACDBE cannot be located, Concessionaire must make good faith efforts to sublease other rights of Concessionaire to secure ACDBE participation. The Director will determine if Concessionaire has made



acceptable Good Faith Efforts. Concessionaire must immediately operate in lieu of an ACDBE that has failed to perform due to default of its sublease until such time as a replacement ACDBE sublessee begins operation. The loss of an ACDBE does not relieve Concessionaire of its obligation to maintain the minimum participation goal. The Airport DBE Office will provide Concessionaire assistance in locating ready, willing, able ACDBE firms.

- E. This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations 49 CFR Part 23. Concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, creed, color, religion, sex, national origin or ancestry in connection with the award or performance of any concession agreement, management contract or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23. Concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract that it enters and cause those businesses to similarly include the statements in further agreements.
- F. Concessionaire shall operate its Concession in compliance with all other requirements imposed by or pursuant to 49 CFR Part 23, as applicable, and as said regulations may be amended or new regulations promulgated. Concessionaire shall also comply with any City of St. Louis executive orders, resolutions or ordinances enacted, now or in the future, to implement the foregoing federal regulations, as applicable. In the event of breach of any of the above covenants, the City will have the right to terminate this Agreement and seek other remedies at law or in equity.
- G. The City will use the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 23. The City has available several remedies to enforce the ACDBE requirements contained in its contracts, including but not limited to breach of contract action, pursuant to the terms of the contract. In addition, the federal government has available several enforcement mechanisms that it may apply to firms participating in the ACDBE program, including, but not limited to the remedies of 49 CFR Part 23, Section 23.11. The City will implement the following additional monitoring and compliance procedures. Operators or contractors will be required to submit quarterly gross receipts earned by ACDBEs. Operators or contractors will be required to submit, for review and approval, a written notification of any material change in the duties, functions and responsibilities of ACDBEs prior to implementing the change. Operators or contractors will be required to list the specific duties, functions and responsibilities that ACDBEs will perform.
- H. The City will perform periodic reviews, including site visits, each year to confirm ACDBEs are performing listed duties, functions and responsibilities. The City will request from Operator any expenditures made with ACDBEs in performing services and supplying goods. Those expenditures will be reported quarterly to the City. The City will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 49 CFR Part 26, Section 26.107. The City will consider similar action under its own legal authorities, including responsibility determinations in future contracts. The City will have all remedies available to

the City at law or in equity in the event of non-compliance with the ACDBE regulations herein, including but not limited to breach of contract action, pursuant to the term of the contract.

### ARTICLE XIII LIQUIDATED DAMAGES

**SECTION 1301. LIQUIDATED DAMAGES.** Concessionaire recognizes and hereby agrees and stipulates that the City will lose revenue and/or incur certain cost or expense, the amounts of which are difficult to ascertain, if Concessionaire defaults or breaches Article VII, Section 703 entitled "Liquidated Damages For Late Opening", Section 1302 entitled "Continuing Operations", or any of the Provisions enumerated below. Therefore, in addition to Section 703 or Section 1302, the Concessionaire agrees and stipulates that the Director, on behalf of the City, may elect after written notice to the Concessionaire of said default or breach to impose the charges set forth below as liquidated damages on the basis of each default or breach. The first (1<sup>st</sup>) default or breach in any category will result in a warning letter. The second (2<sup>nd</sup>) default or breach will require Concessionaire to pay liquidated damages in the amount listed below. For the third (3<sup>rd</sup>) default or breach and each subsequent default or breach in the same category, Concessionaire will pay City liquidated damages in the amount listed below. Such liquidated damages shall be due and payable by the Concessionaire within thirty (30) days of the City's request or notice. The stated defaults or breaches referred to in this Section 1301 are cumulative over the Term of this Agreement and are in addition to any other remedies City may have under this Agreement or at law or in equity. For any defaults or breaches specified in this Section with associated liquidated damages, the City agrees to provide immediate written notice via facsimile and overnight courier of any such default or breach and the amount of liquidated damages due and payable to the City.

<b>LIQUIDATED DAMAGES FOR BREACH OF OPERATING STANDARDS BREACH OR DEFAULT</b>	<b>SECOND BREACH</b>	<b>THIRD BREACH</b>
A. Breach of Space Use and/or Unattended Delivery Equipment	\$500.00	\$750.00
B. Unauthorized advertising and/or signage.	\$500.00	\$750.00
C. Failure to remedy customer service, cleanliness, quality assurance, operations, and/or facility standards.	\$500.00	\$750.00
D. Late monthly reporting of Gross Receipts in breach of Article V.	\$25.00 per day	\$50.00 per day
E. Failure to deliver on time required items such as reports, schedules, manuals or other materials as specified in this Agreement.	\$500.00	\$750.00
F. Other non-monetary defaults that disrupt operations, traffic in terminal or customer service.	\$500.00	\$750.00
G. Failure to maintain required hours of operation.	\$500.00	\$750.00

H. Late annual financial reporting in breach of Article V.	\$50.00 per day	\$100.00 per day
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SECTION 1302. CONTINUING OPERATIONS. Concessionaire acknowledges, stipulates, and agrees that the continuous operation of the Premises is essential to the provision of excellent customer service to the traveling public. If Concessionaire shall fail to operate any portion of the Premises set forth in Exhibit "A" for more than five (5) consecutive days, except in the case of damage or destruction of the Premises or if Concessionaire is making New Improvements or Refurbishments as provided for in Article VII, Concessionaire shall either return the Premises to the City without cost to the City or pay to the City an amount equal to the non-airline square footage rental rate then applicable as Liquidated Damages to compensate the City for the failure.

#### ARTICLE XIV COMPLIANCE WITH ENVIRONMENTAL LAWS

SECTION 1401. COMPLIANCE WITH ENVIRONMENTAL LAWS. Concessionaire warrants and covenants that in conducting any activities or business on Airport property, including any activities directly related or incidental to its use and occupancy of Premises, Concessionaire shall comply with any and all applicable Environmental Laws including any plans, monitoring, recordkeeping or programs prepared in conformance with Environmental Laws.

Concessionaire further covenants and warrants as follows:

##### A. Environmental Permits.

1. Concessionaire shall obtain and maintain any and all Environmental Permits required by applicable Environmental Laws to conduct the activities in which Concessionaire engages on the Premises.
2. Concessionaire shall comply with any requirement imposed by an Environmental Permit obtained by the City that is or are applicable to Concessionaire or Concessionaire's activities on the Premises, including any plans, monitoring, recordkeeping or programs prepared in conformance with such Environmental Permits or Environmental Laws; provided however, that the City shall adequately notify Concessionaire of such Environmental Permit and associated requirements, including all applicable deadlines for compliances.
3. The City and Concessionaire shall cooperate to ensure compliance with the terms and conditions of any Environmental Permit, Environmental Law and any associated requirements to ensure safety and to minimize cost of compliance.

- ##### B. Duty to Notify City. In the event of any release or threatened release of Hazardous Materials caused, handled, or owned by Concessionaire, its employees, agents, contractors, suppliers, licensees, sublessees, guests or invitees, and which is required by applicable Environmental Laws, Environmental Permits, Rules and Regulations, or any plan or

program prepared in response to Environmental Laws, or Environmental Permits to be reported by Concessionaire, whether as a result of negligent conduct or otherwise, at, on, about, or under the Premises, or in the event any written claim, demand, complaint or action is made or taken against Concessionaire that pertains to Concessionaire's failure or alleged failure to comply with Environmental Laws or Environmental Permits at the Premises or which pertains to the release of Hazardous Materials by Concessionaire at the Premises or the Airport, Concessionaire shall notify the City as soon as reasonably practical of all known facts pertinent to such release, threatened release, claim, demand, complaint, action, or notice, and shall provide the City with copies of any and all such claims, demands, complaints, notices, or actions so made. If Concessionaire is required, by any Environmental Laws, Environmental Permits, or governmental agency, to file any written notice or report of a release or threatened release of Hazardous Materials on or under the Premises, Concessionaire shall simultaneously provide a copy of such notice or report to the City.

- C. Environmental Remediation. Concessionaire shall promptly and timely undertake all necessary steps to remedy and remove at its cost any Hazardous Material, or environmental condition or damage to the extent caused by, or resulting from, the activities, conduct, or presence of Concessionaire or its agents, employees, contractors, independent contractors, sublessees, invitees, licensees, or suppliers at the Premises or Airport, whether resulting from negligent conduct or otherwise ("**Remediation Work**"). Such Remediation Work shall be consistent with remediation standards established by or derived from the appropriated government agency responsible for enforcing Environmental Laws or Environmental Permits. Such Remediation Work shall be performed at Concessionaire's expense. Except in the event of an emergency, such Remediation Work shall be performed after Concessionaire, taking into consideration the circumstances, timely and promptly submits to the City a written plan for completing such Remediation Work and receives the prior approval of the City through notice; provided, however, that the City's approval shall not be unreasonably withheld or delayed (see Section 403 entitled "Surrender Of Possession"). The City expressly reserves the right to review and approve any proposed: remedial investigations, remedial work plans, interim and final remedies, institutional controls, including environmental covenants, or other associated documents prior to submittal to the relevant governmental agencies responsible for enforcing Environmental Laws or Environmental Permits and prior to recording any instrument on the land title. Specific cleanup levels for any Remediation Work by Concessionaire shall be designed to meet and satisfy the requirements of all applicable Environmental Laws and Environmental Permits and be consistent with the commercial use of the Airport, as determined by the governmental agency responsible for enforcing Environmental Laws and Environmental Permits or for establishing cleanup levels. Neither Remediation Work or an ongoing remediation, including any testing or monitoring, nor the use of institutional controls, shall either unreasonably or materially impair or interfere with the City's current and/or future use and enjoyment of its property including the Premises, or that of current and future tenants as defined by the City in its sole determination. The City shall have the right to conduct a reasonable review and inspect all such Remediation Work at any time using consultants and representative of its choice.

- D. Access for Environmental Inspection. Upon reasonable notification to Concessionaire, the City shall have reasonable access to the Premises to inspect the same in order to confirm that Concessionaire is using the Premises in accordance with this Section 1401. Concessionaire shall cooperate fully with any such inspections provided that such inspections shall not unreasonably interfere with Concessionaire's operations. If the City's inspection results in any type of written report, the City shall provide Concessionaire a reasonable opportunity to timely review and comment on a draft of the report. Concessionaire shall provide to the City for its review and comment copies of: any and all notices of alleged non-compliance issued by governmental agencies responsible for enforcing Environmental Laws or Environmental Permits; non-privileged draft official submittals (proposed final drafts) prepared by, or on behalf of, Concessionaire responding to such alleged non-compliance; and any and all consent orders or administrative determinations, whether preliminary or finals, issued by such governmental agencies. The City agrees to maintain the confidentiality of the documents produced in accordance with the Subsection to the extent consistent with the City's legal obligations.
- E. Corrective Action by City. If Concessionaire fails to comply with any applicable Environmental Laws or Environmental Permits governing its activities on the Premises, or if Concessionaire fails to conduct necessary Remediation Work in a timely manner as required under the Provisions of this Agreement, the City, as may be necessary or required by applicable Environmental Laws, Environmental Permits, and/or Rules or Regulations in addition to the rights and remedies described elsewhere herein and any other rights and remedies otherwise available to the City, may enter the Premises and take all reasonable and necessary actions to conduct Remediation Work to remove Hazardous Materials or other contaminants and insure such compliance with such Environmental Laws, Environmental Permits, and Rules or Regulations in accordance with this Agreement. All Remediation Costs incurred by the City shall be timely paid or reimbursed by Concessionaire within thirty (30) calendar days of the City's written notice. Subsequent to receipt of the City's notice to perform the Remediation Work, the Concessionaire shall not undertake performance of such Remediation Work without the specific prior authorization from the City. Remediation Work, if necessary, shall be performed in accordance with the provisions of Section 1401.C, but only after first having provided notice to Concessionaire of such failure to comply, and thirty (30) days within which Concessionaire may demonstrate why no such alleged failure is present, or to timely remedy such alleged failure that may be present. If Concessionaire's compliance reasonably requires more than thirty (30) calendar days to complete, the City may enter the Premises and take such reasonable and necessary measures to achieve compliance only upon the Concessionaire's failing to timely begin curing such noncompliance within such thirty (30) day period and to continue diligently working to achieve compliance thereafter.
- F. Review of Environmental Documents. At the reasonable request of the City, Concessionaire shall make available for inspection and copying, at reasonable times, any and all non-privileged documents and materials Concessionaire has prepared pursuant to any applicable Environmental Laws or Environmental Permits, or submitted to any governmental agency, which documents and materials relate to environmental issues,

Environmental Laws or Environmental Permits and which pertains to the Airport or the Premises, and which would be discoverable in litigation.

- G. Cumulative Remedies. All remedies of the City as provided herein with regard to environmental pollution, contamination, damage, or any actual or threatened violations of any Environmental Laws or Environmental Permits are deemed to be cumulative in nature. The City's right to indemnification as provided for in this Article XIV shall survive the expiration or early termination of this Agreement.
- H. Pollution Control. In addition to all other requirements of this Agreement, Concessionaire, at its cost, shall manage all its operations at the Premises in compliance with all applicable Environmental Laws, Environmental Permits, and with applicable best management practices outlined and delineated in the Airport's Storm Water Pollution Prevention Plan and Storm Water Management Plan, which shall be provided to Concessionaire at Concessionaire's written request.
- I. Environmental Covenants. So long as they do not materially impact Concessionaire's day-to-day operations at the Premises, Concessionaire will not object to and, if requested by the City, will subordinate any rights it has under this Agreement to an environmental covenant or environmental land use restriction which (i) restricts the use of groundwater underlying the Premises or the Airport; (ii) limits the use of the Premises to nonresidential uses; (iii) reasonably restricts access to soil underlying the Premises or the Airport and/or (iv) any other restrictions required by the City to address the presence of Hazardous Materials at the Premises regardless of when such Hazardous Materials became present at the Premises.

#### ARTICLE XV MISCELLANEOUS PROVISIONS

SECTION 1501. NOTICE. Except as herein otherwise expressly provided, all notices required to be given to the City hereunder shall be in writing and shall be sent by certified mail, return receipt requested, to:

The Director of Airports  
St. Louis Lambert International Airport  
P.O. Box 10212  
10701 Lambert International Blvd.  
St. Louis, Missouri 63145

With a copy to:

Airport Properties Division Manager  
St. Louis Lambert International Airport  
P.O. Box 10212  
10701 Lambert International Blvd.  
St. Louis, Missouri 63145

All notices, demands and requests by the City to Concessionaire shall be sent by certified mail, return receipt requested addressed to:

Sally Leible, President  
Airport Terminal Services, Inc.,  
d/b/a "Wingtips"  
111 Westport Plaza Drive, #400  
St. Louis, MO 63146

Either or both parties may designate in writing from time to time any changes in addresses or any addresses of substitute or supplementary persons in connection with said notices.

**The effective date of service of any such notice shall be the date such notice is mailed to Concessionaire or said Director.**

SECTION 1502. FAA NON-DISCRIMINATION. The Concessionaire for itself, personal representatives, successor in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

- A. in the event facilities, structures or improvements are constructed, maintained, or otherwise operated on the Premises for a purpose for which a FAA activity, facility or program is extended or for another purpose involving the provision of similar services or benefits, the Concessionaire will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations such that no person on the grounds of race, color, or national origin, will be excluded from participating in, denied the benefits of, or otherwise subjected to discrimination in the use of the Premises;
- B. no person on the ground of race, color, or national origin will be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Premises or the facilities, structures or improvements within the Premises;
- C. in the construction of any improvements on, over, or under the Premises, and the furnishing of services thereon, no person on the ground of race, color, or national origin will be excluded from participation, denied the benefits of, or otherwise be subject to discrimination,
- D. the Concessionaire will use the Premises or facilities, structures, or improvements within the Premises in compliance with the Acts and Regulations; and
- E. for purposes of this Section 1502, references to "Acts or Regulations" will mean or include the following statutory and regulatory cites, as may be amended from time to time:
  - Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR part 21;

- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 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 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (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, which 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 (42 U.S.C. §§ 12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38 (also see 49 CFR Part 27 and 28 CFR Parts 35 and 36);
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 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, which ensures non-discrimination 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. at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).



SECTION 1503. NO PERSONAL LIABILITY. No alderman, commissioner, director, officer, agent or employee of either party shall be charged personally or held contractually liable by or to the other party under any Provision of this Agreement or because of any breach hereof or because of its or their execution of this Agreement. Any administrative complaint brought against the City relating to any aspect of this agreement shall be brought against the City and not against named individual respondents.

SECTION 1504. FORCE MAJEURE. Neither party hereto shall be liable to the other for any failure, delay, or interruption in performing its obligations hereunder due to acts, events or conditions beyond its control, including acts of God, weather conditions, shortages of energy or materials, embargoes, riots, rebellions, sabotage, acts of a public enemy, war, terrorism, insurrection, strikes, boycotts, picketing, slow-downs, work stoppages or other labor actions affecting the rights or obligations of the City or Concessionaire hereunder, their respective licensees, contractors or subcontractors, except to the extent that such failure, delay or interruption directly or indirectly results from failure on the part of the City or Concessionaire to use reasonable care to prevent, or make reasonable efforts to cure, such failure, delay or interruption; provided, however, that, except as herein specifically provided, nothing in this Section is intended or shall be construed to abate, postpone or in any respect diminish Concessionaire's obligations to make any payments due to the City pursuant to this Agreement. The City shall be under no obligation to supply any service if and to the extent and during any period that the supplying of any such service or the use of any component necessary therefore shall be prohibited or rationed by any law, ordinance, rule, regulation, requirement, order or directive of any federal, state, county or municipal government having jurisdiction.

SECTION 1505. SUCCESSORS AND ASSIGNS. All of the terms, provisions, covenants, stipulations, conditions and considerations of this Agreement shall extend to and bind the legal representatives, successors, sublessees and assigns of the respective parties hereto. This provision shall not constitute a waiver of any conditions regarding the assignment or subletting contained in this Agreement.

SECTION 1506. QUIET ENJOYMENT. Subject to the Provisions of this Agreement, the City covenants that Concessionaire, on paying the fees and otherwise performing its covenants and other obligations hereunder, shall have quiet and peaceable use of the Premises.

SECTION 1507. OPERATIONS AND MAINTENANCE OF THE AIRPORT. The City shall at all times operate the Airport properly and in a sound and economical manner; and the City shall use reasonable effort to maintain, preserve and keep the same or cause the same to be maintained, preserved and kept with the appurtenances in good repair, working order and condition, and shall from time to time use reasonable effort to make or cause to be made all necessary and proper repairs, replacements and renewals so that at all times the operation of the Airport may be properly and advantageously conducted in conformity with standards customarily followed by municipalities operating airports of like size and character.

SECTION 1508. TITLE TO THE SITE. The Premises from the date hereof until the expiration or early termination of this Agreement shall be owned in fee simple title by the City or in such

lesser estate as in the opinion of the City Counselor is sufficient to permit the letting thereof by the City as herein provided for the full term provided in this Agreement.

SECTION 1509. AGREEMENTS WITH THE UNITED STATES OF AMERICA. This Agreement shall be subordinate to the provisions of any existing or future agreements between the City and the United States Government or governmental authority, relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the granting of federal funds or the approval to impose or use Passenger Facility Charges (“PFCs”) for the improvement or development of the Airport. Concessionaire shall not cause the City to violate any assurance made by the City to the United States Government in connection with the granting of such federal funds or the approval of such PFC’s. All Provisions of this Agreement shall be subordinate to the rights of the United States of America to operate all of the Airport or any part thereof during time of war or national emergency. Such rights shall supersede and Provisions of this Agreement inconsistent with the operation of the Airport by the United States of America.

Section 1510. MODIFICATIONS FOR GRANTING FAA FUNDS. In the event that the FAA requires, as a condition precedent to granting of funds for the improvement of the Airport, modifications or changes to this Agreement, Concessionaire agrees to consent to such reasonable amendments, modifications, revisions, supplements, deletions of any of the Provisions of this Agreement, as may be reasonably required to enable the City to obtain said FAA funds, provided that in no event shall such changes substantially impair the rights of Concessionaire hereunder.

SECTION 1511. GOVERNING LAW AND FORUM SELECTION. This Agreement is made and entered into in the State of Missouri, and Missouri law shall govern and apply to this Agreement. Any cause of action, claim, suit, demand, or other case or controversy arising from or related to this Agreement shall be brought only in a federal or state court in the City of St. Louis, Missouri. Concessionaire and the City hereby admit and consent to the jurisdiction and venue of such courts. The Provisions of this section shall survive the expiration or termination of this Agreement.

SECTION 1512. HEADINGS. The headings of the Articles and Sections of this Agreement are inserted only as a matter of convenience and reference and in no way define, limit or describe the scope or intent of any Provisions of this Agreement and shall not be construed to affect in any manner the Provisions hereof or the interpretation or construction thereof.

SECTION 1513. AMENDMENTS. Unless otherwise expressly provided herein, this Agreement may not be changed, modified, or amended except by written amendment duly executed by the parties hereto.

SECTION 1514. PREVIOUS AGREEMENTS. It is expressly understood that the Provisions of this Agreement shall in no way affect or impair the Provisions or obligations or rights of any existing or prior agreements between Concessionaire and the City.

SECTION 1515. REQUIRED APPROVALS. When the consent, approval, waiver, or certification (“Approval”) of other party is required under the terms of this Agreement, such Approval must be in writing and signed by the party approving. Whenever the Approval of the City or the Director

is required, the Approval must be from the Director or his/her authorized or designated representative. In taking such actions, the Director shall act reasonably, and take into consideration the best interest of the City, the Airport, and travel public. The City and Concessionaire agree that extensions of time for performance may be made by the written mutual consent of the Director, on behalf of the City, and Concessionaire or its designee. Whenever the Approval of the City, or the Director, or Concessionaire is required herein, no such Approval shall be unreasonably requested, conditioned, or withheld.

SECTION 1516. WAIVERS. No Provision of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing, signed by the party making the waiver and addressed to the other party, nor shall any custom or practice that may evolve between the parties in the administration of the Provisions of this Agreement be construed to waive or lessen the right of either party to insist upon the performance of the other party in strict accordance with the Provisions of this Agreement.

SECTION 1517. INVALID PROVISIONS. If any Provision in this Agreement is held to be invalid, illegal, or unenforceable by any court of competent jurisdiction, or conclusively determined to be inconsistent with federal law or FAA grant assurances, such Provision shall be deemed amended to conform to applicable laws so as to be valid or enforceable or, if it cannot be so amended without materially altering the intention of the parties, it shall be stricken. If stricken, all other Provisions of this Agreement shall remain in full force and effect provided that the striking of such Provision does not materially prejudice either the City or Concessionaire in its respective rights and obligations contained in the valid Provisions of this Agreement.

SECTION 1518. ENTIRE AGREEMENT. This Agreement, together with all exhibits attached hereto and/or incorporated by reference herein, constitutes or embodies the entire Agreement between the parties hereto relating to the subject matter hereof, and supersedes all prior agreements and understandings, written or oral, express or implied, between the City and the Concessionaire.

SECTION 1519. NOT A LEASE. This Agreement is not a lease, and the right to use the Premises is entirely dependent upon the rights and privileges expressly granted hereunder. Concessionaire will in no instance be deemed to have acquired any possessory rights against the City or the Premises or be deemed to be a tenant of the City.

SECTION 1520. ADVERTISING. Concessionaire shall have no right to use the trademarks, symbols, trade names or name of the Airport or Premises, either directly or indirectly, in connection with any production, promotional service or publication without the prior written consent of the Director.

SECTION 1521. CONFLICTS BETWEEN TENANTS. In the event of a conflict between Concessionaire, and any other tenant, licensee, sublessee or concessionaire, as to the respective rights of the others, the Director shall review the applicable agreements and by reasonable interpretation thereof determine the rights of each party, and Concessionaire agrees to be bound by such decision. All determinations by the Director are final and binding.

SECTION 1522. PREVAILING WAGE. Concessionaire shall, as a condition of the Agreement, include in all service contracts pertaining to the Premises, language specifying the minimum prevailing wages to be paid and fringe benefits to be provided by the service contractor to employees of said service contractor. This section is subject to and shall be in accordance with City Ordinance No. 62124, as may be amended from time to time.

SECTION 1523. AMERICANS WITH DISABILITIES ACT ("ADA"). Concessionaire shall be responsible for compliance with the federal ADA, and any federal, state, or local laws or regulations and City Ordinances pertaining to the disabled individual having access to Concessionaire's services.

SECTION 1524. TIME IS OF THE ESSENCE. Time is of the essence in this Agreement. The parties expressly agree that time shall be of the essence in the performance of each and every obligation and condition of this Agreement. Failure by a party to complete performance within the time specified, or within a reasonable time if not time is specified herein, shall relieve the other party, without liability, of any obligation to accept such performance.

SECTION 1525. ACKNOWLEDGEMENT OF TERMS AND CONDITIONS. The parties affirm each has full knowledge of the Provisions contained in this Agreement. As such, the Provisions of this Agreement shall be fairly construed and the usual rule of construction, if applicable, to the effect that any ambiguities herein should be resolved against the drafting party, shall not be employed in the interpretation of this Agreement or any amendments, modifications or exhibits thereto.

SECTION 1526. SECURITY PLAN AND FACILITIES. Concessionaire hereby acknowledges that the City is required by the TSA regulation 1542 to adopt and put into use facilities and procedures designed to prevent and deter persons and vehicles from unauthorized access to the AOA. The City has met said requirements by developing a master security plan for the Airport, and Concessionaire covenants and agrees to be fully bound by and immediately responsive to the requirements of the plan in connection with Concessionaire's exercise of the privileges granted to Concessionaire hereunder. Concessionaire will, within thirty (30) days of the City's request, reimburse the City for all fines or penalties imposed upon City by the TSA or the FAA resulting from Concessionaire's negligence or failure to act in relation to TSA regulation 1542 or any other applicable Airport security regulations.

SECTION 1527. LIVING WAGE COMPLIANCE PROVISIONS. This Agreement is subject to the St. Louis Living Wage Ordinance No. 65597 ("**Ordinance**") and the "**Regulations**" associated therewith, as may be amended from time to time. Copies of Ordinance and Regulations may be obtained by contacting Assistant Airport Director, Airport Business Diversity Office, PO Box 10212, St. Louis, Missouri, 63145-0212 and are incorporated herein by reference. The Ordinance and Regulations require the following compliance measures, and Concessionaire hereby warrants, represents, stipulates and agrees to comply with these measures (unless expressly exempt as provided for in the Ordinance and Regulations):

- A. Minimum Compensation: Concessionaire hereby agrees to pay an initial hourly wage to each employee performing services related to this Agreement in an amount no less than the amount stated on the attached Living Wage Bulletin (**Exhibit "B"**), which is incorporated

herein. The initial rate shall be adjusted each year no later than April 1, and Concessionaire hereby agrees to adjust the initial hourly rate to the adjusted rate specified in the Living Wage Bulletin at the time the Living Wage Bulletin is issued.

- B. Notification: Concessionaire shall provide the Living Wage Bulletin to all employees, together with a "Notice of Coverage", in English, Spanish and other languages spoken by a significant number of Concessionaire's employees within thirty (30) days of Agreement execution for existing employees and within thirty (30) days of employment for new employees.
- C. Posting: Concessionaire shall post the Living Wage Bulletin, together with a "Notice of Coverage", in English, Spanish and other languages spoken by a significant number of Concessionaire's employees, in a prominent place in a communal area of each worksite covered by the Agreement.
- D. Subcontractors and Sublessees: Concessionaire hereby agrees to require Subcontractors and Sublessees, as defined in the Regulations, to comply with the requirements of the Living Wage Regulations, and hereby agrees to be responsible for the compliance of such Subcontractors and Sublessees. Concessionaire shall include these Living Wage Compliance Provisions in any contract with such Subcontractors and Sublessees.
- E. Term of Compliance: Concessionaire hereby agrees to comply with these Living Wage Compliance Provisions and with the Regulations for the entire term of the Agreement, and to submit the reports required by the Regulations for each calendar year or portion thereof during which such Agreement is in effect.
- F. Reporting: Concessionaire shall provide the annual reports and attachments required by the Ordinance and Regulations.
- G. Penalties: Concessionaire acknowledges and agrees that failure to comply with any provision of the Ordinance and/or Regulations and/or providing false information may result in the imposition of penalties specified in the Ordinance and/or Regulations. These penalties, as provided in the Ordinance and Regulations, may include, without limitation, suspension or termination of the Agreement, disbarment, and/or the payment of liquidated damages, as provided in the Ordinance and Regulations.
- H. Concessionaire hereby acknowledges receipt of a copy of the Ordinance and Regulations.

SECTION 1528. SURVIVAL OF WARRANTIES. All warranties and covenants set forth in this Agreement shall survive the execution and performance of this Agreement.

SECTION 1529. CITY'S RIGHT AND REMEDIES ARE CUMULATIVE. All rights and remedies of the City as provided for herein and under law are cumulative in nature.

IN WITNESS WHEREOF, the parties hereto for themselves, their successors and assigns, have executed this Agreement the day and year last written below.

Pursuant to City of St. Louis Ordinance 70548 approved on June 9, 2017.

AIRPORT TERMINAL SERVICES, INC. BY:  
d/b/a "Wingtips"

ATTESTED TO BY:

[Signature]  
Title: PRESIDENT & CEO

Margaret D. Zohle  
Title: SECRETARY

Date: 4/14/2017

Date: 4/14/2017

FEDERAL TAX ID# 43-1688661

THE CITY OF ST. LOUIS, MISSOURI, OPERATING ST. LOUIS LAMBERT INTERNATIONAL AIRPORT pursuant to City Ordinance # 70548 approved the 9<sup>th</sup> day of June, 2017:

The foregoing Agreement was approved by the Airport Commission at its meeting on the \_\_\_\_\_ day of \_\_\_\_\_, 2017.

BY: [Signature] 6/22/17  
Commission Chairman and  
Director of Airports Date

The foregoing Agreement was approved by the Board of Estimate and Apportionment at its meeting on the 17<sup>th</sup> day of May, 2017.

BY: [Signature] 05/17/2017  
Secretary, Date  
Board of Estimate and Apportionment

APPROVED AS TO FORM ONLY BY:

COUNTERSIGNED BY:

[Signature] 6/23/17  
City Counselor Date  
City of St. Louis

Darlene Green 6/28/17  
Comptroller Date  
City of St. Louis

ATTESTED TO BY:

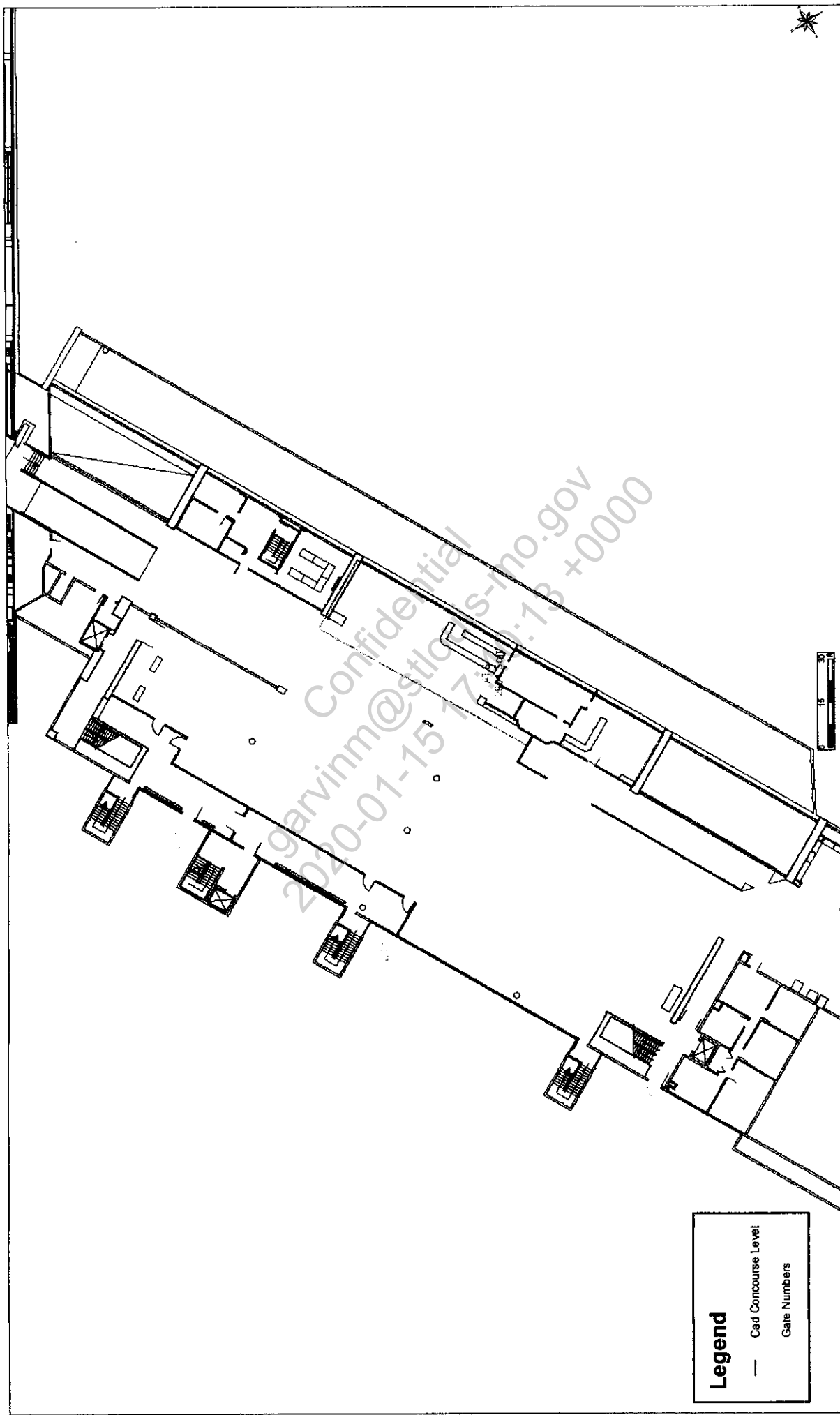
[Signature] 07-19-17  
Register, City of St. Louis Date  
Deputy

COMPTROLLER'S OFFICE  
DOCUMENT # 71851

# **EXHIBIT “A”**

## **PREMISES**

Confidential  
garvinm@stlouis-mo.gov  
2020-01-15 17:40:13 +0000



**Legend**

- Cad Concourse Level
- Gate Numbers



**Airport Terminal Services, Inc. dba Wingtips**  
**T2 Common Use Club**

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**Coordinate System:**  
 State Plane Coordinate, Missouri East Zone  
 North American Datum 1983 Survey Feet

Prepared By: STLAA  
 Date: 4/26/2017  
 Review and Approval By:  
 Date:



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## ST. LOUIS LIVING WAGE ORDINANCE

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### NOTICE OF ST. LOUIS LIVING WAGE RATES EFFECTIVE APRIL 1, 2017

In accordance with Ordinance No. 65597, the St. Louis Living Wage Ordinance ("Ordinance") and the Regulations associated therewith, the City Compliance Official for the City of St. Louis has determined that the following living wage rates are now in effect for employees of covered contracts:

- 1) Where health benefits as defined in the Ordinance are provided to the employee, the living wage rate is **\$12.76 per hour** (130% of the federal poverty level income guideline for a family of three); and
- 2) Where health benefits as defined in the Ordinance are **not** provided to the employee, the living wage rate is **\$17.03 per hour** (130% of the federal poverty level income guideline for a family of three, plus fringe benefit rates as defined in the Ordinance).
- 3) Wages required under Chapter 6.20 of the Revised Code of the City of St. Louis: **\$4.27 per hour.**

These rates are based upon federal poverty level income guidelines as defined in the Ordinance and these rates are effective as of **APRIL 1, 2017**. These rates will be further adjusted periodically when the federal poverty level income guideline is adjusted by the U.S. Department of Health and Human Services or pursuant to Chapter 6.20 of the Revised Code of the City of St. Louis.

The Ordinance applies to employers who are covered by the Ordinance as defined in the Ordinance, where the contract or grant is entered into or renewed after the effective date of the Ordinance, which is November 3, 2002. A copy of the Ordinance may be viewed online at <https://www.stlouis-mo.gov/government/city-laws/ordinances/ordinance.cfm?ord=65597> or obtained from:

City Compliance Official  
c/o St. Louis Airport Authority  
St. Louis, Missouri  
(314) 426-8106  
[livingwage@flystl.com](mailto:livingwage@flystl.com)