CITY OF EL PASO, TEXAS AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Aviation

AGENDA DATE: January 22, 2019

CONTACT PERSON NAME AND PHONE NUMBER: Monica Lombraña, (915) 212-7301

DISTRICT(S) AFFECTED: 3

CITY STRATEGIC GOAL 1: Create an Environment Conducive to Strong, Sustainable Economic Development.

SUBJECT:

This item is a Resolution to authorize the City Manager to sign an Office Space Rental Agreement between the City of El Paso and G2 Secure Staff, LLC for approximately three hundred and twenty-eight (328) square feet of office and related shared space in the Airport Terminal Building, for a one-year term with the option to extend for two (2) additional terms of one (1) year each.

BACKGROUND / DISCUSSION:

The Department of Aviation is requesting approval of this item to allow G2 Secure Staff, LLC to lease space in the Airport Terminal Building. G2 Secure Staff was contracted by Alaska Airlines to provide ground handling services as it begins its operations at the El Paso International Airport (EPIA) on February 19, 2019. The G2 workforce will include a general manager, a supervisor and about 30 part-time and full-time workers.

Term: Initial term of 1 year plus two one-year options to extend

Initial Year Rental Rates (adjusted annually):

Space	SF	Rental Rate (per SF per annum)		An	Annual Rental Fee		Monthly ental Fee
Office 1 (break room)	187	\$	53.35	\$	9,976.45	\$	831.37
Office 2 (manager)	141	\$	53.35	\$	7,522.35	\$	626.86
Electrical/Telecom Surcharge	328	\$	3.29	\$	1,079.12	\$	89.93
TOTAL				\$	18,577.92	\$	1,548.16

PRIOR COUNCIL ACTION:

None – this is a new entrant to EPIA

AMOUNT AND SOURCE OF FUNDING:

N/A: This is a revenue-generating item

BOARD / COMMISSION ACTION:

N/A

DEPARTMENT HEAD:

Monica Lombraña, A.A.E.

Managing Director of Aviation and International Bridges

(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign an Office Space Rental Agreement between the City of El Paso and G2 Secure Staff, LLC, for approximately three hundred and twenty-eight (328) square feet of office and related shared space in the Airport Terminal Building, for a one-year term with the option to extend for two (2) additional terms of one (1) year each.

Dated this	day of _	2019.
		CITY OF EL PASO
		Dee Margo Mayor
ATTEST:		
Laura D. Prine City Clerk		1
APPROVED AS TO FORM:		APPROVED AS TO CONTENT:
Josette Flores Senior Assistant City Attorney	fol:	Monica Lombraña, A.A.E., Managing Director of Aviation and International Bridges

OFFICE SPACE RENTAL AGREEMENT

El Paso International Airport El Paso, Texas

Effective Date

G2 Secure Staff, LLC LESSEE

OFFICE SPACE RENTAL AGREEMENT TABLE OF CONTENTS

	<u>PAC</u>	<u>;E</u>
ARTICLE I	TERM	1
Section 1.01	Term	_
Section 1.02	Option to Extend	1
Section 1.03	Holding Over	2
ARTICLE II	PREMISES AND PRIVILEGES	2
Section 2.01	Description of Premises	
Section 2.02	Reassignment of the Premises during Construction	2
Section 2.03	General Privileges, Uses and Rights	2
Section 2.04	Restrictions on Privileges, Uses and Rights	
Section 2.05	Conditions and Terms	
Section 2.06	Employee Parking Facilities	4
ARTICLE III	RENTALS AND FEES	
Section 3.01	Rentals	
Section 3.02	Electricity Charges	
Section 3.03	Airport Identification/Access Fees	
Section 3.04	Unpaid Rent, Fees and Charges	
Section 3.05	Default for Failure to Pay Rent, Fees and Charges	
Section 3.06	Contractual Lien	5
Section 3.07	Taxes and Other Charges	5
Section 3.08	Place of Payment	6
ARTICLE IV	MAINTENANCE AND REPAIRS	6
Section 4.01	Lessee's Maintenance	
Section 4.02	Lessor's Maintenance	
ARTICLE V	ASSIGNMENT, TRANSFER AND SUBLETTING	7
Section 5.01	Assignment	7
ARTICLE VI	CANCELLATION	7
Section 6.01	Cancellation Notice	
Section 6.02	Events Of Default.	
ARTICLE VII	INDEMNIFICATION AND INSURANCE	. 7
Section 7.01	Indemnification	
Section 7.02	Insurance	
Section 7.03	Authorized Insurance Companies	
ARTICLE VIII	SURRENDER OF POSSESSION	8
Section 8.01	Surrender of Possession	

i

ARTICLE IX	FAA REGULATIONS	8
Section 9.01	FAA Order 1400.11	8
ARTICLE X	GENERAL PROVISIONS	10
Section 10.01	Nondiscrimination	10
Section 10.02	Affirmative Action	11
Section 10.03	Notices	12
Section 10.04	Subordination to Agreements with U.S. Government	12
Section 10.05	Nonwaiver of Rights	12
Section 10.06	Severability	
Section 10.07	Headings	13
Section 10.08	Assignment by Lessor or Other Successor in Interest	13
Section 10.09	Redevelopment	13
Section 10.10	Quiet Enjoyment	13
Section 10.11	Agreement Subject to Covenants in Deed	13
Section 10.12	Force Majeure	13
Section 10.13	Entire Agreement	13
Section 10.14	Time is of the Essence	14
Section 10.15	Attorney's Fees	14
Section 10.16	Agreement Made in Texas	14
Section 10.17	Cumulative Rights and Remedies	14
Section 10.18	Interpretation	14
Section 10.19	Agreement Made in Writing	14
Section 10.20	Successors and Assigns	
Section 10.21	Authorization to Enter Agreement	14
	_	
LESSOR'S SIGNAT	TURE AND ACKNOWLEDGMENT	15
	TIRE AND ACKNOWLEDGMENT	

ATTACHMENT:

EXHIBIT "A" – Description of Premises **EXHIBIT "B"** – G2 Secure Staff Rental Fees For Initial Term

OFFICE SPACE RENTAL AGREEMENT

THIS OFFICE SPACE	RENTAL	AGREEMENT	("Agreement"	') is entered	into this
day of	, 2019 by	and between the	City of El Pase	o ("Lessor"	and G2
Secure Staff, LLC ("Lessee").					

WITNESSETH:

WHEREAS, the Municipal Airports Act of the State of Texas authorizes municipal airports, as governmental entities, to assess charges, rentals or fees for the privilege of supplying goods, commodities, things, services or facilities at municipal airports, with due regard to the property and improvements used and the expenses of operation to the municipality;

WHEREAS, the City of El Paso ("City") owns and operates the El Paso International Airport located in the County of El Paso, Texas ("Airport"), which is managed by the Director of Aviation ("Director");

WHEREAS, the Lessee engaged in the business of providing passenger services to customers traveling Alaska Airlines to include wheelchair escort services, baggage handling services and skycap services and desires to use certain facilities at the Airport and lease from the City certain premises and facilities in connection with Lessee's use of the Airport;

WHEREAS, in furtherance of its authority, the City desires to lease to the Lessee certain facilities located at said Airport in accordance with the terms, covenants, and conditions hereinafter set forth in this Agreement; and

WHEREAS, the City and the Lessee have the power and authority to enter into this Agreement.

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

ARTICLE I - TERM

SECTION 1.01 TERM. The term of this Agreement shall commence on _______ ("Effective Date"), regardless of the date signed, and shall be for a period of one year.

SECTION 1.02 MUTUAL OPTION TO EXTEND. Lessee and Lessor shall have a mutual option to extend this Agreement for two (2) additional terms of one (1) year each. Lessee may exercise the option (hereinafter referred to as "Option Period") by notifying Lessor in writing of Lessee's election at least sixty (60) days prior to the expiration of the initial term. Lessor will then notify Lessee of Lessor's decision to extend or not extend this Agreement. In order for the option to be exercised, both Lessor and Lessee must agree to extend the Agreement. In the event the election is so exercised, the Agreement shall be extended on the same terms and conditions.

SECTION 1.03 HOLDING OVER. It is agreed and understood that any holding over by Lessee of the Premises at the expiration or cancellation of this Agreement shall operate and be construed as a tenancy from month to month at a rental of the then current non-signatory terminal monthly rental rate. No receipt or acceptance of money by Lessor from Lessee after the expiration or cancellation of this Agreement or after the service of any notice, after the commencement of any suit, or after final judgment for possession of the Premises, shall reinstate, continue or extend the terms of this Agreement, or affect any such notice, demand or suit or imply consent for any action for which Lessor's consent is required or operate as a waiver of any right of the Lessor to retake and resume possession of the Premises.

ARTICLE II - PREMISES AND PRIVILEGES

SECTION 2.01 DESCRIPTION OF THE PREMISES. Subject to and on the terms, conditions, covenants, agreements and undertakings hereinafter set forth, Lessor does hereby demise and lease to the Lessee and the Lessee does hereby lease from Lessor the following described Premises located in the Airport terminal (collectively referred to herein as the "Premises"), which is more fully described in EXHIBIT "A" and which is attached hereto and incorporated herein for all purposes:

- 1. Office Space: One hundred and fifty-two (152) square feet, plus shared hallway of thirty-five (35) square feet.
 - Total area to be leased for first office is 187 square feet.
- Office Space: One hundred and fourteen (114) square feet, plus shared hallway of twenty-seven (27) square feet.
 Total area to be leased for second office is 141 square feet.

SECTION 2.02 REASSIGNMENT OF THE PREMISES DURING CONSTRUCTION.

The Director may temporarily reassign all or any portion of the Premises or other areas utilized by the Lessee during any construction after reasonable written notice is provided to Lessee. The cost for any temporary relocation resulting from construction shall, at the discretion of the Director, be either borne by the Lessee necessitating the relocation or shall be included as part of the City's project cost. During the period when Lessee is temporarily relocated, appropriate adjustments to rental and other fees shall be made to reflect any differences between the area of the Premises and the area of temporarily assigned premises.

SECTION 2.03 GENERAL PRIVILEGES, USES AND RIGHTS. The Premises shall be used as office space in connection with Lessee's business of providing passenger services to customers traveling on Alaska Airlines to include wheelchair escort services, baggage handling services and skycap services at the Airport, and Lessee shall not use, or permit the use of, the Premises, or any part thereof, for any other purpose or purposes, without the written consent of Director. No use shall be made, or permitted to be made, of the premises, nor any acts done, which will increase the existing rate of insurance on the Airport Terminal, or cause a cancellation of any insurance policy covering the Terminal, or any part thereof.

SECTION 2.04 RESTRICTIONS ON PRIVILEGES, USES AND RIGHTS.

- A. Lessee shall not commit, or suffer to be committed, any waste upon the Premises, any public or private nuisance or other act or thing that may disturb the quiet enjoyment of any other Lessee in the Terminal.
- B. Lessee shall, at its sole cost and expense, comply with all the requirements of all municipal, state, and federal authorities and rules and regulations of the Airport, now in force and which may hereafter be in force, pertaining to the Premises, and shall faithfully observe in the use of the Premises all municipal ordinances and state and federal statutes and Airport rules and regulations now in force or which may hereafter be in force.
- C. Lessee covenants that it will not vacate or abandon the Premises at any time during the term; and if Lessee nevertheless does abandon, vacate, or surrender the Premises, or is dispossessed by process of law, or otherwise, any personal property belonging to Lessee and left on the Premises shall be deemed to be abandoned, at the option of Lessor.
- D. LESSOR DISCLAIMS ANY WARRANTY OF SUITABILITY THAT MAY ARISE BY OPERATION OF LAW. LESSEE LEASES THE PREMISES AS-IS AND LESSOR DOES NOT WARRANT THAT THERE ARE NO LATENT DEFECTS THAT ARE VITAL TO LESSEE'S USE OF THE PREMISES FOR THEIR INTENDED COMMERCIAL PURPOSE. Lessee shall take good care of the Premises and they shall not be altered, repaired, or changed without the written consent of the Director; and that, unless otherwise provided for by written agreement, all alterations, improvements, and changes that may be required shall be done either by or under the direction of the Director, but at the cost of Lessee, and shall be the property of Lessor, and shall remain upon and be surrendered with the Premises, excepting, however, that at Lessor's option, Lessee shall, at its expense, when surrendering the Premises, remove all partitions, counters, railing, equipment, etc., installed in the Premises by Lessee; that all damage or injury done to the Premises by Lessee, or by any person who may be in or on the Premises at the invitation of Lessee, shall be paid for by Lessee; and that Lessee shall, at the termination of this Agreement, surrender the Premises to Lessor in good condition and repair, normal wear and tear excepted.

SECTION 2.05 CONDITIONS AND TERMS. This Agreement is entered into subject to the following conditions and terms:

A. Lessee shall have the right to use, in common or jointly with other duly authorized users, those portions of the Terminal, together with all facilities, improvements, equipment, and services that have been or may hereafter be provided for their common or joint use, subject to this Agreement, the rules and regulations of the Airport and any applicable local, state or federal law.

- B. Lessee warrants that it is able to and will provide and maintain first-class quality facilities and services on Airport premises. Lessee further agrees that the passenger services which it conducts on Airport premises shall be delivered in a prompt, courteous and efficient manner and shall be adequate to meet the demand for said service on the Airport.
- C. Lessee shall keep the Premises and the locations from which Lessee's services are offered in a safe, clean and orderly condition at all times satisfactory to the Director.
- D. Lessee shall at all times retain an active, qualified, competent and experienced manager to supervise the checkpoint operations and to represent and act for the Lessee. Lessee shall maintain an employee inspection program to insure a high standard of service to the public.
- E. Lessee shall require that its employees are in proper uniform or attire; said employees shall be clean, courteous, efficient, and neat in appearance at all times. Lessee shall not employ any person(s) who uses improper language or acts in a loud, boisterous or offensive manner in or about Airport premises.
- F. Lessee acknowledges that Lessor is subject to and must comply with Federal Aviation Regulation (FAR) Part 107 which prescribes aviation security rules governing the operation of airports; and Lessee agrees to cooperate with Lessor in carrying out the responsibilities of and compliance with FAR Part 107. Lessee further understands and agrees that in the event the Federal Aviation Administration assesses a civil penalty against Lessor as a result of any act or failure to act on the part of Lessee, its agents, servants, employees, invitees or independent contractors, Lessee will reimburse Lessor in the amount of the civil penalty assessed.

SECTION 2.06 EMPLOYEE PARKING FACILITIES. Lessee's employees working at the Airport Terminal will be provided vehicular parking facilities, if available, in common with other employees. Such facilities shall be located in an area designated by the Director. The Director reserves the right to assess a reasonable charge to Lessee or its employees for such parking facilities.

ARTICLE III - RENTALS AND FEES

SECTION 3.01 RENTALS. During the initial term hereof the rental rate applicable to the Premises shall be at the following rate, as described in more detail in **Exhibit "B"**:

\$53.35 per square foot per annum for the Break Room, Breakroom Shared Space, General Manager Office and General Manager Office Shared Space, or the current applicable rate as defined by City's Budget Resolution (Non-Signatory Terminal Rental Rate FY 2019 (9/1/18-8/31/19)).

Said rental shall be paid in twelve (12) equal monthly installments on or before the first day of each month throughout the term of this Agreement, without the necessity for an invoice.

SECTION 3.02 ELECTRICITY CHARGES. Lessee shall pay City charges for electrical power used in the Premises at the rate of \$3.29 per square foot per annum, or the current applicable rate as defined by the City's Budget Resolution. Such charges shall be paid in twelve (12) equal monthly installments on or before the first day of each month throughout the term of this Agreement, without the necessity for an invoice.

SECTION 3.03 AIRPORT IDENTIFICATION/ACCESS FEES. Lessee shall pay all fees associated with Airport badging of Lessee's employees, including but not limited to all related background and fingerprinting costs, prior to gaining access to secured areas of the Airport.

SECTION 3.04 UNPAID RENT, FEES AND CHARGES. For any installments of rent, any fees, or other charges or monies accruing under any provision of this Agreement that are not received within the tenth (10th) day of the date in which payment is due, such payments shall bear interest at a rate equal to the maximum allowed by law from the date when the same was due according to the terms of the Agreement until actually paid by Lessee.

SECTION 3.05 DEFAULT FOR FAILURE TO PAY RENTALS, FEES AND CHARGES. In the event Lessee fails to pay any rentals, charges, and fees hereunder within the due date(s) established herein, Lessor may, at its option, and upon ten (10) days written notice to Lessee (unless in such ten-day period Lessee shall have corrected such failure to pay) immediately or at any time thereafter, enter into and upon the Premises or any additional storage, parking or other related areas utilized by Lessee and repossess the same. In said event, Lessor may expel Lessee and those claiming by, through or under it and remove Lessee's effects forcibly, if necessary, without being deemed guilty of trespass and without prejudice to any remedy which otherwise might be used for arrears of rent or preceding breach of covenant. On reentry, as aforesaid, this Agreement shall terminate.

SECTION 3.06 CONTRACTUAL LIEN. In addition to any other rights or remedies allowed by law, the Lessor shall have a lien on all of the property of the Lessee used or situated in the Premises, to secure payment of rentals owed hereunder by the Lessee to the Lessor at any time during the existence of this Agreement, and in default of payment may take possession of and sell such property as may be sufficient to pay the delinquent rent or indebtedness.

SECTION 3.07 TAXES AND OTHER CHARGES. Lessee shall pay all taxes and governmental charges of any kind whatsoever that may be lawfully assessed against the Lessee or the Lessor, with respect to the Premises, during the term of this Agreement including any extensions granted thereto. Lessee shall be responsible for and shall pay all taxes, which may be levied or assessed against Lessee's interest in this Agreement or machinery, equipment or other personal property owned or used by Lessee and located on the Premises.

The Lessee in good faith may contest any tax or governmental charge; provided that the Lessee may not permit such tax or governmental charge to remain unpaid during the period of such contest and any appeal therefrom unless in the opinion of counsel satisfactory to the Lessor such action will not adversely affect any right or interest of the Lessor.

SECTION 3.08 PLACE OF PAYMENT. All rentals, fees or other charges provided herein shall be paid by Lessee to Lessor at the following address:

Accounting Department El Paso International Airport P.O. Box 971278 El Paso, Texas 79997-1278

Payment via an electronic payments system is encouraged provided the system is approved in advance by the Director of Aviation.

<u>ARTICLE IV - MAINTENANCE AND REPAIRS</u>

SECTION 4.01 LESSEE'S MAINTENANCE. Lessee shall, at its sole cost and expense, maintain the Premises and every part thereof in good order and repair and in good and safe condition; shall repair all damages caused by its employees, patrons, or its operation of said service; shall maintain and repair all equipment on said Premises; and shall repaint its own leased space when necessary, such repair and repainting to require the prior approval of the Director. Lessee, at its own expense, shall provide for janitorial services in the Premises.

Lessee further understands and agrees that Lessor shall be the sole judge of the quality of maintenance and that upon written notice by Lessor to Lessee, Lessee shall be required to perform whatever maintenance Lessor deems necessary. If said maintenance is not undertaken by Lessee within ten (10) days after receipt of written notice, Lessor shall have the right to enter on the Premises and perform the necessary maintenance, the cost of which shall be borne by Lessee.

SECTION 4.02 LESSOR'S MAINTENANCE. Lessor shall maintain the structure of the Terminal Building, the roof and outer walls. However, Lessor shall <u>not</u> furnish janitorial service, window cleaning, guarding or custodial services, or any janitorial material or supplies for the Premises.

Lessee shall permit Lessor and its agents to enter into and upon the Premises at all reasonable times for the purpose of inspecting the same, for the purpose of maintaining the Terminal for the purpose of making repairs, alterations, or additions to any other portion of the Terminal, including the erection of scaffolding, props, or other mechanical devices, without any rebate of rent to Lessee or damages for any loss of occupation or quiet enjoyment of the Premises thereby occasioned.

Lessor agrees to furnish the Premises with heat and air conditioning without cost to Lessee. Lessee agrees to immediately notify the Director of the loss of any electrical power or lighting; however, Lessor shall not be liable, under any circumstances, for any loss of said utilities. Lessor shall clean and service the common hallways and restrooms and shall provide reasonable ingress and egress through the common hallway to the Premises. Lessor shall not be liable, under any circumstances for any loss of, or injury to, any property, however occurring, through or in connection with or incidental to the furnishing of any of the foregoing.

ARTICLE V - ASSIGNMENT, TRANSFER AND SUBLETTING

SECTION 5.01 ASSIGNMENT. Lessee shall not sell, assign or transfer any rights or privileges granted by this Agreement nor sublet any part or all of the Premises without the prior written consent of the Lessor.

ARTICLE VI - CANCELLATION

SECTION 6.01 CANCELLATION NOTICE. Either party can give thirty (30) days written notice of cancellation.

SECTION 6.02 EVENTS OF DEFAULT. In addition, this Agreement shall be subject to cancellation by Lessor in the event Lessee shall:

- A. Be in arrears in the payment of whole or any part of the amounts agreed upon herein for a period of ten (10) days after Lessor has notified Lessee in writing that the payment was not received when due; or
- B. Make any general assignment for the benefit of creditors; or
- C. Abandon the Premises; or default in the performance of any of the covenants, conditions or agreements required herein (except rental payments) to be kept and performed by Lessee and such default continues for a period of thirty (30) days after receipt of written notice from Lessor to cure such default, unless during such thirty day period Lessee shall commence and diligently perform such action as may be reasonably necessary to cure such default.

In the case of any of the aforesaid events of default, Lessor may cancel this Agreement and take immediate possession of the Premises, including any and all improvements therein, and remove Lessee's effects, forcibly if necessary, without being deemed guilty of trespassing.

Failure of Lessor to declare this Agreement canceled upon the default of Lessee for any of the reasons set out shall not operate to bar or destroy the right of Lessor to cancel this Agreement by reason of any subsequent violation of the terms herein.

No receipt or acceptance of money by Lessor from Lessee after the cancellation of this Agreement or after the service of any notice, after the commencement of any suit, or after final judgment for possession of the Premises shall reinstate, continue or extend the terms of this Agreement, or affect any such notice, demand or suit, or imply consent for any action for which Lessor's consent is required or operate as a waiver of any right of Lessor to retake and resume possession of the Premises.

ARTICLE VII - INDEMNIFICATION AND INSURANCE

SECTION 7.01 INDEMNIFICATION. WITHOUT LIMITING THE GENERALITY OF ANY OTHER INDEMNITY CONTAINED IN THIS AGREEMENT, LESSEE AGREES

TO INDEMNIFY AND HOLD LESSOR HARMLESS AGAINST ANY AND ALL CLAIMS, DEMANDS, DAMAGES, COSTS, LIABILITIES AND EXPENSES, INCLUDING INVESTIGATION EXPENSES AND REASONABLE ATTORNEY'S FEES FOR THE DEFENSE OF SUCH CLAIMS AND DEMANDS, ARISING OUT OF OR ATTRIBUTED DIRECTLY, OR INDIRECTLY TO THE OPERATION, CONDUCT OR MANAGEMENT OF LESSEE'S ACTIVITIES ON THE PREMISES, ITS USE OF THE PREMISES, OR FROM ANY BREACH ON THE PART OF LESSEE OF ANY TERMS OF THIS AGREEMENT, OR FROM ANY ACT OR NEGLIGENCE OF LESSEE, ITS AGENTS, CONTRACTORS, EMPLOYEES, CONCESSIONAIRES, OR LICENSEES IN OR ABOUT THE PREMISES INCLUDING CLAIMS AND DAMAGES ARISING IN WHOLE, OR IN PART, FROM THE NEGLIGENCE OF LESSOR. IN CASE OF ANY ACTION OR PROCEEDING BROUGHT AGAINST LESSOR BY REASON OF ANY SUCH CLAIM, LESSEE, UPON RECEIPT OF WRITTEN NOTICE FROM LESSOR, AGREES TO DEFEND THE ACTION OR PROCEEDING BY COUNSEL ACCEPTABLE TO LESSOR.

SECTION 7.02 INSURANCE. Lessee, at its sole cost and expense shall, throughout the term of this Agreement, provide and keep in force for the benefit of Lessor and Lessee, as their respective interests may appear, comprehensive general liability insurance in an amount not less than Two Million Dollars (\$2,000,000.00) for bodily injury to one person for each occurrence, One Million Dollars (\$1,000,000.00) for bodily injuries to more than one person arising out of each occurrence and One Hundred Thousand Dollars (\$100,000.00) for property damage arising out of each occurrence.

SECTION 7.03 AUTHORIZED INSURANCE COMPANIES. All such policies of insurance shall be written by insurance companies authorized to do business in the State of Texas and shall be written by companies approved by Lessor. Certificates of insurance shall be delivered to Lessor at least ten (10) days prior to the effective date of the insurance policy for which the certificate is issued. Each such certificate shall contain (a) a statement of the coverage provided by the policy; (b) a statement certifying the Lessor to be listed as an additional insured in the policy; (c) a statement of the period during which the policy is in effect; and (d) an agreement by the insurance company issuing such policy that the policy shall not be canceled without at least ten (10) days' prior written notice to Lessor.

ARTICLE VIII - SURRENDER OF POSSESSION

SECTION 8.01 Upon the expiration or cancellation of this Agreement, Lessee's rights, privileges and use of all premises and facilities shall cease and Lessee shall forthwith surrender the same. Lessee shall restore the Premises to its original condition as of the beginning of occupancy, ordinary wear and tear, damage by the elements, fire, explosion or other causes entirely beyond Lessee's control excepted.

ARTICLE IX – FAA REGULATIONS

<u>FAA Order 1400.11</u>. Pursuant to Federal Aviation Administration Order 1400.11, effective August 27, 2013, and because the described premises are located at the El Paso

International Airport which is subject to regulation by, among others, the U.S. Federal Aviation Administration, the parties specifically agree to the following:

- 1. A. Tenant for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Lease 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, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations set out in Federal Aviation Administration Order 1400.11, Appendix 4, as same may be amended from time to time (the "Acts and Regulations") 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 the Lease, in the event of breach of any of the above nondiscrimination covenants, Landlord will have the right to terminate the Lease and to enter or re-enter and repossess said Premises and the facilities thereon, and hold the same as if said easement had never been made or issued. [FAA Order 1400.11, Appendix C]
- 2. A. The Tenant for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree, 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 Tenant will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations.
- B. With respect to the Lease, in the event of breach of any of the above nondiscrimination covenants, Landlord will have the right to terminate the Lease and to enter or re-enter and repossess said Premises and the facilities thereon, and hold the same as if said easement had never been made or issued. [FAA Order 1400.11, Appendix D]
- 3. A. During the term of this Lease, Tenant for itself, its successors in interest, and assigns, as a part of the consideration hereof, 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 U.S.C. § 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 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose

- property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). Grantee shall take reasonable steps to ensure that LEP persons have meaningful access to its programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination because of sex in education programs or activities (20 U.S.C. 1681 et seq).

B. In the event of breach of any of the covenants in this section 3, Landlord shall have the rights and remedies set forth in sections 1 and 2 above, in addition to all other rights and remedies available to it under applicable law. [FAA Order 1400.11, Appendix E]

ARTICLE X - GENERAL PROVISIONS

SECTION 10.01 NONDISCRIMINATION.

Lessee, for itself its heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as follows:

18-1003-931 | 850342 | JF G2 Secure Staff, LLC. – (Alaska Air Ground)

- A. That in the event facilities are constructed, maintained, or otherwise operated on the Premises for the purpose for which a Department of Transportation (DOT) program or activity is extended or for another purpose involving the provision of similar services or benefits, Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation and as said regulations may be amended.
- B. That no person on the grounds of race, creed, color, sex, age, disability or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Premises.
- C. That in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person on the grounds of race, creed, color, sex, age, disability or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination.
- D. That the Lessee shall use the Premises in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A. Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulation may be amended. The Lessee shall also comply with the applicable provisions of Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112) and 49 CFR Part 27.
- E. Economic Discrimination. To the extent that, under this Lease, the Lessee furnishes goods or services to the public at the Airport, the Lessee agrees that it shall:
 - 1. Furnish each and every good and service on a fair, reasonable, and not unjustly discriminatory basis to all users of the Airport, and
 - 2. Charge fair, reasonable and not unjustly discriminatory prices for each unit or service, provided that the Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers as otherwise permitted under the law.
- F. That, in the event of breach of any of the above nondiscrimination covenants, Lessor shall have the right to terminate this Lease and re-enter and repossess the Premises and the improvements thereon, and hold the same as if the Lease had never been made or issued.

SECTION 10.02 AFFIRMATIVE ACTION. Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, and any amendments thereto, and any other federal statutes or regulations applicable to the receipt of federal assistance from the Department of Transportation by local governments for Airport use, or otherwise applicable to persons leasing premises from Lessor, to insure that no person shall, on the grounds

of race, creed, color, sex, age, disability, or national origin be excluded from participating in or receiving the services or benefits of any program of activity covered by this Article. Lessee assures that it will require that its covered suborganizations (sublessees) provide assurances to Lessor, as set forth herein, that they similarly will undertake affirmative action programs, and that they will require assurance from their suborganizations (sublessees) to the same effect.

SECTION 10.03 NOTICES. All notices provided to be given under this Agreement shall be given by certified or registered mail, return receipt requested, postage fully prepaid, addressed to the proper party at the following addresses:

LESSOR: City Clerk

City of El Paso P.O. Box 1890

El Paso, Texas 79950-1890

COPY TO: Director of Aviation

El Paso International Airport

6701 Convair Road

El Paso, Texas 79925-1099

LESSEE: G2 Secure Staff, LLC

400 Las Colinas Blvd. E., Suite 750

Irving, Texas 75039-5593

Attn: Dan Norman

Any notice so given shall be deemed properly delivered, given, served, or received on the date shown for delivery or rejection on the return receipt. Either party may change the address to which notices shall thereafter be given upon five (5) days prior written notice to all other parties in the manner set forth in this Section.

SECTION 10.04 SUBORDINATION TO AGREEMENTS WITH U. S. GOVERNMENT.

This Agreement is subject and subordinate to the provisions of any agreements heretofore or hereafter made between Lessor and the United States relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to Lessor for Airport purposes, or to the expenditure of federal funds for the improvement or development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958, as amended from time to time.

SECTION 10.05 NONWAIVER OF RIGHTS. The non-enforcement by either party of the breach of any term, covenant or condition herein stipulated shall never be construed to be a waiver

of any other or succeeding breach of any term, covenant or condition herein imposed upon the other party, and the acceptance of payments of any amounts due or to become due hereunder in any other way or manner, or at any other time than herein provided, shall never be construed as a waiver of the right of Lessor of any of the provisions herein imposed upon Lessee.

SECTION 10.06 SEVERABILITY. If any provision of this Agreement is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remainder of this Agreement shall not be affected, and in lieu of each provision which is found to be illegal, invalid, or unenforceable, there shall be added as part of this Agreement a provision as similar to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

SECTION 10.07 HEADINGS. The headings of the articles and sections of this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or intent of any provisions of this Agreement and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

SECTION 10.08 ASSIGNMENT BY LESSOR OR OTHER SUCCESSOR IN INTEREST. Lessor may assign or otherwise convey its interest, rights, duties and/or obligations hereunder to any airport authority or other successor in interest. Lessor, airport authority, or other successor in interest may assign, pledge, or take other appropriate action with respect to this Agreement and their rights and interests hereunder for any purpose.

SECTION 10.09 REDEVELOPMENT. If this Agreement is terminated as provided herein as a result of physical changes associated with the development of the Airport, Lessee waives any and all rights to reimbursements, allowances, loans, or other forms of payment for relocation, rental or any other costs which might apply to tenants in other locations who are required to relocate due to construction of public facilities.

SECTION 10.10 QUIET ENJOYMENT. Lessor covenants and agrees that Lessee on paying the rentals, fees and charges herein provided for and observing and keeping all the covenants, conditions, and terms of this Agreement, shall lawfully and quietly hold, occupy and enjoy the Premises during the term of this Agreement without hindrance or molestation by Lessor or any person claiming under Lessor.

SECTION 10.11 AGREEMENT SUBJECT TO COVENANTS IN DEED. It is mutually agreed that this Agreement is made subject to the covenants, requirements, and restrictions contained in the Deed by which Lessor obtained title to Airport property from the Government of the United States.

SECTION 10.12 FORCE MAJEURE. No party to this Agreement is responsible to the other party for nonperformance or delay in performance of the terms and conditions herein due to acts of God, acts of government, wars, riots, strikes, accidents in transportation, fuel or materials shortages, or other causes beyond the control of the parties.

SECTION 10.13 ENTIRE AGREEMENT. This Agreement, together with all exhibits attached hereto, constitutes the entire agreement between the parties, and all other representations or statements heretofore made, verbal or written, are merged herein.

SECTION 10.14 TIME IS OF THE ESSENCE. Time is and shall be deemed of the essence with respect to the performance of each provision of this Agreement.

SECTION 10.15 ATTORNEY'S FEES. If either party brings any action or proceedings to enforce, protect, or establish any right or remedy under the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees, as determined by a court of competent jurisdiction, in addition to any other relief awarded.

SECTION 10.16 AGREEMENT MADE IN TEXAS. The laws of the State of Texas and any applicable federal law shall govern the validity, interpretation, performance and enforcement of this Agreement. Venue shall be in the courts in El Paso County, Texas.

SECTION 10.17 CUMULATIVE RIGHTS AND REMEDIES. All rights and remedies of Lessor here enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law. Likewise, the exercise by Lessor of any remedy provided for herein or allowed by law shall not be to the exclusion of any other remedy.

SECTION 10.18 INTERPRETATION. Words of gender used in this Agreement shall be held and construed to include the other gender, and words in the singular shall be held to include the plural and vice versa unless the context otherwise requires.

SECTION 10.19 AGREEMENT MADE IN WRITING. This Agreement contains all of the agreements and conditions made between the parties hereto and may not be modified orally or in any manner other than by agreement in writing signed by the parties hereto or their respective successors in interest.

SECTION 10.20 SUCCESSORS AND ASSIGNS. All of the terms, provisions, covenants, and conditions of this Agreement shall inure to the benefit of and be binding upon Lessor and Lessee and their respective successors, assigns, legal representatives, heirs, executors and administrators.

SECTION 10.21 AUTHORIZATION TO ENTER AGREEMENT. Each of the persons executing this Agreement on behalf of Lessee warrants to Lessor that Lessee is a duly authorized and existing entity, that Lessee is qualified to do business in the State of Texas, that Lessee has full right and authority to enter into this Agreement, and that each and every person signing on behalf of Lessee is authorized to do so. Upon the Director's request, Lessee will provide evidence satisfactory to the Director confirming these representations.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

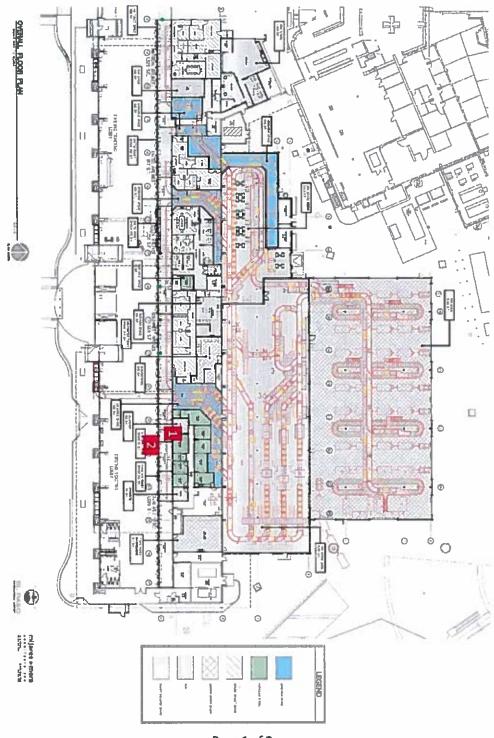
above.	nt has been approved as of the date first noted
	LESSOR: CITY OF EL PASO
	Tomás González City Manager
APPROVED AS TO FORM: Josette Flores Senior Assistant City Attorney	APPROVED AS TO CONTENT: Monica Lombraña, A.A.E. Managing Director of Aviation and International Bridges
ACKNOWLE	DGMENT
THE STATE OF TEXAS) COUNTY OF EL PASO)	
This instrument was acknowledged before me of by Tomás González , as City Manager of the City	
	Notary Public, State of Texas
[SIGNATURES CONTINUE ON	THE FOLLOWING PAGE]

	Printed Name: Roger Zebroski
	Title: CFO
	Date: 1/15/2019
	Dutc.
ACKNO	WLEDGMENT
THE STATE OF Texas	
)	
COUNTY OF Dallas	
This instrument was acknowledged before	e me on this 14 day of January, 2019,
by Roger Zebroski , as CFO	, of G2 Secure Staff, LLC
("Lessee").	
	Balli L. Jordan
	Salle d. Forden
	Notary Public, State of Texas
My Commission Expires:	
12-15-2021	
10013-00001	3444
	Charles Constitution
	ROBBIE LINNETTE JORDAN Notary ID #128127686
	My Commission Expires
	December 15, 2021

LESSEE:

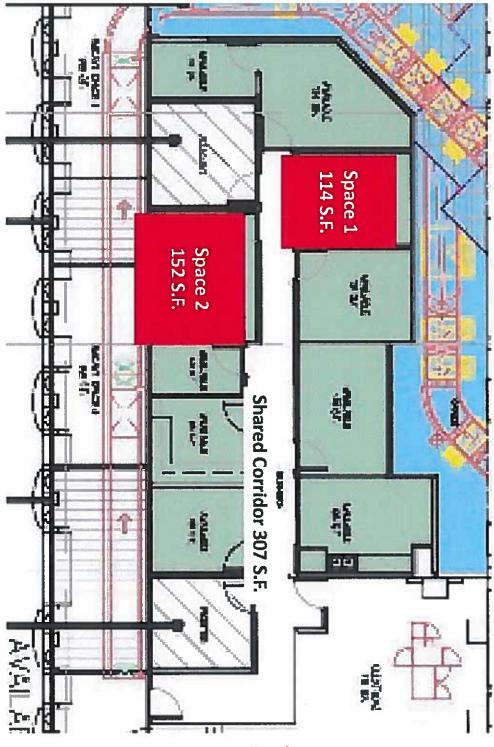
G2 SECURE STAFF, LLC

Exhibit A - Premises



Page 1 of 2

Exhibit A - Premises



Page 2 of 2

EXHIBIT "B" G2 SECURE STAFF RENTAL FEES FOR INITIAL TERM

Space	SF	Rental Rate (per SF per annum)		Annual Rental Fee		Monthly Rental Fee	
Break Room	152	\$	53.35	\$	8,109.20	\$	675.77
Breakroom Shared Space	35	\$	53.35	\$	1,867.25	\$	155,60
GM Office	114	\$	53.35	\$	6,081.90	\$	506.83
GM Office Shared Space	27	\$	53.35	\$	1,440.45	\$	120.04
Electrical/Telecom Surcharge	328	\$	3.29	\$	1,079.12	\$	89.93
TOTAL				\$	18,577.92	\$	1,548.16

^{*} Non-Signatory Terminal Rental Rate FY 2019 (9/1/18-8/31/19)