

GROUND AND BUILDING LEASE
at
KANSAS CITY DOWNTOWN AIRPORT
For Contract No. 6223010001

THIS LEASE ("Lease") (is made and entered on _____, between KANSAS CITY, MISSOURI, by and through it's Aviation Department, a municipal corporation of the State of Missouri, ("**City**" and "**Aviation Department**"), and ALG Transportation, Inc. ("**Lessee**") a Missouri Corporation registered to do business in the State of Missouri under Missouri Charter No. F00287154.

WHEREAS, City operates and maintains an airport known as the Kansas City Downtown Airport, Wheeler Field, located in Clay County in the State of Missouri ("**Airport**"); and

WHEREAS, the Airport is subject to various obligations including but not limited to federal grant assurances; and

WHEREAS, the Airport issued a Request for Proposal on December 16, 2022 (the "RFP") seeking proposals for a master developer to develop, construct, maintain and operate improvements on certain property of the Airport (the "RFP Improvements"); and

WHEREAS, Lessee was awarded the RFP and desires to lease certain property and facilities at the Airport in accordance with this Lease and the RFP.

NOW THEREFORE, The parties agree as follows:

This Lease consists of three parts: Part I, Part II Aviation Department Standard Lease Conditions, and Part III Airport Required Terms and Conditions, including the below listed attachments. These parts and any attachments or exhibits are attached hereto and incorporated herein.

Exhibit A – Leased Premises

Exhibit B – Storm Water Best Management Practices

Exhibit C – Responsibilities of Lessee and City for Building Construction

Exhibit D – Part II – Aviation Department Standard Lease Conditions

Exhibit E – Part III - Airport Required Terms and Conditions

Exhibit F – CREO Civil Rights and Wage Assurances

PART I

ARTICLE I
PREMISES & TERM

Sec 1.1. Leased Premises. The City hereby leases to Lessee, and Lessee leases from the City, the real property, including improvements and fixtures appurtenant thereto, more fully described in **Exhibit "A" – Leased Premises**, attached hereto and incorporated herein (hereinafter "Premises"). The Lessor represents and warrants that all existing construction, improvements, and additions on the Premises comply with applicable municipal, state, and federal codes and regulations. The Lessor shall bear the cost of bringing any existing construction, improvements,

or additions into compliance with such requirements, if necessary. Subject to these conditions, the Lessee has inspected and accepts the Premises in their current 'as is' condition." City implies no further warranties or representations with regard to the Premises.

Sec. 1.2. Term of Lease. This Agreement shall commence on execution of this lease, and continue for a term of twenty (20) years (as may be extended, the "Term"), and terminate at 11:59 PM CST on the day immediately prior to the twentieth (20th) anniversary of the Commencement Date.

A. **Option to Renew.** As provided herein, Lessee shall have the mutual option to extend the Term for one (1) ten (10) year term additional year period ("Option Period"). Lessee shall provide written notice to City no later than one hundred eighty (180) days prior to the expiration of the then existing Term of its intent to exercise the option to extend and propose an additional investment of capital to refresh the initial investment. Rent during the Option Period shall be subject to a Fair Market Rent Adjustment pursuant to Section 2.1(D) of this document. City will respond to the Option to Renew request, within 30 days after receipt.

B. **Termination Rights.** Should a termination of lease occur as outlined in Part II, Section VI.E or Part III, Section 9, Lessee shall be entitled to recover the unamortized value of the Improvements constructed and installed on the Premises by the Lessee, so long as investments were timely and completely documented. The value of the Improvements shall be determined to be the balance after the depreciation taken on a straight-line basis. Lessee shall establish a "Depreciation Schedule" for the improvements which shall be submitted to the City for its approval. Any schedule submitted by Lessee for this purpose shall not be deemed a Depreciation Schedule until such schedule is approved by the City, which approval shall not be unreasonably withheld.

Sec. 1.3. Use of Premises. Lessee shall use the Premises solely for the purpose of long or short term aircraft storage, aircraft maintenance, passenger and pilot accommodation, offices, and any related or ancillary uses to the forgoing. Any unauthorized use of the Premises shall constitute acceptable grounds for immediate termination.

Sec. 1.4. Avigation Reservation. The City reserves, for itself and as a public benefit, a perpetual and assignable Avigation Reservation and right-of-way, for the free and unobstructed passage of aircraft in, through, and across all navigable air space above the Premises, together with the continuing right to cause and allow in all airspace above or on the surface of the Premises such noise, vibration, fumes, dust, fuel particles, illumination, interference with television, radio or any other type of transmission and other effects as may be caused by or result from the operation of aircraft or the landing at or taking off from or from the operation of aircraft on or at the Airport, also together with the rights to mark and light obstructions to air navigation any and all buildings, structures or other improvements and trees or other objects which extend into this Avigation Reservation. Additionally, the lessee shall not allow the premises to be used in any manner to create interference with visual contact, radio, radar, microwave, electromagnetic or any other communication between any installation serving the Airport and aircraft or as to make it difficult for flyers to distinguish between airport lights and others, or as to impair visibility in the vicinity of the Airport, or as may otherwise or endanger or constitute hazard to the landing, taking off or maneuvering of aircraft under the applicable regulations of the U.S. Department of Transportation, Federal Administration, in effect from time to time or of any successor agency having jurisdiction. The term "aircraft" means any contrivance now known or hereafter invented, designed or used for navigation or flight in air or space involving either persons or property.

ARTICLE II

RENT

Sec. 2.1. Rents, Fees and Charges.

- A. **Rent Payments.** Effective on the Commencement Date herein, Lessee shall pay the City in equal monthly installments, in advance, or before the first (1st) day of each and every month without demand, deduction, holdback or setoff, plus applicable sales taxes. The following rents, rates, and charges due herein for the Premises shall be as follows:

Ground Rent: During the first (1st) Lease Year of the Term of this agreement, Lessee shall pay City \$.275 per square feet annually on 66,460 square feet for Hangar 5B and adjacent area which equates to \$1,523.04 per month or \$18,276.50 annually.

Building Rent: Lessee agrees to invest \$1,000,000 in capital expenditures over the first two years of the initial term, followed by an additional \$1,000,000 during years three through five of the initial term. These investments will cover, including but not limited to, building improvements, equipment acquisition, staff training, and other necessary resources to obtain 135 and 145 certificates. In recognition of this substantial investment, the lessee shall not be required to pay any building rent for the first eight (8) years of the lease term.

Beginning at ninth (9th) Lease Year of the Term of this agreement, Lessee shall pay City \$15,000 per month or \$180,000 annually.

- B. **Net Lease.** It is the purpose and intent of the City and Lessee that this is a net lease and that from and after the Commencement Date, the rent shall, except as herein otherwise provided, be absolutely net to City, and that all costs, expenses and obligations of every kind and nature whatsoever relating to the Premises and/or the operation of Lessee's business in connection therewith, except as herein otherwise provided, which may arise or become due during the term hereof, shall be paid by Lessee and that City shall be protected, defended, indemnified and held harmless by Lessee from and against the payment of same or any obligation to pay the same.
- C. **Rental Adjustment.** Commencing on the first month of the second (2nd) Lease Year, and every Lease Year thereafter, Rent for the Premises will be adjusted based on the annual percentage change in the Consumer Price Index for All Urban Consumers, as defined below ("**CPI-U**"). In no event will the annual adjustment result in Rent being less than the amount charged during the prior year. The most recent available CPI-U as of December 15 of each year, calculated over the preceding twelve months, shall be used to adjust the Rent for the next year.

CPI-U means the Consumer Price Index for All Urban Consumers for the U.S. City Average for All Items, 1982-84 = 100, or the successor of that index calculated on a calendar year basis and as published by the Bureau of Labor Statistics, U.S. Department of Labor. In the event said Index ceases to be prepared and published, then the rent rate shall be adjusted in accordance with the most comparable index then in existence

The rates following the adjustment shall remain in effect until the next adjustment. For clarification purposes, the adjustments will occur on the first day of each Lease Year. In

no event shall the yearly adjustment be in excess of five percent (5%) nor shall the rent be reduced below the then existing rent rate.

- (1) **Fair Market Rent Adjustment.** Ground Rent (as defined in the Lease) and Building Rent (as defined herein) for the Option Term shall be in the then fair market rent for the land portion of the Premises, respectively, based upon the appraised values thereof as determined by an appraisal of the Premises made by a qualified M.A.I. appraiser, selected, appointed, and paid for by Tenant and reasonably approved by the City (the "Appraisal"). "Building Rent" shall mean the rent payable by Tenant hereunder applicable to the building and other improvements constructed by Tenant at the Premises at Tenant's expense (and Building Rent shall be separate from and in addition to Land Rent). The Appraisal shall establish in writing the then current fair market Ground Rent and the then current fair market Building Rent based on the appraised values of the ground and building and other improvements comprising the Premises, respectively. It is the intent of City and Tenant hereunder that the costs of all such building and other improvements constructed by Tenant at its expense at the Premises any time throughout the initial term of this Lease or the Extended Term, as applicable, be taken into consideration in connection with the determination of fair market Building Rent. To the extent required by the Federal Aviation Administration's standards for airport property, upon receipt of the Appraisal, City shall promptly submit to Tenant a written statement of the then current fair market Building Rent as established by the Appraisal. Tenant shall obtain an Appraisal before each Option Term, and Ground Rent and Building Rent shall be further adjusted accordingly to be the then current fair market Ground Rent and Building Rent for the Premises as established by each subsequent Appraisal in the same manner as for the initial Appraisal as set forth above.
 - (2) Beginning in the first month of the second year of the Option Term, Ground Rent shall be adjusted pursuant to Section 2.1(C) of the lease. In no event shall Ground Rent be decreased as a result of any Appraisal or CPI rental adjustment.
 - (3) Notwithstanding anything in this Section to the contrary, if either party disagrees with the results of the Appraisal obtained in connection with the commencement of the Option Term, the parties shall meet and confer to discuss the objections, and if the parties are unable to resolve such disagreement, Tenant shall have the right to withdraw its exercise of the option to extend the term of the Lease for the Option Term and may terminate this Lease with written notice to City.
 - (4) The parties acknowledge and agree that no terms of any Appraisal or this Amendment shall affect title to the Premises or any improvements thereon, and title to the Premises and all improvements thereon shall remain and are at all times in the City.
- D. **Method of Payment.** Lessee's obligation to pay Rental Payments under this lease shall commence on the date Lessee receives a Temporary Certificate of Occupancy of its improvements. Lessee will make monthly Percentage Rent payments by the 20th of the following month (and forth going) without notice or demand by City and without abatement, deduction or set-off, except as herein specifically provided. **The payments will be made in legal tender of the United States and mailed to the Aviation Department, P.O. Box 844124, Kansas City, Missouri 64184-4124,**

payable to the “City Treasurer” or electronically by utilizing the City’s approved Automated Clearing House (ACH) process. A service charge of one and one-half percent (1½%) per month shall automatically accrue to all payments made after the due date.

- E. **Partial Year.** If the Commencement Date should occur on any date other than the first day of a calendar month, Lessee shall pay City on the Commencement Date the proportionate amount of Rent accrued for the balance of such current calendar month.
- F. **Additional Rent.** In addition to the Rent, Lessee agrees to pay as additional rent any sums which may become due by reason of failure of Lessee to comply with any covenants of this Lease and all damages, costs and expense which City may incur because of any default of Lessee or failure to perform under this Lease and any damages caused to the Premises by any act or negligence of Lessee, its officers, employees, agents and invitees.
- G. **Taxes, Permits, Licenses.** The Lessee shall bear all costs of operating its equipment and business, including any and all ad valorem, sales, use, or other taxes levied, assessed, or charged upon or with respect to the leasehold estate, improvements made by the Lessee, or personal property located on the Premises. However, Lessee shall bear all cost of obtaining any permits, licenses, or other authorizations required by City or any agency of government or law in connection with the operation of its business at the Airport, and upon request provide copies of all such permits, certificates and licenses shall be forwarded to City. Lessee reserves the right to contest any such taxes and withhold payment of such taxes, so long as the nonpayment of such taxes does not result in a lien against the leased Premises or a direct liability on the part of City.

ARTICLE III

REPAIRS AND MAINTENANCE OF PREMISES

Sec. 3.1. Utility Services. The Lessor shall ensure that all necessary utilities, including but not limited to water, electricity, natural gas, and sewage, are available and accessible to the Premises throughout the term of the lease. Utility services required by Lessee during the Lease term shall be at the sole cost and expense of Lessor. Lessee may install and construct necessary utility lines or mains across reasonable routes as the City may designate. Any change in, deletion of, or addition to such lines and mains shall be at the sole cost and expense of Lessee.

Sec. 3.2. Obligations of Lessee.

- A. Conduct its operation hereunder in a safe, orderly and proper manner, considering the nature of such operation so as not to unreasonably annoy, disturb, endanger or be offensive to others at the Airport or around the Premises.
- B. Control, within reason, the conduct of its employees, invitees, and of those doing business with it and, upon objection from City concerning the conduct, shall immediately take all reasonable steps necessary to remove the cause of objection.
- C. Remove from the Premises or otherwise dispose of in a lawful manner all garbage, debris and other waste materials (whether solid or liquid) arising out of its occupancy of the Premises or out of its operations. Any such debris or waste which is temporarily stored in the open, shall be kept in suitable garbage and waste

receptacles equipped with tight-fitting covers and designed to safely and properly contain whatever material may be placed therein. Lessee shall use reasonable care when effecting removal of all such waste and adhere to City's Storm Water Best Management Practices (**Exhibit B**).

- D. Not commit any nuisance, waste, or damage to the Premises or other areas of the Airport, ordinary wear and tear excepted, and shall not do or permit to be done anything which may result in the creation or commission or maintenance of such nuisance, waste or damage to the Premises.
- E. Not create nor permit to be caused or created upon the Airport or the Premises any obnoxious odor, smoke or noxious gases or vapors.
- F. Not do or permit to be done anything which may interfere with effectiveness or accessibility of any utility or other system, including, the drainage and sewage system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses, if any, installed or located on the Premises.
- G. Not overload any floor or paved area on the Premises and shall repair any floor, including supporting members, and any paved area damaged by overloading.
- H. Not do or permit to be done any act or thing upon the Premises:
 - (1) Which will invalidate or conflict with any fire insurance policies covering the Premises or any part thereof or other contiguous property; or
 - (2) Which may constitute an extra-hazardous condition so as to increase the risks normally attendant upon the operations permitted by this Lease.
- I. Not keep or store flammable liquids within any covered and enclosed portion of the Premises in violation of applicable law or in excess of Lessee's working requirements. Any such liquids having a flash point of less than 110°F shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories.
- J. Pay all applicable sales taxes, ad valorem taxes and any other taxes or assessments with respect to or against the Premises or the leasehold estate, whether billed to the City or the Lessee. Lessee reserves the right to contest any such taxes and withhold payment of such taxes, so long as the nonpayment of such taxes does not result in a lien against the leased Premises or a direct liability on the part of City.
- K. Be responsible for all cost and expenses relating to taxes, insurance and maintenance with respect to the Premises regardless of whether buildings and improvements are then owned by Tenant or City and the operation of the Premises as this Lease is deemed to be a net lease.

ARTICLE IV

DAMAGE, DESTRUCTION, RESTORATION OF PREMISES

Sec. 4.1. Damage or Destruction and Restoration. In case of any material damage to or destruction of the Premises or any part thereof, Lessee will give prompt notice to the City and, excepts as otherwise herein provided in Section 4.2, Lessee shall have the option to:

- A. Promptly commence and complete with due diligence and in accordance with plans approved by Lessee and the City, the restoration of the Premises as nearly reasonably practicable to the value and condition thereof immediately prior to such damage or destruction (with alterations, at Lessee's election, and with the prior consent and approval of the City), or
- B. If Lessee and the City mutually agree, Lessee may use the insurance proceeds to construct facilities providing equal security protection for any bondholders to those facilities not restored. In the event of such damage or destruction, the proceeds from all property insurance policy or policies shall be devoted exclusively to the restoration of the Premises except as provided elsewhere in this Lease.

Sec. 4.2. Lessee's Election Not to Restore Damaged Property. In the event of damage to or destruction or loss of such improvements by an insured risk, which damage, destruction or loss is not capable of being repaired within 90 days, Lessee shall have the election, indicated by written notice given to City within 90 days after the occurrence of such event, not to repair, restore, rebuild or replace the improvements, such election to be effective as of the date of such damage, destruction or loss and, upon such election, Lessee shall be relieved of all further liability and obligations hereunder. In the event Lessee exercises the foregoing election, the net amount of the insurance proceeds received by it from the insurance required herein on the property shall be forwarded to City. In the event Lessee does not exercise the foregoing election, or in the event said damage, destruction or loss is capable of being repaired within 90 days, Lessee shall promptly repair, replace, restore or rebuild said improvements to the extent of the insurance proceeds received by it, as nearly as possible to the condition said improvements were in immediately prior to such damage, destruction or loss, or with such changes or alterations as may be approved by City. If such damage, destruction or loss occurs within the last six months of the term of this Lease, then Lessee shall have the option either to effect such repair, replacement, restoration or rebuilding or, in lieu thereof, to pay to City the proceeds received by reason of such damage, destruction or loss from the insurance required herein.

Sec. 4.3. Reconstruction Prohibited. Constructed in the early 1950s, Hangar 5B pre-dates provisions of FAR Part 77, in particular § 77.19, Civil Airport Imaginary Surfaces. The hangar is located 304 feet from the centerline of Runway 3-21 which places it inside the Primary Surface. The Primary Surface is longitudinally centered on a runway and extends 200 feet beyond the runway end and is 1,000 feet wide (500 feet to the runway centerline). The Primary Surface is required to be free from obstacles that are not fixed by function (e.g., NAVAIDs, visual approach aids, etc.). The Primary Surface for Runway 3-21 is 1,000 feet wide due to the ¾-mile minimum visibility approach procedure to Runway 3.

Due to Hangar 5B's location within the Primary Surface, the FAA has advised in the event the hangar is damaged beyond repair or destroyed due to a man-made accident or incident, or natural disaster, reconstruction in the current location would be considered a Hazard to Air Navigation and would not be permitted according the FAA Sponsor Assurances and 14 Code of Federal Regulations (CFR) Part 139, *Airport Certification*.

ARTICLE V IMPROVEMENTS

Sec. 5.1. Improvements to Premises. Lessee shall be responsible, at the Lessee's sole expense, for any and all improvements made to the Premises during the term of this Lease. All improvements shall be made in accordance with the provisions of this lease.

Sec. 5.2. Construction of Project. "Improvements" shall mean all improvements now existing or hereafter placed on the Premises as permitted by this Lease. Within five (5) business days following the date of this Lease, City will provide to Lessee a Project Exemption Certificate exempting purchases related to the construction of improvements from Missouri sales and use tax as permitted by applicable law.

Sec. 5.3. Plans and Specifications. Construction or additions to the Premises will not be made by Lessee without prior written approval of the Director of the Aviation Department ("Director"). Director approval will not be required for remodeling and/or refreshing of the Premises that does not require building and/or building system improvements. Lessee shall submit to City for its approval for review, the Plans and Specifications. The Plans and Specifications shall be prepared by architects and engineers registered in the State of Missouri.

This approval shall be in the form of a separate Tenant Modification Agreement through the Aviation Department's Engineering Division signed by City and Lessee. The Tenant Modification Agreement may have requirements for payment and performance bonds, prevailing wage, Minority/Women's Business Enterprise participation, and Federal Aviation Administration review, among other conditions. The City and Director shall review any such request by Lessee within forty-five (45) days following Lessee's written request and submissions of corresponding Plans and Specifications. The City acknowledges that the Plans and Specifications are subject to modification on the basis of the timing of the Award and the final approval of the Plans and Specifications by the City, and agrees that the City and Director shall consent to modifications to the Plans and Specifications submitted by Lessee if the same do not materially differ in exterior appearance, traffic flow, and adequacy of parking from Plans and Specifications previously approved by the City and Director.

Factors relevant to approval are limited to: exterior appearance, traffic flow, and adequacy of parking. All construction and Improvements undertaken by Lessee shall be completed in a workmanlike manner without damage to existing facilities, subject to the terms and conditions set forth in **Exhibit "C"**, Responsibilities of Lessee and City. It is understood that adequate parking for the Premises will be constructed and maintained by the Lessee. Parking of vehicles, trucks or motorized equipment outside of designated parking areas will not be allowed except as needed during times of construction for the purposes of convenience for contractors and deliveries provided such parking on the sides of the road allowing the safe and convenient flow of vehicular traffic. Parking areas on the Premises are exclusively to be used for the use and benefit of the Premises.

Sec. 5.4. Public Improvements. Any utilities, storm water drainage, or new or redirected roadways for ingress or egress required shall be incorporated into Lessee's Plans and Specifications submitted for City's review and approval under Section 5.2 and completed at Lessee's sole cost and expense.

The City reserves, for and benefit of the City and the public, the right to paint a mural on the entirety of the exterior north wall of the Hangar at some point in the future to commemorate the history of the City and/or the Airport. The City, in its discretion, reserves the right to determine the theme and appearance of the mural. Costs associated with the design, completion and maintenance of the mural will be fully paid for by the City.

Sec. 5.5. Critical Path. Upon Lessee's receipt of the approvals required herein, Lessee shall endeavor to prepare a Critical Path Method schedule for approval by the City and Director that

will outline the timing of the completion of the Improvements. This schedule shall be submitted and approved by the City and Director before a Notice to Proceed with construction is issued, such approval not to be unreasonably withheld, conditioned or delayed.

Sec. 5.6. Ownership of Improvements. Upon the expiration or earlier termination of this Lease, title to and all rights of ownership in the Hangar facilities (and apron) constructed by Lessee shall vest in the City. All permanent improvements, shall be free and clear of all liens and other interests, including mortgage interest, except as defined and approved in this lease. Title to all personal property, furnishings and trade fixtures, unless paid for by the City, shall be and remain with Lessee and may be removed from the Premises at any time, provided Lessee is not then in default thereunder, and further provided Lessee exercises care in the removal of same and repairs any damage to the Premises caused by said removal. Personal property, furnishing and trade fixtures which are paid for by the City shall be titled to the City, and shall not be removed from the Premises without prior written consent of the City. Upon written demand, Lessee shall execute and deliver to the City a proper document on conveyance evidencing such transfer or title.

ARTICLE VI **MORTGAGE RIGHTS**

Sec. 6.1. Mortgage of Leasehold Interest Rights.¹ Lessee shall not mortgage, pledge, or hypothecate the leasehold interest without the prior written consent of the City. As a condition precedent to obtaining the consent of the City, Lessee and its lender shall provide to City written evidence that the priority rights of City under this Lease will not be adversely affected by such action. In addition, any leasehold mortgage, leasehold deed of trust or other security financing arrangement shall specifically acknowledge that such financing shall never be construed to pledge, mortgage, encumber, hypothecate, alienate or otherwise grant or convey all or any part of the fees simple title to the real property underlying the leasehold estate herein given, or leasehold improvements which are the property of the City, as the same is publicly-owned property not subject to encumbrance or involuntary sale or divestiture. If requested by Lessee, the Director can execute a commercially reasonable agreement with a proposed or existing leasehold mortgagee (a "Leasehold Mortgagee") setting forth the respective rights of the City and Leasehold Mortgagee in respect of this Lease.

Without limiting the content of any such agreement, the City agrees that such agreement may, among other things:

1. Grant to the Leasehold Mortgagee the right to receive notices of, and to cure, defaults by Lessee under this Lease
2. Permit the City to enter into a new Lease of the Premises for the then remaining term hereof in the event that this Lease is terminated due to default by or the bankruptcy of Lessee, provided no significant change in the use or the Premises
3. Allow the Leasehold Mortgagee to foreclose upon the interest of Lessee under this Lease and to subsequently convey such interest to a third party with the consent of the City for the same or a substantial similar purpose as defined in this lease. Any conveyance under this provision shall be governed by requirements of Article VII, as if an assignment of the lease

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4. Contain such other provisions as may be reasonably requested by the Leasehold Mortgagee in order to protect its interest in this Lease and the Premises. In addition to the above.

ARTICLE VIII

INGRESS AND EGRESS

Sec. 8.1. Use of Public Way. Lessee its contractors, suppliers of material and furnishers of services, shall have the right of ingress and egress to the Premises via appropriate public way to be used in common with others having rights of passage within the Premises, provided that City may, from time to time, substitute other means of ingress and egress so long as an alternate adequate means of ingress and egress is available.

Sec. 8.2. Road Closures. City may at any time temporarily or permanently close any such roadway, and any other area at the Premises presently or hereafter used as such, so long as a means of ingress and egress is made available to Lessee. Lessee hereby releases and discharges City, its successors and assigns, of and from any and all claims, demands or causes of action which Lessee may now or at any time hereafter have against any of the foregoing arising or alleged to arise out of the closing of any street, roadway, or other areas used as such, whether within or outside the Premises, provided that City makes available to Lessee an alternate means of ingress and egress.

Sec. 8.3 Ingress & Egress. Lessee is granted the right, for itself, its agents, employees, patrons, suppliers and other persons doing business with Lessee, of ingress and egress to and from the Premises over Airport roadways, including the use of common use roadways, and other common areas as reasonably necessary to use the Premises, subject only to law and to such reasonable rules and regulations governing the use of the Airport as the Director may establish, including the establishment of a fee or charge for the privilege of entry upon the Airport; provided, however, that neither Lessee nor any of its subtenants, contractors, agents or invitees shall be charged any fee to gain access to the Premises. "Common areas" shall mean those areas which are furnished in and about the Premises for the common and non-exclusive use of Lessee and City and their officers, agents, employees, customers, invitees and licensees.

ARTICLE IX

ENVIRONMENTAL PROVISIONS

Sec. 9.1 No Liability for Pre-Existing Conditions. Notwithstanding anything to the contrary contained in this Lease, Lessee shall have no obligation or liability whatsoever with respect to (1) any Hazardous Materials that are present on the Premises as of the Commencement Date; (2) any violation of Environmental Law that exists as of the Commencement Date; or (3) the presence or release of any Hazardous Materials or the violation of any Environmental Law that is caused by a party other than Lessee. The City represents to Lessee that as of the Commencement Date the Premises will not contain any Hazardous Materials and will be in compliance with all Environmental Laws.

ARTICLE X

MISCELLANEOUS PROVISIONS

Sec. 10.1. Memorandum of Lease. At the request of the City or Lessee, the parties hereto shall execute and acknowledge a memorandum hereof in recordable form that Lessee shall file for recording in the real property records of the county in which the Premises is situated.

Sec. 10.2. Estoppel Certificate. The City, upon request by Lessee or a Leasehold Mortgagee, shall execute an estoppel certificate confirming the terms of this Lease, certifying as to whether or not Lessee is in compliance with all of the terms and conditions of this Lease, and containing such other matters as may be reasonably requested.

Sec. 10.3. No Merger. In the event that the same person or entity should acquire both the interest held by the City and the interest held by Lessee in this Lease, same shall not work a merger of such interests and this Lease shall continue in effect, unless a written instrument to the contrary is signed by the holder of such interests and filed in the real property records of the county in which the Premises is situated.

Sec. 10.4. Consents and Approvals. In any case where a consent or approval by the City or Lessee is required hereunder, such consent or approval shall not be unreasonably withheld, conditioned or delayed.

Sec. 10.5 General Civil Rights Provisions. To the extent applicable, the Lessee/Contractor agrees that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the Lessee/Contractors from the bid/RFP solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

ARTICLE XI

ADDITIONAL PROVISIONS

Sec. 11.1. Notices. Except as herein otherwise expressly provided, all notices required by this Lease shall be in writing sent regular U.S. mail, email, postage prepaid or commercial overnight courier to the following:

City: Kansas City International Airport
Properties & Commercial Development
601 Brasilia Avenue
Kansas City, MO 64153
Phone: 816-243-3005
Email: pete.fullerton@kcmo.org
AV.CommercialDevelopment@kcmo.org

Lessee: ALG Transportation, Inc.
4420 Madison Ave. Ste. 170
Kansas City, MO 64111
ATTN: Ray Adams
Phone: 816.666.9706
Email: ray.adams@algkc.com

All notices are effective on the date of mailing in the U.S. mail, deposit with an overnight courier or transmission by email.

Sec. 11.2. Priorities. In the event that any of the terms and conditions in Part I and Part III of this Lease conflicts, interpretation of this Lease shall be according to the following priority, except as mandated by law, including City Ordinances.

1. Part I
2. Part II – Aviation Department Standard Lease Conditions
3. Part III – Airport Required Terms and Conditions

Sec. 11.3. Federal, State, and Local Rules and Regulations. Lessee shall comply with all federal, state, and local laws, regulations, orders and other applicable requirements.

IN WITNESS WHEREOF, the parties hereto for themselves, their successors and assigns, have executed this Lease the day and year first above written.

ATTEST:

LESSEE –

Secretary (if applicable)

By:
Title:

KANSAS CITY, MISSOURI

Approved as to form:

By: Senior Associate City Attorney

By: Melissa Cooper
Title: Director of Aviation

EXHIBIT "A"

LEASED PREMISES (attached)

This Exhibit may be amended between the Director of Aviation and Lessee without further Council approval.

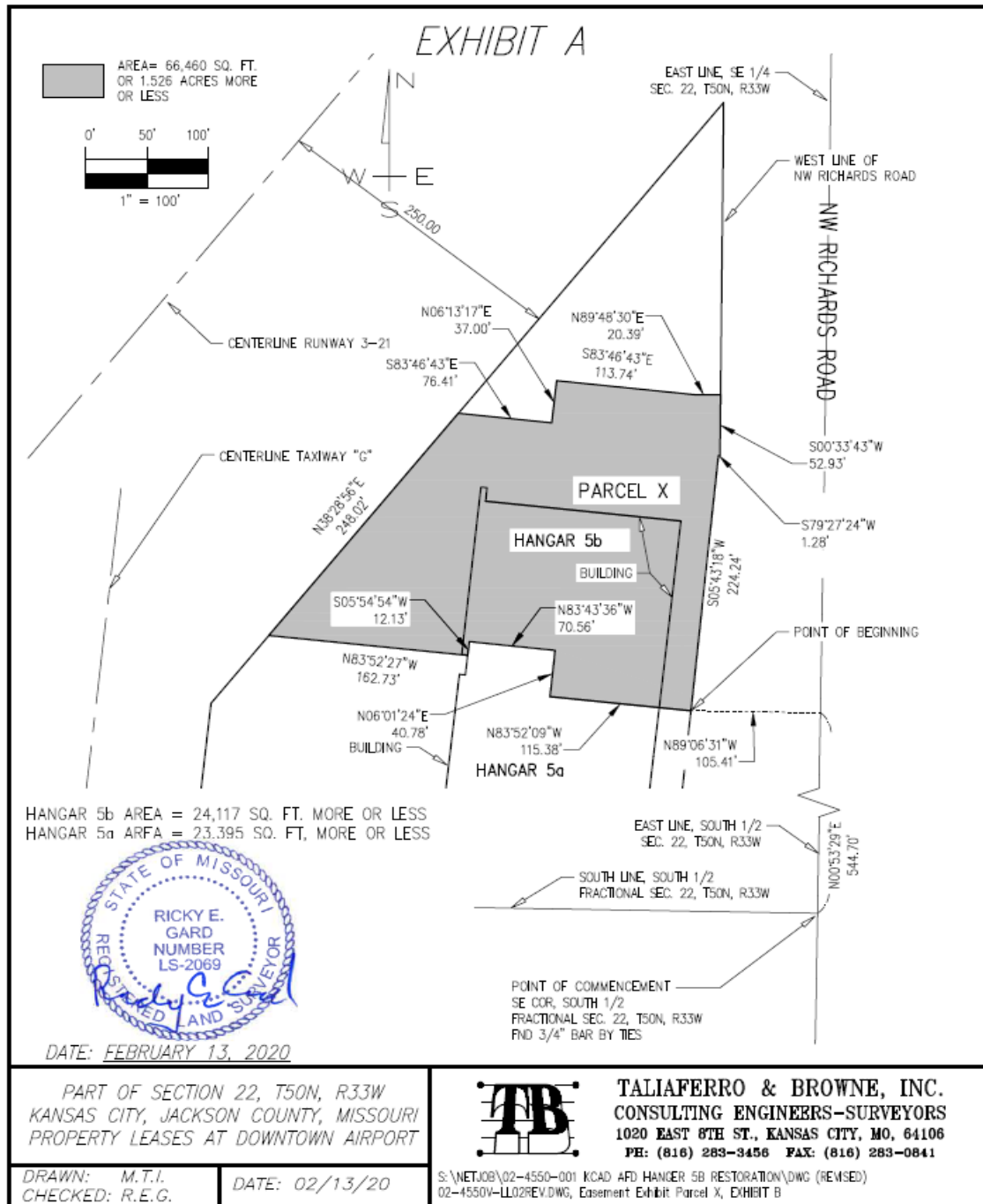


EXHIBIT "B"

STORM WATER BEST MANAGEMENT PRACTICES

The Airport operates under the requirements of a National Pollutant Discharge Elimination System ("NPDES") Permit issued by the Missouri Department of Natural Resources ("MDNR"). The NPDES Permit imposes controls that assure that the Airport storm water discharges meet applicable water quality standards. NPDES controls are implemented at the Airport by operation of the Airport Storm Water Pollution Prevention Plan ("SWPPP"). Under the terms of the Permit, the Airport is responsible to the State of Missouri for all industrial and storm water discharges origination on Airport property. Each tenant is responsible to the Airport for contributions to the Airport industrial and storm water that originate for the tenant's leases property and from the tenant's activities anywhere on Airport property.

The following Best Management Practices ("BMP") require conformity to NPDES Permit mandates for activities that take place on Airport property. These BMP's apply to Airport departments, tenants, and all individuals (persons) whose activities could contribute to industrial or storm water discharges from Airport property. Airport departments and tenants are responsible for the actions of their personnel, contractors, supplies, services, providers, holders of operating permits, and all others who enter Airport property under their authorization.

1. All vehicles operated on the Airport shall be maintained in good condition at all times and be free of oil and gas leaks.
2. Each tenant operator shall keep individual areas clean pf vehicle liquid spills.
3. No tenant shall permit or cause to be permitted the discharge of flammable or combustible liquids or any waste liquid containing crude petroleum or its products into or upon any, street, highway, drainage canal, ditch, storm drainage system, lake, waterway or ground.
4. Outside repairs, servicing, washing or adjustments to ground vehicles which could cause pollutants, including by not limited to grease, oil, fuel, detergents, etc., to enter storm water systems is prohibited.
5. Tenants shall properly maintain fuel systems and oil water separators as to prevent discharge of petroleum contaminants to the Airport's storm water discharge systems.
6. Outside use of soaps, surfactants or materials that would ultimately enter the storm water and negatively impact the Airport NPDES permit is prohibited.
7. Tenant will be responsible for initiating immediate containment of spills and immediate cleanup/remediation of releases that can or will impact storm water systems. Note: Application of oil dry on a petroleum sill without subsequent removal/disposal of oil dry from pavement does not constitute acceptable cleanup.
8. All spills, irrespective of exceeding environmental regulation reportable quantities, that could or have entered the storm water systems shall be reported to Airport immediately following initial actions taken to contain and/or cleanup the release. In the event that a release is deemed to be beyond the lessee's ability to safely address or presents an immediate hazard to life, property or impact or storm water systems the Airport Communications Center shall be notified immediately.

9. The application of Aircraft Deicing Fluid ("ADF") is authorized on carrier and cargo aprons only. Any unused or out of specification ADF will be disposed of off Airport to include the ADF impact water (rinsate) from the cleaning of tanks and vehicles. Any inadvertent loss of ASF fluid that was not sprayed on an aircraft during winter operations constitutes a spill and will be cleaned up and disposed of in the same manner as a grease/oil spill.

EXHIBIT "C"

RESPONSIBILITIES OF LESSEE AND CITY

RESPONSIBILITIES of LESSEE ("Tenant")

1. The Tenant shall not begin any work on the Improvements or any future Improvements until the Aviation Department has (1) reviewed and approved preliminary site plans and preliminary plans and (2) issued a Notice to Proceed.
2. The Tenant shall submit evidence of the contractor's required insurance through completion of this project to the Aviation Department in accordance with the City's insurance policy as follows:
 - a. Tenant shall insure its Contractor shall procure and maintain in effect throughout the duration of this Project insurance coverage not less than the types and amounts specified in this section. Policies containing a Self-Insured Retention will be unacceptable to City.
 - (1) Commercial General Liability Insurance: with limits of \$1,000,000 per occurrence and \$2,000,000 aggregate, written on an "occurrence" basis. The policy shall be written or endorsed to include the following provisions:
 - (a) Severability of Interests Coverage applying to Additional Insureds;
 - (b) Contractual Liability;

Per Project Aggregate Liability Limit or, where not available, the aggregate limit shall be \$2,000,000;

 - (d) No Contractual Liability Limitation Endorsement; and
 - (e) Additional Insured Endorsement, ISO form CG20 10, current edition, or its equivalent.
 - (2) Workers' Compensation Insurance: as required by statute, including Employers' Liability with limits of:

Workers' Compensation	Statutory
Employers' Liability	\$1,000,000 accident
with limits of:	\$1,000,000 disease-policy limit
	\$1,000,000 disease-each employee
 - (3) Commercial Automobile Liability Insurance with a limit of \$1,000,000 per occurrence, covering owned, hired and non-owned automobiles (with required \$10,000,000 for Airport Operations Area users as, to the extent and when required by the City on a non-discriminate basis for all Airport Operations Area users). Coverage provided shall be on an "any auto" basis and written on an "occurrence" basis. This insurance will be written on a Commercial Business Auto form, or acceptable equivalent, and will protect against claims arising out of the operation of motor vehicles.
 - (4) Property Insurance upon the work at the site in the amount of the full replacement cost thereof.

- b. The policies listed above may not be canceled until after thirty (30) days written notice of cancellation to City, ten (10) days in the event of non-payment of premium. The Commercial General and Automobile Liability Insurance specified above shall provide that City and its agencies, officials, officers, and employees, while acting within the scope of their authority, will be named as additional insureds for the services performed under this Agreement. Contractor shall provide prior to issuance of the Notice to Proceed a certificate of insurance showing all required endorsements and additional insureds. The certificate shall be on the City's standard form.
- c. All insurance coverage must be written by companies that have an A.M. Best's rating of "A-V" or better, and are licensed or approved by the State of Missouri to do business in Missouri.
- d. Regardless of any approval by City, it is the responsibility of Tenant to assure that its contractor maintains the required insurance coverage in force at all times; its failure to do so will not relieve it of any contractual obligation or responsibility. In the event of Tenant's contractor's failure to maintain the required insurance in effect, City may order Tenant to immediately stop work and, upon ten (10) days' notice and an opportunity to cure, may pursue its remedies for breach of the Lease Agreement as provided for therein and by law.
3. If applicable, the Tenant will display and cause its contractors to display the field card issued by Aviation Department – Planning and Engineering, in a prominent manner on the public side of the construction barriers.
4. The Tenant will obtain or cause its contractor to obtain all necessary permits required by the City Planning & Development Department.
5. The Tenant will notify Aviation Department – Planning and Engineering prior to any building inspections by the City Planning & Development Department.
6. The Tenant will notify Aviation Department – Planning & Engineering prior to scheduling a final inspection upon complete of construction. The inspection will include the Tenant's contractor.
7. The Tenant shall provide one set of hard copy as-built drawings and one set copy electronic as-built drawings on compact disk (CD) to the Aviation Department upon completion of this project.
- a. The hard copy version of the As-Builts shall include:
 - i. The prime contractors hand marked ('Red-lined) changes to the bid set plans in association with their trade
 - ii. The subcontractors hand marked ('Red-lined) changes to the original bid set plans in association with their trade
 - b. The electronic version of the As-Builts shall include:
 - i. The electronic conversion of the prime contractors hand marked ('Red-lined) changes to the bid set plans made by the lead design professional of the project
 - ii. The electronic conversion of the sub contractors hand marked ('Red-lined) changes to the bid set plans made by the associated sub-consultants of the project
 - c. Included in the Tenant Modification is the official KCAD accepted electronic version of Micro Station or Auto Cad.

- d. Tenant shall send the As-Builts to the KCAD project manager before final acceptance of the project is granted.
- 8. **Certification of Occupancy.** The Tenant shall provide the Aviation Department with a copy of the Certification of Occupancy issued by the entity representing the Kansas City Building Inspection division
- 9. **Excavation Permit.** Tenant will assure that its contractor, before any excavation, shall secure from the Aviation Department, Planning & Engineering Division a signed excavation permit showing the approximate location of known existing utilities in the area. The Aviation Department does not guarantee that all utilities are shown and, therefore, the contractor shall assume all risks in protecting and locating the utilities.
- 10. **Use of Premises.** Interruption of the operations of the Airport shall be kept to an absolute minimum. The contractor shall plan and perform all work under this agreement so as not to interfere with normal airport operations.
 - a. The contractor, at its own cost, shall make all arrangements for all electrical power required prior to the acceptance of the work.
 - b. The contractor shall confine its apparatus, its workmen, and its route of access to the work area to the limits shown on the drawings and the Premises or, if work is performed outside of the Premises, to the directions of the Director of Aviation. The contractor must provide its own storage for equipment and materials to be used on the job site in the area. Only Tenant's and contractor's work vehicles will be permitted on the work area. If work is performed outside of the Premises, the Contractor's employees' vehicles shall be parked only in the area designated by the Director of Aviation.
 - c. The contractor shall not allow the area of the work to become littered with trash, waste materials or debris, but shall maintain it in a neat and orderly condition.
 - d. The contractor shall protect all areas of work performed under this Agreement from damage, including damage caused by weather conditions, and contractor shall replace or repair any damaged portions to the satisfaction of the Lessee.
 - e. The contractor shall be responsible for the preservation of public and private property in and adjacent to the work area. Contractor shall be responsible, during the prosecution of the work, for all damage or injury to property of any character, or to persons, resulting from any act, omission, neglect or misconduct in its manner or method of executing the work. Contractor shall restore such property at its own expense to a condition equal to that existing before such damage or injury by repairing, rebuilding or otherwise restoring such property, as it may be directed, or shall make restitution for such damage or injury in an acceptable manner. In case of a failure on the part of the contractor to restore such property or to make good such damage or injuries, the Director of Aviation, upon 48 hours written notice to the Tenant, may repair, rebuild or otherwise restore such property as the Director may deem necessary, and the cost thereof will be the responsibility of the Tenant under this Contract.
 - f. The City shall have the authority to use such areas of the completed or partially completed work for such periods of time as required to maintain airport operations during emergencies. Tenant and contractor shall cooperate by providing access and shall maintain such area during its use by the City.

11. Health and Safety Requirement

- a. Contractor shall furnish, erect, and maintain all safety devices required for the protection of persons, property, and operations on the Airport. The Contractor shall take all necessary precautions to prevent accidents or injury to persons on, about or adjacent to the premises where the work is being performed and shall comply with all applicable provisions of federal, state and municipal safety laws and building codes.

RESPONSIBILITIES OF CITY

1. Aviation Planning and Engineering will provide, as appropriate, Lessee a copy of KCAD design standards.
2. Assist Lessee by placing at its disposal available information relative to the project.
3. Examine all studies, reports, sketches, estimates, specifications, drawings, and other documents presented by Lessee and shall render in writing decisions pertaining thereto within a reasonable time so as not to delay the work of Lessee.
4. Designate a person to act as the City's representative with respect to the work to be performed under this project.
5. Assist Lessee in obtaining approval of governmental authorities having jurisdiction over the project and such approvals and consents from such other individuals or bodies as may be necessary for completion of the project.

EXHIBIT "D"

Part II

AVIATION DEPARTMENT STANDARD LEASE CONDITIONS

I. Definitions.

A. "*Airport*" means Kansas City International Airport and Charles B. Wheeler Downtown Airport, in accordance with the context of this Lease.

B. "*City*" means City of Kansas City, Missouri.

C. "*Code*" means Kansas City, Missouri Code of Ordinances.

D. "*Contract*" includes any and all City of Kansas City, Missouri, Aviation Department contracts, agreements, leases, licenses, permits, concessions or other documents, however denominated that grant or convey a right or privilege on an Airport, and to which this Exhibit is annexed and made a part thereof.

E. "*Contractor*" means every lessee, licensee, permittee, concessionaire or other person, firm or corporation exercising a right or privilege on an airport pursuant to a contract, and includes Contractor's heirs, personal representatives, successors-in-interest and assigns.

F. "*Director*" means Kansas City, Missouri Director of Aviation.

G. "*Lease*" includes any and all City of Kansas City, Missouri, Aviation Department contracts, agreements, leases, licenses, permits, or other documents, however denominated that grant or convey a right or privilege on an Airport, and to which this Lease annexed and made a part thereof.

H. "*Lessee*" means every lessee, licensee, permittee, concessionaire or other person, firm or corporation exercising a right or privilege on an airport pursuant to a contract, and includes Lessee's heirs, personal representatives, successors-in-interest and assigns.

I. "*Premises*" means the leasehold or site occupied by Lessee pursuant to the lease, license or permit that is the subject of this Lease.

II. Premises Use and Ownership.

A. Use. The Premises will be used by Lessee only for the purposes set forth in the Lease.

B. Title. Unless otherwise provided in the Lease, title to the Premises and any improvements, whether existing or installed by Lessee as part of the Lease, shall remain and are at all times in the City.

C. Lessee's Access to Premises. Lessee is granted the right, for itself, its agents, employees, patrons, suppliers and other persons doing business with Lessee, of ingress and egress to and from the Premises over Airport roadways, including the use of common use roadways, and other common areas as reasonable necessary to use the Premises, subject only to law and to such reasonable rules and regulations governing the use of the Airport as the Director may establish, including the establishment of a fee or charge for the privilege of entry upon the Airport. "Common areas" shall mean those areas which are furnished in and about the Premises for the common and non-exclusive use of Lessee and City and their officers, agents, employees, customers, invitees and licensees.

D. Signs. No signs or advertising displays exposed to public view will be painted on or erected in any manner on the Premises without the prior written approval of the Director and in accordance with the City's standards with respect to wording, type, size, design, color and location. Upon termination, cancellation or expiration of the Lease, Lessee at its costs will remove, obliterate or paint out, any and all of its signs, advertising and displays as the Director may direct and restore the Premises to its original condition.

E. Permits/Licenses. Lessee will obtain, maintain and pay for all licenses and permits necessary or required by law for the conduct of its business and operations.

F. City's Right of Entry. City shall have the right to enter upon the Premises at all reasonable times to inspect the Premises; to observe the performance by Lessee of its obligations under the or for doing any act or thing which City may be obligated or have the right to do under the Lease; to perform maintenance and make repairs in any case where Lessee is obligated, however, but has failed to do so, after City has given Lessee reasonable notice so to do (in which event, Lessee shall reimburse City for the reasonable cost thereof promptly upon demand); or otherwise. No abatement of fees and charges shall be claimed by or allowed to Lessee by reason of the exercise of such right. City shall not be obligated to inform Lessee that an inspection or observation is planned or in progress.

G. City's Exclusive Rights in Premises. City reserves exclusive rights to the following; provided, however that the City's use or exercise of those rights will not unreasonable interfere with Lessee's use of the Premises:

1. All gas, oil and minerals in and under the soil on the Premises;
2. All cemeteries, archeological findings and other historical sites on the Premises. City shall make all decisions as to the preservation, use or relocation of those findings or sites.
3. To grant, without compensation to Lessee, utility rights-of-way to itself and others, over, under, through, across or on the Premises.

III. Repair & Maintenance of Premises.

A. Provisions Applicable to All Leases.

1. Lessee will keep the Premises and all improvements thereon in good repair and in a clean and orderly condition and appearance, all papers and debris picked up, and the areas immediately adjacent to the exits and entrances clean and orderly and free of obstructions. Lessee will not do or suffer any material waste or damage, disfigurement or injury to the Premises or any part thereof.

2. City reserves the right but shall not be obligated to Lessee to maintain and keep in repair all of the common areas of the Airport.

IV. Assignment, Sublease & Encumbrances.

A. No Right to Assign, Sublease, and Encumber. Lessee has no right to assign, sublet, mortgage, encumber or otherwise affect this Lease or any interest therein, without the prior written consent of City in its sole and absolute discretion.

B. City Consent. City shall not be obligated to consent to a sublease or assignment. In the event of any proposed sublease or assignment, Lessee, not less than 30 days prior to the proposed effective date of such action, shall give notice to the City which includes the name, address and

telephone number of the proposed assignee or sublessee and a fully executed original set of any and all documents being used to effect the proposed actions in a form acceptable to the City. All documents will clearly set forth that the sublease or assignment and assumption actions are subject to and conditioned upon the City's consenting thereto in writing. Any assignee or sublessee must have assumed all obligations of Lessee under this Lease and shall have specifically agreed to perform and observe the covenants and conditions contained in this Lease on Lessee's part to be performed and observed.

C. Transfer by Operation of Law. Any assignment or transfer of the lease by operation of law or any issuance, sale or transfer of a sufficient number of shares of stock in Lessee to result in a change in control of Lessee shall be deemed an assignment of this Lease for purposes of this section; provided, however, that nothing in this section shall be deemed to require such consent solely as a result of issuance, transfer or sale of shares among the existing stockholders of Lessee; transfer of shares by devise or descent upon the death of any existing stockholder; merger of Lessee into any parent or subsidiary corporation of Lessee or sale of all of Lessee's stock to any such parent or subsidiary corporation.

V. Defaults & Remedies.

A. Lessee Defaults. Each of the following will constitute a default by Lessee hereunder:

1. Lessee's failure to pay when due any rent, charges or any other payments of money required to be paid by Lessee hereunder;

2. Lessee's failing to perform or violation of any provision, covenant or condition of this Lease (other than payment of money) within 30 days after written notice or, if the cure or performance thereof reasonably requires more than 30 days to complete, Lessee's failing to begin cure or performance thereof within such thirty-day period and proceed diligently to cure or completion thereafter;

3. Use of the Premises for anything other than the use specified in the Lease;

4. Lessee vacates, abandons or deserts the Premises or fails to occupy the Premises for more than 30 consecutive days;

5. The attempted assignment or assumption of this Lease by anyone without the prior written consent of City;

6. The suspension or revocation of any act, power, license, permit or authority that prevents Lessee from fully complying with all of the rights and obligations hereunder for any period;

7. The filing by the Lessee or its assignee or sublessee of a voluntary petition in bankruptcy or any assignment for benefit of creditors of all or any part of Lessee's assets; or the adjudication of the Lessee or its assignee or sublessee as a bankrupt pursuant to any involuntary bankruptcy proceedings; or the taking, by a court of competent jurisdiction of Lessee's or its assignee's or sublessee's, assets pursuant to proceedings brought under the provisions of any federal reorganization act; or the appointment of a receiver or trustee of the Lessee's or its assignee's or sublessee's assets by a court of competent jurisdiction or a voluntary agreement with Lessee's creditors;

8. The levy of any attachment or execution of any process of a court of competent jurisdiction which does or, as a direct consequence of such process, will interfere with its operations under the Lease, and which is not enjoined, vacated, dismissed or set aside within a period of 30 days.

B. City Defaults. Each of the following will constitute a default by City hereunder:

1. Except as provided in Section V.B.2 hereof, City's failing to perform or violation of any provision, covenant or condition of this Lease within 30 days after written notice or, if the cure or performance thereof reasonably requires more than 30 days to complete, City's failing to begin cure or performance thereof within such thirty-day period and proceed diligently to cure or completion thereafter;

2. The lawful assumption by the United States government, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part thereof, in such manner as to materially restrict Lessee from operating thereon for a period of at least 30 days.

C. City's Remedies. Upon default by Lessee of this Lease, City may do any one or more of the following:

1. Terminate the Lease upon three days written notice to Lessee;

2. Re-enter the Premises and every part thereof on the effective date of termination of the Lease without further notice of any kind, remove any and all persons therefrom and regain and resume possession either with or without the institution of summary or legal proceedings. Such re-entry, however, shall not in any manner affect, alter or diminish any of the obligations of Lessee under the Lease;

3. Upon termination of the Lease or upon re-entry, regaining or resumption of possession of the Premises, occupy the Premises and have the right in the name of the City to relet and permit any person, firm or corporation to enter the Premises and use the same for such term and on such conditions as City may determine; and

4. Perform, on behalf and at the expense of Lessee, any obligation of Lessee under this Lease which Lessee has failed to perform and of which City have given Lessee notice, the cost of which performance by City, together with interest thereon from the date of such expenditure, shall be deemed Additional Rent and shall be payable by Lessee to City upon demand. Notwithstanding the provisions of this clause and regardless of whether a default shall have occurred, city may exercise the remedy described in this clause without any notice to Lessee if City, in its good faith judgment, believes it would be materially injured by failure to take rapid action or if the unperformed obligation of Lessee constitutes an emergency; and

5. Any other remedy that City may have under law or equity.

D. Lessee Remedies. Upon default by City of this Lease, Lessee may cancel the Lease in its entirety after 30 days prior written notice to the City.

VI. Termination of Lease.

A. No Notice to Quit Possession. No notice to quit possession at the expiration date of the term of this Lease shall be necessary. Lessee agrees that at the expiration date of the term of this Lease, or at the earlier termination thereof, it shall peaceably surrender possession of the Premises in good condition, reasonable wear and tear and acts of God excepted. City shall have the right to re-enter and take possession of the Premises at that time with or without process of law.

B. Holding Over. (Intentionally Deleted)

C. Waiver. No acceptance by City of the rent and charges or other payments specified herein, in whole or in part, and for any period or periods, after a default of any of the terms, covenants and conditions to be performed, kept or observed by Lessee, other than the default in the payment thereof, shall be deemed a waiver of any right on the part of City to cancel or terminate this Lease on account of such default. No waiver by City at any time of any default by Lessee shall be or be construed to be a waiver at any time thereafter by City of any other or subsequent default in performance of any terms, conditions, covenants and no notice by City shall be required to restore or revive time as of the essence hereof after waiver by City of default in one or more instances.

D. Waiver of Redemption and Damages. Lessee hereby waives any and all rights or redemption granted by or under any present or future law or statute arising in the event it evicted or dispossessed for any cause or in the event City obtains or retains possession of the Premises in any lawful manner. Lessee further agrees that in the event the manner or method employed by City in reentering or regaining possession of the Premises gives rise to a cause of action in Lessee for damages or in forcible entry and detainer under the laws of the State of Missouri, then the total amount of damages to which Lessee shall be entitled to in any such action shall be the sum of One Dollar (\$1.00) and Lessee agrees that the provisions of this section may be filed in any such action as its stipulation fixing the amount of damages to which it would be entitled therein.

E. Termination from Taking. If during the term of this Lease there shall be a taking of the whole or substantially all of the Premises, this Lease shall terminate and expire on the date of such taking and the rent payable hereunder shall be equitable apportioned and paid to the date of such taking. "Substantially all of the Premises" shall be deemed to have been taken if the untaken part of the premises shall be insufficient for the economic and feasible continued operation of the Lessee's business in connection therewith.

F. Personal Property not Removed. Any personal property of Lessee which shall remain in or on the Premises after the termination of this Lease may, at the option of City, be deemed to have been abandoned by Lessee and either may be retained by City as its property or be disposed of, without accountability, in such manner as City may see fit, or if City shall give written notice to Lessee to such effect, such property shall be immediately removed by Lessee at Lessee's sole cost and expense.

VII. Quiet Enjoyment.

Upon payment by Lessee of the rents herein provided, and upon the observance and performance of all the covenants, terms and conditions on Lessee's part to be observed and performed, Lessee shall peaceably and quietly hold and enjoy the Premises for the term demised without hindrance or interruption by City or any other person or persons lawfully or equitable claiming, by, through or under the City, subject, nevertheless, to the terms and conditions of the lease.

VIII. Environmental Requirements.

A. Lessee hereby covenants and agrees to comply in all material respects with all-applicable Environmental Laws and Regulations in connection with its use and occupancy of the Premises, or its operations of the facilities. For purposes of this Lease, "Environmental Laws" shall mean and include all federal, state and local statutes, ordinances, regulations and rules relating to environmental quality, health, safety, contamination and clean-up, 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 ("FIFRA"), 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 ("RCRA"), 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. §9601 *et seq.*; the Toxic Substance Control Act ("TSCA"), 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, 42 U.S.C. §1010 *et seq.*; all Missouri State environmental protection, superlien and environmental clean-up statutes, with implementing regulations and guidelines and all local laws, regulations and ordinances insofar as they are equivalent or similar to the federal laws recited above or purport to regulate Hazardous Materials.

B. Review of Environmental Documents. Lessee, at request of City, shall make available for inspection and copying upon reasonable notice and at reasonable times, any or all of the documents and materials Lessee has prepared pursuant to any environmental law or submitted to any governmental regulatory agency; provided, that such documents and materials relate to environmental issues or environmental laws and are pertinent to the Airport or the Premises. If any environmental law requires Lessee to file any notice or report of a release or threatened release of Hazardous Materials on under or about the Premises or the Airport, Lessee shall provide a copy of such report or notice to City and, to the extent practicable, shall receive the approval of City prior to submitting such notice or report to the appropriate governmental agency.

C. Access for Environmental Inspection. City shall have access to the Premises to inspect the same in order to confirm Lessee is using the Premises in accordance with all of environmental laws. Any tests shall be conducted by qualified independent experts chosen by Lessee and subject to City's approval. Lessee shall provide copies of reports from any testing to City upon receipt.

D. Environmental Noncompliance. If Lessee fails to comply with any applicable environmental laws, City, in addition to its rights and remedies provided elsewhere within this Agreement, may enter the Premises and take all reasonable and necessary measures, at Lessee's expense, to insure compliance with environmental laws.

E. Written Authorization Necessary to Store, Use or Dispose of Hazardous Materials. Lessee shall not store, use or dispose of any Hazardous Materials on the Premises unless Lessee first secures the written authorization of City and complies with any conditions City may impose, including the submission to City of all Material Safety Data Sheets for the materials to be stored.

F. Duty to Notify City. In the event of a release or threatened release of Hazardous Materials or other contaminants into the environment relating to or arising out of Lessee's use or occupancy of the Premises or in the event any claim, demand, action or notice is made against Lessee regarding Lessee's failure or alleged failure to comply with any environmental laws, Lessee shall notify City, in writing, and shall provide City with copies of any written claims, demands, notices, or actions so made.

G. Environmental Remediation. Lessee shall undertake such steps to remedy and remove any Hazardous Materials and any other environmental contamination that arises out of Lessee's use of the Premises that are necessary to protect the public health and safety and the environment from actual or potential harm and to bring the Contaminated Premises into compliance with all environmental laws. Such work shall be performed at Lessee's sole expense, after Lessee submits to City a written plan for completing such work and receives the prior written approval of City. City shall have the right to review and inspect all such work at any time using consultants and representatives of its choice. Lessee shall pay the cost of such review and inspection. Specific cleanup levels for any environmental remediation work shall be designed to meet all of the applicable environmental laws.

H. National Emission Standards for Hazardous Air Pollutants. Lessee warrants that all planning, design, fabrication, installation, construction, start-up, testing, maintenance and repair work performed pursuant to this Agreement shall be performed in accordance with any applicable National Emission Standards for Hazardous Air Pollutants ("NESHAP"), 40 C.F.R. 61.145.

I. Duty to Correct Hazardous or Potentially Hazardous Conditions. If City reasonably determines that a condition of the Premises or other City property caused as a result of Lessee's use of the Premises is hazardous or potentially hazardous to persons or property, it may direct Lessee, in writing, to correct the condition, and Lessee, at its expense, shall immediately comply with such directive.

J. Environmental Indemnification. In addition to any indemnification set forth herein, Lessee hereby indemnifies and agrees to defend and hold harmless City, its agents, partners, officers, representatives and employees, from all costs, claims, demands, actions, liabilities, complaints, fines, citations, violations or notices of violation ("Claims") arising from or attributable to (i) the presence due to Lessee's handling, generation, manufacturing, processing, treating, storing, using, reusing, refining, recycling, reclaiming, blending or burning for energy recovery, incinerating, accumulating speculatively, transporting, transferring, disposing or abandoning of Hazardous Materials ("Management") at the Airport or the subsurface thereof or the violation of any environmental laws due to Lessee's Management, including, without limiting the generality thereof, any cost, claim, liability or defense expended in remediation required by a governmental authority, or by reason or any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of Hazardous Materials into the environment (as environment is defined in CERCLA), due to Lessee's Management at the Airport or violation of any environmental laws), or (ii) any breach by Lessee of any of its warranties, representations or covenants in this Section. Lessee's obligations hereunder shall survive the termination or expiration of this Agreement, and shall not be affected in any way by the amount of or the absence in any case of covering insurance or by the failure or refusal of any insurance carrier to perform any obligation on its part under insurance policies affecting the Airport or any part thereof.

K. Definitions. For purposes of this Section, the term "Hazardous Materials" shall mean and include the following, including mixtures thereof; any hazardous substance, pollutant, contaminant, waste, by-produce or constituent as defined in any environmental law; oil and petroleum products and natural gas, natural gas liquids, liquefied natural gas and synthetic gas usable for fuel; pesticides regulated under the FIFRA; asbestos and asbestos-containing materials, PCBs and other substances regulated under the TSCA; source material, special nuclear material, by-produce material and any other radioactive materials or radioactive wastes however produced, regulated under the Atomic Energy Act or the Nuclear Waste Policy Act; chemicals subject to the OSHA Hazard Communication Standard, 29 C.F.R. §1910.1200 *et seq.*; any "Hazardous Waste" as defined by the Missouri Hazardous Waste Management Law, Mo.Rev.Stat. §§260.350 to 260.480; and industrial process and pollution control wastes, whether or not hazardous within the meaning of RCRA.

IX. Insurance and Indemnification.

A. Indemnification. Lessee shall defend, indemnify, and hold harmless City and any of its agencies, officials, officers, or employees from and against all claims, damages, liability, losses, costs, and expenses, including reasonable attorneys' fees, arising out of or resulting from any acts or omissions in connection with this Lease, caused in whole or in part by Lessee, its employees, agents, or subcontractors, or caused by others for whom Lessee is liable, regardless of whether or not caused in part by any act or omission of City, its agencies, officials, officers, or employees. Lessee's obligations under this section with respect to indemnification for acts or omissions of City, its agencies,

officials, officers or employees shall be limited to the coverage and limits of insurance that Lessee is required to procure and maintain under this Lease.

B. Insurance. Lessee shall procure and maintain in effect throughout the duration of this Lease insurance coverage not less than the types and amounts specified in this section. In the event that additional insurance, not specified herein, is required during the term of this Lease, Lessee shall supply such insurance at City's cost. Policies containing a Self-Insured Retentions must be declared to and approved by the City.

1. Commercial General Liability Insurance with limits of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate, written on an "occurrence" basis. The policy shall be written or endorsed to include the following provisions:

- (a) Severability of Interests Coverage applying to Additional Insureds
- (b) Contractual Liability
- (c) Per Project Aggregate Liability Limit or, where not available, the aggregate limit shall be \$2,000,000.00
- (d) No Contractual Liability Limitation Endorsement
- (e) Additional Insured Endorsement, ISO form CG20 10, current edition or its equivalent

2. Workers' Compensation Insurance as required by statute, including Employers Liability with limits of:

Workers' Compensation – Statutory

Employers Liability - \$1,000,000 accident with limits of; \$1,000,000 disease-policy limit; \$1,000,000 disease-each employee.

3. Commercial Automobile Liability Insurance with a limit of \$1,000,000.00 per occurrence, covering owned, hired and non-owned automobiles. Coverage provided shall be on an "any auto" basis and written on an "occurrence" basis. This insurance will be written on a Commercial Business Auto form, or acceptable equivalent, and will protect against claims arising out of the operation of motor vehicles, as to acts done in connection with the Lease.

4. Full Replacement Cost Insurance on all of the improvements on the Premises (now or hereafter existing) or used in connection therewith against any loss or damage by fire, flood, earthquake and other or any casualties or peril, and all other perils as are included within what is commonly known as "all risk coverage" for any improvements on the Premises with full replacement cost insurance, in amounts sufficient to prevent City from being or becoming a co-insurer within the terms of the policy or policies in question and in no event less than the full replacement cost value thereof, exclusive of the cost of foundations, excavations, and footings below the lowest basement floor, and without any deduction being made for depreciation. The replacement cost value shall be determined from time to time, but not more frequently than once in any 12 consecutive calendar months at the request of City, by an appraiser, architect and/or contractor. All property insurance proceeds shall promptly be deposited with the City.

C. Lessee shall furnish certificates including required endorsements and additional insureds as described below to the Lessor for insurance as specified herein. **Delivery of such certificates to Lessor shall be a condition precedent to Lessee's right to go upon the Premises.** All such insurance policies shall provide that the City and its agencies, officials, officers and employees, while acting within the scope of their authority, will be named as additional insureds for the services performed under this Lease. They shall require ten (10) days prior written notice to both parties hereto of any reduction in

coverage or cancellation due to nonpayment. No policy may be cancelled for any other reason without thirty (30) days prior written notice to City.

D. All insurance coverage must be written by companies that have an A.M. Best's rating of "AV" or better, and are licensed or approved by the State of Missouri to do business in Missouri.

E. Regardless of any approval by the City, it is the responsibility of Lessee to maintain the required insurance coverage in force at all times; its failure to do so will not relieve it of any contractual obligation or responsibility. In the event of Lessee's failure to maintain the required insurance in effect, City may obtain such insurance and any premiums paid by the City shall be payable by Lessee to the City with the next installment of rent due under the Lease with interest thereon of one and one-half percent (1.5%) per month or may pursue its remedies for breach of this Lease as provided for herein and by law. Lessee understands and agrees that insurance coverages may be reasonably increased or added to in order to protect the City and its property.

F. Lessee shall provide for the prompt and efficient handling of all claims for bodily injury, property damage or theft arising out of the activities of Lessee under this Lease.

X. Liens and Removal of Fixtures.

A. Mechanic's/Materialman's Liens. Lessee will not permit any mechanic's or materialman's or any other lien to be placed upon the Premises or the leasehold, or the equipment or facilities thereon, by reason of any work or labor performed or materials furnished by any mechanic or materialman.

B. Removal of Fixtures. If Lessee is allowed to remove any fixtures or improvements when this Lease terminates, it will do so at its expense and will restore the Premises to its original condition prior to installation of the fixtures or improvements.

XI. City Requirements.

A. Gratuities and Kickbacks. The provisions of City's Code Section 2-2033, prohibiting gratuities to City employees, and kickbacks by subcontractors shall apply to this Lease.

1. Gratuities. Lessee certifies that it has not and will not offer or give any city employee or officer a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation or preparation of any part of a contract requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any contract or subcontract, or to any solicitation or proposal therefor.

2. Kickbacks. Lessee certifies that no payment, gratuity, offer of employment or benefit has been or will be made by or on behalf of or solicited from a subcontractor under a contract to Lessee or higher tier subcontractor or any person associated therewith as an inducement for the award of a subcontract or order.

B. Conflicts of Interest. Lessee certifies that no officer or employee of City has, or will have, a direct or indirect financial or personal interest in this Lease, and that no officer or employee of City, or member of such officer's or employee's immediate family, either has negotiated, or has or will have an arrangement, concerning employment to perform services on behalf of Lessee in this Lease.

C. Prohibition Against Contingent Fees. Lessee certifies that no person or selling agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding for a

commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Lessee for the purpose of securing business. For breach or violation of this warranty, City shall have the right to annul this Lease without liability or, at its discretion, to deduct from the Lease price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

D. Earnings Tax/Occupational License Clearance. As a condition precedent to approval of this Lease, Lessee shall furnish the City sufficient proof from City's Commissioner of Revenue, dated not more than 60 days before the date furnished to the City, that it is not delinquent for any City earnings or occupational license taxes, including withholdings from its respective employees.

E. Records/Audit. The City Auditor, City's Director of Human Relations and the Aviation Department shall have the right to audit this Lease and all Lessee's books, documents and records relating thereto and such books, documents and records will be made available on ten days written notice. Lessee agrees to maintain its books, records and documents relating to this Lease during the Lease term and for three years thereafter.

XII. Miscellaneous Provisions.

A. Headings; Construction of Lease. The headings of each section of this Lease are for reference only. Unless the context of this Lease clearly requires otherwise, all terms and words used herein, regardless of the number and gender in which used, shall be construed to include any other number, singular or plural, or any other gender, masculine, feminine or neuter, the same as if such words had been fully and properly written in that number or gender.

B. Merger. This Lease, including any referenced Attachments or Exhibits, constitutes the entire agreement between City and Lessee with respect to this subject matter, and supersedes all prior agreements between City and Lessee with respect to this subject matter, and any such prior agreement shall be void and of no further force or effect as of the date of this Lease.

C. Governing Law. This Lease shall be construed and governed in accordance with the laws of the State of Missouri without giving effect to Missouri's choice of law provisions. The Landlord and Tenant: (1) submit to the jurisdiction of the state and federal courts located in Jackson County, Missouri; (2) waive any and all objections to jurisdiction and venue; and (3) will not raise forum non conveniens as an objection to the location of any litigation.

D. Americans with Disabilities Act. Lessee agrees to comply, during the course of this Agreement, with all provisions of the Americans with Disabilities Act, 42 U.S.C. §12101 et seq, and as implemented by 28 CFR Parts 35 and 36, 29 CFR Part 1630, and 49 CFR parts 37 and 38, as applicable and as amended from time to time.

E. Rights & Remedies Cumulative. All rights and remedies granted to City herein and any other rights and remedies which City may have at law and in equity are hereby declared to be cumulative and not exclusive, and the fact that the City may have exercised any remedy without terminating this Lease shall not impair City's rights thereafter to terminate or to exercise any other remedy herein granted or to which City may be otherwise entitled.

F. Modification.

1. Unless stated otherwise in this Lease, no provision of this Lease may be waived, modified or amended except by written amendment signed by City and Lessee.

2. No act, conversation or communication with any officer, agent or employee of City, either before or after the execution of this Lease, shall affect or modify any term or terminology of this Lease and any such act, conversation or communication shall not be binding upon City or Lessee.

G. Severability of Provisions. Except as specifically provided herein, all of the provisions of this Lease shall be severable. In the event that any provision of this Lease is found by a court of competent jurisdiction to be unconstitutional or unlawful, the remaining provisions of this Lease shall be valid unless the court finds the valid provisions of this Contract are so essentially and inseparably connected with and so dependent upon the invalid provision(s) that it cannot be presumed that the parties to this Lease could have included the valid provisions without the invalid provision(s); or unless the court finds that the valid provisions, standing alone, are incapable of being performed in accordance with the intentions of the parties.

H. Binding Effect. This Lease shall be binding upon City and Lessee and their successors in interest.

I. Representations and Warranties. City and Lessee each certify that it has the power and authority to execute and deliver this and to perform this Lease in accordance with its terms.

J. Compliance With Laws. Lessee shall comply with all federal, state and local laws, ordinances and regulations applicable to this Lease. Lessee, at its own expense, shall secure all occupational and professional licenses and permits from public or private sources necessary for the fulfillment of its obligations under this Lease.

K. Force Majeure. Neither party shall be liable to the other for any failure, delay or interruption in the performance of any of the terms, covenants or conditions of this Agreement due to causes beyond the control of that party including, without limitation, strikes, boycotts, labor disputes, embargoes, shortages of material, acts of God, acts of the public enemy, action of superior governmental authority, weather conditions, floods, riots, rebellion, sabotage or any other circumstance for which such party is not responsible or which is not in its power to control.

L. Interpretation. The language of this Lease shall be construed according to its fair meaning, and not strictly for or against either City or Lessee.

M. No Personal Liability. No councilman, director, officer, employee or other agent of either party shall be personally liable under or in connection with this Lease.

N. Time of the Essence. Time is of the essence of this Lease.

O. Affirmative Action. Lessee shall establish and maintain for the term of this Lease an Affirmative Action Program in accordance with the CREO Assurances, the provisions of Chapter 38 of the Code, the rules and regulations relating thereto and any additions or amendments. Lessee shall not discriminate against any employee or applicant for employment because of race, color, creed or religion, ancestry or national origin, sex, handicap or disability, age, familial status, marital status or sexual orientation, in a manner prohibited by Chapter 38 of the Code. If Lessee fails, refuses or neglects to comply with Chapter 38 of the Code, then the failure shall be deemed a total breach of this lease and this Lease may be terminated, canceled or suspended, in whole or in part, and Lessee may be declared ineligible for any further contracts funded by the City for a period of one year. This is a material term of this Lease.

EXHIBIT "E"

Part III

AIRPORT REQUIRED TERMS AND CONDITIONS

SECTION 1. TERMS AND CONDITIONS ESTABLISHED IN THIS SECTION SHALL APPLY REGARDLESS OF MORE PERMISSIVE LANGUAGE IN ANY OTHER SECTION OF THIS CONTRACT.

Changes in contract performance or source of funding may result in the application of additional provisions. The term Lessee for purposes of Part III shall include parties granted property based rights under Part I and II of this agreement. Lessee for purposes of Part III shall include Licensees and Permittees, however, the same shall not be afforded Lease rights and privileges unless granted such in Part I and II. Lessee performing construction or other work requiring AIP compliance shall be referred to as "Contractor" herein. Concession agreement specific ACDBE requirements are contained in the Concession agreement.

SECTION 2. COMPLIANCE WITH APPLICABLE LAW. By executing this Contract, the Lessee affirms that the Lessee and its team members and employees shall comply with all federal, state and local laws, ordinances and regulations applicable to the Contract. This obligation includes compliance with City's nondiscrimination laws, including to the extent applicable including those set out in this agreement and attached to this Contract. Lessee shall secure all occupational and professional licenses and permits from public and private sources necessary for the fulfillment of its obligations under this Contract.

SECTION 3. DUTIES AND OBLIGATIONS NOT LIMITED. The duties and obligations imposed by this Contract and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

SECTION 4. SCOPE OF WORK LIMITED. This Contract is strictly limited to the scope of work outlined herein. The scope of work cannot be altered except by written amendment or change order incorporating additional provisions. Altering the scope of work to include services funded through Airport Improvement Funds may require additional contractual provisions and obligations and void this contract and any obligations of the City to pay for services provided under the terms of this agreement.

SECTION 5. ACCESS TO RECORDS. The Lessee must maintain an acceptable cost accounting system. The Lessee agrees to provide the Owner, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of the Lessee which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Lessee agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

SECTION 6. GENERAL CIVIL RIGHTS PROVISIONS. In all its activities within the scope of its airport program, the Lessee agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964. If the Lessee transfers its obligation to another, the

transferee is obligated in the same manner as the Lessee.

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

SECTION 7. CIVIL RIGHTS – TITLE VI ASSURANCE

A. TITLE VI Solicitation Notice

The City of Kansas City, Missouri, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, businesses will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award.

B. Title VI List of Pertinent Nondiscrimination Acts and Authorities

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

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC§ 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, *et seq*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38.
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take

reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. 74087 (2005);

- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).

C. Compliance with Nondiscrimination requirements.

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

1. **Compliance with Regulations:** In all its activities within the scope of its airport program, the Lessee will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Lessee, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Lessee will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Lessee for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Lessee of the Lessee's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Lessee will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City of Kansas City or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a Lessee is in the exclusive possession of another who fails or refuses to furnish the information, the Lessee will so certify to the City of Kansas City or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a Lessee's noncompliance with the non-discrimination provisions of this contract, the City of Kansas City will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the Lessee under the contract until the Lessee complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Lessee will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Lessee will take action with respect to any subcontract or procurement as the City of Kansas City or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Lessee becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Lessee may request the City of Kansas City to enter into any litigation to protect the interests of the City of Kansas City. In addition, the Lessee may request the United States to enter into the litigation

to protect the interests of the United States.

7. **Limited English Proficiency.** For persons with Limited English Proficiency (LEP), please contact KCAD Airport Communications Center (ACC) at 816-243-4000 for help to obtain interpreters of many different languages.

SECTION 8. RIGHT TO AMEND. In the event that the Federal Aviation Administration or its successors requires modifications or changes in this Agreement as a condition precedent to the granting of funds for the improvement of the Airport, or otherwise, the Lessee agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Agreement as may be reasonably required.

SECTION 9. ADDITIONAL FEDERAL REQUIREMENTS. This Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between the City of Kansas City and the United States relative to the development, operation or maintenance of the airport, including grant agreements.

This Agreement and all the provisions hereof shall be subject to whatever right the United States government now has or in the future may have or acquire, affecting the control, operation, regulation and taking over of any City airport, all or a portion of the airport system, or the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency.

Lessee agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the premises.

The Lessee, its officers, administrators, representatives, successors and assigns will not erect on or permit the erection of any structure or object, nor permit the growth of any tree or vegetation on the premises above ground level elevation of eighty (80) feet. In the event the aforesaid covenants are breached, the City reserves the right to enter upon the premises and to remove the offending structure or object and cut the offending tree or vegetation, all of which shall be at the expense of Lessee.

Lessee, its officers, administrators, representatives, successors and assigns will not make use of the premises in any manner which might interfere with the landing and taking off of aircraft from the Kansas City Downtown Airport, the Kansas City International Airport, or otherwise constitute a hazard. In the event the aforesaid covenant is breached the City has the right to enter upon the premises and cause the abatement of such interference at the expense of Lessee.

Lessee acknowledges that nothing contained in this Contract shall be construed to grant or authorize the granting of an exclusive right within the meaning of 49 USC § 40103(e).

SECTION 10. CLAUSES FOR CONSTRUCTION, USE, AND ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM– License, Permits, Concession on Property Improved Under AIP

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

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

participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, contractor, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts And Authorities.

B. With respect to (licenses, leases, permits, right to use under contract, etc.), in the event of breach of any of the above Non-discrimination covenants, City of Kansas City, Missouri, will have the right to terminate the (license, permit, contract, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, contract, etc., as appropriate) had never been made or issued.*

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

SECTION 11. REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE AIRPORT IMPROVEMENT PROGRAM.

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

A. The (contractor, grantee, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add "as a covenant running with the land"] that 1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, contract, etc.) for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (contractor, grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

B. With respect to licenses, leases, permits, contracts, etc., in the event of breach of any of the above Nondiscrimination covenants, City of Kansas City, Missouri will have the right to terminate the (contract, lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (contract, lease, license, permit, etc.) had never been made or issued.

C. With respect to a deed, in the event of breach of any of the above Nondiscrimination covenants, the City of Kansas City, Missouri, will have the right to enter or re-enter the lands and facilities thereon, and the above-described lands and facilities will there upon revert to and vest in and become the absolute property of the City of Kansas City, Missouri, and its assigns.

SECTION 12. RESTRICTED AREAS SAFETY AND SECURITY. Lessee will comply with any and all applicable present and future rules, regulations, restrictions, ordinances, statutes, laws and/or orders of any federal, state or local governmental entity regarding airfield security. Lessee shall fully comply with applicable provisions of the Code of Federal Regulations (CFR) Title 49: Transportation. Lessee shall fully comply specifically with 49 CFR part 1540 – Civil Aviation Security; 49 CFR part 1542 – Airport Security; 49 CFR part 1544 – Aircraft Operator Security: Air Carriers and commercial Operators (if Lessee is an air carrier); and 49 CFR part 1546 – Foreign Air Carrier Security (if Lessee is a foreign air carrier). City has adopted a Security Plan for the Airport approved by the Transportation Security

Administration (TSA) pursuant to Department of Transportation (DOT) TSA CFR 49 part 1542. Lessee agrees to be bound by and follow airport security protocols and training established in accordance with the Airport Security Plan. Any access to the Airport granted to Lessee shall not be used, enjoyed or extended to any person, entity or vehicle engaged in any activity or performing any act or furnishing any service for or on behalf of the Lessee that Lessee is not authorized to engage in or perform under this Contract unless expressly authorized in writing by the Director in accordance with TSA CFR 49 part 1542. In the event Lessee, its officer, employees, or invitees cause or contribute to unauthorized persons or vehicles entering the air operations areas of the Airport, or otherwise violate the Security Plan or any laws, regulations, rules, etc. governing airport security, and in addition to any other remedies available hereunder, Lessee shall be liable to City for an amount equal to any civil penalty imposed on City for such violations and hereby agrees to indemnify City for any such federal civil penalties, provided City shall promptly notify Lessee in writing of any claimed violations so as to permit Lessee an opportunity to participate in any investigation or proceedings.

SECTION 13. RESERVATIONS. The City reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of Lessee and without interference or inference.

The City reserves the right, but shall not be obligated to Lessee 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 Lessee in this regard.

There is hereby reserved to the City, its successors, assigns and subsequent transferees, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises. The public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation from the Kansas City Downtown Airport and/or the Kansas City International Airport.

SECTION 14. ACCOMMODATIONS. Lessee shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that Lessee may make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to patrons.

Lessee shall insert this requirement in any agreement, contract or other document by which Lessee grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the premises herein.

Lessee warrants that no person shall, on the grounds of race, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age or disability, be excluded from participating in any activity conducted on or from the Premises, or otherwise be excluded from the benefits offered as a result of this agreement to the general public.

Non-compliance with this provision shall constitute a material breach thereof and in the event of such non-compliance the City of Kansas City shall have the right to terminate this Agreement without liability therefore or at the election of the City of Kansas City or the United States, either or both said governments shall have the right to judicially enforce these provisions.

SECTION 15. AFFIRMATIVE ACTION REQUIREMENTS. Reserved.

SECTION 16. BREACH OF CONTRACT. Reserved.

SECTION 17. BUY AMERICAN PREFERENCE.

A. BABA. Reserved.

B. Construction Materials. Reserved.

SECTION 18. CLEAR AIR and WATER POLLUTION CONTROL. Reserved.

SECTION 19. CONTRACT WORK HOURS AND SAFETY STANDARDS. Reserved.

SECTION 20. COPELAND ANTI-KICKBACK. Reserved.

SECTION 21. DAVIS BACON REQUIREMENTS. Reserved.

SECTION 22. DEBARMENT AND SUSPENSION. Reserved.

SECTION 23. DISADVANTAGED BUSINESS ENTERPRISE. Reserved.

SECTION 24. DISTRACTED DRIVING. Reserved.

SECTION 25. DOMESTIC PREFERENCES FOR PROCUREMENTS. Reserved.

SECTION 26. EQUAL EMPLOYMENT OPPORTUNITY. Reserved.

SECTION 27. FAIR LABOR STANDARDS ACT. Reserved.

SECTION 28. FOREIGN TRADE RESTRICTION. Reserved.

SECTION 29. LOBBYING FEDERAL EMPLOYEES. Reserved.

SECTION 30. OCCUPATIONAL SAFETY AND HEALTH ACT. Reserved.

SECTION 31. PROHIBITION ON CERTAIN TELECOMMUNICATION AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. Reserved.

SECTION 32. PROHIBITION OF SEGREGATED FACILITIES. Reserved.

SECTION 33. RECOVERED MATERIALS. Reserved.

SECTION 34. RIGHT TO INVENTIONS. Reserved.

SECTION 35. SEISMIC SAFETY. Reserved.

SECTION 36. TAX DELINQUENCY AND FELONY CONVICTION. Reserved.

SECTION 37. TERMINATION OF CONTRACT. Reserved.

SECTION 38. VETERAN'S PREFERENCE. Reserved.

EXHIBIT "F"

CREO CIVIL RIGHTS AND WAGE ASSURANCES (032223)

Non-discrimination in Employment. Contractor shall not discriminate against any employee or candidate for employment on the basis of an individual's race, hair texture or hair style associated with an individual's race, color, sex, religion, national origin, or ancestry, disability, sexual orientation, gender identity, age, or in any other manner prohibited by Chapter 38 of the City Code. Contractor shall not engage in any discrimination as prohibited by Chapter 3 of the City Code.

Ban the Box in Hiring and Promotion.

- (a) Pursuant to Section 38-104, City Code Ordinances, Contractor shall not base a hiring or promotional decision on an applicant's criminal history or sentence related thereto, unless the employer can demonstrate that the employment-related decision was based on all information available including consideration of the frequency, recentness and severity of a criminal record and that the record was reasonably related to the duties and responsibilities of the position.
- (b) Notwithstanding subsection (a), Contractor may inquire about an applicant's criminal history after it has been determined that the individual is otherwise qualified for the position, and only after the applicant has been interviewed for the position. Any such inquiry may be made of all applicants who are within the final selection pool of candidates from which a job will be filled.
- (c) This provision shall not apply to positions where employers are required to exclude applicants with certain criminal convictions from employment due to local, state or federal law or regulation.

Title VI of the Civil Rights Act of 1964. Title VI of the Civil Rights Act of 1964 requires that no person in the United States shall, on the grounds of race, color, or national or origin (including limited English proficient individuals), be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. The City of Kansas City, Missouri requires compliance with the requirements of Title VI in all of its programs and activities regardless of the funding source. Contractor shall not discriminate on the grounds of race, color, or national or origin (including limited English proficient individuals).

Quality Services Assurance Act. If this Contract exceeds \$160,000.00, Contractor certifies Contractor will pay all employees who will work on this Contract in the city limits of Kansas City, Missouri at least \$15.00 per hour in compliance with the City's Quality Services Assurance Act, Section 3-66, Code of Ordinances or City has granted Contractor an exemption pursuant to the Quality Services Assurance Act.

Anti-Discrimination Against Israel. If this Contract exceeds \$100,000.00 and Contractor employs at least ten employees, pursuant to Section 34.600, RSMo., by executing this Contract, Contractor certifies it is not currently engaged in and shall not, for the duration of this contract, engage in a boycott of goods or services from the State of Israel; companies doing business in or with Israel or authorized by, licensed by, or organized under the laws of the State of Israel; or persons or entities doing business in the State of Israel.

Affirmative Action. If this Contract exceeds \$300,000.00 and Contractor employs fifty (50) or more people, Contractor shall comply with City's Affirmative Action requirements in accordance with the provisions of Chapter 3 of City's Code, the rules and regulations relating to those

sections, and any additions or amendments thereto; in executing any Contract subject to said provisions, Contractor warrants that it has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the Contract. Contractor shall not discriminate against any employee or applicant for employment because of race, color, sex, religion, national origin or ancestry, disability, sexual orientation, gender identity or age in a manner prohibited by Chapter 3 of City's Code. Contractor shall:

- (a) Execute and submit the City of Kansas City, Missouri CREO Affirmative Action Program Affidavit warranting that the Contractor has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the Contract.
- (b) Submit, in print or electronic format, a copy of Contractor's current certificate of compliance to the City's Civil Rights and Equal Opportunity Department (CREO) prior to receiving the first payment under the Contract, unless a copy has already been submitted to CREO at any point within the previous two (2) calendar years. If, and only if, Contractor does not possess a current certification of compliance, Contractor shall submit, in print or electronic format, a copy of its affirmative action program to CREO prior to receiving the first payment under the Contract, unless a copy has already been submitted to CREO at any point within the previous two (2) calendar years.
- (c) Require any Subcontractor awarded a subcontract exceeding \$300,000.00 to affirm that Subcontractor has an affirmative action program in place and will maintain the affirmative action program in place for the duration of the subcontract.
- (d) Obtain from any Subcontractor awarded a subcontract exceeding \$300,000.00 a copy of the Subcontractor's current certificate of compliance and tender a copy of the same, in print or electronic format, to CREO within thirty (30) days from the date the subcontract is executed. If, and only if, Subcontractor does not possess a current certificate of compliance, Contractor shall obtain a copy of the Subcontractor's affirmative action program and tender a copy of the same, in print or electronic format, to CREO within thirty (30) days from the date the subcontract is executed.

City has the right to take action as directed by City's Civil Rights and Equal Opportunity Department to enforce this provision. If Contractor fails, refuses or neglects to comply with the provisions of Chapter 3 of City's Code, then such failure shall be deemed a total breach of this Contract and this Contract may be terminated, cancelled or suspended, in whole or in part, and Contractor may be declared ineligible for any further contracts funded by City for a period of one (1) year. This is a material term of this Contract.

Compliance with Laws. Contractor shall comply with all federal, state and local laws, ordinances and regulations applicable to the work and this Agreement. Contractor shall maintain in effect all the licenses, permissions, authorizations, consents and permits that it needs to carry out its obligations under this Agreement.

Prevailing Wage. If the Agreement exceeds \$75,000.00 and any of the Services performed by Contractor includes construction, reconstruction, improvement, enlargement, alteration, painting and decorating, or major repair, that is subject to the Missouri Prevailing Wage Law (Section 290.210, RSMo – 290.340, RSMo), Contractor shall immediately notify the City prior to performing Services so the parties can execute an agreement that incorporates the appropriate Wage Order. Contractor shall comply with all requirements of Section 290.210, RSMo – 290.340, RSMo even if Contractor fails to notify the City.