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FRESNO YOSEMITE
International Airport

NEWS & CONVENIENCE

CONCESSION AGREEMENT

PARTIES AND ADDRESSES:

CITY OF FRESNO:

Airports Department
4995 East Clinton Way
Fresno, California 93727
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CONCESSIONAIRE:

"HG FRESNO CONCESSIONAIRES JV"

"One Meadowlands Plaza"

"East Rutherford, NJ 07073"

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NEWS & CONVENIENCE CONCESSION AGREEMENT

This Concessions Agreement (Agreement) is made and entered into this 1st day of September, 2023 (Effective Date), by and between the City of Fresno, a California municipal corporation (hereinafter referred to as, City or a Party), and HG Fresno Concessionaires JV a joint venture, authorized to conduct business in the State of California (hereinafter referred to as, Concessionaire or a Party), (collectively, hereinafter referred to as, Parties).

RECITALS

WHEREAS, City is the owner and operator of Fresno Yosemite International Airport (Airport), which is located in the City of Fresno, County of Fresno, State of California; and

WHEREAS, City issued a Request for Proposals (Proposal No. 12300507, the terms of which are incorporated by reference herein) for "Food & Beverage Concessions and News & Convenience Concessions" on October 5, 2022, to solicit written proposals; and

WHEREAS, pursuant to such solicitation, Concessionaire submitted a written proposal, dated January 17, 2023, which is incorporated herein by this reference to the extent consistent with this Agreement; and

WHEREAS, on the basis of City's evaluation of such proposal (attached hereto as Exhibit A), City selected Concessionaire for the award of this Agreement; and

WHEREAS, on April 27, 2023, the City Council awarded Concessionaire the Agreement for News and Convenience Concessions; and

WHEREAS, Concessionaire desires and is ready, willing and able to establish the Concessions at the Airport upon the terms and conditions herein; and

WHEREAS, Under the Surplus Land Act, Government Code Section 54220-54234, surplus land is defined as "land owned in fee simple by any local agency for which the local agency's governing body takes formal action in a regular public meeting declaring that the land is surplus and is not necessary for the agency's use,"; and

WHEREAS, Subject space (attached hereto as Exhibit B) of the Airport Passenger Terminal is not a disposition of surplus land pursuant to the Surplus Land Act, because no development or demolition will occur;

WHEREAS, This Lease is exempt under Resolution No. 2023-113 relating to the Surplus Land Act; and

NOW THEREFORE, in accordance with Chapter 5, Article 4, of the Fresno Municipal Code, and subject to all the terms, conditions and limitations contained within said Chapter of said Article, all of which are incorporated herein by reference, and in consideration of the above recitals, which recitals are contractual in nature, the mutual

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promises herein contained, and for such other good and valuable consideration hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS

SECTION 1.01 DEFINITIONS

As referred to or used herein the following terms have the following meanings:

The following terms shall have the meanings set forth below:

Additional Rent: Refers to all sums of money required to be paid by Concessionaire to City hereunder, including, but not limited to: Support Space Rent (if any), Miscellaneous Charges, Concessionaire's share of taxes assessed against City, operating costs and expenses, utility charges, and any other sums or charges which may be due from Concessionaire hereunder.

Agreement: Refers to this Concession Agreement, including all exhibits, appendices, schedules, attachments, and subsequent amendments thereto, as the same may be amended from time-to-time.

Agreement Year: (a) With respect to the first Agreement Year during the Term, the period commencing on the Commencement Date and continuing through the end of City's Fiscal Year in which the Commencement Date occurs, and (b) with respect to each Agreement Year thereafter during the Term, each twelve-month period commencing on the first day of City's Fiscal Year and ending on the last day of City's Fiscal Year, provided that if the Term expires or is terminated on a day other than the last day of an Agreement Year, the last Agreement Year will then end as of the date of such expiration or termination.

Airport Concession Disadvantaged Business Enterprise (ACDBE): Refers to a business, whether it is a corporation, sole proprietorship, partnership or joint venture certified as an ACDBE by City, of which at least fifty-one percent (51%) of the interest is owned and controlled by one or more socially and economically disadvantaged individuals as defined in the Airport and Airways Safety and Capacity Expansion Act of 1987 and the regulations promulgated pursuant hereto at 49 CFR Part 23.

Airport: Refers to Fresno Yosemite International Airport, which is located at 5175 E Clinton Way, Fresno, CA 93727.

Airport Terminal(s): The passenger transportation facilities at the Airport, existing or under construction as of the Effective Date of this Agreement, or to be constructed during the Term of this Agreement, known individually as Terminal A, Terminal B, and Federal Inspection Station, including all user movement areas, areas leased exclusively or preferentially to any third party or parties, common areas and baggage claim areas therein and interconnecting hallways, concourses, and bridges.

Alcoholic Beverage Control (ABC) Type 47 (On Sale General Eating Place) License: Refers to a permit authorizing the sale of all types of alcoholic beverages: namely, beer,

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wine, and distilled spirits, for consumption on the premises, and the sale of beer and wine for consumption off the premises.

Annual Refurbishment: Refers to an expenditure by Concessionaire of a minimum of one-half of one percent (0.5%) of total Gross Revenues, commencing in the fourth year of the Term of this Agreement and occurring annually, for refurbishment of the Premises.

Annual Report: An audit report prepared annually by an Independent Certified Public Accountant (CPA), in accordance with Generally Accepted Auditing Standards expressing an opinion from the Independent CPA on whether the Schedule of Gross Receipts, Rent and all other fees and charges payable under this Agreement have been completely and accurately presented, calculated, reported, and paid according to the terms of this Agreement.

Approved Project: Refers to any portion of the Premises, Concessionaire's construction, furnishing, fixturing, and remodeling of such portion of the Premises as reviewed and approved by City in accordance with the Tenant Handbook.

As Built Drawings: Refers to record documents of the construction, additions, and other modifications constructed by Concessionaire on the Premises including but not limited to Concessionaire's Agreement, as built models, and drawings in the format as required by City.

Assigned Premises: Refers to specific areas of the Airport Terminals, or elsewhere at the Airport, that are assigned (or leased to Concessionaire to occupy) and use for the purposes set forth herein. Concession may be conducted pursuant to this Agreement, including those City properties therein more specifically described in Exhibit B hereto incorporated herein, which Concessionaire, at its sole cost, expense and liability may use solely in its pursuit of this Agreement and upon the terms and conditions therein provided that title thereto shall at all times be and remain in City.

Base Building Work: Refers to the sub-floor, structural elements, demising walls at the exterior of the Premises, utilities infrastructure, and other base building improvements, structures, and fixtures that City installs at the Premises. Base Building Work includes preparation of portions of the Premises designated for concessions activities in Shell condition.

Capital Investment: Refers to the dollars spent by Concessionaire in the actual construction, remodeling, furnishing, fixturing, and equipping of any portion of the Premises, in connection with an Approved Project for such portion of the Premises. Capital Investment includes:

1. Architectural and Engineering fees: All soft costs associated with designing the approved project.

2. Leasehold Improvements: All improvements and equipment that are structural in nature or are affixed to the Premises and cannot be removed without material damage to the Premises including, but not limited to, mechanical, electrical, and

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plumbing work, floors, ceilings, demising walls, store fronts, lighting fixtures, and built-in shelving.

3. Furniture, Trade Fixtures, and Equipment (FF&E): All furniture, fixtures and major equipment installed by Concessionaire within the Premises for use in its performance of the Concession which may be removed from the Premises without causing material damage to the Premises.

Certificate of Occupancy: Refers to a document issued by the City of Fresno stating that the building or proposed use of a building or land has complied with all laws and ordinances, and with an approved site plan and any conditions required by the Commission or Board, relative to the proposed building or use.

City's Work: Refers to any work to be done by or on behalf of City to prepare the Premises for Concessionaire.

Claim: Refers to any demand, action, cause of action, suit, proceeding, arbitration, claim, judgment or settlement or compromise relating thereto which may give rise to a right to indemnification and defense under Article XIII of this Agreement

Common Use Areas: Refers to the areas of the Airport Terminals that are not leased, licensed, or otherwise designated or made available by City for exclusive or preferential use by a specific party or parties.

Comprehensive Management Operations Plan & Manual: Refers to a comprehensive manual of standard operating procedures outlining measures designed to promote meeting Concessionaire's responsibilities under this Agreement, to include performance targets, goals, and measures. Concessionaire shall maintain such Manual during the Term of this Agreement and any extensions.

Concession: Refers to the rights granted to Concessionaire by City to develop and operate a business to sell food & beverage, retail, or passenger services products to the public and related operations thereto, in accordance with the terms and conditions of this Agreement.

Concession Location(s): Refers to the locations, individually or collectively, within the Premises which are intended for the sale of Concessionaire's goods and services.

Concessionaire: Refers to the legal entity that is party to this Agreement who is bound by this Agreement to develop and operate the Concession at the Airport. Concessionaire shall include all approved sub-concessionaires of Concessionaire who are operating within the Premises pursuant to subleases with Concessionaire. In all provisions of this Agreement that require a person to comply with a specific provision requiring representation of Concessionaire, this person shall be an authorized official of Concessionaire.

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Concessionaire Improvement: Refers to any modifications or **i**mprovements made to the Concession Location from time to time as determined by Article IX of this Agreement by the Concessionaire at their sole cost.

Concessionaire's Operating Obligations: Refers to the various maintenance, repair, and operating duties hereunder to be performed by Concessionaire, at its own cost and expense, in the performance of the Concession. The performance of the obligation by the Concessionaire, or payment to a third party for the performance of these obligations, are not rental payments or other considerations for the right to occupy real property but are acknowledgements by the Concessionaire of its obligation to maintain, repair, and otherwise keep the Premises in optimal condition.

Concessions Design Criteria: The compilation of City's design and construction standards governing all aspects of the Concessionaire's design and construction of the Premises. City reserves the right to amend the Concessions Design Criteria during the Term.

Concessions Services: Refers to the certain Concessionaire's Operating Obligations and other maintenance and repair performed by City on behalf of and for the benefit of Concessionaire as further described in Article XI hereunder.

Concessions Services Fee: Refers to the amounts paid to City by Concessionaire as payment for Concessions Services as further described in Article XI hereunder.

Concession Space Rent: Refers to the annual rent payable, paid in twelve (12) equal monthly installments, by Concessionaire to City each Agreement Year based on the total square footage amount of the Premises as further described in Section 4.02.

Concession Space Rental Rate: Initially $40 per square foot/year, adjusted on the first annual anniversary of the Date of Beneficial Occupancy and each year thereafter, based on the annual percentage change in the CPI-U Index. The annual adjustment result in Rent will not be less than the amount charged during the prior contract year, or more than five percent (5%) above the prior year's rate.

Critical Dates:

1. Commencement Date or Date of Beneficial Occupancy (DBO): The day the first Concession Location under this Agreement opens for business.

2. Effective Date: The date of full execution of this Agreement by the Parties.

3. Expiration Date: The 15th anniversary of the Premises Completion Date.

4. Premises Completion Date: The earlier to occur of (a) the opening for business of all Concession Locations following completion of all Approved Projects, or (b) the latest of the dates established under this Agreement for completion of all Approved Projects for all Concession Locations.

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5. Required Completion Date: Refers to the date set forth in a Notice to Proceed by which Concessionaire must achieve Substantial Completion of an Approved Project, except as such date may be extended in accordance with the provisions herein.

6. Required Opening Date: Refers to the date set forth in the Development Schedule by which Concessionaire must open each Concession Location for business as defined in the Tenant Handbook, except as such date may be extended in accordance with the provisions herein.

7. Space Turnover Date: The date provided in a Notice to Proceed, which makes a portion of the Premises available to Concessionaire to commence the Approved Project in such portion of the Premises.

DBE Coordinator: Refers to the City of Fresno's DBE/Small Business Program Coordinator, a single position supervisory class responsible for developing and implementing the Federal Disadvantaged Business Enterprise Program certification procedures and for investigating and monitoring contracts for utilization of minority and disadvantaged business enterprise participation for compliance by contractors.

Department of Transportation (DOT): Refers to The United States Department of Transportation (USDOT or DOT), one of the executive departments of the U.S. federal government.

Director of Aviation or Director: Shall mean the Director of Aviation, or designee of the Airport as from time to time appointed by the City.

Enplanement Stabilization for Three Consecutive Months: Refers to the actual Enplanements for a particular month equaling or exceeding 75% of the actual Enplanements of the same Reference Month in the Reference Year, and such threshold is achieved for three (3) consecutive months.

Enplanements or Enplaned Passengers: Refers to all passengers' boarding flights at the Airport from scheduled or chartered flights, whether domestic or international, including non-revenue passengers (but excluding airline crew for the flight), and including those passengers connecting from arriving flights of same or another airline. Enplaned Passengers shall generally be measured for the entire Airport by Airline.

FAA: The Federal Aviation Administration or any successor thereto.

Fresno-Madera Metropolitan Statistical Area: Refers to the metropolitan area in the San Joaquin (Central) Valley of California consisting of Fresno and Madera counties as defined by the U.S. Office of Management and Budget.

Generally Accepted Accounting Principles: Refers to a common set of accounting principles, standards, and procedures issued by the Financial Accounting Standards Board.

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Generally Accepted Auditing Standards: Refers to a set of systematic guidelines used by auditors when conducting audits on companies' financial records issued by The Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA).

Gross Receipts/Revenues/Sales: Refers to the total amount of monies paid or earned by Concessionaire at or from the Premises in its performance of the Concession, as further described in Section 4.01.

Guaranty of Agreement: Refers to a contract between two parties where one party agrees to pay a debt or perform a duty in the event that the original party fails to do so.

Joint Venture: Refers to a partnership between two or more companies to form a new business entity.

Jurisdiction: Refers to the Superior Court of the State of California, County of Fresno, where this Agreement is performed.

Liquidated Damages: Refers to the damages to be paid by the Concessionaire to the City for failure to complete any part of this Agreement as referenced by the term. The Liquidated Damages amount shall be accessed at one hundred dollars ($100.00) per day under this Agreement.

Master Fee Schedule: Refers to the annual schedule of fees published by the City of Fresno, which can be modified from time to time.

Monthly Concession Report: Refers to report (in a form as set forth in Exhibit C attached hereto) certified by Concessionaire and that Concessionaire shall deliver to City no later than fifteen (15) days after the end of each month during the Term, stating Gross Receipts (with any and all sales of liquor separately identified) for said month for each Concession Location, sales for said month by each Concessions Location with subtotals by type of Concession, calculation of Percentage Fee payable for said month, sales per square foot and per enplaned passenger with subtotals by type of Concession, and receipts per square and per enplaned passenger with subtotals by type of concession when information available.

Notice to Proceed: Refers to any portion of the Premises, the written notice from City to Concessionaire delivering possession of such portion of the Premises to Concessionaire to commence the initial Approved Project for such portion of the Premises, and which establishes the Space Turnover Date and Required Completion Date for such portion of the Premises.

Party/Parties: Shall have the meanings set forth in the Recitals to this Agreement.

Past Due Interest Rate: Refers to a late payment charge equal to the lesser of the maximum rate allowable by law or one and one-half percent (1.5%) per month on the total amount overdue for each month thereafter until such delinquent installment or other payment amount(s) shall be received by City, which, at any time and from time to time

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during the life of the Agreement, be changed by action of the City Council of City when, in said Council's opinion, economic conditions and/or other relevant facts and/or circumstances may reasonable warrant such action.

Personal Property: Refers to Trade Fixtures, including Concessionaire's nonattached removable decorations, detached floor coverings, and furnishings that are not in any way attached to the Premises, inventory, and other nonattached personal items.

Percentage Rent: Refers to the rent paid by Concessionaire to City, on a monthly basis based on a percentage calculated in accordance with Section 4.06.

Point of Sale (POS): Refers to the place where a customer executes the payment for goods or services and where sales taxes may become payable, including both the physical concession location or a virtual sales point including (but not limited to) computers or mobile electronic devices.

Premises: Refers to the portion(s) within the Airport consisting of the Concession Locations and Support Spaces depicted on Exhibit B attached hereto containing approximately 3,403 Square Feet of Concession Space and 1,759 Square Feet of Support Space, including any improvements to be made or modifications to be made thereto.

Product Price List: Refers to a listing, substantially consistent with Exhibit G, of the goods and services to be sold from the Concession Location which shall include the initial prices to be charged to the public for said goods and services.

Public Areas: Refers to certain areas of the Terminal designated by City to be public or to be used in common, including, but not limited to, the walkways, streets, roadways, waiting rooms, hallways, restrooms and other passenger conveniences.

Remediation Plan: Refers to a written plan developed by Concessionaire to improve the performance of Concession Location(s) including, but not limited to, proposed remedial activities such as employee training, staffing changes, merchandise and service modifications, facility refurbishment and repair, and/or replacement of concept or brand.

Replacement Premises: Shall mean other location(s) within the Airport Terminals containing substantially the same area, visibility, and exposure to passenger traffic as the portion(s) of the Premises being reclaimed by City.

Severe Decline in Enplanements for Three Consecutive Months: Refers to the actual Enplanements achieved during a one-month period is less than 75% of the actual Enplanements of the same Reference Month in the same Reference Year, and such shortfall continues for three (3) consecutive months.

Substantial Completion: Refers to the stage in the process of any construction or other work when such work is sufficiently complete, as reasonably determined by City, so that (i) in the case of City's Work, Concessionaire is able to take possession of the Premises for the purpose of performing the Approved Project, or (ii) in the case of Approved Project

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work, Concessionaire has received a Certificate of Occupancy and/or a Temporary Certificate of Occupancy from City and is able to occupy the Premises for the purpose of opening for business. In no event shall Substantial Completion of any work occur prior to the issuance by City of the Notice to Proceed. It is the intent of the Parties that the application of the term Substantial Completion in the context of this Agreement shall coincide with the application of that term in Fresno, California, under State of California laws, so that the date on which Substantial Completion occurs under this Agreement shall be the same date relative to the imposition and levy of local ad valorem taxes.

Support Space(s): Refers to the non-selling locations, individually or collectively, within the Premises which are intended for the support of Concessionaire's operation of the Concession including, but not limited to, offices, commissary, and storage spaces.

Support Space Rent: Refers to the annual amount payable by Concessionaire to City for the use and occupancy of the Support Spaces, as further described in Section 4.03.

Support Space Rent Rate: Refers to the fair market rental rate per square foot for the Support Spaces, as further described in Section 4.03.

Surety: Refers to the guarantee of the debts of one party by another. An organization or person that assumes the responsibility of paying debt in case the debtor defaults or is unable to make the payments.

Tenant Handbook: The compilation of City's standards, procedures, construction activities, requirements, directives, and rules and regulations governing the operations of concessionaires and actions of their employees, representatives, agents, and vendors, which is incorporated herein by reference. City reserves the right to amend the Tenant Handbook during the Term. Any amendment of the Tenant Handbook will be binding on Concessionaire without amendment to this Agreement, provided that the amendment of the Tenant Handbook does not conflict with other terms and conditions of this Agreement.

Tenant Improvement Request: Refers to any requests made by Concessionaire for modifications or improvements made to the Concession Spaces from time to time as determined by Article IX of this Agreement.

Term: Refers to the period beginning on the Commencement Date and ending on the Expiration Date.

Term Options: Refers to the number of years the Term may be extended at the sole discretion of the Airport.

Title VI List of Pertinent Nondiscrimination Statutes and Authorities: Refers to a series of regulations under Title VI of the 1964 Civil Rights Act, 42 U.S.C. 2000d, which provides that: "No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance".

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Total Enplanements: Refers to the complete number of passengers enplaning and deplaning airline carriers at Fresno Yosemite International Airport.

Trade Fixtures: Refers to all furniture, fixtures, and major equipment installed by Concessionaire, for use in its performance of the Concession, removable from the Premises without causing material damage to the Premises.

TSA: The U.S. Department of Homeland Security Transportation Security Administration or any successor thereto.

Unamortized Investment: Refers to the unamortized amount, for that portion of the Premises at the time such amount is referred to herein, of Concessionaire's Capital Investment or portion thereof, using straight line amortization, calculated daily, over the period beginning on the latter of (i) the Premises Completion Date or (ii) the completion of an Approved Project to which such Capital Investment refers and ending on the Expiration Date.

ARTICLE II. PREMISES

SECTION 2.01 PREMISES DESCRIPTION

City hereby leases to Concessionaire and Concessionaire hereby agrees to lease from City the Premises within the Airport consisting of the Concession Locations and Support Spaces as listed and depicted on Exhibit B, attached hereto, and incorporated herein, including any improvements to be made or modifications to be made thereto. No other part of the Airport Terminals or the Airport shall be part of the Premises.

The total estimated areas of the Premises, Concessions Locations, and Support Spaces are incorporated in Exhibit B.

If the Premises is not fully constructed at the time of Agreement execution, then the actual square footage determined after completion of construction shall be adjusted and acknowledged by the parties. No later than 90 days after completion of the punchlist for each Premises, Concessionaire shall certify in writing the actual as-built areas of the Premises, Concession Locations, and Support Spaces. The Parties agree to modify Exhibit B to incorporate such as-built areas, such modifications to be confirmed by letter executed by City, without need for formal amendment to the Agreement.

SECTION 2.02 ADDITIONS TO AND DELETIONS FROM THE PREMISES

City and Concessionaire may, during the Term and by mutual agreement, add additional space(s) or delete space(s) from the Premises. All space(s) added to the Premises pursuant to this Section 2.02 shall be subject to all the terms, conditions, and other provisions of this Agreement and Concessionaire shall pay to City all rents, fees, and charges applicable to the additional space(s) in accordance with this Agreement. In the case of deletions of space(s) from the Premises, rents, fees, and charges paid to City by Concessionaire shall be proportionately adjusted. The Parties agree to modify Exhibit B as necessary, to incorporate space additions to the Premises and space deletions from

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the Premises by letter executed by the Director of Aviation or designee and acknowledged by Concessionaire, without need for formal amendment to this Agreement.

Concessionaire shall have the first right of refusal to any new News and Convenience concession spaces to open operations in during the term of this Agreement.

SECTION 2.03 RECLAIMING OF PREMISES FOR AIRPORT PURPOSES

City reserves the right to reclaim the Premises when, in the sole discretion of City, such reclaiming is necessary for the development or operations of the Airport or is in the best interest of City, it being agreed that use by another concessionaire is not deemed "in the best interest of City". City will make a reasonable effort to identify other location(s) within the Airport Terminals containing substantially the same area, visibility, and exposure to passenger traffic as the portion(s) of the Premises being reclaimed (such other location(s), if any, hereinafter referred to as, the Replacement Premises).

City shall exercise such right to reclaim by giving Concessionaire not less than 90 days prior written "Notice of Intent to Reclaim Premises" specifying the effective date of the reclaiming and identifying Replacement Premises, if any. Concessionaire shall, by written notice given to City no later than 30 days after receipt of Notice of Intent to Reclaim Premises, notify City of its acceptance of the Replacement Premises, if any, whereupon, as of the effective date provided in City's Notice of Intent to Reclaim Premises:

1. All the terms, covenants, conditions, and provisions of this Agreement shall continue in full force and effect and apply to the Replacement Premises.

2. In the event design, permitting and construction timing for the Replacement Premises is anticipated to exceed the effective date stated in the City's Notice of Intent to Reclaim Premises, the parties shall mutually agree on the date upon which Concessionaire shall move from the Premises, or portion(s) thereof being reclaimed by City, into the Replacement Premises and shall vacate and surrender possession of the Premises or portion(s) thereof being reclaimed by City. The parties shall also discuss the option of Concessionaire's temporary operations until such time as the opening date of the Replacement Premises.

3. Concessionaire shall have the right to inspect the Replacement Premises prior to acceptance. Subject to the discovery of latent defects and other provisions of this Agreement, Concessionaire shall be deemed to have accepted possession of the Replacement Premises in its "as is" condition.

4. If City reclaims premises prior to the end of the term of this Agreement, City will pay to Concessionaire reasonable and proper moving expenses to include moving of furniture, equipment, and other personal property into the Replacement Premises. Concessionaire shall pay all other costs to improve and fit out the Replacement Premises.

In the event Concessionaire elects to accept the Replacement Premises, City will pay to Concessionaire, within 30 days of the opening of the Replacement Premises, an amount

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equal to the Unamortized Investment in the portion(s) of the Premises being reclaimed less any of the Unamortized Investment attributable to Trade Fixtures moved to the Replacement Premises.

Concessionaire shall not be compensated and City shall not be liable for any inconvenience to Concessionaire or for any interruption of Concessionaire's business, because of moving to Replacement Premises.

If no Replacement Premises are available, as determined solely by City, or if Concessionaire fails to respond to City's Notice of Intent to Reclaim Premises within 30 days after receipt of such notice, or Concessionaire otherwise rejects the Replacement Premises, or if City deems the use(s) or concept(s) are not appropriate at the Replacement Premises, then the Agreement for the Premises or portion(s) thereof being reclaimed will terminate on the Effective Date provided in the Notice of Intent to Reclaim Premises and provisions of this Agreement related to termination shall apply. In such event City will pay to Concessionaire, within 90 days of the effective date stated in City's Notice of Intent to Reclaim Premises, an amount equal to the Unamortized investment in the portion(s) of the Premises being reclaimed.

The Parties agree to modify, within ten (10) days of the Effective Date stated in the Notice of Intent to Reclaim Premises, Exhibit A and Exhibit B, as necessary, to delete the portion(s) of the Premises being vacated and incorporate the Replacement Premises, if any. These modifications will be confirmed by letter executed by the Director of Aviation or designee and acknowledged by Concessionaire, without need for formal amendment to this Agreement.

SECTION 2.04 MODIFICATIONS TO PREMISES, TENANT IMPROVEMENTS

City shall have the right to make minor modifications to any portion of the Premises at the sole discretion of City to accommodate Airport operations, security renovations, maintenance, or other work to be completed in the Airport Terminals. Minor modifications are subject to all provisions in Section 2.02, provided said modifications do not materially interfere with Concessionaire's use of the Premises.

Minor modifications are those that may affect the Premises, but which do not have any material effect in the Concessionaire activities.

SECTION 2.05 INGRESS AND EGRESS

Subject to all applicable rules, regulations, or City policies governing the use of the Airport, City grants to Concessionaire the non-exclusive right to use, in common with others, certain areas of the Airport Terminals designated by City to be public or to be used in common, including, but not limited to, the walkways, streets, roadways, waiting rooms, hallways, restrooms and other passenger conveniences (Public Areas) for Concessionaire's employees, customers, contractors, agents, invitees and suppliers for the uses for which those Public Areas were designed. Concessionaire's rights under this Section shall include the right of ingress and egress to and from the Premises. City reserves the right to modify the Public Areas at any time and in any way, it deems

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appropriate, including, but not limited to, reconfiguration of the Public Areas, expansion, or contraction of the Public Areas, or changing access points to and from the Public Areas. Access to some Public Areas will be restricted to Concessionaire's employees who display valid security access badges issued by City.

SECTION 2.06 PREMISES ACCEPTANCE AS IS

Concessionaire understands, acknowledges, and accepts the Premises in its present condition, "As Is" with all faults and with absolutely no warranties as to condition or suitability for use being given by City. City shall have no obligation, liability, or responsibility to construct additional improvements or to modify existing conditions, nor to provide services of any type, character, or nature (including any obligation to maintain, repair, or replace utilities or telephone/data service) on or to the Premises during the Term other than as explicitly stated in this Agreement.

SECTION 2.07 NO WARRANTY OF ECONOMIC VIABILITY

City makes no warranty, promises or representations as to the economic viability of the Premises or Concessionaire's business concept(s) or any other matter pertinent to the potential or likelihood for success or failure of Concessionaire business operations. Concessionaire acknowledges that airline gate usage and other aspects of Airport operations are subject to change during the Term without notice and that City makes no warranty regarding the location of airline gate usage. Except as is specifically set forth herein, City shall not, by virtue of the existence of this Agreement, be constrained in connection with its operation of the Airport.

ARTICLE III. TERM

SECTION 3.01 TERM

This Agreement shall be effective and binding upon the Parties as of the Effective Date. The Term of this Agreement shall begin on the Premises Completion Date and continue through the Expiration Date, as stated in this Agreement, unless sooner terminated as herein provided.

SECTION 3.02 HOLDOVER

Any occupancy of Premises by Concessionaire with the written consent of City after the Expiration Date shall be on a month-to-month basis with all provisions of this Agreement, including rent, fees, and charges, remaining in place until such time that either party gives notice to the other to surrender of the Premises. Notice to surrender premises will be provided not less than 30 days prior to the anticipated surrender date.

Any occupancy of Premises by Concessionaire after the termination of this Agreement without the written approval of City constitutes a month-to-month lease on the same terms and conditions as this Agreement. Concessionaire must pay Concession Space Rent, Support Space Rent, and Percentage Rent for the entire holdover period for that portion of Premises where the Agreement has expired or been terminated. No occupancy of any

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portion of the Premises by Concessionaire after the expiration or other termination of this Agreement with respect to such portion of the Premises extends the Term, except as a holdover tenancy. In the event of such holdover tenancy, Concessionaire shall indemnify City against all damages arising out of the Concessionaire's holdover tenancy, including but not limited to, any costs incurred by City to evict Concessionaire, and all insurance policies and Security Deposits required to be obtained and maintained by Concessionaire as set forth in this Agreement shall continue in full force and effect.

SECTION 3.03 RIGHTS AND OBLIGATIONS UPON EXPIRATION OR TERMINATION

Concessionaire shall, upon termination of this Agreement, with or without cause, surrender the Premises to City peaceably, quietly and in as good order and condition as the same now are or may be hereafter improved by Concessionaire or City, reasonable use and wear thereof and damage by casualty, which damage Concessionaire did not cause and is not required to repair or restore, excepted. Concessionaire shall remove all signage and provide temporary walls to seal all openings of premises that meet the guidelines outlined in the Tenant Handbook. Concessionaire shall also provide to City all keys to doors, window displays or any area of controlled access within the footprint of the Premises. City shall be entitled to exercise the non-judicial remedy of locking Concessionaire out of the Premises as a means of enforcing City's right of possession, regardless of whether Concessionaire is delinquent in rental payments, including without limitation the de-activation of Concessionaire's security badges or credentials; and this right of de-activation shall not, and legally cannot, limit or otherwise affect City's governmental police powers to de-activate security credentials for security or other governmental reasons.

Upon expiration or termination of this Agreement, Concessionaire shall, subject to City's lien described in Section 4.12, remove all furniture, fixtures and equipment installed by Concessionaire and Concessionaire or brand proprietary property, inventory, and other personal property, and leave the Premises in broom clean condition. Any damage to the Premises caused by Concessionaire's removal of such furniture, fixtures, equipment, or property shall be immediately repaired by Concessionaire at Concessionaire's expense and to the satisfaction of City. Notwithstanding the foregoing, if Concessionaire fails to remove such furniture, fixtures, equipment or property within ten (10) days from the date of termination of this Agreement, then Concessionaire shall be deemed to have abandoned same and City shall have the right, at its option, and in its sole discretion, to take title to said furniture, fixtures, equipment and/or property and sell, Agreement, salvage, or dispose of the same in any manner permitted by law. Concessionaire shall have no right, interest, or claim in or to any proceeds of the sale or other disposition of such items. Any net expense City incurs in disposing of such items shall be immediately reimbursed by Concessionaire. No act by City shall be deemed an acceptance of a surrender of the Premises. No acceptance of a surrender of the Premises shall be valid unless it is in writing and signed by City.

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SECTION 3.04 END OF TERM TRANSITION

During the final Agreement Year, City plans to award and transition to a new agreement for concessions services that may include rights to the Premises or portions thereof. If Concessionaire is not selected for the new agreement, City will notify Concessionaire in writing of the exact dates of a transition period. Concessionaire will cooperate fully with City and Concessionaire's successor to ensure an effective and efficient transition of the Premises and concession operations to the successor. Concessionaire acknowledges its responsibility to continuously perform the Concession in a professional, high-quality, and customer-centric manner during the transition to the successor.

ARTICLE IV. RENTALS, FEES, OTHER CHARGES, REPORTING, AND ACCOUNTING RECORDS

SECTION 4.01 DEFINITION OF GROSS RECEIPTS

Gross Receipts (sometimes referred to as Gross Revenues or Gross Sales) include all monies paid or payable to Concessionaire for sales made, services rendered, and customer orders fulfilled at or from the Premises, regardless of when or where the customer order is placed (including outside the Premises), and any other receipts, credits, allowances, internet sales, mobile app sales (owned or third-party), or revenues of any type arising out of or in connection with Concessionaire's or Concessionaire's sub-concessionaires' or agents' operations at the Premises, including, but not limited to, branding fees, marketing fees, merchandising fees, promotional allowances, performance allowances, retail display allowances (RDAs), and any other type of ancillary advertising or product placement fees, and other allowances and fees. Gross Receipts shall not include:

1. Any taxes imposed by law that are separately stated to and paid by a customer and directly payable to the taxing authority by Concessionaire.
2. Amounts and credits received from suppliers for products and merchandise returned by concessionaire.
3. Cash and credit card refunds to customers for merchandise returned.
4. Amounts and credits received in settlement of claims for loss of, or damage to, merchandise.
5. Insurance proceeds received from the settlement of claims for the loss of or damages to the Concessionaire's property at or on the Premises other than the proceeds from business interruption insurance.
6. Inter-company store transfers.
7. United States Postal Service stamp sales.
8. Uniforms or clothing purchased by employees where such uniforms or clothing are required to be worn by employees.
9. Reimbursements from Concessionaire's sub-concessionaires for any taxes, fees, franchise or license fees, utilities or other services paid or provided by Concessionaire for or on behalf of its sub-concessionaires; provided, however, that any reimbursement more than the actual cost of such taxes,

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fees, franchise or license fees, utilities or other services shall be included in Gross Receipts.

10. Rental, fees, and charges paid to Concessionaire by its sub-concessionaires pursuant to the provisions of this Contract; provided, however, that any such payment more than the amounts required hereunder shall be included in Gross Receipts.
11. Gift cards sold at the Premises. When a gift card is redeemed or accepted as payment for a purchase at the Premises, the transaction must be reported as part of Gross Receipts.
12. Amounts for coupons and other forms of discounts (including Airport but not limited to, employee meals, complimentary customer meals, and the Airport employee discount described in Section 6.03), such that only the amounts received are ultimately included in Gross Receipts.
13. Gratuities for services performed by employees paid by Concessionaire or by its customers except to the extent Concessionaire may be entitled to receive a portion of the gratuities.

SECTION 4.02 CONCESSION SPACE RENT

Commencing on the Date of Beneficial Occupancy, Concessionaire covenants and agrees for each contract year of the Term to pay to City Concession Space Rent, calculated in advance and without demand or invoice. Concession Space Rent is payable in 12 monthly equal payments, beginning on the Commencement Date and on the first day of each month thereafter throughout the Term of this Agreement. Concession Locations are shown in Exhibit B and attached and incorporated herein, as set forth in sub-paragraph 1 of this Section below:

1. Concession Space Rent shall consist of an annual sum calculated on the basis of forty dollars ($40.00) per square foot for the area of the Concessionaire's Space.

SECTION 4.03 SUPPORT SPACE RENT

As consideration for the right and privilege to Support Space as granted herein, Concessionaire agrees for each contract year of the Term to pay to City Support Space Rent, calculated in advance and without demand or invoice. Concession Space Rent is payable in 12 monthly equal payments, beginning on the Commencement Date and on the first day of each month thereafter throughout the Term of this Agreement. Support Spaces are shown in Exhibit B and attached and incorporated herein, as set forth in sub-paragraph 1 of this Section below:

1. Support Space Rent shall consist of an annual sum calculated on the basis of twenty dollars ($20.00) per square foot for the area of the Concessionaire's Support Space.

SECTION 4.05 ANNUAL RENTAL ADJUSTMENTS

The Concession Space Rent and Support Space Rent will be adjusted on the first annual anniversary of the Date of Beneficial Occupancy and each year thereafter, based on the

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annual percentage change in the CPI-U Index. However, in no event will the annual adjustment result in Rent being less than the amount charged during the prior contract year or more than five percent (5%) above (see Exhibit J attached hereto and incorporated herein).

SECTION 4.06 PERCENTAGE RENT

At all times while Gross Receipts are being generated from the Premises, Concessionaire shall calculate Percentage Rent each Agreement Month, which Percentage Rent shall be equal to the product of the applicable Percentage Rent Rate(s) times the amount of Concessionaire's Gross Receipts during such Agreement Month. The Percent Rent Rate(s) shall be ten percent (10%) for the Term of this Agreement. Concessionaire shall pay Percentage Rent to City monthly without prior notice or demand within fifteen (15) days after the expiration of each Agreement Month. All Percentage Rent payments shall be computed based on all Gross Receipts made during the previous Agreement Month as all such Gross Receipts are indicated on Concessionaire's Monthly Concession Report.

SECTION 4.07 AIRPORT CHARGES

Concessionaire shall pay to City any other fees and charges assessed by City relating to City's operation and maintenance of the Airport, including without limitation, for segregation and/or removal of garbage and refuse, in accordance with standard rates or nondiscriminatory prorated charges, established by City from time to time, as well as any additional charges assessed by City relating to Concessionaire's activities or operations at the Airport, which charges shall equal Concessionaire's proportionate share. Such other fees and charges may include, but shall not be limited to, fees for security badges and charges to account for additional expenses City incurs in operating the Facilities due to Concessionaire's operations. All persons employed at the Terminal are required to obtain background checks, security clearances and identification security badges from City and City has the right to institute a charge for the processing, issuance and reviews and renewals. All security badges must be properly accounted for by Concessionaire and promptly returned in accordance with City's and all other applicable rules, policies and regulations.

SECTION 4.08 SCREENING

If applicable as may be required by local, state, or federal Law, including, but not limited to, the Federal Aviation Administration's (FAA), the Transportation Security Administration's (TSA), City's or any other applicable rules and regulations now in effect or hereinafter enacted, costs incurred for the screening of Concessionaire's goods, merchandise, products, equipment, materials and supplies, which shall be paid by Concessionaire directly to City.

SECTION 4.09 ADDITIONAL RENT

In addition to Concession Space Rent, Support Space Rent and Percentage Rent, Concessionaire shall pay, as Additional Rent, all sums of money required to be paid by

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Concessionaire to City hereunder, including, but not limited to: Concessionaire's share of taxes assessed against City, operating costs and expenses, utility charges, and any other sums or charges which may be due from Concessionaire hereunder. If such amounts or charges are not paid at the time and in the manner as provided herein, they shall nevertheless be collectible as Additional Rent with the next payment of Concession Space Rent thereafter falling due, but nothing herein shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder or to limit any other remedy of City. All amounts of rentals payable in each month shall be deemed to comprise a single rental obligation of Concessionaire.

SECTION 4.10 FAILURE TO MAKE TIMELY PAYMENTS

Without waiving any other right or action available to City, in the event Concessionaire is delinquent in the payment of rents, fees, or charges hereunder or rightly due and owing by an audit of Concessionaire's books and records as provided in Section 4.13, and in the event Concessionaire is delinquent in paying to City any such rents, fees, or charges for a period of six (6) days after the payment is due, City reserves the right to charge Concessionaire interest thereon, from the date such rents, fees, or charges became due to the date of payment, and shall accrue interest at the Past Due Interest Rate from the due date until paid in full, or the maximum rate allowed by law.

In the event of a dispute as to the amount to be paid, City shall accept the sum tendered without prejudice and, if a deficiency is determined to exist, interest shall apply only to the deficiency.

The right of City to require payment of interest and the obligation of the Concessionaire to pay same shall be in addition to and not in lieu of the right of City to enforce other provisions herein, including termination of this Agreement, and to pursue other remedies provided by law.

The failure of City to act in the event of a delinquent payment or series of payments shall in no way waive the right of City to act at a subsequent time. City expects all rents, fees, and charges to be paid on time and Concessionaire agrees to pay on time.

Notwithstanding other provisions of this Agreement, and without limiting the other provisions of this Agreement concerning, among other things, events deemed to constitute default of Concessionaire, City may, in City 's reasonably exercised discretion, terminate this Agreement upon written notice to Concessionaire if (i) there are recurring instances in which Concessionaire's payments required hereunder are not timely or are insufficient to cover sums actually due and payable; or (ii) Concessionaire fails to maintain adequate records and accounts reflecting its business operations at the Airport and calculation of Gross Receipts/Revenues under this Agreement; or (iii) Concessionaire fails or refuses to submit the formal supporting paperwork as required herein.

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SECTION 4.11 OFF SET CREDITS ON ACCOUNT

If any credit on the Lessee's account is 180 days or older, the Lessor has the right to apply such credit to the outstanding balance without prior written consent from the Lessee and which invoice to apply the credit to.

SECTION 4.12 CITY'S LIEN

City shall have a lien upon all Trade Fixtures and Personal Property of the Concessionaire placed in or on the Premises, to the extent permitted by law, for the purpose of securing the payment of all sums of money that may be due to City from Concessionaire under this Agreement.

This lien shall supersede any other lien including any lien created in connection with Concessionaire's financing. Concessionaire is prohibited from pledging any Trade Fixtures and/or Personal Property without prior, written permission of City.

SECTION 4.13 RECORD KEEPING, REPORTS, ANNUAL AUDIT, & END OF YEAR ADJUSTMENT

A. Generally Accepted Accounting Principles

Concessionaire shall prepare and maintain, in accordance with Generally Accepted Accounting Principles, complete and accurate books and records that include all financial transactions in the performance of this Agreement. Concessionaire's system of accounts shall allow each Concession Location to be distinguished from all other Concession Locations. Concessionaire shall maintain source documents sufficient to support its books, records, and reports. The books and source documents to be kept by Concessionaire must include records of inventories and receipts of merchandise, daily receipts from all sales and other pertinent original sales records and records of any other transactions conducted in or from the Premises by all persons or entities conducting business in or from the Premises. Pertinent original sales records include: (i) cash register tapes, including tapes from temporary registers, (ii) serially prenumbered sales slips, (iii) the original records of all mail and telephone orders at and to the Premises, (iv) settlement report sheets of transactions with subtenants, concessionaires, licensees and assignees, (v) original records indicating that merchandise returned by customers was purchased at the Premises by such customers, (vi) memorandum receipts or other records of merchandise taken out on approval, (vii) detailed original records or any exclusions or deductions from Gross Receipts/Revenues, (viii) sales tax records, and (ix) all other sales records, if any, that would normally be examined by an independent accountant pursuant to generally accepted auditing standards in performing an audit of Gross Receipts/Revenues. All monies related to this Agreement shall be deposited to and paid from a business bank account(s), the records for which shall be subject to review and audit in accordance with the provisions hereof.

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B. Financial Reports

1. Daily Gross Receipts/Revenues: Upon request of the City, Concessionaire agrees to report Gross Receipts/Revenues for periods of less than one month in a format and reasonable frequency as reasonably requested by City.

2. Monthly Concession Report: No later than fifteen (15) days after the end of each month during the Term, Concessionaire shall deliver to City a certified Monthly Concession Report, in a form as set forth in Exhibit C attached hereto, stating Gross Receipts/Revenues for said month for each Concession Location and the calculation of Percentage Fee payable for said month.

3. Annual Audit: No later than 90 days after the end of each Agreement Year during the Term, Concessionaire shall, at its sole cost and expense, provide an annual audit report by an independent Certified Public Accountant, licensed in the State of California and acceptable to City, of Concessionaire's monthly Gross Receipts/Revenues and the amounts paid to City as Rent for the subject Agreement Year, or part thereof (said annual audit report hereinafter referred to as Annual Report). There may be no limitation on the scope of the engagement that would preclude the auditor from expressing an unqualified opinion as to the correctness and completeness of the reported Gross Receipts/Revenues. The engagement will include a Schedule of Gross Receipts, Rent and all other fees and charges for each month of the Concessionaire's operations in the Agreement Year, prepared in accordance with the comprehensive basis of accounting defined herein and reported in a format acceptable to City. The engagement will be conducted in accordance with Generally Accepted Auditing Standards and shall include an opinion on whether the Schedule of Gross Receipts, Rent and all other fees and charges has been completely and accurately presented, calculated, and reported according to the terms of this Agreement.

C. Findings

City reserves the right to challenge any findings or conclusions of the Annual Report if it reasonably believes an error may have occurred. In such event, City may conduct its own audit under the provisions in Section 4.16 or may require production of the supporting documentation used to reach the finding or conclusion in question. The resolution by City of any dispute will be final. Delivery of an Annual Report containing a qualified opinion, or an adverse opinion, or a disclaimer of opinion as defined in the Statements on Auditing Standards, as may from time to time be amended or superseded, issued by the Auditing Standards Board of the American Institute of Certified Public Accountants, or any successor board or agency thereto, will be deemed a material breach of this Agreement and, in addition to all other remedies available to City, City may, in its sole discretion, terminate this Agreement.

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D. End of Year Adjustment

If Concessionaire has paid to City an amount greater than Concessionaire is required to pay as Rent for an Agreement Year under the terms hereof, Concessionaire shall be entitled to a credit against Concessionaire's MAG for the amount of the overpayment. If Concessionaire has paid less than the amount required to be paid as Rent for such Agreement Year, then Concessionaire shall pay the difference to City in the next payment of the MAG.

E. Form, Frequency, and Method of Reporting

Acceptance of monthly reports and payments by City does not constitute agreement by City with the amounts reported and paid. City reserves the right to change the form and frequency of reports and statements, including, but not limited to, the Monthly Concession Report, and to require the submission by Concessionaire of other statistics and information pertaining to the Gross Receipts/Revenues hereunder. Concessionaire agrees to change the form of the required reports and statements as requested by City and to provide any additional statistics and information City may request.

City shall have the right at any time to require that reports be delivered electronically using technology and procedures designated by City. If City instructs Concessionaire to deliver any reports and statements required hereunder by computer, e-mail, internet website, or transmission, City shall not be obligated to furnish Concessionaire with the equipment or systems necessary to do so.

SECTION 4.14 PAYMENT PROVISIONS/INTEREST ON OVERDUE AMOUNTS

A. Unless otherwise provided in this Agreement, fixed (i.e. non-activity based) Airport rentals, fees and charges shall be due and payable the first (1st) day of each month, in advance, without invoice.

B. Unless otherwise provided in this Agreement, variable (i.e. activity based) Airport rentals, fees, and charges shall be due and payable the fifteenth (15th) day of each month following the month in which assessed, without invoice.

C. Unless otherwise provided in this Agreement, all other rentals, fees, and charges shall be due and payable on invoice within thirty (30) days of the date of the invoice.

D. The acceptance by City of any payment by Concessionaire shall neither constitute City's approval of, nor preclude City from questioning the accuracy of, computations in Monthly Activity Report, submitted to City as provided in this Agreement, or from recovering any additional payment actually due from Concessionaire.

E. Any payment not received by the due date shall be deemed delinquent and shall accrue interest at the Past Due Interest Rate from the due date until paid in full, or the maximum rate allowed by law.

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F. All payments due and payable herein shall be paid in lawful money of the United States of America, without set off, by check or wire transfer made payable to City and delivered or wired, as applicable, to the following address or account, or to such other address or account as City by service of written notice upon Concessionaire, may otherwise direct the payment thereof from time to time during the term hereof:

Via Mail/Express
City of Fresno - Airports
Fresno Yosemite International Airport
Attn: Airport Accounting
4995 East Clinton Way
Fresno, CA 93727-1504

SECTION 4.15 FORM OF PAYMENT

City reserves the right to require other methods of payment as designated in writing by City. Concessionaire shall provide City with necessary information and authorizations as needed to facilitate such payments.

SECTION 4.16 CITY'S RIGHT TO PERFORM AUDITS, INSPECTIONS, OR ATTESTATIONS

Notwithstanding Concessionaire's requirement to submit the Annual Report set forth herein, Concessionaire shall make available to City, upon the written request of the City, at the offices of the Concessionaire at the Airport such books, records and accounts, or photocopies thereof, that are relevant to payment of rentals, fees and charges required under this Agreement for the current year and the preceding calendar year, and shall make such records, or photocopies thereof, available for inspection and audit by City or its authorized representative at reasonable and mutually agreed upon hours and times during the entire term of this Agreement and for two (2) years thereafter.

This includes, but is not limited to, financial statements, general ledgers, sales journals, daily or periodic summary reports, inventory and purchasing records, cash register or computer terminal tapes or reports, bank deposit slips, bank statements, cancelled checks, tax reports/returns filed with state or federal entities, discount or rebate/allowance agreements, records of refunds or voids, and joint venture or partnership agreements. Such right of examination shall include cooperation by Concessionaire personnel (including, but not limited to, cooperation in sending confirmations to Concessionaire's suppliers or others, assisting City in obtaining from governmental entities official copies of tax reports/returns, and disclosing all bank or other accounts into which Gross Receipts/Revenues are deposited) as reasonably considered necessary by City, or its representative, to complete the audit/inspection. There may be no limitation in the scope of the audit, inspection or attestation that would hinder City in testing the accuracy and completeness of the reported Gross Receipts/Revenues. All such books, records, and agreements shall be kept for a minimum period of five (5) years after the close of each Agreement Year.

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Audits and inspections will be conducted at the Airport. However, if agreed to by City, the audit or inspection can be conducted at another location, in which event Concessionaire shall reimburse City for reasonable transportation, food and lodging costs associated with the audit or inspection, accrued in accordance with City's Policy and Standard Procedure relating to travel expenses. Concessionaire shall allow City's representatives to photocopy any records the representatives determine to be necessary to conduct and support the audit or inspection. Concessionaire shall provide City's representatives with retrievals of computer-based record or transactions the representatives determine to be necessary to conduct the audit or inspection. Concessionaire shall not charge City for reasonable use of Concessionaire's photocopy machine while conducting the audit or inspection, nor for any cost of retrieving, downloading to storage media and/or printing any records or transactions stored in magnetic, optical microform or other media. Concessionaire shall provide all records and retrievals requested within ten (10) business days of the request. The Parties recognize that City will incur additional costs if records requested are not provided in a timely manner and that the amount of those costs is difficult to determine with certainty. Consequently, the Parties agree that City may assess liquidated damages in the amount of $100 per day for each record requested that is not received. Such damages may be assessed beginning on the eleventh (11th) business day following the date the request was made. Accrual of such damages will continue until specific performance is accomplished.

If, because of any audit or inspection, it is established that Concessionaire owes additional rents, fees, or charges to City, Concessionaire will pay such additional rents, fees and charges and City may assess interest in accordance with Section 4.10. If it is established that Concessionaire underreported Gross Receipts/Revenues or underpaid fees related to Gross Receipts/Revenues by three percent (3%) or more for the period under consideration, the entire expense of the engagement may be billed to Concessionaire. Any additional payments due shall be paid, no later than Concessionaire's next payment of the Guaranteed Rent, by Concessionaire to City. If it is established that Concessionaire intentionally underreported Gross Receipts/Revenues or underpaid fees related to Gross Receipts/Revenues by five percent (5%) or more for the period under consideration, City shall be entitled to terminate this Agreement for cause upon thirty (30) days' written notice, regardless of whether the deficiency is paid. If because of any audit or inspection, it is established that Concessionaire has correctly reported or over reported Gross Receipts/Revenues or has paid fees related to Gross Receipts/Revenues equivalent to or greater than the sum due, City shall refund Concessionaire and the entire expense of the audit or inspection shall be paid by City.

Concessionaire will include a provision providing City the same rights to initiate and perform audits, inspections, or attestations in any sub-concessionaire agreement that it enters and cause its sub-concessionaires to similarly include the statements in further sub-concessionaire agreements.

Record Retention**.** The Concessionaire will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the Agreement, including, but not limited to, data, documents, reports, statistics, sub-

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agreements, leases, subcontracts, arrangements, other third-party agreements of any type, and supporting materials related to those records.

Retention Period. The Concessionaire agrees to comply with the record retention requirements in accordance with 2 C.F.R. section 200.334. The Concessionaire shall maintain all books, records, accounts and reports required under this Agreement for a period of at not less than three (3) years after the date of termination or expiration of this Agreement, except in the event of litigation or settlement of claims arising from the performance of this Agreement, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.

Access to Records. The Concessionaire agrees to provide sufficient access to City to inspect and audit records and information related to performance of this contract as reasonably may be required.

Access to the Sites of Performance. The Concessionaire agrees to permit City access to the sites of performance under this Agreement as reasonably may be required.

SECTION 4.17 SEVERE DECLINE IN ENPLANEMENTS

A. Concession Space Rent Reduction/Suspension

If at any time during the Term, there is a Severe Decline in Enplanements for Three Consecutive Months as compared to same time period in the previous year, then the Concession Space Rent shall be temporarily suspended (or may be reduced in proportion to the enplanement decline) as follows:

1. The Concession Space Rent reduction/suspension shall be effective on the first day of the month immediately following the Severe Decline in Enplanements for Three Consecutive Months.
2. During such Concession Space Rent reduction/suspension period, Concessionaire shall be required to pay the greater of the Percentage Rent or reduced Concession Space Rent, unless and until the Concession Space Rent is fully reinstated as provided below. On or before the 10th day of each month, Concessionaire will submit to City a Sales Report showing Concessionaire's Gross Revenues achieved with respect to the prior month, together with the Percentage Rent calculated on such Gross Revenues, cumulated by Agreement Year.
3. If this Agreement provides that the Percentage Rent is based on a tiered gross revenue structure, for purposes of determining the Percentage Rent payable, the annual Gross Revenues shall continue to cumulate as provided in this Agreement. For example, if Concessionaire's Agreement Year is November 1 through October 31, then for purposes of calculating Percentage Rent for April, all gross revenues achieved to date (from November 1 through April 30) will be cumulated.

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B. Concession Space Rent Reinstatement

Once Enplanement Stabilization for Three Consecutive Months has been achieved, then the Concession Space Rent is reinstated, and will continue unless and until there is another Severe Decline in Enplanements for Three Consecutive Months, as follows:

1. Such Concession Space Rent reinstatement will be effective on the first day of the month following an Enplanement Stabilization for Three Consecutive Months.

2. In the event the Concession Space Rent is reinstated after the commencement of an Agreement Year or other period for annual gross revenue accumulation specified in this Agreement, the Concession Space Rent will be pro-rated accordingly.

C. Determination of Total Enplanements and “True-Ups”

The parties acknowledge that Total Enplanements for a particular month are not usually determined as of the first day of the following month. Accordingly, unless and until the Concession Space Rent is suspended as provided herein, Concessionaire shall continue to pay the Percentage Fee as and when required hereunder. When Concession Space Rent is later suspended pursuant to Section 4.17(A), then City shall issue a rent credit to reflect any resulting overpayment in rent. If and to the extent Concessionaire has any outstanding obligations to City hereunder, City may decline to issue such rent credit or reduce the rent credit by the amount outstanding. When the Concession Space Rent is reinstated, Concessionaire shall pay to City within ten (10) days after City shall have given notice to Concessionaire of such reinstatement, the deficiency, if any, between the Percentage Rent paid by Concessionaire and the Concession Space Rent, for the month(s) following such reinstatement.

D. Total Enplanement Determinations

Director of Aviation or designee shall have the sole discretion as to the Total Enplanement calculations, and whether there exists a Severe Decline in Enplanements for Three Consecutive Months and/or an Enplanement Stabilization for Three Consecutive Months.

E. No Effect

The Concession Space Rent suspension shall have no effect on (i) any adjustments specified in this Agreement to be made to the Concession Space Rent; or (ii) the Deposit Amount.

F. Effect of Default

Notwithstanding anything to the contrary herein, in the event Concessionaire shall default under this Agreement or any other agreement past any applicable notice and cure period, the Director of Aviation of designee may immediately reinstate the Concession Space Rent, without giving to Concessionaire the benefit of any further notice or additional right to cure as may otherwise be provided under this Agreement or other agreement.

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G. Sub-Concessionaires

Without limiting the provisions of Article XXV (Assignment and Subcontract) if Concessionaire subleases any portion of the Premises, Concessionaire shall offer to such sublessor(s) the same types of Concession Space Rent suspension as are provided herein.

H. Example of Severe Decline in Enplanements Calculation

For purposes of this Section, please refer to Exhibit I for an example of how the Severe Decline in Enplanements for Three Consecutive Months clause is calculated.

SECTION 4.18 DUE DATE, TYPE, FORM AND AMOUNT OF SURETY/SECURITY DEPOSIT

Concessionaire shall provide to City a Security Deposit in an amount equal to three (3) months Agreement Rents, Fees, and Charges. Such deposit shall be in the form of: (i) cash; (ii) a Surety Bond issued by an insurance company authorized to do business in the State of California and authorized to write such bonds in said State; or (iii) a non-revocable Letter of Credit established in favor of City for the account of Concessionaire by a federally chartered bank acceptable to City, guaranteeing the faithful performance of all of the covenants and conditions herein to be performed by Concessionaire. Upon the expiration or termination of this Agreement, and the payment of all fees and charges due to the City for the privileges granted in this Agreement, the Security Deposit shall be refunded or the surety instrument returned to Concessionaire, provided there are no other outstanding claims or charges against Concessionaire by City. City shall not be required to pay, and City shall not pay, any interest on this Security Deposit.

SECTION 4.19 DRAWDOWN BY THE CITY

A. If Concessionaire defaults with respect to any provision of this Agreement (and such default extends beyond any applicable cure period provided in this Agreement), including but not limited to the provisions relating to payment of rentals, fees and charges or any other sums due and owing, City may, to the extent allowed by law, with or without prior notice to Concessionaire (except as otherwise required herein), draw down on the surety provided by Concessionaire, up to the full amount thereof, and apply such draw on amount(s) to correct any default by Concessionaire, to pay any rentals or other sums in default by Concessionaire, to reimburse City for any amount(s) which City may spend or become obligated to spend by reason of Concessionaire's default, to compensate City for any other loss or damage which City may suffer by reason of Concessionaire's default, or to pay any amount due or owing upon expiration or earlier termination of this Agreement.

B. Within fifteen (15) calendar days following any draw on and application by City of any part or the entire surety amount provided by Concessionaire, City shall provide Concessionaire with notice of such draw on and application, in writing.

C. In the event the amount of surety provided to City by Concessionaire shall, at any time and from time to time during the life hereof be reduced pursuant to the draw down

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provisions of this Agreement, Concessionaire shall, within ten (10) days after written demand therefore is served upon Concessionaire by City, deposit additional surety with City in a sum sufficient to restore the required surety to its currently obligatory amount.

D. In the event City finds it necessary to draw down on the surety instrument more than two times for any reason, the third draw down shall itself constitute grounds for default and breach of this Agreement by Concessionaire.

SECTION 4.20 RETURN/SURRENDER/RELEASE OF SURETY BY CITY

The surety instrument shall be returned to Concessionaire not later than sixty (60) days after termination of this Agreement, provided there are no outstanding claims against the Concessionaire by City.

ARTICLE V. PERMITTED USES

SECTION 5.01 PERMITTED USE

A. Uses

The Premises shall be used by Concessionaire only for the purposes of performing the Concession, as further described in this Agreement and for such other uses as City may agree to in writing. Concessionaire recognizes that the specific limited use prescribed herein is a material consideration to City in order that the Airport will, in City's sole discretion, maintain an appropriate concession mix to efficiently serve the traveling public and to produce the maximum Gross Sales possible for all Concessionaires.

The Support Spaces shall be used by Concessionaire only for office and administrative purposes related to the operation of the Concession and the storage and preparation of products necessary for the operation of the Concession. No portion of the Premises shall be used to warehouse, stock, or store any goods, wares or merchandise not intended to be offered for sale at or from the Premises.

B. Concession Locations

Exhibits A and G, which are attached hereto and made a part hereof, sets forth the trade name for each Concession Location and a listing, by general category, of goods and services that Concessionaire is allowed to sell from each Concession Location. Such list of the Permitted Uses shall constitute a limitation of the goods and services, which may be sold at each Concession Location.

Concessionaire's Permitted Uses will be limited to its proposed and approved concepts and uses within the News & Convenience categories, as further described in Exhibit A.

C. Permitted Products, Services and Prices

No later than 30 days prior to the opening of a Concession Location, Concessionaire must submit to City, for its written approval, a listing, substantially consistent with Exhibit G and as requested by City, of the goods and services to be sold from the Concession Location.

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Such listing (hereinafter referred to as the Product Price List) must include the initial prices to be charged to the public for the goods and services.

Once approved by City, the Product Price List for each Concession Location shall remain in effect through the first year of this Agreement, it being agreed that Concessionaire shall be permitted to request changes, to which City shall not unreasonably withhold consent (i.e. consent could be withheld if price exceeds percentages) (it being agreed that e-mail communication shall be an acceptable format). Concessionaire shall not add, delete, or sell any goods or services not included on the Product Price List, nor change the price of any good or service, without first receiving written approval from City, which approval shall not be unreasonably withheld or delayed. Written approval shall serve to modify the Product Price List without need for amendment of this Agreement.

City may, at its discretion, request that Concessionaire add goods or services that are in public demand to the Product Price List for any Concession Location.

Within ten (10) business days of a written request by City, Concessionaire shall provide a current Product Price List.

SECTION 5.02 NON-EXCLUSIVE RIGHTS

The rights granted herein for the performance of the Concession shall be non-exclusive. City may, at any time, award space (existing or newly created) to other parties who may have rights or may sell goods or products like those non-exclusively granted herein. City may, in its sole discretion, grant exclusive rights to other concessionaires to sell goods or services that Concessionaire is not authorized to sell, whether such agreements are awarded competitively or through negotiations and regardless of whether the terms of such agreements are favorable than the terms of this Agreement.

In the event of a dispute between Concessionaire and any other party operating at the Airport as to the rights of the parties under their respective contracts, City shall determine the rights of each party and Concessionaire agrees to be bound by City's decision.

SECTION 5.03 RESTRICTIONS

Nothing in this Section/Article will be construed as authorizing Concessionaire to conduct any business separate and apart from this Agreement or in areas at the Airport other than the Premises.

All rights and privileges not specifically granted to Concessionaire for its use of and operations at the Airport pursuant to this Agreement are hereby reserved for and to City.

SECTION 5.04 PERMITS AND LICENSES

Concessionaire will obtain and maintain throughout the Term all permits, certificates, licenses, or other authorizations required in connection with the operation of the Concession. Copies of all required permits, certificates, licenses, or other authorizations

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will be appropriately displayed within the Premises and forwarded to City upon issuance and each renewal.

In the event, City is required or has obtained any of the necessary permits, Concessionaire will reimburse City for any permit fees and associated costs in obtaining said permits.

ARTICLE VI. OPERATIONS AND PERFORMANCE STANDARDS

SECTION 6.01 CITY'S RIGHT TO MONITOR PERFORMANCE

A. Performance Audits

It is City's intention that Concessionaire's business be conducted in a manner to meet the needs of the Airport's patrons and employees and in a manner that will reflect positively upon the Concessionaire and City. The Concessionaire shall equip, organize, and efficiently manage the Concession to provide exemplary service and products in a clean, attractive, and pleasant atmosphere.

City in its sole discretion shall have the right to raise reasonable objections to the condition of the Premises, the quality and quantity of merchandise, the character of the service, the hours of operation, and/or the appearance and performance of service personnel, and to require any such conditions or practices objectionable to City to be promptly remedied by Concessionaire. If requested by Concessionaire, City shall submit its objections in writing and provide Concessionaire an opportunity to reply to the objections. Such reply will be given consideration by City.

City reserves the right to conduct periodic performance audits of the Premises to assure that all the operational, safety and compliance standards of this Agreement are consistently performed by Concessionaire. Concessionaire acknowledges that performance audits will be conducted by City, or its representative, and hereby agrees to cooperate with all performance audits.

1. Performance audits may include minimum objective standards in any or all the areas of (i) product quality; (ii) customer service; and (iii) cleanliness and maintenance. If Concessionaire fails to meet minimum standards in any of these areas, City may, at its discretion, assess fines as set forth in the Tenant Handbook. City representatives may also take photographs as deemed necessary during inspection of premises. City representatives will make best efforts not to interfere with Concessionaire's business operation.

2. To assure consistent adherence to performance standards throughout the Term, City will use the Agreement Year 12-month cycle in the recording of incidents of failure to meet standards. City reserves the right to assess fines for violations of performance standards as set forth in the Tenant Handbook.

3. If Concessionaire fails to address repeated violations and deficiencies in performance standards by either Concessionaire or any of its sub-lessee(s), City,

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at its sole discretion, reserves the right to trigger remedies available to City, which depending on the severity of the repeated violations and deficiencies may include the termination of this Agreement.

B. Annual Review

No later than 90 days after the end of the first full Agreement Year after the Premises Completion Date, and the end of each Agreement Year thereafter, in City's sole discretion, Concessionaire and City may meet to review and evaluate the financial, customer service, and operational performance of each Concession Location. During the review, City may determine, in its sole discretion, that the performance of one or more of the Concession Locations is unsatisfactory if one or more of the following occurred during the prior Agreement Year:

1. Sales per Enplaned Passenger were less than seventy-five percent (75%) of the Projected Sales per Enplaned Passenger for the Concession Location, as set forth in Concessionaire's response to REQUEST FOR PROPOSALS FOR FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL (notwithstanding any incidence of Exceptional Circumstances/Severe Decline in Enplanements within the Agreement Year).

2. Sales per Enplaned Passenger were less than seventy-five percent (75%) of Sales per Enplaned Passenger for the same Concession Location during each of the two (2) preceding Agreement Years (notwithstanding any incidence of Severe Decline in Enplanements within the Agreement Year).

3. Scores on any secret shopper survey(s) conducted by City or its representative were less than seventy-five percent (75%) of the maximum achievable scores for the survey(s).

4. Scores on any operational survey(s) conducted by City or its representative were less than seventy-five percent (75%) of the maximum achievable scores for the survey(s).

C. Remediation Plan

If City determines, based on the performance criteria specified in this Section 6.01(B), that a Concession Location performed unsatisfactorily during the prior Agreement Year, City will provide written notice to Concessionaire. Within 30 days of receipt of such written notice, Concessionaire shall prepare and submit to City, for its approval, a Remediation Plan, as described below, to improve the performance of the Concession Location.

The Remediation Plan shall include, but not be limited to, proposed remedial activities such as employee training, staffing changes, merchandise and service modifications, facility refurbishment and repair, and/or replacement of concept or brand. Upon approval by City, Concessionaire agrees to diligently implement the approved Remediation Plan and further agrees to submit to City monthly reports on the progress of such

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implementation. If the approved Remediation Plan includes the replacement of a concept or brand, then City and Concessionaire will enter good faith negotiations concerning a concept or replacement brand. If the concept or brand replacement is mutually agreed to, the reimbursement for Unamortized Investment and the Capital Investment required for the concept or brand substitution will be a component of the good faith negotiations.

In the event City determines, after six (6) months of implementation of a Remediation Plan, the subject Concession Location is still performing in an unsatisfactory manner, City reserves the right to require Concessionaire to replace the underperforming concept or brand, if not already replaced by the Remediation Plan. Within 90 days of receipt of written notice from City requiring a replacement, Concessionaire shall submit to City a proposal for a brand or concept replacement plan. Such replacement plan shall include, but not be limited to, a detailed description of the brand or concept, capital expense required to re-brand, sales projections, and the specific timetable to replace the brand or concept. City, in its sole discretion, reserves the right to approve or deny the replacement plan and require Concessionaire to submit another replacement plan.

SECTION 6.02 QUALITY OF PRODUCTS AND SERVICES

Concessionaire shall ensure that all customers are provided the optimum quality of food, products and services, and Concessionaire shall keep in stock and have ready for sale at all times of operation, a sufficient supply and variety of food, beverage, articles, and goods offered for sale at each Concession Location, consistent with the Product Price List, to meet the demand of customers at the Airport.

If City identifies any deficiencies with respect to the operations, including, without limitation, quality, variety, and quantity of goods or services offered, Concessionaire shall be notified in writing by City and shall correct, or cause to be corrected, such problem or problems within ten (10) days, unless City authorizes in writing a longer period. If Concessionaire fails to correct within ten (10) days after written notice is given by City, City may assess fines as described in the Tenant Handbook.

Concessionaire shall develop and implement creative merchandising techniques and displays to optimize customer satisfaction and Gross Receipts/Revenues, including without limitation, food and beverage displays; retail merchandise displays; display cases; promotional displays; attractive and durable packaging; menu boards or table-top menus; and pictures of food and beverages or retail merchandise. Prices for all food and beverages, including alcoholic beverages, shall be prominently displayed on menus or menu boards and available to all customers. All food, beverages, retail merchandise and other items sold or kept for sale shall be of high quality and wholesome and must comply with and conform to all present and future statutes and ordinances, rules and regulations promulgated thereunder, of all federal, state, local and other governmental bodies of competent jurisdiction that apply in any manner to Concessionaire or Concessionaire's operations and activities under this Agreement. Concessionaire’s printed or digital menus and/or price lists shall include the appropriate use of descriptive terminology that accurately and truthfully describes the food, beverages, services, or products being offered.

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City reserves the right to approve all merchandising displays. Concessionaire hereby affirms that City, in its sole discretion, has the absolute right to require that Concessionaire discontinue the sale of any product City deems unsatisfactory, distasteful, or inappropriate for any reason and to require Concessionaire to modify merchandising displays for any reasonable reason. If Concessionaire fails to comply with any such City request within three (3) business days after written notice from City, City may assess fines as described in the Tenant Handbook.

All franchise and/or license standards applicable to a Concession Location shall be met or exceeded. Copies of the franchise/license standards and performance audit forms shall be sent to City prior to the first day of business at such Concession Location. Concessionaire shall submit to City copies of all inspections conducted by the franchisor, licensor or mystery shopper service hired by the franchisor or licensor within ten (10) days of receipt by Concessionaire.

All food and non-alcoholic beverages available for sale should be made available for customers to carry out if they so request. The containers and plasticware for carry out should be recyclable, made of sustainable materials, high quality, and substantial enough for the customer to take on an airplane. All carry out packaging must be approved by City for quality, usefulness, and durability.

SECTION 6.03 PRICING

A. Products & Pricing

Concessionaire has caused to be attached hereto as Exhibit G a listing of all categories of goods, menu items and/or services Concessionaire is allowed to sell from the Premises as well as the initial prices to be charged to the public. The execution of this Agreement constitutes acceptance by City of the merchandise, services, and pricing as reflected on the referenced exhibit. Prices must be visibly displayed to customers for all products. For merchandise with a pre-printed price affixed by the manufacturer or distributor, the selling price shall not exceed the pre-printed price.

Subject to the provisions set forth in Section 5.01, Concessionaire shall not add, delete or sell merchandise categories, menu items and/or services not reflected on the aforesaid exhibit without first receiving written approval from City, which shall not be unreasonably withheld or delayed. It is agreed that in the event of any conflict between Concessionaire and another Concessionaire as to specific items sold, City shall have the sole authority to resolve the conflict as it deems appropriate.

B. Pricing Models

Concessionaire shall comply with one or more of the pricing models listed below. The pricing model(s) applicable to this Agreement shall be selected by City and communicated to Concessionaire.

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1. **Airport Brands (concessions located exclusively at airports)**: Concessionaire shall price its products and services at or below the average price charged at other U.S. airports for the same product or service. To determine the average price charged for a product or service, Concessionaire shall use pricing from same-brand concessions at the three U.S. airports (other than FAT) most similar in passenger volume to FAT.

2. **Franchise or Corporate-Owned Brands** (concessions with same-brand "street-side" locations in the Fresno-Madera Metropolitan Statistical Area): Concessionaire shall price its products and services no more than ten (10) percent above the average price charged at other Fresno-Madera Metropolitan Statistical Area locations for the same product or service. To determine the average price charged for a product or service, Concessionaire shall use pricing from three same-brand locations in the Fresno-Madera Metropolitan Statistical Area.

3. **Custom Brands** (concessions with no same-brand "street-side" locations in the Fresno-Madera Metropolitan Statistical Area): Concessionaire shall price its products and services no more than ten (10) percent above the average price charged at other Fresno-Madera Metropolitan Statistical Area locations, within five (5) miles of the Airport, selling similar products and services. To determine the average price charged for a product or service, Concessionaire shall use pricing from three locations selling similar products and services in the Fresno-Madera Metropolitan Statistical Area and within five (5) miles of the Airport.

4. **Unique Brands** (concessions with same-brand "street-side" locations; however, the locations are not comparable based on product offerings, pricing strategies, or other differences): Concessionaire shall price its products and services no more than ten (10) percent above the average price charged at other Fresno-Madera Metropolitan Statistical Area locations within five (5) miles of the Airport selling similar products and services. To determine the average price charged for a product or service, Concessionaire shall use pricing from three locations selling similar products and services within five (5) miles of the Airport in the Fresno-Madera Metropolitan Statistical Area.

5. **Local Brands** (concessions with same-brand locations only in California): Concessionaire shall price its products and services no more than ten (10) percent above the average price charged at other locations for the same product or service. To determine the average price charged for a product or service, Concessionaire shall use pricing from three same-brand locations in the Fresno-Madera Metropolitan Statistical Area; same-brand locations in California may be used to the extent that there are not enough locations in the Fresno-Madera Metropolitan Statistical Area.

6. **Other Brands** (concessions that, in the City's opinion, do not meet one of the pricing models listed above): Concessionaire shall price its products and services

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using a pricing model separately stated and agreed to by City and Concessionaire.

C. Pricing Policy

Concessionaire agrees to the following provisions with respect to products and pricing:

1. Except as indicated in Section 6.03, paragraph B.1 (Airport Brands), institutional, event, sporting, and other non-“street-side” locations (e.g., schools, hospitals, airports, arenas, stadiums, amusement parks, convention centers, and hotels) may not be used to determine the average price charged for a product or service.

2. Upon receiving a Certificate of Occupancy, Concessionaire shall provide to City an updated list of products and services it proposes to sell, along with the proposed price for each item. Prior to completing any pricing model, Concessionaire shall submit to City a listing of potential comparable locations, products, and services to be approved by the Director or designee. Once a preapproved list is determined, if an established location no longer exists, Concessionaire may propose a replacement comparable location (as described for the applicable pricing model in Section 6.01, paragraph B) to be used to determine the average price charged for each listed product or service, along with the specific products and services that Concessionaire believes to be comparable. City shall have sole discretion to determine whether the replacement comparable location (as well as the particular products or services to be compared) are similar. City will review the replacement comparable location (and the products and services to be compared) and either approve them or direct Concessionaire to use other locations and/or products and services.

3. On September 1 of each year thereafter, Concessionaire shall provide an updated products and services list with current prices.

4. City shall have sole discretion to determine what constitutes an individual product or service, including, for example, products or services sold in combination or bundled together.

5. City may grant exceptions(s) to the pricing provisions; however, any such exception or determination must be in writing and signed by Airport Director or designee. Under no circumstances shall Concessionaire be entitled to any such exception without the appropriate approval.

6. Concessionaire shall at all times and for all products and services sold comply with the applicable pricing model. City may at any time compel Concessionaire to, within seven (7) business days, lower prices on specific items to bring them into compliance with Section 6.03, but nothing herein shall negate the general default and remedies provisions of this Agreement.

7. City may at its discretion require Concessionaire to submit documentation verifying compliance with the pricing requirements herein. For such evaluations, market

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basket pricing of the top three selling SKUs (based on revenue) per product category needing verification will be used; products and services price-controlled by MSRP shall not be included in the market basket. City may require Concessionaire to submit its price comparison using an automated process. If Concessionaire fails to submit said documentation of compliance within the time specified by City, or if documentation submitted is erroneous, Concessionaire may be charged Liquidated Damages per the Concessions Handbook.

8. At any time during the Term hereof City may make or cause to be made a survey of prices being charged for products and services offered by Concessionaire from the Premises hereunder. If the survey concludes that any prices being charged by Concessionaire on the Premises are not in accordance with the terms of this Agreement, Concessionaire may be charged Liquidated Damages per the Concessions Handbook.

9. Failure to comply with the provisions of Section 6.01 shall constitute a material default. If Concessionaire, after receiving notice to reduce prices and/or application of any penalty, is later found to have again violated the pricing policies within the same Agreement Year, City shall have the right to collect Liquidated Damages.

D. Policy Adherence

Failure to comply with the provisions of Section 6.03 shall constitute a material default. If Concessionaire, after receiving notice to reduce prices and/or application of any penalty, is later found to have again violated the pricing policies within the same Agreement Year, City shall have the right to collect Liquidated Damages per the Concessions Handbook.

E. Airport Employee Discount

Concessionaire shall offer a minimum ten percent (10%) discount on all food & beverage, retail, passenger services, and non-alcoholic beverages purchased by Airport badged employees and badged employees of airlines operating at Airport who have been issued (and show at the time the discount is requested) appropriate identification badges. The discount shall be based on Concessionaire's normal non-sale or non-promotional prices. No discount shall be given on value meals, as well as food and non-alcoholic beverages with a manufacturer pre-printed price.

SECTION 6.04 HOURS OF OPERATION

A. Store Hours

Concessionaire shall ensure that each Concession Location is open for business without interruption from not less than one (1) hour before the first scheduled departure each day to thirty (30) minutes after the last departure of the day and is providing all goods and services as required by this Agreement.

City may, in its sole discretion, require store hours to change during the Term. Concessionaire hereby acknowledges and agrees to operate the Concession

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Locations as required which, if requested by City, may be twenty- four (24) hours per day seven (7) days per week, including all holidays. Concessionaire may request changes to Store Hours after six (6) full months of operations under this Agreement. City may, in its sole discretion, approve or deny such requested changes.

B. Extension of Store Hours

Concessionaire agrees to remain open beyond store hours for certain events including, but not limited to, the following:

1. In the event of a delayed flight in the Terminal in which any Concession Location(s) is located, Concessionaire shall remain continuously open and provide all goods and services as required by this Agreement beyond the then current store hours for the Concession Location(s) in the affected Terminal and until the delayed flight departs the gate or City otherwise instructs.

2. In the event of an emergency, as determined by City, Concessionaire shall remain continuously open and provide all goods and services as required by this Agreement for the Concession Locations beyond the then current Store Hours as instructed by City.

C. Failure to Open

Failing to open for business within thirty (30) minutes of the required opening time or closing more than thirty (30) minutes early, shall constitute a violation of this Section for which City may collect liquidated damages as set forth in this Agreement.

D. Posted Hours

The Concessionaire will prominently post store hours in a professional manner for each Concession Location at the Concession Location and in a format approved by City.

SECTION 6.05 PERSONNEL

A. Staffing

Concessionaire shall hire, train, supervise, and deploy a sufficient number of personnel to service customers in a timely and efficient manner and to properly meet Concessionaire's obligations herein. If replacing an existing concession, the new concessionaire shall make every effort to hire and train the previous concession employees subject to the concessionaire hiring policies and procedures.

Concessionaire shall closely monitor personnel to ensure first class service to customers in compliance with this Agreement. The satisfactory performance of the obligation hereunder shall be determined in the sole discretion of City. Concessionaire shall take all

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proper steps to discipline personnel who participate in acts of misconduct on or about the Premises.

B. General Manager

Concessionaire shall appoint a General Manager to oversee and manage the performance of the Concession and represent and act on behalf of Concessionaire. The General Manager shall have full authority to make day-to-day business decisions on behalf of Concessionaire with respect to the Concession including, but not limited to, authority to control the conduct and demeanor of Concessionaire's personnel. The General Manager shall represent the Concessionaire in dealings with City and shall coordinate all concession activities with City. The General Manager shall be assigned to an office at the Airport and shall be available during City's regular business hours. The General Manager shall designate a qualified, competent, and experienced subordinate to be in charge and available during its absence during Concessionaire's regular operating hours.

C. Additional Personnel Requirements

In addition to the personnel requirements set forth herein, Concessionaire shall ensure that all personnel engaged in the operation of the Concession shall comply with and conform to all present and future statutes and ordinances, rules and regulations promulgated thereunder, of all federal, state, local and other governmental bodies of competent jurisdiction that apply in any manner to Concessionaire or Concessionaire's operations and activities under this Agreement.

D. Compliance with Immigration Law

Concessionaire shall employ only individuals who are in compliance with any and all current laws and regulations of the U. S. Immigration and Naturalization Service.

E. City's Right to Object

City shall have the right to object to the demeanor, conduct, and appearance of any personnel of Concessionaire. Upon receipt of City's written notice of objection by City, Concessionaire shall take all steps necessary to remedy the cause of the objection, all in accordance with all applicable laws, regulations, ordinances, codes and permits. If requested by Concessionaire, City shall present its objections in writing and provide Concessionaire the opportunity to reply to the objections and such reply will be given consideration by City, provided that in all such cases Concessionaire's compliance with all applicable laws, regulations, ordinances, codes and permits shall govern.

SECTION 6.06 DELIVERY OF GOODS

1. The General Manager (as defined in Section 6.05(B)) will make deliveries to Concession Locations and Concessionaire's Support Spaces as stated below. Concessionaire shall transport inventory among Concession Locations and Support Spaces in the same building at such times and by such routes stated

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below. Concessionaire shall make every effort to avoid using the Common Areas for large quantity deliveries during peak periods. Concessionaire shall be responsible for the return of all pallets, storage containers and other equipment belonging to its suppliers to locations designated for return by the General Manager.

2. Delivery Locations: All deliveries shall be made through the loading dock at the front of the Airport Terminal Security Identification Display Area (SIDA). All deliveries must be broken down in the adjacent Support Space and then transported to the appropriate Concession Locations.

3. Concessionaire shall use only carts or conveyances for transporting goods that are sealed, leak-proof, and equipped with pneumatic wheels suitable for operating on carpet or other flooring without damage thereto, and which are approved by City. Additionally, Concessionaire shall have at a minimum one (1) vehicle dedicated to the Airport that is capable of moving products and disposing of large items. The vehicle must be affixed with the company logo and a blinking beacon for airfield driving purposes.

SECTION 6.07 BADGING AND SECURITY REQUIREMENTS

All employees and staff will be required to pass a TSA mandated security background check and attend various training classes. All employees and staff must adhere to all security rules and regulations and be properly badged at all times. All concession employees and staff will be required to wear an easily identifiable uniform representing its trade name, and otherwise in compliance with Fresno Yosemite International Airport requirements, at all times.

Concessionaire must conduct pre-employment background checks on each of its employees assigned to work under this Agreement prior to any employee being assigned to work at Fresno Yosemite International Airport. Concessionaire shall be responsible for the cost of the pre-employment background check.

At a minimum, the pre-employment background check for each of Concessionaire's employees must include:

i. Prior employment reference checks;
ii. Both felony and misdemeanor criminal records checks for each location at which the prospective employee has resided during the past seven (7) years:
iii. Driving records checks for all employees operating vehicles in the performance of the work under this Contract.

Concessionaire must provide the City with the background check findings upon request.

The City requires Concessionaire’s employees who work at Fresno Yosemite International Airport included under the terms of this Agreement to undergo additional background checks, including a Department of Motor Vehicles - DDL check, Department of Justice - Bureau of Criminal Identification (BCID) fingerprint check, Customs and

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Boarder Protection (CBP) check, and a FBI fingerprint check; such services, however, will be performed at no cost to Concessionaire. The City's Badging Application and list of disqualifying crimes is included in this Agreement as Exhibit H.

The Concessionaire's employees shall be subject to and shall at all times conform to the City's security rules and requirements and shall cooperate with City Police and Security personnel. Any violations or disregard of these rules may be cause for denial of access to the City of Fresno's property.

All of Concessionaire's personnel must undergo an identification procedure by the City prior to beginning the work. Concessionaire's employees will be issued Airport security badges which must be visibly worn above the belt at all times during performance of the work. Concessionaire shall be responsible for all costs relating to the preparation of identification badges for each employee. Concessionaire shall be billed by the City at the applicable rate (currently $63.75 for each new badge with prints and $25.00 for each lost badge).

All Concessionaires are required to perform a quarterly badge audit for all employees at FAT. During the audit, each badge that is lost or non-returned is subject to a fee as listed in the Master Fee Schedule. Said fees are due 30 days from notice by the City.

Lunch boxes, thermos bottles and other personal packages may be subject to Police or Security inspection upon entering and leaving Fresno Yosemite International Airport's premises.

Concessionaire's employees must remain in their assigned work areas, except when taking an authorized break in a designated break area.

Concessionaire's employees admitted to the City's property (i.e., Fresno Yosemite International Airport) must conduct themselves in an orderly and safe manner. Fighting or engaging in horseplay, being under the influence of alcohol or drugs or bringing alcohol or drugs onto the City's property, gambling, soliciting, stealing, taking pictures or bringing cameras or other photographic devices anywhere on City property, and any immoral or otherwise undesirable conduct will not be permitted.

Firearms, weapons and/or explosives may not be brought onto the City's property (i.e., Fresno Yosemite International Airport).

The operation of the Concessionaire's vehicles or private vehicles by Concessionaire's employees on the City's property (i.e., Fresno Yosemite International Airport's premises) shall conform to posted regulations and safe driving practices.

Aisles, passageways, alleyways, driveways, entrances or exits and access to fire protection equipment must be kept unobstructed at all times.

Concessionaire shall maintain clearance space around all electrical and mechanical panels and equipment as required by applicable City codes.

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Concessionaire must take adequate measures to reasonably ensure the confidentiality of records, information and persons observed at City facilities (i.e., Fresno Yosemite International Airport). All employees must be trained by the Concessionaire regarding the rules and use of badge prior to assignment at Fresno Yosemite International Airport, and refresher training provided every year.

Concessionaire shall establish and maintain a comprehensive drug screening and monitoring program for all assigned employees. This program must include, at minimum:

A. Mandatory pre-employment drug and substance abuse testing;
B. A program of continuous observation and verification whenever employee substance abuse is suspected. This program should be consistent with all aspects of the City of Fresno's Policy on Drug and Substance Abuse (Administrative Order 2-25 of December 15, 2015; revised September 13, 2019) hereto attached as Appendix O, including specific guidelines on:
    a. The need for drug and alcohol testing;
    b. The circumstances under which testing may be required;
    c. The procedure for confirming an initial positive drug test result;
    d. The consequences of refusing to undergo a drug and alcohol test;
    e. Drug testing procedures and interpretive guidelines for positive/negative results (by substance);
    f. Concessionaire employee training as part of a Drug Free Awareness Program;
    g. Supervisory training in identification of drug and alcohol abuse which constitutes reasonable cause for drug testing;
C. The availability of employee counseling for drug or alcohol abuse. This program will include mandatory pre-employment drug testing, as well as system of continuous observation and verification whenever employee substance abuse is suspected.

SECTION 6.08 EMPLOYEE PARKING

Concessionaire employees working at the Terminal Building shall have the right to the use of vehicular parking facilities in common with other employees. Such facilities shall be located in an area designated by City. City reserves the right to assess a reasonable charge to recover the costs of providing such space to such Concessionaire employees, in common with other Airport/tenant employees, for such parking facilities.

Concessionaires are encouraged to incentivize employees to utilize alternative, more environmentally friendly modes of transportation including mass transit, ride sharing, etc.

SECTION 6.09 POINT OF SALE (POS) TERMINALS

Concessionaire must install a Point of Sale (POS) Terminal(s) to accurately record all business transactions occurring in each Concession Location for accounting, reporting, and auditing purposes as set forth herein.

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All POS Terminals used at the Airport must have at a minimum, the following features:

1. Multiple segregated category addresses to allow for accurate and complete reporting of Gross Receipts/Revenues by various goods and services categories.
2. The capability of recording transactions by sequential control number to an audit tape or computer file.
3. Mobile POS payment capabilities or other similar electronic devices.
4. The capability of recording any discounts that are applied to a transaction.
5. The capability of printing a transaction history to tape or computer file by category of goods or services, time of day, day, month, and year by category.
6. The capability of printing customer receipts showing the transaction amount, the amount tendered, the amount of change due to the customer, and the time and date of the transaction. Additionally, the customer receipt must show Concessionaire's contact information including name, phone number and email address for any customer concerns, complaints, or questions.
7. A fee display of sufficient size and legibility that is placed in a location visible to the customer during a transaction.
8. A secure transaction audit tape or ASCII transaction file on a removable storage device.
9. Such terminal will be non-re-settable.
10. Intentionally deleted.
11. Intentionally deleted.
12. The capability to generate log file for audit purposes including transaction creation, delete or modification. This log entry should be controlled by a sequential control number.
13. Concessionaire will ensure that POS terminals comply at all times with the requirements set forth within this Agreement and, if necessary to allow for a customer experience that meets or exceeds good industry practice and the customer service standards set forth in this Agreement.
14. Concessionaire has confirmed in the Concessionaire's Response that it will meet the criteria specified herein. Failure to comply will become apparent through City not receiving all the required data and through the financial audits.

City shall have the right to: (a) examine during business hours the totals of any POS used on the Premises and to inspect such POS for compliance with this Section; (b) implement an hourly or daily reporting system with which Concessionaire shall comply Additionally, Concessionaire shall ensure a capability within its mobile POS to support passengers and airlines with vouchers, coupons, and other mutually beneficial marketing programs.

SECTION 6.10 CASH HANDLING AND CREDIT CARD REQUIREMENTS

Concessionaire shall always observe cash-handling and record-handling procedures in accordance with sound accounting and financial control practices and as necessary to provide timely and accurate reports to City. City may at any time during the Term request a copy of these procedures. City shall have the right to monitor and test all of Concessionaire's procedures and controls and require Concessionaire to make changes to its procedures.

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Concessionaire must accept, but is not limited to, the following cash and non-cash payment options: US currency and at least three (3) major accepted credit cards. Concessionaire may also accept electronic payment options.

Concessionaire shall always comply with the most recent payment card industry data security standard requirements. No minimum credit card or debit card purchase amount or charge for credit card purchases is allowed. Concessionaire's Independent CPA must yearly certify Concessionaire's operations are compliant with Payment Card Industry Data Security Standards. City reserves the right to receive reports required by the Payment Card Industry Security Standards Council. Concessionaire must report any breach of its payment card industry data to the City within 24 hours of its finding of the breach.

SECTION 6.11 ADVERTISED SALES OR PROMOTIONS

Concessionaire is required to participate in all advertised sales or promotions, by whatever media outlet, conducted by its parent corporation, its franchisor, or its selected operating brands. Concessionaire is not permitted to (a) use or permit the use of the Premises for the conduct of an outlet store or a second-hand store; or (b) advertise any distress, fire, bankruptcy, liquidation, relocation, closing, closeouts of goods or services or going-out-of-business sales.

Concessionaire may not advertise in the Airport, except with City's advertising Concessionaire who sells advertising at the Airport. Permission will not be granted to Concessionaire for any other advertising at the Airport. Concessionaire shall not use nor permit Premises to be used as a medium for third party paid advertising, including sponsorships or any advertising material, sign, fixture, or equipment, whether paid for in-kind, by cash, or by credit. Concessionaire shall not use any advertising or promotional medium that may be seen, heard, or otherwise experienced outside the Premises (such as searchlights, barkers, or loudspeakers); distribute handbills or circulars to Airport patrons or to cars in the parking lots, or engage in any other advertising in the Airport; or engage in any activity on the Airport outside the Premises for the recruitment or solicitation of business.

SECTION 6.12 COMPLAINTS

All customer complaints, written or oral, received directly or referred to Concessionaire by City must be responded to by Concessionaire within 48 hours of notice. Concessionaire shall make a good-faith attempt to explain, resolve or rectify the cause of the complaint. A written copy of Concessionaire's response shall be delivered to City within the 48-hour period.

If City establishes a toll-free customer complaint telephone number or online submission form for customer complaints, Concessionaire shall be required to participate and shall respond to complaints immediately. All other issues regarding the quality of service and/or prices raised on City's own initiative may be submitted to Concessionaire for response, which response shall be provided by Concessionaire to the Airport Director within 48 hours.

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SECTION 6.13 OPERATING PROCEDURES AND STANDARDS

A. City Requirements. The occupancy and use by Concessionaire of the Premises and the rights herein conferred upon Concessionaire shall be conditioned upon and subject to all present and future statutes and ordinances, rules and regulations promulgated thereunder, of all federal, state, local and other governmental bodies of competent jurisdiction that apply in any manner to Concessionaire or Concessionaire's operations and activities under this Agreement as are now or may hereafter be prescribed by City through the lawful exercise of its powers. Concessionaire covenants to operate the Concession in accordance with the Tenant Handbook.

B. Health and Safety Standards. Concessionaire shall comply with all health and sanitary regulations adopted by City, State of California, and any other governmental authority with jurisdiction. Concessionaire shall give access for inspection purposes to any duly authorized representatives of all such governing bodies. Concessionaire shall provide City with copies of all inspection reports by other health and sanitary governing bodies within 48 hours of receipt. This paragraph does not require Concessionaire to waive any applicable attorney-client or attorney work product privileges.

C. Sustainability. City is committed to incorporating sustainable practices into all aspects of Airport operations. Concessionaire shall operate in a manner consistent with any current or future sustainability policies and participate in any sustainability programs outlined in this Agreement at its own cost and expense.

D. Additional Compliance. Concessionaire shall comply with all applicable governmental laws, ordinances, regulations, codes and permits in the conduct of its operations under this Agreement including, but not limited to, TSA regulations regarding products or procedures.

E. Concessionaire’s Standards. Concessionaire shall submit to City a copy of its standards, plans and manuals for customer service and operation, at least thirty (30) days prior to Commencement Date, and as updated during the Term. Concessionaire shall ensure continuous adherence to Concessionaire’s own standards in addition to other standards as set forth herein.

SECTION 6.14 COMPREHENSIVE MANAGEMENT OPERATIONS PLAN AND MANUAL.

Concessionaire shall, within thirty (30) days of the effective date of this Agreement, prepare and submit to Director or designee for approval a Comprehensive Management Operations Plan and Manual (Operations Manual) for meeting Concessionaire's responsibilities under this Agreement, to include performance targets, goals and measures. Concessionaire shall maintain such Operations Manual during the Term of this Agreement and any extensions thereof pursuant to the following conditions:

A. The Operations Manual shall include, but not be limited to, an identification of each of Concessionaire's performance responsibilities as set forth by this Agreement,

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and an identification of Concessionaire's other legal obligations, pursuant to applicable provisions of law and relevant to Concessionaire's performance at the Airport under this Agreement.

B. The Operations Manual shall further include a comprehensive summary of the means, methods, procedures, and controls which Concessionaire will employ to satisfy its contractual obligations to City, as set forth in this Agreement, and to satisfy Concessionaire's other legal obligations, pursuant to applicable provisions of law and relevant to Concessionaire's performance at the Airport under this Agreement.

C. The Operations Manual shall specifically include safety and emergency action plans for the employees of the Concessionaire’s facilities.

D. This Agreement shall take precedence over the Operations Manual where any provision or interpretation of the Operations Manual is in any way inconsistent with the terms of this Agreement.

E. Concessionaire shall review the Operations Manual frequently and thoroughly for needed revisions in response to changing conditions or for operational improvements. Concessionaire shall revise the Operations Manual periodically, as necessary, to reflect current operating procedures as approved by Director or designee. Revisions of the Operations Manual must be approved in writing by Director or designee prior to implementation by Concessionaire.

F. Concessionaire shall incorporate and issue any revisions to the Operations Manual as Director or designee may specify to Concessionaire from time to time in writing. Should Concessionaire consider any such revisions to be in conflict with the terms of this Agreement, Concessionaire shall promptly inform Director or designee in writing of the potential conflict. Concessionaire agrees that in such event, the instructions of Director or designee shall be implemented for a minimum of ten (10) business days while awaiting a response and resolution from Director or designee unless such action would hazard the health or safety of the public or of Concessionaire’s employees, or result in Concessionaire’s violation of applicable laws or ordinances. In such case Concessionaire shall include such notification of potential hazard or violation of the law when initially informing Director or designee of the conflict or as soon as it is determined that such potential may exist.

G. Concessionaire shall ensure that a current, complete, and correct copy of the Operations Manual is continuously maintained on file with Director or designee.

H. Copies of the Operations Manual shall be kept constantly available on-site by Concessionaire for Concessionaire and City's reference and use, and shall be accessible to Concessionaire's employees during the Term of this Agreement, and any extensions thereof. To the extent that portions of the Manual might compromise revenue control or relate to other sensitive matters, such portions may

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be withheld from copies provided for general use of employees. The specific material to be withheld from copies provided for general employee use shall be submitted for approval by Director or designee prior to issue of those copies.

I. Concessionaire shall conform all issued copies of the Operations Manual, including any revisions, with the exception of the withholding of material (related to revenue control or other sensitive areas) from copies provided for general employee use, as previously described in this Section.

SECTION 6.15 CLEANING AND ROUTINE MAINTENANCE

A. General Obligations

Concessionaire shall ensure that the Concession is maintained and operated in an optimal manner and that the Premises are kept in a safe, clean, orderly, and inviting condition always in a manner satisfactory to City. To comply with these requirements, Concessionaire must regularly review or cause to be reviewed the Premises and its operations at the Airport.

B. Preventive and Routine Cleaning and Maintenance Program

Concessionaire shall be responsible for preventive and routine cleaning and maintenance of all assets within the Premises, whether built by Concessionaire or City, from the commencement date through the expiration of the Term. No less than thirty (30) days prior to the opening of any portion of the Premises, Concessionaire shall establish a preventive and routine cleaning and maintenance program for the Premises, including but not limited to the list of items below. This maintenance program must meet or exceed the cleaning and maintenance requirements of the manufacture's equipment manuals a copy of which shall be provided at the request of the airport within ten (10) business day of the request. The provisions of the program shall be subject to the initial written approval of and periodic review by City. Upon request by City, Concessionaire shall provide City a written schedule of Concessionaire’s cleaning and maintenance program.

For Concessions with terms greater than five (5) years and or extended or held over, in the fifth year of operation, the concessionaire agrees to hire a third-party cleaning company and conduct a full-store cleaning either during the overnight hours or close the store for 24 hours during the lowest passenger period of the year, as outlined in the Tenant Handbook. The extent of the cleaning and certification of the cleaning must be provided and agreed to in writing by City.

1. Janitorial Service. Concessionaire, at its own cost and expense in all Concession Spaces and Support Space locations. Concessionaire shall ensure that the Premises and the Common Use Areas adjacent to the Premises are kept clean and free from all rubbish and refuse.

2. Pest Control. Concessionaire, at its own cost and expense, is responsible for pest control within the Premises. Concessionaire will contract with a professional pest control service to provide pest control services on a regular

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basis and at any other times as needed. Concessionaire will coordinate its pest control service with third parties as directed by City. Upon request, Concessionaire must furnish City a copy of its pest control contract, monthly service schedule, and monthly service reports. Concessionaire agrees to coordinate with City and other concessionaires to provide the most effective pest control services for the Airport.

City, in its sole discretion, may elect to provide or contract for pest control services on Concessionaire's behalf. If City elects to provide or contract for pest control services on Concessionaire's behalf, Concessionaire covenants to pay its share of the cost of such services, in an amount determined by City. In such cases, Concessionaire must cooperate with City's chosen pest control contractor.

3. Plumbing. Concessionaire, at its own cost and expense, shall provide routine plumbing services for the Premises in accordance with the Tenant Handbook. Concessionaire shall ensure that activities within the Premises do not damage or harm the central water, plumbing, and sewer infrastructure at the Airport. Concessionaire shall properly maintain all water hook-ups within the Premises. Concessionaire must furnish City a copy of its plumbing contract, monthly service schedule, and monthly service reports, as directed by City. Concessionaire agrees to coordinate with City and other concessionaires to provide the most effective plumbing services for the Airport. Concessionaire shall coordinate and comply with the cleaning and routine maintenance recommendations of City.

   City, in its sole discretion, may elect to provide or contract for plumbing services on Concessionaire's behalf. If City elects to provide or contract for plumbing services on Concessionaire's behalf, Concessionaire covenants to pay its share of the cost of such services, in an amount determined by City. In such cases, Concessionaire must cooperate with City's chosen plumbing Contractor.

   The plumbing facilities within the Premises and elsewhere in the Airport shall not be used for any purpose other than for the purposes for which they were constructed, and no foreign substance of any kind shall be thrown therein. The expense to repair any breakage, stoppage, or damage resulting from a violation of this paragraph, wherever the breakage, stoppage or damage occurs, shall be charged by City to Concessionaire, regardless of the cause.

4. Electricity. Concessionaire, at its own cost and expense, shall install and maintain an electric meter and a gas meter for each Concessions Location in accordance with the Tenant Handbook. Concessionaire, at its own cost and expense, shall install and maintain all power circuits and connections required for equipment and mechanical systems used within the Premises. Concessionaire shall ensure that activities within the Premises do not damage or harm the central electricity or natural gas infrastructure at the Airport.

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Concessionaire shall coordinate and comply with the cleaning and routine maintenance recommendations of City.

5. HVAC. Concessionaire, at its own cost and expense, shall install and maintain any ductwork and other HVAC connections for the Premises in accordance with the Tenant Handbook. Should the concessionaire add equipment to the Concession Space which increases heat in the space beyond the design of the central HVAC system of the airport, Concessionaire is required to add HVAC to accommodate the change in condition at their own expense. Concessionaire agrees to properly maintain the ductwork and other connections within the Premises. Concessionaire shall ensure that activities within the Premises do not damage or harm the central HVAC infrastructure at the Airport. Subject to conditions beyond its control, City shall maintain under normal conditions a temperature adequate for comfortable occupancy according to the season; provided, that Concessionaire properly maintains the ductwork and other connections within or leading into the Premises and complies with the recommendations of City regarding reasonable occupancy and use of the Premises. Concessionaire shall coordinate and comply with the cleaning and routine maintenance recommendations of City.

6. Grease Removal Systems. If Concessionaire installs grease removal systems in addition to those provided and maintained by City and used only by Concessionaire, Concessionaire shall, at its own expense, regularly, but not less than four (4) times per year, check and clean its grease removal systems, whether located within the Premises or elsewhere in the Airport. Concessionaire agrees to properly maintain all installed grease removal systems within the Premises. Concessionaire must maintain the grease traps in accordance with the manufacturer's specifications to allow for the optimal efficiency in removing fats, oils, and grease from the waste stream before it enters the systems provided by City. Concessionaire must also maintain its used cooking oil/liquefied grease collection systems in accordance with the manufacturer's specifications to allow for optimum efficiency in the recovery, transfer, containment, and collection of used cooking oil/liquefied grease suitable for reclaim. Concessionaire shall ensure that activities within the Premises do not damage or harm the central grease removal infrastructure at the Airport. Concessionaire shall coordinate and comply with the cleaning and routine maintenance recommendations of City.

7. Trash, Waste, and Refuse. Concessionaire, at its own cost and expense, shall comply with any Airport-wide waste diversion programs, including but not limited to recycling, composting, or any future programs for removal and disposal of all trash, waste and other refuse caused because of performance of this Agreement. Concessionaire shall use designated locations, containers and transport routes for trash, waste and refuse removal and disposal as set forth in the Tenant Handbook. Concessionaire may not place or leave or permit to be placed or left in or upon any part of the common areas or corridors adjacent to the Premises any trash, waste, or refuse. Concessionaire shall

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ensure that storage, transportation, and disposal of all trash, waste, and other refuse does not damage or harm any structures or infrastructure at the Airport.

8. Lighting. Concessionaire, at its own costs and expense, shall install and maintain all lighting fixtures and wiring for general illumination of the Premises in accordance with the Tenant Handbook. Concessionaire agrees to properly maintain the lighting fixtures wiring used for general illumination within the Premises. Concessionaire shall ensure that activities within the Premises do not damage or harm the central electricity infrastructure at the Airport. Concessionaire shall coordinate and comply with the cleaning and routine maintenance recommendations of City.

C. Routine Refurbishment

On or about the commencement of each Agreement Year, representatives of City and Concessionaire shall tour the Premises and jointly agree upon what, if any, routine refurbishment is required to maintain the Premises in optimal condition. Concessionaire shall promptly undertake such refurbishment at its sole cost and expense. If Concessionaire and City cannot jointly agree upon the type and extent of routine refurbishment, City may determine, in its sole discretion, the routine refurbishment required for that Agreement Year. For purposes of this Section 6.15C only, “routine refurbishment” shall mean the routine repainting or redecoration of public areas within the Premises, including, but not limited to, the replacement or repair of worn carpet, tile, furniture, furnishings, fixtures or finishes. All Trade Fixtures, Leasehold Improvements, and furnishings that become worn, chipped, dented, or gouged, shall be repaired, or replaced by Concessionaire at Concessionaire's sole expense. The failure to timely undertake required refurbishment shall be grounds for the imposition of liquidated damages as provided in Article VII.

D. Maintenance Personnel and Program

Concessionaire covenants to employ or contract with sufficient personnel and provide necessary equipment to keep the Premises and all furniture, furnishings, fixtures, and equipment clean, neat, safe, sanitary, and in good working order and condition always pursuant to the maintenance requirements of this Agreement.

E. City Sole Judge of Maintenance

City shall be the sole and absolute judge of the quality of Concessionaire’s maintenance of the Premises. City or its representative may at any time, without notice, enter the Premises to determine if maintenance satisfactory to City is being performed. Performance by Concessionaire of maintenance pursuant to a written maintenance plan previously approved by City shall be conclusive evidence of satisfactory maintenance unless City determines that there is a present danger or safety hazard within the Premises. If City determines that maintenance is not satisfactory, City shall notify Concessionaire in writing. Concessionaire will perform the required maintenance, to City’s satisfaction, within fifteen (15) days after receipt of written notice or City or its

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representative shall have the right to enter upon the Premises and perform the maintenance. However, where unsatisfactory maintenance threatens the safety, health, or welfare of the traveling public and/or Airport's facilities, Concessionaire shall immediately perform the maintenance. Where City or its representative performs maintenance, Concessionaire agrees to promptly reimburse City for the cost thereof, plus an administrative fee of fifteen percent (15%) of the maintenance costs without prior quote.

F. Emergency Repairs

In the event of an emergency repair is required, Concessionaire shall notify City of the repair situation as soon as possible. Following such notice, City may inspect the repair work and require alterations if the repair is not satisfactory to City. In the event of an after-hours emergency repair, Concessionaire agrees City shall have the right to enter any affected portion of the Premises and preform the emergency repair. Concessionaire covenants to promptly pay to City the costs associated with any after-hours emergency repair. All emergency repairs requiring shutdown of any Airport system or utility require prior written approval of City. If any emergency repair affects other tenants at Airport, City may, at in its sole discretion, fix the problem immediately and invoice Concessionaire. Concessionaire covenants to promptly pay to City any proportional costs of emergency repairs completed by City, which Concessionaire may have contributed to the cause of the incident.

SECTION 6.16 COMMON MAINTENANCE

City shall be responsible for common maintenance of the following central systems located throughout Airport, except for assets, connections, or systems located within the Premises. Concessionaire waives all claims against City for performance of common maintenance at Airport.

A. Electricity Systems

City will furnish normal and reasonable quantities of electricity and gas to the Premises. Concessionaire covenants to pay to City, Concessionaire's share of the costs of such cleaning, maintenance, and repair, in an amount determined by City. City will clean, maintain, and repair, for the benefit of Concessionaire, central electricity, and natural gas systems at Airport.

B. HVAC Systems

City will furnish normal and reasonable quantities of central air from the central HVAC system at Airport to the Premises and all necessary power and electricity for such central air circulation. City will maintain under normal conditions a temperature adequate for comfortable occupancy according to the season. City will clean, maintain, and repair, for the benefit of Concessionaire, central HVAC infrastructure and systems at Airport. Concessionaire covenants to pay to City Concessionaire's share of the costs of such cleaning, maintenance, and repair, in an amount determined by City.

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C. Life Safety Systems

City will maintain and repair, for the benefit of Concessionaire, life safety systems at Airport. Concessionaire covenants to pay to City Concessionaire's share of the costs of such maintenance and repair, in an amount determined by City.

D. Sanitary Sewer System

City will furnish water from the central water source to the Premises in reasonable quantities; provided that Concessionaire must comply with all water conservation programs in effect or as adopted. City will clean, maintain, and repair, for the benefit of Concessionaire, central water, plumbing, and sewer infrastructure and systems at Airport. Concessionaire covenants to pay to City, Concessionaire's share of the costs of such cleaning, maintenance, and repair, in an amount determined by City.

E. Trash, Waste and Refuse

City reserves the right, if deemed to be in its best interests, to provide trash, waste and other refuse receptacles and pick up services. Concessionaire shall be solely responsible for removing all trash, waste, and recycling from each Premises location to the allotted area. Concessionaire covenants and agrees to participate in any Airport-wide trash, waste, and other refuse removal, disposal, or recycling program for any type of trash, waste, and refuse at its own cost. In the event, City elects to provide these services on behalf of Concessionaire, Concessionaire covenants to pay its share of the cost of such trash, waste and other refuse removal, disposal, and recycling services, in an amount determined by City.

F. Exterior Windows and Structures

City will clean, maintain, and repair, for the benefit of Concessionaire, exterior windows, and all structural parts of the Airport. City's maintenance shall include exterior glass, walls, and roof but specifically excludes Concessionaire Improvements and Trade Fixtures. Concessionaire covenants to pay to City Concessionaire's share of the costs of such cleaning, maintenance, and repair, in an amount determined by City.

SECTION 6.17 PAGING, AUDIO, VIDEO SYSTEMS AND FREQUENCY PROTECTION

If Concessionaire installs, with City's approval, any type of radio transceiver or other wireless communications equipment, Concessionaire will provide frequency protection within the aviation air/ground VHF frequency band and the UHF frequency band in accordance with restrictions promulgated by the FAA for the vicinity of FAA Transmitter or Receiver facilities. City requires Concessionaire to submit a completed FAA Form 7460-1 (Notice of Proposed Construction or Alteration) and receive FAA approval prior to installation based upon the notice to file requirements under 14 CFR Part 77.

Frequency protection will also be provided for all other frequency bands operating in the vicinity of Concessionaire's equipment. If frequency interference occurs because of Concessionaire's installation, City reserves the right to shut down Concessionaire's

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installation until appropriate remedies to the frequency interference are made by Concessionaire. Remedies may include relocation of Concessionaire's equipment to another site. The cost to remedy the frequency interference will be solely at Concessionaire's expense. Concessionaire acknowledges and accepts that any paging or audio systems installed by Concessionaire may be used by City to announce any notification or emergency at the Airport. City shall not be liable to Concessionaire for any use of the paging or audio systems installed by Concessionaire.

SECTION 6.18 PROHIBITED ACTS

Unless approved in writing in advance by City, in its sole discretion, Concessionaire shall not install or permit to be installed coin-operated vending machines on the Premises.

Concessionaire will not place excessive loads on the walls, ceilings, and floor or pavement areas of Airport and will repair any area damaged by excessive loading to the satisfaction of City.

Unless approved in writing in advance by City, in its sole discretion, Concessionaire will not permit the active display or operation on the Premises of any display that flies, flashes, or emits a noise or odor.

Unless approved in writing in advance by City, in its sole discretion, Concessionaire will not keep or display any merchandise on or within, or otherwise obstruct, any part of the Airport outside of the Premises. Concessionaire shall keep all service corridors, hallways, stairways, doorways, or loading docks leading to and from the Premises free and clear of all obstructions.

Concessionaire will not interfere or permit interference with the use, operation, or maintenance of the Airport, including but not limited to, the effectiveness or accessibility of the drainage, sewerage, water, communications, fire protection, utility, electrical or other systems installed or located from time to time at the Airport. Concessionaire will not do or permit to be done anything that may interfere with free access and passage on the Premises or the public areas adjacent thereto, or hinder police, firefighters, or other emergency personnel in the discharge of their duties. Further, Concessionaire shall not do or permit to be done anything that might interfere with the effectiveness or accessibility of elevators or escalators in or adjacent to the Premises, including lines, pipes, wires, conduits, and equipment connected with or appurtenant thereto.

Concessionaire shall not place any additional lock of any kind upon any window or interior or exterior door in the Premises or make any change in any existing door or window lock or the mechanism thereof, unless a key therefor is maintained on the portion of the Premises were furnished to or otherwise procured by Concessionaire. If any keys furnished to Concessionaire by City are lost, Concessionaire shall pay City, on demand, the cost for replacement thereof.

Concessionaire will comply with and conform to all present and future statutes and ordinances, rules and regulations promulgated thereunder, of all federal, state, local and other governmental bodies of competent jurisdiction that apply in any manner to

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Concessionaire or Concessionaire's operations and activities under this Agreement. In the event Concessionaire fails to adhere to all present and future statutes and ordinances, rules and regulations promulgated thereunder, of all federal, state, local and other governmental bodies of competent jurisdiction that apply in any manner to Concessionaire or Concessionaire's operations and activities under this Agreement or fails to prevent any other of the prohibited acts set forth in this Section, City may collect liquidated damages as set forth in this Agreement until such prohibited act is ended. Payment of liquidated damages will be due within fifteen (15) days from the date of invoice. Moreover, if the prohibited act is not corrected as directed by City, City or its representative shall have the right to enter upon the Premises and take corrective action, and Concessionaire agrees to promptly reimburse City for any related costs, plus an administrative fee equal to fifteen percent (15%) of the corrective action costs.

ARTICLE VII. FAILURE TO COMPLY WITH PERFORMANCE/OPERATING STANDARDS

SECTION 7.01 VIOLATIONS

Concessionaire acknowledges City's objective to provide the public and air travelers with the level and quality of service as described herein. Accordingly, City has established a series of liquidated damages, as set forth in the Tenant Handbook that it may assess, in its sole discretion, as liquidated damages for various violations of the provisions of this Agreement, the Tenant Handbook, and/or City's Rules and Regulations. Concessionaire and City agree that the damages set forth herein are reasonable estimates of the significant but difficult to predict harm, and Concessionaire further agrees to pay to City such liquidated damages in accordance with the rates or in the amounts specified herein upon each occurrence of the specified violation or written demand by City. City will, in its sole discretion, determine the classification of each violation as per day or per occurrence. Concessionaire further acknowledges that the liquidated damages are not exclusive remedies and City may pursue other additional remedies as allowed for in this Agreement and/or at law, in City's sole discretion. City's waiver of any payment provided for in this Section shall not be construed as a waiver of the violation or Concessionaire's obligation to remedy the violation.

SECTION 7.02 MULTIPLE VIOLATIONS

Except for violations of requirements regarding construction, health and safety, delivery and vendor access infractions, liquidated damages for which shall accrue and be assessed immediately and without notice upon violation, all other liquidated damages shall accrue immediately and assessed as follows:

A. For the first and second violation of a requirement during any twelve (12) month rolling year, City will provide notice to Concessionaire to correct the violation within thirty (30) days or other the time specified in the notice. After the time specified by City for cure, liquidated damages shall be assessed until the violation is corrected by Concessionaire. In the event, the violation is not corrected within thirty (30) days of the time specified by City for cure, then such violation will be treated as a breach

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of this Agreement entitling City the right to seek any other remedies available under this Agreement including, but not limited to, termination.

B. For the third and subsequent violations of the same requirement during any twelve (12) month rolling year commencing upon the first notice of violation, the liquidated damage shall be immediately assessed with no grace period.

C. Further, after two (2) violations of the same requirement within any twelve (12) month rolling year, City reserves the right, in its sole discretion, to deem the repeated violations a material breach of this Agreement and to seek any other remedies available to it under this Agreement including, but not limited to, termination of this Agreement.

D. For those violations where a plan is required to correct the violation, then Concessionaire and City shall develop such plan, including a time schedule under which resolution can be achieved.

SECTION 7.03 SECTION PAYMENT

Payment of liquidated damages will be due within fifteen (15) days from the date of invoice.

ARTICLE VIII. FEDERAL AID REQUIREMENTS

SECTION 8.01 NON-DISCRIMINATION

Concessionaire covenants it will comply with the Title VI List of Pertinent Nondiscrimination Statutes and Authorities, as they may be amended from time to time, which are attached hereto and herein incorporated as Appendix D.

Concessionaire covenants, regarding the work performed under this Agreement, it will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Concessionaire covenants it will not participate directly or indirectly in the discrimination prohibited by any federal acts and or regulations, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

In all solicitations, either by competitive bidding, or negotiation made by Concessionaire 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 Concessionaire of the Contractor's obligations under this Agreement and the Federal Acts and Regulations relative to Non-discrimination on the grounds of race, color, or national origin.

Concessionaire covenants it will provide all information and reports required by the Federal Acts, 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

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determined by City or the FAA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of Concessionaire is in the exclusive possession of another who fails or refuses to furnish the information, Concessionaire will so certify to City or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

In the event, of Concessionaire's noncompliance with the non-discrimination provisions of this Agreement, City will impose such sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

A. Withholding payments to Concessionaire under this Agreement until the Concessionaire complies.
B. Cancelling, terminating, or suspending this Agreement, in whole or in part, and re-enter the Premises as if this Agreement had never been made or issued.

This provision will not be effective until the procedures of 49 CFR Part 21 are followed and completed, including exercise or expiration of appeal rights.

Concessionaire covenants it will include the provisions of this section in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Federal Acts, Regulations and directives issued pursuant thereto. Concessionaire covenants it will act with respect to any subcontract or procurement as City or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Concessionaire becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Concessionaire may request City to enter into any litigation to protect the interests of City. In addition, Concessionaire may request the United States to enter into the litigation to protect the interests of the United States.

Further, in connection with the performance of work under this Agreement, Concessionaire agrees not to refuse to hire, discharge, promote, demote, or to discriminate in matters of compensation against any person otherwise qualified solely because of race, creed, color, religion, national origin, gender, age, military status, sexual orientation, gender variance, marital status, and/or physical and mental disability. Concessionaire further agrees to insert the foregoing provision in all subcontracts hereunder.

SECTION 8.02 CITY'S AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) POLICY

As a condition of eligibility for financial assistance from the FAA, City developed and implemented an Airport Concession Disadvantaged Business Enterprise (ACDBE) Policy and Program for the Airport. The ACDBE Program was developed and implemented in accordance with the U.S. Department of Transportation's (DOT) Final Rule 49 CFR Part 23.

Director or designee is responsible for compliance with all aspects of the ACDBE program. The City of Fresno, DBE Coordinator has established ACDBE program goals

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for the Airport and may also establish ACDBE concession specific goals as a percentage of annual Gross Receipts/Revenues for this Agreement. The applicable concession specific ACDBE program's goal, if any, is stated in this Agreement. The stated goal was included in a competitive solicitation process in which Concessionaire was recommended to operate in the Premises. During that process, Concessionaire submitted its required Exhibit E to meet the ACDBE program's goal. The Airport found the required Exhibit E to be responsive and thus, required Exhibit E is attached to this Agreement. During the Term of this Agreement, Concessionaire agrees that it shall in good faith make every effort to meet the stated ACDBE program's goal.

To carry out its ACDBE program responsibilities as they are described in this Agreement and in the required Exhibit E, Concessionaire agrees to assign this responsibility to a high-level company official accountable directly to Concessionaire's chief executive officer. Concessionaire acknowledges that if its actions or failure to act violates its ACDBE program responsibilities under this Agreement or the ACDBE regulations of the DOT as they may be adopted or amended from time to time, such actions shall constitute a material breach by Concessionaire of this Agreement and, in addition to all other remedies available to City, City may, in its sole discretion, terminate this Agreement.

SECTION 8.03 ACDBE NON-DISCRIMINATION

A. Concessionaire and any subcontractor of Concessionaire will not discriminate based on race, color, national origin, or sex in performance of this Agreement. Concessionaire will carry out applicable requirements of 49 CFR Part 23 and 26 in the award and administration of agreements. Failure by Concessionaire to carry out these requirements is a material breach of this Agreement, in addition to all other remedies available to City, City may, in its sole discretion, terminate this Agreement.

B. This Agreement is subject to the requirements of the DOT's regulations 49 CFR Part 23 and 26. Concessionaire agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23 and 26.

   Concessionaire agrees to include the statements in the above paragraphs in any subsequent concessions agreement or contracts covered by 49 CFR Part 23 and 26 that it enters and cause those businesses to similarly include the statements in further agreements.

SECTION 8.04 ACDBE PARTICIPATION AND COMPLIANCE

A. ACDBE Goal

Concessionaire agrees that it will provide for a level of ACDBE participation in this Agreement equal to or greater than {insert amount stated in Concessionaire's response} thirteen percent (13%) of the total annual Gross Receipts/Revenues, or clearly

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demonstrate in a manner acceptable to City its good faith efforts to do so. Concessionaire will contract with those ACDBEs as identified in Exhibit E for each ACDBE presented with Concessionaire's Response and approved by City, or such other ACDBEs certified with City and as may be approved by City. Concessionaire is required to make good faith efforts to explore all available options to meet the goal to the maximum extent practicable through direct ownership arrangements with ACDBEs.

Concessionaire shall not take any action during the Term of this Agreement that may have a materially negative impact upon the Concessionaire's ability to meet its stated ACDBE program goal.

B. ACDBE Termination and Substitution

Concessionaire will not terminate an ACDBE for convenience without City's prior written consent. If an ACDBE is terminated by Concessionaire with City's consent or, if an ACDBE fails to complete its work on this Agreement for any reason, Concessionaire must make good faith efforts, in accordance with the requirements of 49 CFR Part 23.25(e) (1) (iii) and (iv), to find another ACDBE to substitute for the original ACDBE to provide the same amount of ACDBE participation. Concessionaire shall forthwith submit to the Airport and to the Director or designee a modified ACDBE Good Faith Effort together with a written request for review and approval, setting forth the circumstances in sufficient detail and with appropriate documentation to explain the necessity for the change. In every case, Concessionaire shall substitute a City certified ACDBE, and if it cannot, then Concessionaire shall be required to document that it made good faith efforts to do so.

C. Reporting Requirements

No later than fifteen (15) days after the end of each calendar month during the Term, Concessionaire will submit to Airport, in Airport's online system or on Airport's monthly ACDBE Utilization Report form, a report of Concessionaire's total Gross Receipts/Revenues during the month and the total dollar value of Gross Receipts/Revenues earned by an ACDBE under this Agreement or the total dollar value of goods and services purchased or leased from each ACDBE during the month, in each case calculated in accordance with the requirements of 49 CFR Part 23. If any reported ACDBE participation is from the purchase and/or lease of goods and services, Concessionaire must submit to Airport, on Airport's monthly ACDBE Utilization Report form, a report of the total dollar value of goods and services procured by the Concessionaire from ACDBE and non-ACDBE (non-minority/woman- owned) firms. Whenever a Joint Venture is used to meet ACDBE program goals, Concessionaire shall submit to Airport an annual financial statement for the preceding year indicating compensation, profit sharing, capital contributions of ACDBE partners, or any other financial information as requested by Airport relevant to determining ACDBE program compliance. Concessionaire shall also disclose annually the ACDBE partner's management involvement and its role in decision making. The annual financial statement shall be on a form satisfactory to Airport and delivered to Airport no later than ninety (90) days of the following year. Concessionaire further agrees to submit any other report(s) or information that City is required by law or regulation to obtain from Concessionaire, or

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which the Director of Aviation or designee may request relating to Concessionaire's operations.

D. Monitoring

Airport will monitor the compliance and good faith efforts of Concessionaire in meeting the requirements of this Article. Concessionaire covenants to grant City and Airport access to the necessary records to examine such information as may be appropriate for the purpose of investigating and determining compliance with this Article , including, but not limited to, records, records of expenditures, contracts between Concessionaire and the ACDBE program participants, and other records pertaining to the ACDBE program participation plan, which Concessionaire will maintain for a minimum of three (3) years following the termination of this Agreement. Concessionaire covenants to grant City and Airport site access to each Concession Location under this Agreement for purposes of Airport monitoring. The extent of ACDBE program participation will be reviewed prior to the exercise of any renewal, extension, or material amendment of this Agreement to consider whether an adjustment in the ACDBE program requirement is warranted. Without limiting the requirements of this Agreement, City reserves the right to review and approve all sub-leases or subcontracts utilized by Concessionaire for the achievement of these goals.

E. Prompt Payment

Concessionaire agrees to pay each subcontractor under this Agreement for satisfactory performance of its contract no later than ten (10) calendar days from the receipt of each invoice and acceptance of work or services. Concessionaire agrees further to release retainage payments to each subcontractor within ten (10) calendar days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of City. This clause applies to both Minority/Women Business Enterprise / Small Business Enterprise (MWBE/SBE) and non-MWBE/SBE subcontractors.

F. Other Requirements

Concessionaire agrees to comply with Federal, State, and Local Disadvantaged Business Programs as fully set forth in Exhibit E. Concessionaire's failure to comply with Federal, State, and Local Disadvantaged Business Programs shall constitute a material breach by Concessionaire of this Agreement and, in addition to all other remedies available to City, City may, in its sole discretion, terminate this Agreement.

G. Non-Compliance

In the event of Concessionaire's non-compliance with the ACDBE program or failure to meet the ACDBE program goal set forth in Section 8.03(A), or to demonstrate a good faith effort to do so, City may, in addition to pursuing any other available legal remedy, terminate, suspend or cancel this Agreement in whole or in part; and/or suspend or debar Concessionaire from eligibility to contract with City in the future or to receive bid packages or request for proposal packages or other solicitations, unless Concessionaire

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demonstrates, within a reasonable time as determined by City, its compliance with the terms of the ACDBE program or this Article or its good faith efforts to comply.

ARTICLE IX. CONSTRUCTION AND CAPITAL INVESTMENT

SECTION 9.01 CONSTRUCTION BY CONCESSIONAIRE

Concessionaire shall not make any improvements or modifications, do any construction work on the Premises, or alter, modify, or make additions, improvements, replacements, or repairs, except emergency repairs, to any structure now existing or built without prior written approval of City. Concessionaire shall not install any fixtures, other than Trade Fixtures, without the prior written approval of City. In the event, that any construction, improvement, alteration, modification, addition, repair, excluding emergency repairs, or replacement is made without City approval, or done in a manner other than as approved, City may, at its discretion, (i) terminate this Agreement in accordance with the provisions herein; or (ii) require Concessionaire to remove the same; or (iii) require Concessionaire to change the same to the satisfaction of City. In case of any failure on the part of Concessionaire to comply, City may, in addition to any other remedies available to it at law or in equity, effect the removal or change referenced above in this Section and Concessionaire shall pay the cost thereof to City plus fifteen percent (15%) of the costs for administration.

SECTION 9.02 DESIGN AND CONSTRUCTION STANDARDS

In its design and construction work on the Premises, Concessionaire will fully comply with the standards and development guidelines in the Tenant Handbook. City reserves the right to amend Tenant Work Permit Handbook during the Term. Concessionaire covenants to comply with Tenant Work Permit Handbook in effect as of the date of any construction it undertakes.

SECTION 9.03 INITIAL CAPITAL INVESTMENT

As a valuable consideration for City entering into this Agreement, but not as a payment of rent or a form of consideration for the right to occupy space at the Airport, but rather to relieve City from making expenditures for Premises occupied by Concessionaire for the Term of this Agreement, Concessionaire's Capital Investment expended in the initial construction, furnishing and equipping of the Premises shall not be less than the Minimum Capital Investment set forth in the Response to the Request for Proposals, attached hereto and incorporated herein as Exhibit A. If the actual Capital Investment, as certified by the Concessionaire, is less than the Minimum Capital Investment, Concessionaire agrees to pay to City, within thirty (30) days of such determination, the difference between the actual Capital Investment and the Minimum Capital Investment. However, if the actual Capital Investment, as certified by Concessionaire, is less than the Minimum Capital Investment and Concessionaire delivers to City the initial construction, furnishings, and equipment of the Premises, as reflected in the Approved Project, City agrees to waive its right to the difference between the actual Capital Investment and Minimum Capital Investment. Any amounts paid to City because of this provision shall not be deemed a

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Capital Investment for any purpose under this Agreement nor shall it be deemed payment of any rent or other fees due under this Agreement.

SECTION 9.04 DEVELOPMENT SCHEDULE

The parties shall work in good faith to agree upon a date by which Concessionaire must submit to City, for its approval, a proposed schedule that sets forth the following for each of the Concession Locations:

A. The anticipated date(s) of design submittals and reviews for each Concession Location.
B. Concessionaire's plan for temporary concessions locations to optimally service passengers during development and construction.
C. The anticipated Space Turnover Date(s) for each Concession Location.
D. The anticipated date of Substantial Completion of each Approved Project.
E. The anticipated opening date(s) for each Concession Location.
F. The expected Premises Completion Date for the entire Premises.

Upon approval by City, the Development Schedule will be attached hereto as Exhibit D, Development Schedule, and will be confirmed by letter executed by the Director or designee, without need for formal amendment to this Agreement.

If for any reason City does not deliver possession of a Concession Location to Concessionaire on or after the approved Space Turnover Date, City shall not be subject to any liability therefor. Such failure to deliver possession of a Concessions Location by the time provided in the Development Schedule will not give rise to any claim for damages by Concessionaire against City or against City's contractor; nor shall such failure affect the validity of this Agreement or Concessionaire's obligations hereunder. Additionally, the Required Opening Date(s) and expected Premises Completion Date, as stated in the Development Schedule, shall be adjusted on a day-for-day extension basis.

SECTION 9.05 SUBMITTAL AND APPROVAL OF PLANS

A. Submittal of Plans

Prior to Concessionaire's commencement of any construction activities on the Premises at any time during the Term, Concessionaire shall submit plans and specifications that conform to all the requirements of Tenant Handbook to City for review and approval. No construction work shall commence until City has approved the plans and specifications and has issued a Notice to Proceed.

Concessionaire shall submit plans and specifications, in the form and number identified in Tenant Handbook, for each of the Concession Locations and Support Spaces in accordance with the Development Schedule. City will review and respond to submittals of plans and specifications within ten (10) days or provide notice to Concessionaire that the review time has been extended. In the event of disapproval by City of any portion of any submittal of plans and specifications, Concessionaire shall promptly make modifications and revisions and re-submit for approval by City.

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B. Disclaimer of Compliance with Laws or Codes

The approval by City of any plans and specifications refers to the conformity of such plans and specifications to City standards. Approval of any plans and specifications by City does not constitute its representation or warranty as to their conformity with applicable laws, statutes, codes, or permits and responsibility therefore always remains with Concessionaire.

C. Approvals Extend to Architectural and Aesthetic Matters

Required approval of City will extend to and include architectural and aesthetic matters. City reserves the right to reject any designs submitted by Concessionaire and to require Concessionaire, at Concessionaire's expense, to make modifications and revisions and to resubmit designs until designs are deemed acceptable and subsequently approved in writing by City.

D. Design and Permitting

Concessionaire shall be responsible, at its sole cost and expense, for the costs of design and permitting of all improvements within the Premises and shall not commence any work with respect to an Approved Project until all governmental permits and approvals with respect to the Approved Project have been obtained. At no cost or liability to City, City shall cooperate in all reasonable respects with Concessionaire's efforts to obtain such permits and approvals, which cooperation shall include, without limitation, the execution of such instruments as may be required by governmental authorities for Concessionaire to apply for and obtain such permits and approvals.

SECTION 9.06 CONSTRUCTION

Concessionaire shall, at its own cost and expense, commence construction of an Approved Project within ten (10) days of the later to occur of: (i) the Space Turnover Date stated in the Notice to Proceed for such Approved Project; or (ii) receipt of all permits. Concessionaire agrees that all construction work to be performed, including all workmanship and materials, shall be of optimal quality and in accordance with the Approved Project and the Development Schedule. All construction shall be performed in accordance with the requirements of this Agreement, the Tenant Handbook, and all applicable laws, regulations, ordinances, codes and permits. City and its designees shall have the right from time to time to inspect each Approved Project.

Concessionaire must complete an Approved Project and open for business no later than the Required Opening Date, for initial construction, and the Required Completion Date for all other Approved Projects, as set forth in the Notice to Proceed for the Approved Project, subject to any extensions that may be approved by City. Concessionaire acknowledges that if it fails to open for business by the Required Opening Date or Required Completion Date, the delay may cause City to suffer substantial damages that are extremely difficult to ascertain or prove. Therefore, if Concessionaire fails to either complete the Approved Project or open the Concession Location for business by the Required Opening Date or Required Completion Date, the following will apply:

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A. Concessionaire shall pay liquidated damages to City, as set forth in Article VII, from the Required Completion Date until the date on which the Concession Location opens to the public for business.
B. If the Concession Location is not open for business within thirty (30) days after the Required Completion Date, the failure is an Event of Default (as defined in Section 12.01) and City has the right to exercise all remedies herein, at law or in equity, including but not limited to, the option to terminate this Agreement or to remove the applicable Concession Location from the Premises. Notwithstanding the foregoing, the Parties agree that any delay in construction of any improvements due to force majeure or acts solely attributable to City shall extend the Required Opening Date and/or Required Completion Date for an Approved Project. Additionally, the initial Premises Completion Date, as stated in the Development Schedule, shall be extended if affected by such event, in City's sole discretion. City shall have no liability to Concessionaire for compensation or damages for any such delay.

SECTION 9.07 COMPLETION OF CONSTRUCTION

For each Approved Project, Concessionaire shall conform to project closeout activities set forth in Tenant Handbook. Concessionaire further agrees that it shall deliver to City within one hundred (120) days of the Premises Completion Date the following:

A. As Built record documents (in a form(s) acceptable by the Airport) of the construction, additions and other modifications constructed by Concessionaire on the Premises. Any Airport maintained assets or systems shall be fully connected and include system and equipment loads on and all facility information. Concessionaire shall provide connections and service loads at the point of connection to all Airport systems. During the Term, Concessionaire shall keep said documents current, with all changes or modifications made by Concessionaire in or to the Premises or additions thereto. Documents shall be forwarded to Airport upon request within fourteen (14) calendar days.
B. A statement certified by Concessionaire's chief financial officer specifying the final Capital Investment and final design related to each of the Approved Project(s) with the level of detail as requested by City. This includes an amortization schedule of the initial Capital Investment.
C. A certification that construction has been completed in accordance with the approved plans and specifications and in compliance with all laws and other governmental rules, regulations, and orders, including but not limited to City of Fresno, State of California.
D. Certified proof demonstrating that no liens exist on the Premises, including but not limited to, a waiver of lien from all construction contractors and signed releases from all subcontractors that indicate receipt of payment in full for all work performed or Trade Fixtures delivered.

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SECTION 9.08 TITLE TO IMPROVEMENTS

All leasehold improvements made to the Premises by Concessionaire, and any additions and alterations thereto made by Concessionaire, including approved changes and renovations that are affixed to the realty, shall become the property of City upon their completion and acceptance by City.

SECTION 9.09 SIGNAGE

Subject to the terms and conditions of Section 9.05, Concessionaire shall have the right to install and maintain signs on the Premises, provided that the design, installation, and maintenance of all signs shall be subject to the terms of this Section and comply with the Tenant Handbook. Concessionaire further acknowledges City's desire to maintain a high level of aesthetic quality in all concession facilities throughout the Airport. Therefore, Concessionaire covenants and agrees that in the exercise of its privilege to install and maintain appropriate signs on the Premises, as provided herein, it will submit to City, for its review and approval, the size, design, content, construction, or fabrication and intended location of each and every sign it proposes to install on or within the Premises. Concessionaire shall not install signs of any type on or within the Premises without prior written approval of City, which approval shall not be unreasonably withheld or denied if the proposal is in compliance with the Tenant Handbook and all other present and future statutes and ordinances, rules and regulations promulgated thereunder, of all federal, state, local and other governmental bodies.

SECTION 9.10 ANNUAL REFURBISHMENT

In addition to the ongoing, routine maintenance described in Section 6.15, Concessionaire shall, at its sole cost and expense, commence Annual Refurbishment. Concessionaire shall expend a minimum of half of 1 percent (0.5%) of total Gross Revenues, commencing in the fourth year of the Term of this Agreement and occurring annually, for refurbishment of the Premises. Concessionaire shall submit to the City on January 1 of each of these Years of the Term, a schedule of refurbishments and improvements to be completed by Concessionaire in the Assigned Premises for the subsequent Year. Such refurbishment shall include painting and repair attributable to ordinary wear and tear, and as to the extent required replacement of furnishings and fixtures. Such refurbishment shall be required to be spent on those areas visible to and utilized by the customer (i.e.; "selling area"). Concessionaire, if applicable, shall provide documentation of such annual refurbishment and improvement expenditure to the City within thirty (30) calendar days of the earlier of (i) completion of such refurbishment or (ii) the end of the Year. In addition to the required Annual Refurbishment, Concessionaire shall refurbish the Assigned Premises promptly upon the observation of any damage or deterioration of the original materials/workmanship or as reasonably required by the Director. Failure to complete any required refurbishment within the time specified by the director shall be in default under this Agreement, and in addition to all other remedies available under this Agreement, Concessionaire shall pay, as Liquidated Damages, One Hundred and No Cents ($100.00) per day until such required refurbishment is completed. Concessionaire agrees and acknowledges that the failure to refurbish is detrimental to

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the image of the Facilities and results in lost percentage rent, the exact loss and injury is extremely difficult to fix. Therefore, the parties agree that the above-described amount represents a fair and reasonable estimate of the monetary losses and damages incurred by the City.

ARTICLE X. DISCLAIMER OF LIENS

The interest of City in the Premises will not be subject to liens for any work, labor, materials, or improvements made by or for Concessionaire to the Premises, whether the same is made or done in accordance with an agreement between City and Concessionaire. It is specifically understood and agreed by Concessionaire that in no event will City or the interest of City in the Premises be liable for or subject to any mechanic's, laborers or materialmen's liens for materials furnished, improvements, labor or work made by or for Concessionaire to the Premises. Concessionaire is specifically prohibited from pledging, liening, or otherwise encumbering any assets located at the Airport or any interest in this Agreement without prior, written approval by City. Concessionaire is specifically prohibited from subjecting City's interest in the Premises to any mechanic's, materialmen's, or laborers' liens for improvements made by or for Concessionaire or for any materials, improvements or work for which Concessionaire is responsible for payment. Concessionaire will indemnify, defend, and hold City harmless for any expense or cost associated with any lien or claim of lien that may be filed against the Premises or City, including attorney fees incurred by City. Concessionaire will provide notice of this disclaimer of liens to all contractors or subcontractors providing any materials or making any improvements to the Premises.

In the event any construction, mechanic's, laborer's, materialmen's or other lien or notice of lien is filed against any portion of the Premises for any work, labor or materials furnished to the Premises, whether or not the same is made or done in accordance with an agreement between City and Concessionaire, Concessionaire will cause any such lien to be discharged of record within thirty (30) days after notice of filing thereof by payment bond or otherwise or by posting with a reputable title company or other escrow agent acceptable to City, security satisfactory to City to secure payment of such lien, if requested by City, while Concessionaire contests to conclusion the claim giving rise to such lien.

ARTICLE XI. MAINTENANCE UTILITIES AND REPAIRS

SECTION 11.01 CONCESSIONAIRE'S MAINTENANCE OBLIGATIONS

Except for such maintenance of the Premises as is to be provided by City hereunder, Concessionaire shall, at its own cost and expense, maintain the Premises and every part thereof, including Trade Fixtures and/or personal property, in good appearance and repair, in a safe and optimal condition, and in accordance with this Agreement. Concessionaire shall maintain, repair, replace, paint, or otherwise finish all Leasehold Improvements within the lease lines of the Premises, including, without limitation, walls, partitions, floors, ceilings, windows, doors, glass and all furnishings, fixtures, and equipment therein, whether installed by Concessionaire or by City. All the maintenance,

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repairs, finishing and replacements shall be of quality equal to or better than the original in materials and workmanship. All work, including finishing colors, shall be subject to the prior written approval of City.

Concessionaire's compliance obligations shall include, without limitation, the obligation to make substantial repairs and alterations to the Premises (including any initial capital improvements), regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Agreement, the length of the then remaining Term hereof, the relative benefit of the repairs to Concessionaire or City, the degree to which curative action may interfere with Concessionaire's use or enjoyment of the Premises, the likelihood that the parties contemplated the particular requirement involved, or the relationship between the requirement involved and Concessionaire's particular use of the Premises.

If it is determined that the maintenance is not in compliance with this Agreement, City shall so notify Concessionaire in writing. If the maintenance required to be performed as provided in City's notice to Concessionaire is not commenced by Concessionaire within five (5) days after receipt of notice, or is thereafter not diligently executed to completion, City or its representative shall have the right to enter upon the Premises and perform the maintenance, and Concessionaire agrees to promptly reimburse City for the cost thereof, plus an administrative fee equal to fifteen percent (15%) of the maintenance costs.

Concessionaire covenants and agrees that nothing shall be done or kept in the Premises that might impair the value of City's property or that would constitute waste. Any hazardous or potentially hazardous condition on the Premises shall be corrected immediately upon receipt of a verbal or written notice from City. At the sole discretion of City, Concessionaire shall close the Premises or affected portion thereof until the hazardous or potentially hazardous condition is corrected.

Concessionaire covenants to comply with all present and future laws, orders, and regulations, including any rules, regulations and procedures promulgated by City regarding City provided maintenance within the Airport. When any system for City provided maintenance is put in place that can allocate to Concessionaire its proportional share of the cost, Concessionaire must pay its proportional share of the actual costs.

SECTION 11.02 CITY'S MAINTENANCE AND UTILITY OBLIGATIONS

City shall provide structural maintenance of the Airport and, except as provided below, maintain, and repair the exterior windows and walls of the Premises in the Airport. However, maintenance of all interior and exterior walls constructed or remodeled by Concessionaire shall be Concessionaire's responsibility. Further, if City establishes Common Maintenance Services at the Airport, including but not limited to those services identified in this Agreement, Concessionaire convents to pay its proportionate share of the Common Maintenance Services provided by City.

City provides utility mains and lines throughout the Airport. Concessionaire, at its sole cost, shall tie into the utility mains and lines at the locations as specified by City.

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Supplemental heated or cooled air, electrical or other utilities required by Concessionaire more than what is customarily available in the Airport will be, if approved by City, at the expense of Concessionaire.

City may, at City's sole discretion, maintain the utilities within the Premises and in doing so shall be permitted to enter upon the Premises at all times to make any repairs, replacements, and alterations when and as may, in the opinion of City, be deemed necessary. Furthermore, Concessionaire will permit City or its representatives' access to construct or install over, on, in, or under the Premises, new systems, pipes, lines, mains, wires, conduits, ducts and equipment; provided, however, that City shall exercise such right in a manner that minimizes interference with Concessionaire's operations. Moreover, during an emergency, City, or its agents, may enter the Premises forcibly, if necessary. No such reasonable entry by or on behalf of City shall constitute or cause a termination of this Agreement by Concessionaire.

City agrees that it will always maintain and keep utility mains and lines in good repair in the Airport and all appurtenances, facilities, and services now or hereafter connected therewith. Concessionaire understands, accepts, and agrees that City shall not be liable for Concessionaire's loss for failure to supply any utility services. City reserves the right to temporarily discontinue utility services at such time as may be necessary by reason of accident, unavailability of employees, repairs, alterations, or improvements or whenever by reason of strikes, lockouts, riots, acts of God, or any other happenings beyond the control of City and causes City to be unable to furnish such utility services. City shall not be liable for damages to persons or property for any such discontinuance due to causes beyond the control of City, nor shall such discontinuance in any way be construed as cause for abatement of compensation or operate to release Concessionaire from any of its obligations hereunder.

SECTION 11.03 CITY'S PERFORMANCE OF CONCESSIONAIRE'S OPERATING OBLIGATIONS

City has determined, in consideration of Airport security, public safety, and operating efficiency, that it may be in City's best interest to perform Concessions Services. City reserves the right to establish a Concessions Services Fee based upon documented actual costs of providing Concessions Services.

Concessionaire agrees that City shall not be liable for Concessionaire's loss for failure to supply any Concessions or Common Maintenance Services. City reserves the right to temporarily discontinue any Concessions or Common Maintenance Services at such time as may be necessary by reason of accident, unavailability of employees, repairs, alterations, or improvements or whenever by reason of strikes, lockouts, riots, acts of God, or any other happenings beyond the control of City and causes City to be unable to furnish such services. City shall not be liable for damages to persons or property for any such discontinuance due to causes beyond the control of City, nor shall such discontinuance in any way be construed as cause for abatement of compensation or operate to release Concessionaire from any of its obligations hereunder, except as otherwise provided in this Agreement.

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The Parties agree to modify to reflect modifications in the Concessions Services and Common Maintenance Services. Any such modification will be confirmed by side letter executed by the Director or designee, without need for formal amendment to this Agreement.

ARTICLE XII. DEFAULT, REMEDIES, AND TERMINATION RIGHTS

SECTION 12.01 EVENTS OF DEFAULT

Concessionaire will be deemed to be in default of this Agreement upon the occurrence of any of the following:

1. The failure or omission by Concessionaire to perform its obligations under this Agreement or the breach of any terms, conditions and covenants required herein, which is not cured within ten (10) days after Concessionaire's receipt of written notice (either by mail or email) by City of such failure or omission or breach.

2. The failure to pay, in full, to City within five (5) days of when due any fees, costs, expenses damages, or other charges applicable hereunder except where such failure is cured within (10) days after Concessionaire's receipt of written notice (either by mail or email) by City of Concessionaire's failure to pay.

3. Concessionaire's default under any other agreement with City at the Airport.

4. The appointment of a Trustee, custodian, or receiver of all or a substantial portion of Concessionaire's assets.

5. The divestiture of Concessionaire's estate herein by operation of law, by dissolution, or by liquidation, not including a merger or sale of assets.

6. The insolvency of Concessionaire; or if Concessionaire will take the benefit of any present or future insolvency statute, will make a general assignment for the benefit of creditors, or will seek a reorganization or the readjustment of its indebtedness under any law or statute of the United States or of any state thereof including the filing by Concessionaire of a voluntary petition of bankruptcy or the institution of proceedings against Concessionaire for the adjudication of Concessionaire as bankrupt pursuant thereto.

7. Concessionaire's cancellation of its Surety without City's prior written consent and does not reestablish it promptly after written notice by City.

8. An assignment, sublease, or transfers of Concessionaire's interest under this Agreement by reason of death, operation of law, assignment, sublease, sale in bulk of any of its assets, or otherwise to any other person or business entity other than in compliance with the provisions of this Agreement.

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9. If Concessionaire abandons, deserts, vacates, or ceases operations under this Agreement for five (5) consecutive business days, unless undergoing repairs or renovations which have first been approved by City.

10. Concessionaire's failure to maintain any type of insurance or level of insurance coverage required hereunder (and in the event Concessionaire has failed to remedy such failure within ten (10) days after notice thereof from City, City may affect such coverage and recover the cost thereof immediately from the Surety or from Concessionaire).

11. Any lien or attachment to be filed against the Premises, the Airport, or other City property because of any act or omission of Concessionaire, and such lien or attachment is not discharged or contested by Concessionaire in good faith by proper legal proceedings within fifteen (15) days after receipt of notice thereof by Concessionaire.

12. Concessionaire use, permission to use, or failure to promptly prevent use of any portion of the Airport made available to Concessionaire for its use under this Agreement for any illegal purpose.

13. Concessionaire's license or franchise agreement related to the Concession it is authorized to operate at the Airport is terminated, expires, or is amended so that compliance with the amended provisions will cause Concessionaire to be in breach of its obligations under this Agreement.

14. Concessionaire's failure to pay any fees or charges required hereunder after the expiration of the (10) day cure period as proscribed hereunder.

15. The conduct of any business or performance of any acts at the Airport not specifically authorized in this Agreement or by any other agreement between City and Concessionaire, and Concessionaire's failure to discontinue that business or those acts within thirty (30) days of receipt by Concessionaire of City's written notice to cease said business or acts (which thirty [30] day notice and remedy period shall also satisfy the notice requirement of Section 12.02 below). Nothing in this Section 12.01 shall be construed to grant a right to Concessionaire to cure a default, which by its nature is not capable of being cured.

City reserves the right, in its sole discretion, to treat each Concessions Location individually for the purpose of declaring defaults and exercising remedies under this Agreement.

SECTION 12.02 CITY'S REMEDIES

In the event of any of the foregoing events of default of Concessionaire and following thirty (30) days' notice by City and Concessionaire's failure to remedy, City, at its election, may exercise any one or more of the following options or remedies, the exercise of any of which will not be deemed to preclude the exercise of any other remedy herein listed or otherwise provided by statute or general law. Unless the default, stated in such notice, is

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by its nature curable and shall have been cured within such thirty (30) days. Nothing in this Section 12.02 shall be construed to grant a right to Concessionaire to cure a default, which by its nature is not capable of being cured. City remedies are as follows:

1. Allow this Agreement to continue in full force and effect and enforce City's right to collect compensation as it becomes due together with past due interest and draw upon the Surety in any amount necessary to satisfy the damages sustained or reasonably expected from Concessionaire's default.

2. Upon thirty (30) days' notice terminate Concessionaire's rights under this Agreement. This notice shall be final and shall at the option of City terminate all the rights hereunder of Concessionaire, and City may upon the date in the notice take possession of the Premises, and expel Concessionaire with or without process of law, without liability for trespass, and using such force as may be necessary, and without prejudice to any remedies for damages or breach. In doing so, City will not be deemed to have thereby accepted a surrender of the Premises, and Concessionaire will remain liable for all payments or other sums due under this Agreement up to and including the date of termination, and for all damages suffered by City because of Concessionaire's breach of any of the covenants of this Agreement, including but not limited to, all cost of reletting, reasonable attorney's fees, repairs, and improvements; or

3. Treat this Agreement as remaining in existence, and reenter and take possession of the Premises and expel Concessionaire and those claiming through or under Concessionaire and remove the effects of as may be necessary with or without process of law, without liability for trespass, using such force as may be necessary, and without prejudice to any remedies for damages or breach. No such reentry shall be construed as an election on City's part to terminate this Agreement. City reserves the right to terminate the Agreement at any time after reentry. Following reentry, City may relet the Premises, and make alterations, repairs, or improvements as City deems appropriate for reletting. City shall not be responsible for any failure to relet the Premises or any failure to collect compensation due for such reletting. City shall not be liable to Concessionaire for any claim for damages resulting from remedial action by City. Concessionaire shall continue to be liable for all amounts due as under this Agreement on the dates specified plus interest thereon at the Past Due Interest Rate together with such amounts as would be payable, including costs, attorney's fees, repairs, and improvements.

No delay, failure, or omission of City to re-enter the Premises or to exercise any right, power, privilege, or option arising from any default nor subsequent acceptance of fees or charges then or thereafter accrued will impair any such right, power, privilege, or option, or be construed to be a waiver of any such default or relinquishment, or acquiescence of the Premises. No option, right, power, remedy, or privilege of City will be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all of the rights, powers, options, or remedies given to City by this Agreement are cumulative and that the exercise of one right, power, option, or remedy by City will not impair its rights to any other right, power, option, or remedy available under

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this Agreement or provided by law. In the event, City terminates this Agreement or reclaims the Premises under this Section 12.02, City has no liability to Concessionaire for any Unamortized Investment.

ARTICLE XIII. INDEMNIFICATION AND RELEASE

To the furthest extent allowed by law, Concessionaire shall indemnify, hold harmless and defend City, and its officers, officials, employees, agents and volunteers (hereinafter referred to collectively as "City") from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage, including damage by fire or other casualty) incurred by City, Concessionaire or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of Concessionaire's: (i) occupancy, maintenance and/or use of the Premises; (ii) use of all or any part of the Airport, including use of any public airport facilities and improvements, upon which the Premises is located; or (iii) performance of, or failure to perform, this Agreement. Concessionaire's obligations under the preceding sentence shall apply to any negligence of City, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused solely by the gross negligence, or by the willful misconduct, of City.

If Concessionaire should contract any work on the Premises or subcontract any of its obligations under this Agreement, Concessionaire shall require each consultant, contractor and subcontractor to enter into a Side Agreement, at the discretion of the City's Risk Manager or their designee, to indemnify, hold harmless and defend City, and its officers, officials, employees, agents and volunteers in accordance with the terms of the preceding paragraph.

Concessionaire's occupancy, maintenance and use of the Premises shall be at Concessionaire's sole risk and expense. Concessionaire accepts all risk relating to Concessionaire's: (i) occupancy, maintenance and/or use of the Premises; (ii) use of all or any part of that Premises, including use of any public facilities and improvements, upon which the Premises is located; and (iii) the performance of, or failure to perform, this Agreement. City shall not be liable to Concessionaire or Concessionaire's insurer(s) for, and Concessionaire and its insurer(s) hereby waives and releases City from, any and all loss, liability, fines, penalties, forfeitures, costs or damages resulting from or attributable to an occurrence on or about the Premises including any public facilities and improvements, upon which the Premises is located, in any way related to the Concessionaire's operations and activities. Concessionaire shall immediately notify City of any occurrence on the Premises including any public facilities and improvements, upon which the Premises are located, resulting in injury or death to any person or damage to property of any person.

The provisions of this Section shall survive termination or expiration of this Agreement.

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ARTICLE XIV. INSURANCE

SECTION 14.01 INSURANCE REQUIREMENTS

Throughout the life of this Agreement, Concessionaire shall pay for and maintain in full force and effect all insurance as required herein with an insurance company(ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated no less than "A-VII" in the Best's Insurance Rating Guide, or (ii) as may be authorized in writing by City's Risk Manager or designee at any time and in its sole discretion. The City of Fresno and each of its officers, officials, employees, agents and volunteers (hereinafter referred to collectively as "City") requires policies of insurance as stated herein shall maintain limits of liability of not less than those amounts stated therein. However, the insurance limits available to City, shall be the greater of the minimum limits specified therein or the full limit of any insurance proceeds to the named insured.

If at any time during the life of the Agreement or any extension, Concessionaire or any of its subcontractors fail to maintain any required insurance in full force and effect, all services and work under this Agreement shall be discontinued immediately, and all payments due or that become due to Concessionaire shall be withheld until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City pursuant to this section shall in any way relieve Concessionaire of its responsibilities under this Agreement. The phrase "fail to maintain any required insurance" shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

The fact that insurance is obtained by Concessionaire shall not be deemed to release or diminish the liability of Concessionaire, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Concessionaire. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Concessionaire, vendors, suppliers, invitees, contractors, subcontractors, or anyone employed directly or indirectly by any of them.

Coverage shall be at least as broad as:

1. The most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01, providing liability coverage arising out of your business operations. The Commercial General Liability policy shall be written on an occurrence form and shall provide coverage for "bodily injury," "property damage" and "personal and advertising injury" with coverage for premises and operations (including the use of owned and non-

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owned equipment), products and completed operations, and contractual liability (including, without limitation, indemnity obligations under the Agreement) with limits of liability not less than those set forth under "Minimum Limits of Insurance."

2. The most current version of ISO *Commercial Auto Coverage Form CA 00 01, providing liability coverage arising out of the ownership, maintenance or use of automobiles in the course of your business operations. The Automobile Policy shall be written on an occurrence form and shall provide coverage for all owned, hired, and non-owned automobiles or other licensed vehicles (Code 1- Any Auto). If personal automobile coverage is used, the City, its officers, officials, employees, agents and volunteers are to be listed as additional insureds.

3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

SECTION 14.02 MINIMUM LIMITS OF INSURANCE CONCESSIONAIRE

Concessionaire, or any party the Concessionaire subcontracts with, shall maintain limits of liability of not less than those set forth below. However, insurance limits available to The City of Fresno and each of its officers, officials, employees, agents and volunteers as additional insureds, shall be the greater of the minimum limits specified herein or the full limit of any insurance proceeds available to the named insured:

1. **COMMERCIAL GENERAL LIABILITY** :

   (i) $1,000,000 per occurrence for bodily injury and property damage;
   (ii) $1,000,000 per occurrence for personal and advertising injury;
   (iii) $2,000,000 aggregate for products and completed operations; and,
   (iv) $2,000,000 general aggregate applying separately to the work performed under the Agreement.

2. **COMMERCIAL AUTOMOBILE LIABILITY :**

   $1,000,000 per accident for bodily injury and property damage.

3. **WORKERS' COMPENSATION INSURANCE** as required by the State of California with statutory limits and **EMPLOYER'S LIABILITY** with limits of liability not less than:

   (i) $1,000,000 each accident for bodily injury;

   (ii) $1,000,000 disease each employee; and,

   (iii) $1,000,000 disease policy limit.

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4. **LIQUOR LIABILITY INSURANCE (if applicable)** for alcoholic beverages that are to be sold, served or furnished, Liquor Liability coverage is required with limits of liability of not less than:

   (i) $1,000,000 per occurrence;

   (ii) $2,000,000 aggregate for bodily injury and property damage;

5. **PROPERTY: (if operating within the airport)** Limits of insurance in an amount equal to the full (100%) replacement cost (without deduction for depreciation) of Concessionaire's business property.

SECTION 14.03 UMBRELLA OR EXCESS INSURANCE

In the event Concessionaire purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies). In addition, such Umbrella or Excess insurance policy(ies) shall also apply on a primary and non-contributory basis for the benefit of the City of Fresno and each of its officers, officials, employees, agents, and volunteers.

SECTION 14.04 DEDUCTIBLES AND SELF-INSURED RETENTIONS

Concessionaire shall be responsible for payment of any deductibles contained in any insurance policy(ies) required herein and Concessionaire shall also be responsible for payment of any self-insured retentions. Any deductibles or self-insured retentions must be declared on the Certificate of Insurance, and approved by, the City's Risk Manager or designee. At the option of the City's Risk Manager or designee, either:

(i) The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its officers, officials, employees, agents, and volunteers; or

(ii) Concessionaire shall provide a financial guarantee, satisfactory to City's Risk Manager or designee, guaranteeing payment of losses and related investigations, claim administration and defense expenses. At no time shall the City be responsible for the payment of any deductibles or self-insured retentions.

SECTION 14.05 OTHER INSURANCE PROVISIONS/ENDORSEMENTS

All policies of insurance required herein shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after thirty (30) calendar days written notice has been given to City, except ten (10) days for nonpayment of premium. Concessionaire is also responsible for providing written notice to the City under the same terms and conditions. Upon issuance by the insurer, broker, or agent of a notice of cancellation, non-renewal, or reduction in coverage or in limits, Concessionaire shall furnish City with a new certificate and applicable endorsements for

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such policy(ies). In the event any policy is due to expire during the work to be performed for City, Concessionaire shall provide a new certificate, and applicable endorsements, evidencing renewal of such policy not less than fifteen (15) calendar days prior to the expiration date of the expiring policy.

The Commercial General, Liquor Liability and Automobile Liability policies of insurance shall be endorsed to name The City of Fresno and each of its officers, officials, employees, agents, and volunteers as additional insureds.

A. Concessionaire shall establish additional insured status for the City and for all ongoing and completed operations by use of ISO Form CG 20 26, CG 20 11 or similar by an executed manuscript insurance company endorsement providing additional insured status as broad as that contained in ISO Forms CG 20 26 or CG 20 11.

   The Commercial General, Liquor Liability and Automobile Liability policies of insurance shall be endorsed so Concessionaire's insurance shall be primary and no contribution shall be required of City. The coverage shall contain no special limitations on the scope of protection afforded to The City of Fresno and each of its officers, officials, employees, agents, and volunteers. If Concessionaire maintains higher limits of liability than the minimums shown above, City requires and shall be entitled to coverage for the higher limits of liability maintained by Concessionaire.

B. Should any of the required policies provide that the defense costs are paid within the Limits of Liability, thereby reducing the available limits by any defense costs, then the requirement for the Limits of Liability of these polices will be twice the above stated limits.

   The Workers' Compensation insurance policy shall contain, or be endorsed to contain, a waiver of subrogation as to The City of Fresno and each of its officers, officials, employees, agents, and volunteers.

   The property insurance policy is to contain, or be endorsed to contain, the following provisions:

   1. Full replacement value of any permanent improvements on the Premises, with the City named as a Loss Payee.

   2. The coverage shall contain:

      (i) No coinsurance penalty.
      (ii) No limitations or exclusions for vacancy of any part of the Premises.
      (iii) No special limitations on the scope of protection afforded to City.

SECTION 14.06 PROVIDING OF DOCUMENTS

Concessionaire shall furnish City with all certificates and applicable endorsements effecting coverage required herein **All certificates and applicable endorsements are to be received and approved by the City's Risk Manager or designee prior to City's**

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execution of the Agreement and before work commences. All non-ISO endorsements amending policy coverage shall be executed by a licensed and authorized agent or broker. Upon request of City, Concessionaire shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement. All subcontractors working under the direction of Concessionaire shall also be required to provide all documents noted herein.

SECTION 14.07 MAINTENANCE OF COVERAGE

If at any time during the life of the Agreement or any extension, Concessionaire or any of its subcontractors fail to maintain any required insurance in full force and effect, all work under this Agreement shall be discontinued immediately until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City hereunder shall in any way relieve Concessionaire of its responsibilities under this Agreement. The phrase “fail to maintain any required insurance” shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

The fact that insurance is obtained by Concessionaire shall not be deemed to release or diminish the liability of Concessionaire, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Concessionaire. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Concessionaire, its principals, officers, agents, employees, persons under the supervision of Concessionaire, vendors, suppliers, invitees, consultants, sub-consultants, subcontractors, or anyone employed directly or indirectly by any of them.

SECTION 14.08 SUBCONTRACTORS

If Concessionaire should subcontract all or any portion of the services to be performed under this Agreement, Concessionaire shall require, at the discretion of the City, their subcontractor to enter into a separate Side Agreement in order to provide indemnification and insurance protection to City. Concessionaire shall verify that all subcontractors maintain insurance meeting all the requirements stated herein and Concessionaire shall ensure that City and each of their officers, officials, agents, employees, and volunteers are additional insureds. The subcontractors' certificates and endorsements shall be on file with Concessionaire and City prior to the commencement of any work by the subcontractor.

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ARTICLE XV. SURETY FOR PERFORMANCE

SECTION 15.01 FORM OF SURETY

To secure payment for rents, fees, charges, and other payments required hereunder, Concessionaire will post with City a Surety. The Surety will be maintained throughout the Term of this Agreement and any holdover or extension and will be in an amount equal to three (3) times the monthly rental payment payable to City hereunder for a period of six (6) months. The Surety will be issued by a bank or surety provider acceptable to City and authorized to do business in the State of California and will be in a form and content satisfactory to City. The Surety may be issued for a one (1) year period, provided however, Concessionaire covenants and agrees that evidence of renewal or replacement of the Surety must be submitted annually by Concessionaire to City, without prompt, at least sixty (60) days prior to the expiration date of the instrument. The Surety shall contain language that the issuing financial institution shall notify City in writing within forty-five (45) days of a determination that the Surety is to be terminated and or is not going to be renewed.

Notwithstanding any provision herein to the contrary, if at any time during the Term City deems the amount of Surety insufficient to properly protect City from loss hereunder because Concessionaire is or has been in arrears with respect to such monetary obligations or because Concessionaire has, in the opinion of City, violated other terms of this Agreement, Concessionaire covenants that after receiving notice and an opportunity to remedy, it will increase the Surety to the amount required by City, provided however, the percentage increase shall not exceed the annual percentage increase that has occurred with respect to Concessionaire's rent, fees, and charges.

Concessionaire shall furnish the Surety within ten (10) days of the Effective Date as security for the full performance of every provision of this Agreement by Concessionaire. Failure to maintain the Surety as set forth herein shall be an event of default hereunder.

SECTION 15.02 APPLICATION OF SURETY

In the event Concessionaire fails to perform the payment terms and conditions of this Agreement, City, in addition to any other rights and remedies available by law or in equity, may, at any time, apply the Surety or any part thereof toward the payment of Concessionaire's obligations under this Agreement. In such an event, within thirty (30) days after notice, Concessionaire will restore the Surety to its original amount. City will not be required to pay Concessionaire any interest on the Surety. Concessionaire understands and agrees that failure to maintain or replenish the Surety shall constitute a material breach of this Agreement and, in addition to all other remedies available to City, City may, in its sole discretion, terminate this Agreement.

SECTION 15.03 RELEASE OF SURETY

The release of the Surety will be subject to the satisfactory performance by Concessionaire of all terms, conditions, and covenants contained herein throughout the entire Term. Upon termination of this Agreement, the release of Surety will not occur until

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all rents, fees, charges, and other payments due to City are satisfied and City has accepted the findings of Concessionaire's audit or has successfully conducted an audit in accordance with the provisions of this Agreement. In the event of a dispute as to the condition of the Premises, only the amount in dispute will be retained for remedy. City shall release the Surety without interest within thirty (30) days of meeting the above requirements.

ARTICLE XVI. PROPERTY DAMAGE

SECTION 16.01 COMPLETE DESTRUCTION

If Premises, the Terminal in which the Premises is located, or any portion thereof is destroyed or damaged to an extent that renders it unusable, City may rebuild or repair any portions of the building structure destroyed or damaged, and if the cause was beyond the control of Concessionaire, Concessionaire's obligation to pay the compensation hereunder shall abate as to such damaged or destroyed portions during the time they are unusable. If City elects not to proceed with the rebuilding or repair of the building structure, it shall give notice of its intent within ninety (90) days after the destruction or damage. At its option, Concessionaire may then terminate this Agreement effective as of the date of such event.

If City elects to rebuild, Concessionaire must replace all Leasehold Improvements at its sole cost and in accordance with the Capital Investment, subject to increase for inflation. Such replacements must be in accordance with the performance standards set forth herein. City and Concessionaire shall cooperate with each other in the collection of any insurance proceeds that may be payable in the event of any loss or damage.

If during the last year of the Term the improvements on the Premises are partially destroyed or damaged, City may at City's option terminates this Lease as of the date of occurrence of such damage by giving written notice to Concessionaire of City's election to do so within thirty (30) days after the date of occurrence of such damage. In the event, City elects to terminate this Agreement pursuant hereto, Concessionaire shall have the right within ten (10) days after receipt of the required notice to notify City in writing of Concessionaire's intention to repair such damage at Concessionaire's expense, without reimbursement from City, in which event this Agreement shall continue in full force and effect and Concessionaire shall proceed to make such repairs as soon as reasonably possible.

SECTION 16.02 LIMITS OF CITY'S OBLIGATIONS DEFINED

City shall not be liable for the following: (i) any damage to property of Concessionaire or others located on the Premises or in the Airport; (ii) the loss of or damage to any property of Concessionaire or of others by theft or otherwise; (iii) any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain, or snow; (iv) leaks from any part of the Premises or the Airport; from the pipes, appliances, or plumbing works; from the roof, street, subsurface, or from any other place; or from dampness or by any other cause of whatsoever nature; (v) any such damage caused by

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other Concessionaires, persons in the Premises, occupants of adjacent property, of the Airport, or of the public; (vi) damages caused by operations in construction of any private, public, or quasi-public work; (vii) any latent defect in the Premises or in the building of which they form a part; and (viii) all property of Concessionaire kept or stored on the Premises is at the risk of Concessionaire only.

Further, Concessionaire shall defend and hold City harmless from and hereby waives any claims arising out of damage to the same or damage to Concessionaire's business, including subrogation claims by Concessionaire's insurance carrier. Concessionaire shall give immediate telephone notice to City in case of fire, casualty, or accidents in the Premises or in the building of which the Premises is a part, of defects therein, or in any fixtures or equipment. Concessionaire shall promptly thereafter confirm such notice in writing.

Redecoration, replacement, and refurbishment of furniture, fixtures, equipment, and supplies will be the responsibility of and paid for by Concessionaire and will be of equivalent quality to that originally installed hereunder. City will not be responsible to Concessionaire for any claims related to loss of use, loss of profits, or loss of business resulting from any partial, extensive, or complete destruction of the Premises regardless of the cause of damage.

SECTION 16.03 ALTERNATE SPACE

City will use its best efforts to provide Concessionaire with alternate areas acceptable to Concessionaire to continue its operation while City makes repairs to the Premises, in accordance with the terms of this Article, except for damages caused by Concessionaire’s acts, omissions or negligence.

ARTICLE XVII. DAMAGING ACTIVITIES

No goods or materials will be kept, stored, or used in or on the Premises that are flammable, explosive, hazardous (as defined below) or that may be offensive or cause harm to the public or cause damage to the Premises. Concessionaire is responsible for compliance and shall require its contractors to comply with all federal, state, and local environmental rules, regulations, and requirements. This includes compliance with all rules and regulations and Tenant Handbook incorporated hereto by reference. Concessionaire shall obtain all necessary federal, state, local, and Airport permits and comply with all permit requirements. Nothing will be done on the Premises other than as provided in this Agreement that will increase the rate of or suspend the insurance on the Premises or on any structure of City. No machinery or apparatus will be used or operated on the Premises that will damage the Premises or adjacent areas; provided, however, that nothing in this Article will preclude Concessionaire from bringing or using on or about the Premises, with approval by City, such materials, supplies, equipment, and machinery as are appropriate or customary in the operation of Concessionaire's business under this Agreement. Concessionaire agrees that nothing shall be done or kept on the Premises that might impair the value of City’s property or that would constitute waste.

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The term “Hazardous” will mean:

A. Any substance the presence of which requires or may later require notification, investigation, or remediation under any environmental law.
B. Any substance that is or becomes defined as a “hazardous waste”, “hazardous material”, “hazardous substance”, “pollutant” or “contaminant” under any federal, state, or local environmental law, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 et seq.), the Resources Conservation and Recovery Act (42 U.S.C. §6901 et seq.) and the associated regulations.
C. Any substance that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise harmful and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, any state of the United States, or any political subdivision within any state.
D. Any substance that contains gasoline, diesel fuel or other petroleum hydrocarbons or volatile organic compounds.
E. Any substance that contains polychlorinated biphenyls, asbestos, or urea formaldehyde foam insulation.
F. Any substance that contains or emits radioactive particles, waves, or materials, including, without limitation, radon gas.

Concessionaire agrees that nothing shall be done or kept on the Premises and no improvements, changes, alterations, additions, maintenance, or repairs made that might impair the structural soundness of the building; result in an overload of utility, plumbing, or HVAC systems serving the Terminals or interfere with electric, electronic, or other equipment at the Airport. In the event of violations hereof, Concessionaire agrees immediately to remedy the violation at Concessionaire's own cost and expense.

Concessionaire shall be responsible for any damage caused by Concessionaire to the Premises, Airport, any City property or operations, or the property of any other concessionaire, person, or entity, either by act, omission, or because of the operations of Concessionaire. In the event, of such damage, Concessionaire will give City immediate notice thereof, and Concessionaire will immediately make the necessary repairs at its own cost and expense. Concessionaire shall be required to comply with the obligations set forth in Article IX with respect to all work required to be performed in accordance with this Section. City reserves the right, if in the best interest of City, to perform the necessary repairs immediately itself. Concessionaire covenants to reimburse City, for the costs and expenses associated with necessary repairs plus an administrative fee of fifteen percent (15%). If the same type of damage is caused by Concessionaire more than once in a twelve (12) month period, such as a water leakage, electrical service interruption, or other damage, Concessionaire shall submit a Remediation Plan, as set forth in Section 6.01.C.

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ARTICLE XVIII. COMPLIANCE WITH LAWS, REGULATIONS, ORDINANCES, AND RULES

Concessionaire, its officers, authorized officials, employees, agents, subcontractors, or those under its control, will at all times comply with applicable federal, state, and local laws and regulations, present and future statutes and ordinances, rules and regulations promulgated thereunder, of all federal, state, local and other governmental bodies,, all applicable health rules and regulations and other mandates whether existing or as promulgated from time to time by the federal, state, or local government, or City including, but not limited to, permitted and restricted activities, security matters, parking, ingress and egress, environmental and storm water regulations and any other operational matters related to the operation of the Airport. Concessionaire's failure to keep and observe said laws, regulations, ordinances, and rules shall constitute a material breach of the terms of this Agreement in the manner as if the same were contained herein as covenants.

SECTION 18.01 MINIMUM COMPENSATION / LIVING WAGE

Concessionaire agrees to comply fully with and be bound by all present or future minimum compensation regulations, as set forth by City or the State of California.

ARTICLE XIX. AIRPORT SECURITY

Concessionaire, its officers, authorized officials, employees, agents, subcontractors, and those under its control, will comply with safety, operational, or security measures required of Concessionaire or City by the FAA or TSA. If Concessionaire, its officers, authorized officials, employees, agents, subcontractors or those under its control fail or refuse to comply with said measures and such non-compliance results in a monetary penalty being assessed against City, then, in addition to any other remedies available to City, Concessionaire covenants to fully reimburse City any fines or penalties levied against City, and any attorney fees or related costs paid by City as a result of any such violation. This amount must be paid by Concessionaire within fifteen (15) days from the date of the invoice or written notice.

Concessionaire understands and acknowledges that its ability to remain open and conduct operations under this Agreement is subject to changes in alert status as determined by TSA, which is subject to change without notice. If the security status of the Airport changes at any time during the Term of this Agreement, Concessionaire shall take immediate steps to comply and assist its employees, agents, independent Contractors, invitees, successors, and assigns in complying with security modifications that occur because of the changed status. At any time, Concessionaire may obtain current information from the Airport's Public Safety Office regarding the Airport's security status in relation to Concessionaire's operations at the Airport.

ARTICLE XX. AMERICANS WITH DISABILITIES ACT

Concessionaire will comply with the applicable requirements of the Americans with Disabilities Act (ADA) 42 USC § 12000 et seq. and any similar or successor laws,

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ordinances, rules, standards, codes, guidelines, and regulations and will cooperate with City concerning the same subject matter. If compliance cannot be achieved, Concessionaire shall proceed formally to the federal, state, or local agency having jurisdiction for a waiver of compliance.

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the Concessionaire from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the Concessionaire, if requested by the Concessionaire. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

ARTICLE XXI. FAA APPROVAL

This Agreement may be subject to approval of the FAA. If the FAA disapproves this Agreement, it will become null and void, and both Parties will bear their own expenses relative to this Agreement, up to the date of disapproval.

ARTICLE XXII. RIGHT OF FLIGHT

Concessionaire's right to use the Premises for the purposes set forth in this Agreement shall be secondary and subordinate to the operation of the Airport. Concessionaire acknowledges that because of the location of the Premises at the Airport, noise, vibrations, fumes, debris, and other interference with the Permitted Use(s) will be caused by Airport operations. Concessionaire hereby waives all rights or remedies against City arising out of any noise, vibration, fumes, debris, and/or interference that is caused by the operation of the Airport. City specifically reserves for itself and for the public a right of flight for the passage of aircraft in the airspace above the surface of the Airport. Additionally, City reserves for itself the right to cause in said airspace such noise, vibration, fumes, debris, and other interference as may be inherent in the present and future operation of aircraft. Concessionaire expressly agrees for itself, its successors and assigns, to prevent any use of the Premises, which would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute an airport hazard.

ARTICLE XXIII. FEDERAL RIGHT TO RECLAIM

In the event, a United States governmental agency demands and takes over the entire facilities of the Airport or the portion thereof wherein the Premises are located, for public purposes, for a period more than ninety (90) consecutive days, then this Agreement will terminate and City will be released and fully discharged from all liability hereunder. In the event, of such termination, Concessionaire’s obligation to pay rent will cease; however, nothing herein will be construed as relieving either Party from any of its liabilities relating to events or claims of any kind whatsoever prior to this termination.

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ARTICLE XXIV. PROPERTY RIGHTS RESERVED

This Agreement is subject and subordinate to the terms, reservations, restrictions, and conditions of any existing or future agreements between City and the United States, when the execution of such agreements has been or may be required as a condition precedent to the transfer of federal rights or property to City for Airport purposes and the expenditure of federal funds for the extension, expansion, or development of the Airport. The provisions of the attached Appendix E and Appendix F are incorporated herein by reference and if the FAA or its successors requires modifications or changes to this Agreement as a condition precedent to the granting of funds for the improvement of the Airport, or otherwise. Concessionaire understands, accepts, and 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 to satisfy the FAA requirements.

ARTICLE XXV. ASSIGNMENT AND SUBCONTRACT

Concessionaire may not assign, subcontract and/or sublease its rights, interests or obligations in whole or in part under this Agreement without the prior written consent of City, in City's sole and absolute discretion. Concessionaire shall not grant any license or concession hereunder, or permit any other person or persons, company, or corporation to occupy the Premises without first obtaining written consent of City, in City's sole and absolute discretion. Any attempt by Concessionaire to in any way directly transfer all or part of its interest in this Agreement (including any attempt to transfer ownership of the equity or voting interest in the stock of Concessionaire if Concessionaire is a corporate entity through sale, exchange, merger, consolidation, or other such transfer) without prior written consent of City shall, at the option of the Director or designee, automatically terminate this Agreement and all rights of Concessionaire hereunder. Subject to the terms and conditions set forth in this Section, and only after it has received City's written approval and consent, Concessionaire shall be permitted to subcontract with respect to all or any portions of the Premises. City's consent to one assignment/subcontract/sublease shall not be deemed a consent to subsequent assignments/subcontracts/subleases.

Each party to a subcontract and each subcontract, and any contemporaneous or subsequent addendum, amendment, modification, or other agreement relating to any such subcontract, must be approved in advance by City. The subcontract must contain substantially the same business terms and conditions as those found in this Agreement, and the subcontract must acknowledge the existence of this Agreement and that the subcontracting parties are jointly bound by the terms and conditions of this Agreement, and state that the subcontracting parties shall comply with and satisfy the requirements and obligations of Concessionaire hereunder. All rent, fees, charges, or other monies due and payable hereunder which are, pursuant to any subcontract, to be paid by a subcontractor shall not be marked-up by Concessionaire. Sub-lessees must independently operate any subcontracted premises and adhere to and comply with all the terms, conditions, requirements, restrictions, obligations, and standards set forth herein, including without limitation, all audit standards incorporated herein. Subleasing parties

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shall be jointly bound by the terms and conditions of this Agreement, and the subcontracting parties shall comply with the requirements and obligations of Concessionaire hereunder.

ARTICLE XXVI. CORPORATE TENANCY

If Concessionaire is a corporation, partnership, or limited liability business organization, the undersigned officer of Concessionaire hereby warrants and certifies to City that Concessionaire is a corporation in good standing, is authorized to do business in the State of California, and the undersigned officer is authorized and empowered to bind the corporation to the terms of this Agreement by his or her signature thereto.

Further, If Concessionaire is a partnership or other business organization, each member shall be deemed to be jointly and severally liable if such members are subject to personal liability.

No director, officer, or employee of City shall be held personally liable under this Agreement because of its good faith execution or attempted execution.

ARTICLE XXVII. RIGHT TO DEVELOP AIRPORT

Concessionaire acknowledges City's responsibility to the public to prudently operate, maintain and develop the City's facilities. In executing this responsibility, City shall have the right to undertake developments, renewals, and replacements which the City deems prudent or necessary. Such right shall include the right of City to terminate this Agreement early in the event that Concessionaire's possession of the Premises conflicts with, limits or interferes with proposed City development, renewal, replacement or expansion of City properties or operation of the Airport, subject to the notice requirements contained in Section 2.04.

ARTICLE XXVIII. ATTORNEY'S FEES AND COSTS

In the event legal action is required by City to enforce this Agreement, City will be entitled to recover costs and attorneys' fees, including in-house attorney time (fees) and appellate fees.

ARTICLE XXIX. RIGHT TO AMEND

If the FAA or its successors requires amendments, modifications, revisions, supplements, or deletions in this Agreement as a condition precedent to the granting of funds for the improvement of the Airport, Concessionaire agrees to consent to such amendments, modifications, revisions, supplements, or deletions to this Agreement as may be required to obtain such funds.

ARTICLE XXXI. NOTICES AND COMMUNICATIONS

All notices or communication, whether to City or to Concessionaire pursuant hereto, will be deemed validly given, served, or delivered upon receipt by the Party by hand delivery,

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or three (3) days after depositing such notice or communication in a postal receptacle, return receipt requested, or one (1) day after depositing such notice or communication with a reputable overnight courier service, and addressed as follows:

Concessionaire

HG Fresno Concessionaires JV
One Meadowlands Plaza
East Rutherford, NJ 07073
Attn: EVP Corporate Strategy & Business Development
With a copy to
Attn: General Counsel

City of Fresno, Airports Department
Attn. Director of Aviation
4995 E. Clinton Way
Fresno, CA 93727

or to such other address or parties within the State of California as either party may designate in writing by notice to the other Party delivered in accordance with the provisions of this Article. If the notice is sent through a mail system, a verifiable tracking documentation, such as a certified return receipt or overnight mail tracking receipt, is encouraged. Either Party may, however, designate a different address from time to time by providing written notice thereof.

ARTICLE XXXII. BOND ORDINANCES

This Agreement is in all respects subject and subordinate to any City bond ordinances applicable to the Airport, and to any other bond ordinances, which should amend, supplement, or replace such bond ordinances. The Parties to this Agreement acknowledge and agree that all property subject to this Agreement that was financed by the net proceeds of tax-exempt bonds is owned by City. Concessionaire agrees not to take any action that would impair or omit to take any action required to confirm the treatment of such property as owned by City for purposes of §142(b) of the Internal Revenue Code of 1986, as amended. Concessionaire agrees to make and hereby makes an irrevocable election (binding on itself and all successors in interest under this Agreement) not to claim depreciation or an investment credit with respect to any property subject to this Agreement that was financed by the net proceeds of tax-exempt bonds. Concessionaire shall execute such forms and take such other action as City may request to implement such election.

ARTICLE XXXIII. FORCE MAJEURE

Neither Party hereto shall be liable to the other for any failure, delay, or interruption in the performance of any of the terms, covenants, understandings, or conditions of this Agreement due to causes beyond the control of that Party, including without limitation strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of

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the public enemy, acts 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 (collectively referred to as "Force Majeure"). A lack of funds, however, will never be deemed beyond a Party's power to control, and in no event shall this paragraph be construed to allow Concessionaire to reduce or abate its obligation to pay any obligation due herein.

This relief is not applicable unless the affected Party does the following:

A. Uses due diligence to remove the Force Majeure as quickly as possible.
B. Provides the other Party with prompt written notice of the cause and its anticipated effect.
C. Provides the other Party with written notice describing the actual delay or non-performance incurred within seven days after the Force Majeure ceases.

ARTICLE XXXIV. RELATIONSHIP OF THE PARTIES

Concessionaire is and will be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and City will in no way be responsible, therefore. Nothing contained in this Agreement shall be deemed or construed by the City or Concessionaire, or by any third party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship, between the City and Concessionaire. It is understood and agreed that neither the method of computation of Rent or any other payments, nor any other provision contained in this Agreement, nor any acts of the City or Concessionaire creates a relationship other than the relationship of the City and Concessionaire as described in this Lease.

ARTICLE XXXV. CITY APPROVALS

Except as otherwise indicated elsewhere in this Agreement, wherever in this Agreement approvals are required to be given or received by City, it is understood that the Director or designee, is hereby empowered to act on behalf of City. Further, except as otherwise indicated elsewhere in this Agreement, wherever in this Agreement approvals are required to be given by the Director or designee, it is understood that the Director or designee may further delegate such authority through the Tenant Handbook.

ARTICLE XXXVI. INVALIDITY OF CLAUSES

The invalidity of any part, portion, article, paragraph, provision, or clause of this Agreement will not have the effect of invalidating any other part, portion, article, paragraph, provision, or clause thereof, and the remainder of this Agreement will be valid and enforced to the fullest extent permitted by law, provided that such invalidity does not materially prejudice either Concessionaire or the City in their respective rights and obligations contained in the valid terms, covenants, or conditions hereof.

ARTICLE XXXVII. TIME IS OF THE ESSENCE

Time is of the essence of this Agreement.

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ARTICLE XXXVIII. TAXES

Concessionaire will bear, at its own expense, all costs of operating its business including all applicable sales, use, intangible and possessory interest taxes of any kind, against Concessionaire's Premises, the real property and any improvements thereto, Trade Fixtures and other personal property used in the performance of the Concession or estate which are created herein, or which result from Concessionaire's occupancy or use of the Premises or assessed on any payments made by Concessionaire hereunder, whether levied against Concessionaire or City. Concessionaire will also pay any other taxes, fees, or assessments against the Premises or estate created herein. Concessionaire will pay the taxes, fees, or assessments reflected in a notice Concessionaire receives from City within thirty (30) days after Concessionaire's receipt of that notice or within the time period prescribed in the tax bill. City will attempt to cause the taxing authority to send the applicable tax bills directly to Concessionaire and Concessionaire will remit payment directly to the taxing authority, in such instance. Concessionaire may reserve the right to contest such taxes, fees, or assessments and withhold payment upon written notice to City of its intent to do so, so long as the nonpayment does not result in a lien against the real property or any improvements thereon or a direct liability on the part of City. Concessionaire shall pay to City, with each payment of Concessions Space Rent, Support Space Rent, and Percentage Rent and all other fees to City, all sales or other taxes which may be due with respect to such payments, and upon receipt, City shall remit such taxes to the applicable taxing authorities.[1]

ARTICLE XXXIX. PATENTS AND TRADEMARKS

Concessionaire covenants, warrants, and represents that it is the owner of or fully authorized to use any services, processes, machines, articles, marks, names, or slogans used by it in its operations under this Agreement. Concessionaire will not utilize any protected patent, trademark, or copyright, including any patents, trademarks, or copyrights owned by City, in its operations under this Agreement, unless it has obtained prior proper permission, all releases, and other necessary documents. Concessionaire agrees to indemnify, defend, and hold harmless City, its officers, employees, agents, and representatives from any loss, liability, expense, suit, or claim for damages in connection with any actual or alleged infringement of any patent, trademark, or copyright arising from any alleged or actual unfair competition or other similar claim arising out of the operations of Concessionaire under this Agreement.

[1] Any interest in real property which exists as a result of possession, exclusive use, or a right to possession or exclusive use of any real property (land and/or improvements located therein or thereon) which is owned by the City of Fresno (City) is a taxable possessory interest unless the possessor of interest in such property is exempt from taxation. With regard to any possessory interest to be acquired by Concessionaire under this Agreement, Concessionaire, by its signatures hereunto affixed, warrants, stipulates, confirms, acknowledges and agrees that, prior to executing this Agreement, Concessionaire either took a copy of this Agreement to the office of the Fresno County Tax Assessors or by some other appropriate means independent of City or any employee, agent, or representative of City determined, to Concessionaire's full and complete satisfaction, how much Concessionaire will be taxed, if at all.

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ARTICLE XL. AGENT FOR SERVICE OF PROCESS

It is expressly agreed and understood that if Concessionaire is not a resident of the State of California, or is an association or partnership without a member or partner resident of said State, or is a foreign corporation, then in any such event Concessionaire does designate the Secretary of State, State of California, as its agent for the purpose of service of process in any court action between it and City arising out of or based upon this Agreement, and the service will be made as provided by the laws of the State of California for service upon a non-resident. It is further expressly agreed, covenanted, and stipulated that if for any reason service of such process is not possible, and Concessionaire does not have a duly noted resident agent for service of process, as an alternative method of service of process, Concessionaire may be personally served with such process out of this State, by the registered mailing of such complaint and process to Concessionaire at the address set out in this Agreement. Such service will constitute valid service upon Concessionaire as of the date of mailing. Concessionaire will have thirty (30) days from date of mailing to respond thereto. It is further expressly understood that Concessionaire hereby agrees to the process so served, submits to the jurisdiction of the court, and waives all obligation and protest thereto, any laws to the contrary notwithstanding.

ARTICLE XLI. COMPLIANCE WITH PUBLIC RECORDS LAW

SECTION 41.01 AGREEMENT SUBJECT TO CALIFORNIA PUBLIC RECORDS ACT

Concessionaire acknowledges, understands, and accepts that City is subject to the provisions of the California Public Records Act (CPRA), California Government Code Section 6250 et. seq. Concessionaire acknowledges that all documents prepared or provided by Concessionaire under this Agreement may be subject to the provisions of the CPRA. Any other provision of this Agreement notwithstanding, including exhibits, attachments, and other documents incorporated into this Agreement by reference, all materials, records, and information provided by Concessionaire to City shall be considered confidential by City only to the extent provided in the CPRA, and Concessionaire agrees that any disclosure of information by City consistent with the provisions of the CPRA shall result in no liability of City. Concessionaire agrees to defend, indemnify, hold harmless, and fully cooperate with City in the event of a request for disclosure or a lawsuit arising under such act for the disclosure of any documents or information, which Concessionaire asserts is confidential and exempt from disclosure.

SECTION 41.02 INDEMNIFICATION IN EVENT OF INTERVENTION

In the event of a request to City for disclosure of such information, time, and circumstances permitting, City will make a good faith effort to advise Concessionaire of such request to give Concessionaire the opportunity to object to the disclosure of any material Concessionaire may consider confidential, proprietary, or otherwise exempt from disclosure. In the event of the filing of a lawsuit to compel disclosure, City will tender all such material to the court for judicial determination of the issue of disclosure. Concessionaire agrees it will either waive any claim of privilege or confidentiality or intervene in such lawsuit to protect materials Concessionaire does not wish disclosed. If

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Concessionaire chooses to intervene in such a lawsuit and oppose disclosure of any materials, Concessionaire agrees to defend, indemnify, and hold harmless City, its officers, agents, and employees from any claim, damages, expense, loss, or costs arising out of Concessionaire's intervention including prompt reimbursement to City of all reasonable attorney fees, costs, and damages that City may incur directly or may be ordered to pay by such court.

ARTICLE XLII. DATA SECURITY

Concessionaire will establish and maintain safeguards against the destruction, loss, or alteration of City data or third-party data that Concessionaire may gain access to or be in possession of in the performance of this Agreement. Concessionaire will not attempt to access, and will not allow its personnel access to, City data or third-party data that is not require for the performance of the services of this Agreement by such personnel.

Concessionaire will adhere to and abide by the security measures and procedures established by City. In the event, Concessionaire or Concessionaire's subcontractor (if any) discovers or is notified of a breach or potential breach of security relating to City data or third party data, Concessionaire will promptly: (i) notify City of such breach or potential breach; and ii) if the applicable City data or third party data was in the possession of Concessionaire at the time of such breach or potential breach, Concessionaire will investigate and cure the breach or potential breach.

ARTICLE XLIII. USE, POSSESSION, OR SALE OF ALCOHOL OR DRUGS

Concessionaire, its officers, agents, and employees shall cooperate and comply with the provisions of the Federal Drug-Free Workplace Act of 1988 and State of California, County and City of Fresno laws and statutes, or any successor thereto, concerning the use, possession, or sale of alcohol or drugs. Except as may be otherwise authorized by this Agreement, Concessionaire shall prohibit consumption of alcohol within those areas that are not covered by Concessionaire's California Department of Alcoholic Beverage Control Type 47 (On Sale General Eating Place) License. Violation of these provisions or refusal to cooperate with implementing this alcohol and drug policy can result in City barring Concessionaire from City facilities or participating in City operations.

ARTICLE XLIV. HAZARDOUS SUBSTANCES AND OSHA COMPLIANCE

No goods, merchandise or material will be kept or stored by Concessionaire at Airport which are explosive or hazardous; and no offensive or dangerous trade, business or occupation will be carried on therein or thereon. Nothing will be done in the performance of this Agreement which will increase the rate of or suspend any insurance policy or coverage of City and/or Airport.

Concessionaire covenants that all materials, equipment, and all other items used in the performance of this Agreement are in compliance with Occupational Safety and Health Administration (OSHA).

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ARTICLE XLV. CITY'S SMOKING/VAPING POLICY

Concessionaire agrees that it will prohibit smoking/vaping by its employees and the public in the Premises. Concessionaire further agrees to not sell or advertise tobacco products. Concessionaire acknowledges that smoking/vaping is not permitted in the Airport's buildings and facilities except for designated areas. Concessionaire and its officers, agents, and employees shall cooperate and comply with the provisions of State of California and City of Fresno laws and statutes. See Appendix P (City's Smoking/Vaping Policy) for further details.

ARTICLE XLVI. WAIVERS

No waiver by City at any time of any of the terms, conditions, covenants, or agreements of this Agreement, or noncompliance therewith, will be deemed or taken as a waiver at any time thereafter of the same or any other term, condition, covenant, or agreement herein contained, nor of the strict and prompt performance thereof by Concessionaire. No delay, failure, or omission of City to exercise any right, power, privilege or option arising from any default nor subsequent payment of charges then or thereafter accrued, will impair any such right, power, privilege, or option, or be construed to be a waiver of any such default or relinquishment thereof or acquiescence therein. No notice by City will be required to restore or revive time as being of the essence hereof after waiver by City or default in one or more instances. No option, right, power, remedy, or privilege of City will be construed as being exhausted or discharged by the exercise thereof in one or more instances. It is agreed that each and all the rights, powers, options, or remedies given to City by this Agreement are cumulative and no one of them will be exclusive of the other or exclusive of any remedies provided by law, and that the exercise of one right, power, option, or remedy by City will not impair its rights to any other right, power, option or remedy.

ARTICLE XLVII. COMPLETE AGREEMENT

This Agreement represents the complete understanding between the Parties, and any prior agreements or representations, whether written or verbal, are hereby superseded. This Agreement may subsequently be amended only by written instrument signed by the Parties hereto, unless provided otherwise within the terms and conditions of this Agreement.

ARTICLE XLVIII. ORDER PRECEDENCE

The documents listed below are a part of this Agreement and are hereby incorporated by reference. In the event of inconsistency between the documents, unless otherwise provided herein, the terms of the following documents will govern in the following order of precedence:

A. Terms and Conditions as contained in this Agreement.
B. RFP No. 12300507.

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C. Concessionaire's Response to RFP No. 12300507, and any subsequent information submitted by Concessionaire during the evaluation process, as modified and accepted by City.

ARTICLE XLIX. BROKER'S COMMISSION

Concessionaire represents and warrants that it has not caused nor incurred any claims for brokerage commissions or finder's fees in connection with the execution of this Agreement. Concessionaire shall defend, indemnify, and hold City harmless against all liabilities arising from any such claims caused or incurred by it (including the cost of attorney fees in connection therewith).

This Agreement does not, and shall not be deemed or construed to, confer upon or grant to any Third Party or parties (except parties to whom the Concessionaire may assign this Agreement in accordance with the terms hereof, and except any successor to City) any right to claim damages or to bring any suit, action or other proceeding against either City or Concessionaire because of any breach hereof or because of any of the terms, covenants, agreements and conditions herein.

ARTICLE L. NO LIMIT ON CITY'S POWERS

Nothing in this Agreement shall limit in any way the power and right of City to exercise its governmental rights and powers, including its powers of eminent domain.

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DocuSign Envelope ID: BD7238C3-8324-4522-A5DB-DC64DDC5342E

ARTICLE LI. SIGNATURES

This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which will be taken together and deemed to be one instrument. This Agreement is expressly subject to and shall not be or become effective or binding on City until approved by City, if so required, and fully executed by all signatories of City. This Agreement may be signed electronically by the Parties in the manner specified by City.

CITY OF FRESNO, CALIFORNIA
A Municipal Corporation

By: _____
Henry Thompson, A.A.E., IAP
Director of Aviation

APPROVED AS TO FORM:
ANDREW JANZ
City Attorney

By: _____
Brandon M. Collet, Date
Supervising Deputy City Attorney

ATTEST:
TODD STERMER, CMC
City Clerk

By: _____

Deputy

Address for Notice:
City of Fresno
Airports Department
4995 E. Clinton Way
Fresno, CA 93727

HG FRESNO CONCESSIONAIRES JV A California Joint Venture

By: DocuSigned by: Courtney Thornton F60EA06471CE4E6...
Courtney Thornton
(Printed Name)

Title:
(If corporation or LLC., Board Chair, Pres. or Vice Pres.)

By: _____
(Printed Name)

Title: _____ (If corporation or LLC., CFO, Treasurer, Secretary or Assistant Secretary)

Address for Notice:
_HG Fresno Concessionaires JV
One Meadowlands Plaza
East Rutherford, NJ 07073
Attn.: EVP Corporate Strategy & Business Development
CC: General Counsel

Exhibits and Attachments:

Exhibit A – Response to Request for Proposals
Exhibit B – Concession Use Premises and Support Space locations
Exhibit C – Monthly Concessions Report
Exhibit D – Development Schedule
Exhibit E – ACDBE Participation Requirement
Exhibit F – Conflict of Interest Form

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Exhibit G – Product and Price List
Exhibit H – City of Fresno, Airports Department Badging Application Package
Exhibit I - Example of Severe Decline in Enplanements Calculation
Exhibit J - Annual Rental Adjustment Calculation
Exhibit K – Initial Capital Investment

EXHIBIT A

Proprietary Information Redacted

FORM 1: CHECK LIST

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Proposals shall be submitted in a three-ring binder, **one original (marked original) and 3 copies.** If submitted electronically, hard copies are not applicable. The total proposal packet must be sealed and clearly marked on the outside **RFP No. 12300507 for FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT.**

Proposers are requested to submit this Checklist and the following information, providing the content in the sequence shown below. If documentation provided is incomplete, the Proposer may be considered non-responsive and ineligible for award of a Contract.

	Checkbox Column	Form #	Item Name	Notes/Instructions
✓	✓	1	Cover Letter and Proposal Checklist	Complete one form for entire Proposal
✓	✓	2	Proposed Business Terms & Conditions	Complete one form for entire Proposal
✓	✓	3	Proposal Guarantee OR Proposal Bond	Submit one check or Letter of Credit for entire Proposal in the required amount
✓	✓	4	Non-Collusion Affidavit	Complete one form for entire Proposal
✓	✓	5	References	Complete one form for entire Proposal
✓	✓	6	Proposer Qualification Questionnaire	Complete one form for entire Proposal
✓	✓	7	Statement of Acceptance of the Indemnification and Insurance Requirements	Complete one form for entire Proposal
	✓	8	Certification for Local Preference - N/A	Complete separate form for each Unit within Proposal
✓	✓	9	Addenda and Time Period to Award/Reject	Complete one form for entire Proposal

✓	✓	10	DBE Data Request	Complete one form for entire Proposal
✓	✓	11	Disclosure of Conflict of Interest	Complete one form for entire Proposal
✓	✓	12	Proposer Questions	Submit one copy of each question asked including the answer provided by the city (directly or via Addenda)
✓	✓	13	Proposed Capital Investment	Complete one form, both Schedule 1 and Schedule 2, for entire Proposal
✓	✓	14	Signature Pages	Complete one form for entire Proposal
✓	✓	15	Pro forma	Complete one Pro forma for each space and one Pro forma for the entire package. Each Pro forma should cover each year of the term.
✓	✓	16	Agreement Draft Acknowledgement	Complete one form for entire Proposal
✓	✓	Other	ALL Proposal Requirements detailed in Tab A to Tab H	Complete separate form for each Unit within Proposal
✓	✓	Other	Electronic Submittal OR Binders: 1- Original Bound (8 ½ by 11 paper, double-sided, 12 point-font). Renderings may be produced on 11x17 paper single-sided. 2- Two (2) Bound Copies(8 1/2 by 11 paper, double-sided, 12 point-font). Renderings may be produced on 11x17 paper single-sided	One Original Binder including wet signatures for the Proposal Two binders containing exact copies of Original Binder
✓	N/A Electronic Submission	Other	Flash Drive containing Proposal and all Forms	1 Flash Drive (included in Original Binder)

Bid Results

Bidder Details

Vendor Name	Hudson Group
Address	One Meadowlands Plaza East Rutherford, New Jersey 07073 United States
Respondee	HG Fresno Concessionaires JV
Respondee Title	Mike Callaghan - Director of Business Development
Phone	201-957-3937
Email	ProposalTeam@hudsongroup.com
Vendor Type	NONE
License #	
CADIR	

Bid Detail

Bid Format	Electronic
Submitted	01/17/2023 1:28 PM (PST)
Delivery Method	Electronic Submission via Planet Bids
Bid Responsive	
Bid Status	Submitted
Confirmation #	315862
Ranking	0

Respondee Comment

Please note: We understand the direction within the submission of proposal section states “The flash drive submittal must contain one file per tab, each named accordingly (i.e. Cover Letter, Tab A, etc.) to coincide with each Proposal tab contained within the Proposal; files within tab files to separate and name individual electronic documents is required.” When submitting via planet bids, we are only permitted to upload up to 4 documents. Due to this limitation, we had to combine all tabs into one master response. We are happy to provide each tab separately upon request. Please also note that the proposal guarantee was not uploaded as its own separate attachment. We required that upload space to ensure both proposals and pro formas were submitted. The hard copy of the proposal guarantee was submitted on 1/17 and a copy is also included in the master proposal responses.

Buyer Comment

Attachments

Sending Cashier's Check as Bid Security

File Title	File Name	File Type
HG Fresno Concessionaires JV, All Spaces Proposal - Compressed.pdf	HG Fresno Concessionaires JV, All Spaces Proposal - Compressed.pdf	Proposal documents
HG Fresno Concessionaires JV _Retail Only Proposal -Projected Gross Receipts, Rent and Cash Flow (Form 15).xlsx	HG Fresno Concessionaires JV _Retail Only Proposal -Projected Gross Receipts, Rent and Cash Flow (Form 15).xlsx	Bid Bond
HG Fresno Concessionaires JV, Retail Spaces Proposal - Compressed.pdf	HG Fresno Concessionaires JV, Retail Spaces Proposal - Compressed.pdf	General Attachment
HG Fresno Concessionaires JV_All Space Proposal _Projected Gross Receipts, Rent and Cash Flow (Form 15).xlsx	HG Fresno Concessionaires JV_All Space Proposal _Projected Gross Receipts, Rent and Cash Flow (Form 15).xlsx	General Attachment
		Bid Bond

Line Items

Discount Terms No Discount

Item #	Item Code	Type	Item Description	UOM	QTY	Unit Price	Line Total	Response	Comment
Schedule 1 & 2							$2.0000		
1			FAT Total Schedule No. 1	Lump Sum	1	$1.0000	$1.0000	Yes	Please note – we have submitted all required financial documents within our electronic submittal.
2			FAT Total Schedule No. 2	Lump Sum	1	$1.0000	$1.0000	Yes	Please note – we have submitted all required financial documents within our electronic submittal.

Line Item Subtotals

Section Title	Line Total
Schedule 1 & 2	**$2.0000**
Grand Total	**$2.0000**

NEWS & CONVENIENCE CONCESSIONS

At Fresno Yosemite International Airport Terminal

Cover Letter

FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL

On behalf of HG Fresno Concessionaires JV, we are pleased to submit our proposal for management of the retail spaces located at Fresno Yosemite International Airport. HG Fresno Concessionaires JV is a joint venture between Hudson (87% ownership) The Traveler's Best Friend" for over 30+ years and local ACDBE retailer Martinez-Niebla, LLC (13% ownership).

Proposed Concepts (All Spaces)
For this opportunity we're proposing Hudson, Brookstone & Einstein Bros Bagels & Coffee.

T-105
Hudson remains the only travel essentials brand known and loved by travelers. **Einstein Bros. Bagels** is also known from coast to coast and it would be a first in Fresno. What a powerful "hybrid" concept – N&C and coffee, a combo we know well and operate expertly.

C-135
In late 2019, all **Brookstone** locations in U.S. airports became powered by **Hudson**. Since that time, we've transformed the brand into a tech-centric lifestyle brand that carries the hottest in audio, tech, STEM, chargers, and even tech-enabled wellness items. It's THE airside concept to explore and experience technology.

POD
In recent years, we've focused on the need for hybrid locations – meaning the combination of different types of concessions in a single space. Regardless of the food option chosen for the POD space, we will customize the assortment of this **Hudson** to maximize sales and the guest experience.

Supporting the Fresno Community
We're proud to share a few ways that we connect with the Fresno area today, and tomorrow.

MNC
INSPIRING SUCCESS
INSPIRANDO ÉXITO

We're delighted to share that, Rueben Martinez – co owner of Martinez-Niebla, LLC, is known and welcomed by long-time community leader Richard Ybarra. In addition to being the CEO of MNC and the son-in-law of Cesar Chavez, he is a resident of Fresno County. Mr. Ybarra offered a letter of support, included with Form 6 of our response, in which he shares that due to his deep knowledge of the Valley's "history, traditions as well as the social and economic conditions and value" that he's confident Mr. Martinez will add "value to the broader community."

VISIT FRESNO COUNTY
FRESNO/CLOVIS
CONVENTION & VISITORS BUREAU

Thanks to our relationship with the National Park Foundation, in 2023 we'll be launching several volunteer initiatives to support Fresno's national parks. We're passionate about supporting the local community and environment – including Fresno County.

Canyon National Park

Sequoia National Park

Yosemite National Park

Thank You.
Thank you so much for your time and consideration. We look forward to our continued partnership with the Fresno Yosemite International Airport.

Sincerely,

Brian Quinn
1 Meadowlands Plaza
East Rutherford, NJ 07073
proposalteam@hudsongroup.com
(201) 939-8109

In the RFP documents, the evaluation criteria (pg. 24) contained items that were not included in the proposal format provided (pg. 28). We complied strictly with the prescribed proposal outline and as a result, some items in the evaluation criteria were excluded. We would like an opportunity to provide more information, to ensure our capabilities and proposed solution receive the proper scoring according to the evaluation criteria. Thank you.

Proposer's Name: HG Fresno Concessionaires JV
(Submit with Proposal)

FORM1: COVER LETTER TO THE PURCHASING MANAGER INCLUDING PROPOSER CHECKLIST

Date:

TO: Purchasing Manager
City of Fresno-Finance and Purchasing Department
2600 Fresno Street
Fresno, California 93721

SUBMITTED BY:

Proposer: Iris Messina

Proposer's Company: HG Fresno Concessionaires JV

Proposer's Contact Email: IMessina@hudsongroup.com

Mailing Address: 1 Meadowlands Plaza

City, State, Zip: East Rutherford, NJ 07073

SUBJECT: PROPOSAL FOR FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

The undersigned hereby submits to the Purchasing Manager of the City of Fresno this proposal for Food & Beverage Concessions and News & Gift Concessions Agreement (Agreement) at Fresno Yosemite International Airport Terminal for City of Fresno, Airports Department as described in this and the attached documents.

Provisions of this proposal are based upon all the terms, covenants and conditions set forth in the RFP, the Agreement and all the other RFP documents.

The signature(s) below represent those of the Proposer and comply with the requirements of this RFP.

Print Name	Print Title	Signature
Brian J. Quinn	Chief Operating Officer	
Print Name	Print Title	Signature
Print Name	Print Title	Signature

(If the proposal is submitted by a corporation the corporate seal must be affixed to this proposal.)
Seal

FORM 1: CHECK LIST

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

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✓	3	Proposal Guarantee OR Proposal Bond	Submit one check or Letter of Credit for entire Proposal in the required amount
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✓	5	References	Complete one form for entire Proposal
✓	6	Proposer Qualification Questionnaire	Complete one form for entire Proposal
✓	7	Statement of Acceptance of the Indemnification and Insurance Requirements	Complete one form for entire Proposal
✓	8	Certification for Local Preference - **N/A**	Complete separate form for each Unit within Proposal
✓	9	Addenda and Time Period to Award/Reject	Complete one form for entire Proposal

✓	10	DBE Data Request	Complete one form for entire Proposal
✓	11	Disclosure of Conflict of Interest	Complete one form for entire Proposal
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✓	13	Proposed Capital Investment	Complete one form, both Schedule 1 and Schedule 2, for entire Proposal
✓	14	Signature Pages	Complete one form for entire Proposal
✓	15	Pro forma	Complete one Pro forma for each space and one Pro forma for the entire package. Each Pro forma should cover each year of the term.
✓	16	Agreement Draft Acknowledgement	Complete one form for entire Proposal
✓	Other	ALL Proposal Requirements detailed in Tab A to Tab H	Complete separate form for each Unit within Proposal
✓	Other	Electronic Submittal OR Binders: 1- Original Bound (8 ½ by 11 paper, double-sided, 12 point-font). Renderings may be produced on 11x17 paper single-sided. 2- Two (2) Bound Copies(8 1/2 by 11 paper, double-sided, 12 point-font). Renderings may be produced on 11x17 paper single-sided	One Original Binder including wet signatures for the Proposal Two binders containing exact copies of Original Binder
N/A Electronic Submission	Other	Flash Drive containing Proposal and all Forms	1 Flash Drive (included in Original Binder)

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM: Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 10/12/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION: We noticed a discrepancy in the question deadline. The proposed schedule in the RFP states December 6, 2022. The planetbids site states November 22, 2022. Please confirm which date is accurate. Thank you!

ANSWER: Page 15. Last Day to Submit Questions by 5:00 p.m. – December 6, 2022, shall be deleted and replaced with the following revised information:

Last Day to Submit Questions by 5:00 p.m. November 22, 2022

RESPONSE BY: MELISSA GARZA-PERRY

INCLUDED IN ADDENDUM NO. 2

DATE: 10/12/2022

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 10/24/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION: Can the City provide LODs for the Concourse A Space POD delineating the space between retail and F&B for those parties considering space category proposal Option 2 (News & Convenience) OR proposal Option 3 (Food & Beverage) ONLY?

ANSWER: Note for Pod Spaces: It is the intent of the City to redevelop these spaces as indicated on the attached Lease Outline Drawing (LOD). However, the City desires to receive a design that is highly efficient and representative of the requirements stated within the RFP.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 10/28/22

INCLUDED IN ADDENDUM NO. 5

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 10/24/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION: Can the City please provide an LOD of the Concourse A; Space POD - We'd like to understand how the city is envisioning the layout between both the F&B and N&C concepts in the space.

Right now we see one large space, but not how each of the individual units within that space will be located or positioned.

ANSWER: Note for Pod Spaces: It is the intent of the City to redevelop these spaces as indicated on the attached Lease Outline Drawing (LOD). However, the City desires to receive a design that is highly efficient and representative of the requirements stated within the RFP.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 10/28/2022

INCLUDED IN ADDENDUM NO. 5

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM: Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 10/31/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:

Can you please confirm which space on the map (Exhibit 2) is designated for C-120? There are currently 6 spaces colored in on the concession space map and it's not clear which is C-120. Can you please also confirm that FAT would like a national branded coffee in this space?

ANSWER: Revised Exhibit 2 with space number labels is attached. Yes, City would like a national branded coffee for Space C-120.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 12/9/2022

INCLUDED IN ADDENDUM NO. 7

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/15/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION: Can you please clarify the security deposit amount (SECTION 15.01 FORM OF SURETY)?

ANSWER: It is 3 times the monthly rent for all space for Concessions, Support Space, Storage and Office Space. City will determine the actual amount based upon the awarded locations.

RESPONSE BY: MELISSA GARZA-PERRY

INCLUDED IN ADDENDUM NO. 7

DATE: 12/9/2022

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/21/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:
What is available for support premises (storage and office space) and where is it located?

ANSWER: Support premises is available. See map provided as RFP Exhibit 5 showing locations available for storage.

RESPONSE BY: MELISSA GARZA-PERRY
DATE: 12/9/2022

INCLUDED IN ADDENDUM NO. 7
DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/21/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:
How and where are deliveries received? What is the path concessionaires need to use to bring products to each space?

ANSWER: See map provided as RFP Exhibit 5 for path of travel for deliveries, including newly added storage spaces.

RESPONSE BY: MELISSA GARZA-PERRY

INCLUDED IN ADDENDUM NO. 7

DATE: 12/9/2022

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/21/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:
Is there a loading dock? and if so, where is it located?

ANSWER: The loading dock is currently located outside of the old pre-screening restaurant area. There will be a newly created storage space for both F&B and N&C in the remodeled area to allow for use of the dock by both F&B and N&C deliveries. See map provided as RFP Exhibit 5.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 12/9/2022

INCLUDED IN ADDENDUM NO. 7

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/22/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:

Are the F&B spaces currently vented and can we access the vents? If not, are we able to vent the spaces?

ANSWER: The only space currently vented is the POD F&B (Space 203). Spaces C120 and C134 can have venting added at Concessionaires expense with approval by City of the roofing vendor.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 12/9/2022

INCLUDED IN ADDENDUM NO. 7

DATE: _____

Duplicate as Necessary, one sheet per question.

FRESNO YOSEMITE International Airport

AIRPORT CODE: FAT

ADDENDUM NO. 1
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type.**

Page 23. Paragraph 7. Parking, shall be deleted and replaced with the following revised information:

7. PARKING: The successful Proposer's employees will be permitted to use designated airport employee parking facilities at a cost of $15.00/month (subject to change). **There is a fee of $25.00 for a key card and activation. There is an additional $25.00 fee for replacement of lost cards.**

City of Fresno

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date: 1
October 6, 2022

IN FRESNO

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Airports Department
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(559) 621-4500
flyfresno.com

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International
Airport

AIRPORT CODE: FAT

ADDENDUM NO. 2
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type.**

Page 15. Last Day to Submit Questions by 5:00 p.m. – December 6, 2022, shall be deleted and replaced with the following revised information:

Last Day to Submit Questions by 5:00 p.m. **November 22, 2022**

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date: 2
October 12, 2022

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(559) 621-4500
flyfresno.com

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International
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AIRPORT CODE: FAT

ADDENDUM NO. 3
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type.**

Page 48. RFP - 8. Certification for Local Preference / Complete separate form for each Unit within Proposal, **shall be deleted in full.**

Page 58 RFP – **Form 8 shall be deleted in full.**

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

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Addenda to date: 3
October 12, 2022

IGFRESNO

City of Fresno
Airports Department
4995 E Clinton Way,
Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

FRESNO YOSEMITE International Airport

AIRPORT CODE: FAT

ADDENDUM NO. 4
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type**.

Page 6. RFP - A proposal conference will be held at **1:00 PM., on November 15,2022**. Join the meeting by going to https://zoom.us/j/92047244398 or call 1 (669) 900-9128, Meeting ID: 920 4724 4398. Prospective Proposers are encouraged to attend since City Staff will be present to answer any questions regarding the Specifications, **shall be deleted in full** and replaced with.

A proposal conference/site tour will be held at **1:00 PM., on November 15,2022**. Prospective Proposers are encouraged to attend since City Staff will be present to answer any questions regarding the Specifications. Prospective Proposers will meet at the Nick Palomares Prescreening Terminal Conference room at Fresno Yosemite International Airport located at 5175 East Clinton Way, Fresno, CA 93727. Those interested must RSVP to Tamra Torrence (tamra.torrence@fresno.gov) no later than November 1, 2022, by 5 p.m.

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

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Addenda to date: 4
October 12, 2022

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AIRPORT CODE: FAT

ADDENDUM NO. 5
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type**.

The clarifications below shall apply to the following:

Page 14. RFP – CONCESSIONS OPPORTUNITY, Concourse A; Space POD for F&B ONLY should be **4,100 square ft.**

Page 14-15. RFP – CONCESSIONS OPPORTUNITY, Concourse A; Space POD for N&C ONLY should be **1,100 square ft.**

Page 18. RFP – Locations and Merchandising Descriptions: News & Convenience Package; Concourse A; POD **5,200SF** for N&C ONLY **1,100SF.**

Page 18. RFP – Locations and Merchandising Descriptions: Food & Beverage Package; Concourse A; POD **5,200SF** for F&B ONLY **4,100SF.**

Page 25. RFP - SELECTION PROCESS AND EVALUATION CRITERIA; PROPOSAL EVALUATION; Concept and Design Section; and

Page 30 – RFP - SUBMISSION OF PROPOSAL, TAB 3 – Tenant Mix & Concessions Plan Section

***Note for Pod Spaces*: It is the intent of the City to redevelop these spaces as indicated on the attached Lease Outline Drawing (LOD). However, the City desires to receive a design that is highly efficient and representative of the requirements stated within the RFP. Therefore, for the Pod Space, in the event Proposer is only proposing on News & Convenience or Food & Beverage, Proposer is asked to submit a representative design sample including materials and**

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AIRPORT CODE: FAT

renderings/sketches for the unit that fits into the approximate footprint of square footage designated for each category as set forth above in the LOD attached. In the event this solicitation is awarded to separate Food & Beverage and News & Convenience Proposers, Proposers shall agree to work together in conjunction with the City to establish a cohesive design for the two spaces.

The City is not requiring that Proposers finish all square footage allocated to each category in the Pod location. The square footage provided in the LOD is only representative of the potential development area. Proposer must clearly identify and/or delineate the area Proposer is planning to develop within this footprint. The square footage is meant to establish a general footprint within which Proposers shall use their unique creativity to develop open-air, flow-through style locations that incorporate circulation area and ingress and egress.

Pages 141-142 – RFP – **Shall be deleted and replaced with the attached revised LOD.**

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

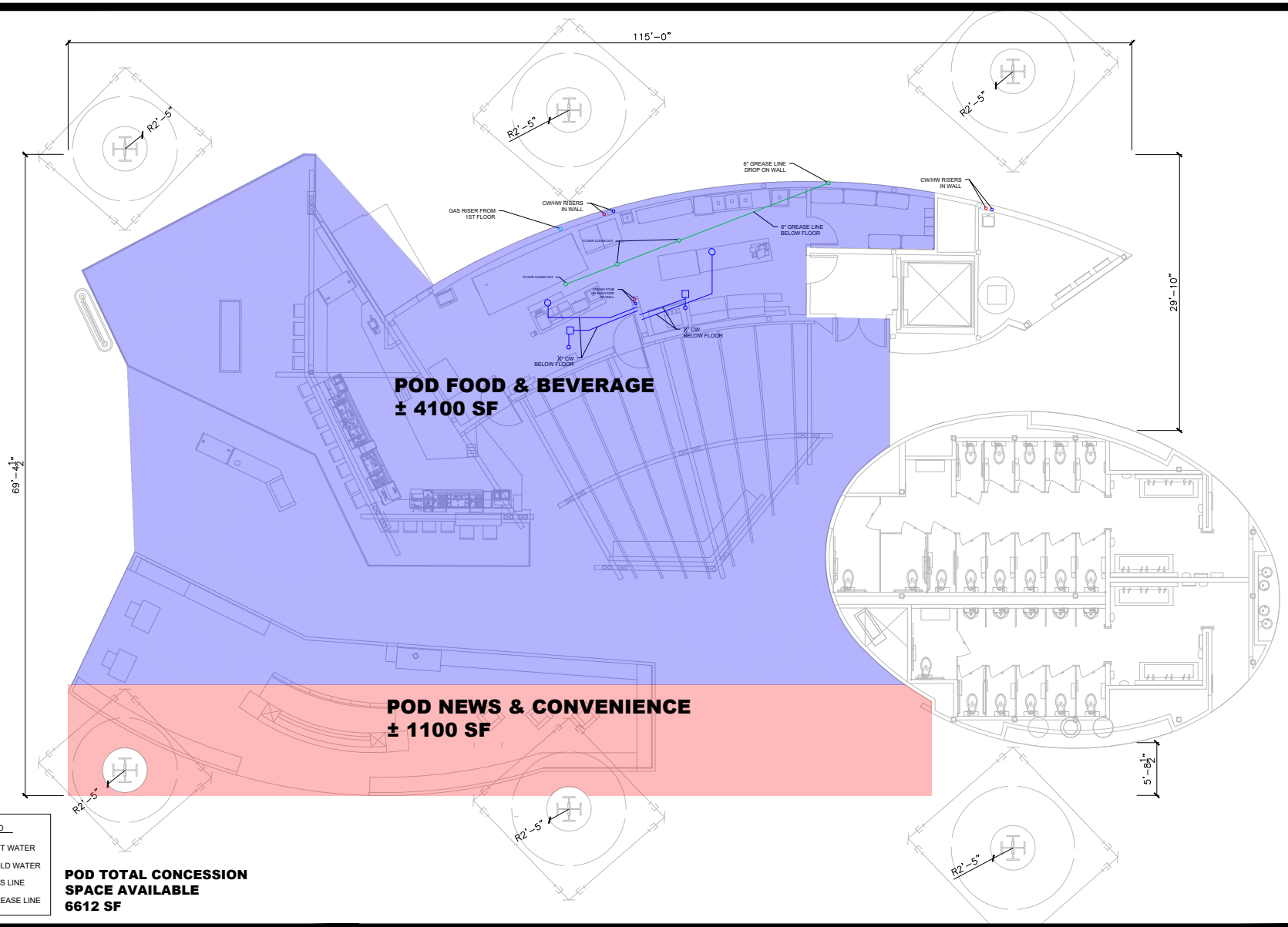
Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date: 5
October 28, 2022

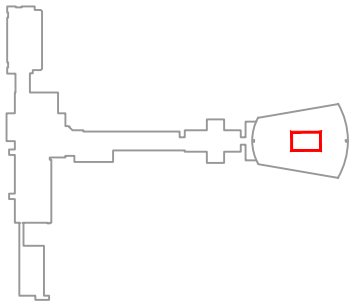
FRESNO

City of Fresno
Airports Department
4995 E Clinton Way,
Fresno, California 93727-1525
(559) 621-4500
flyfresno.com



POD TOTAL CONCESSION SPACE AVAILABLE
6612 SF

TERMINAL KEY



DISCLAIMER:

THIS LEASE OUTLINE DRAWING IS PRELIMINARY AND INTENDED TO PROVIDE BASIC ARCHITECTURAL CHARACTERISTICS, APPROXIMATE DIMENSIONS, AND OVERALL AREA OF SHELL LEASE SPACE. INFORMATION CONTAINED WITHIN IS SUBJECT TO CHANGE WITHOUT NOTICE. AS STATED IN GENERAL NOTES 1 AND 2, TENANT IS REQUIRED TO FIELD VERIFY ALL AS-IS CONDITIONS PRIOR TO COMMENCEMENT OF DESIGN WORK.

GENERAL NOTES:

1. ALL DIMENSIONS TO BE FIELD VERIFIED WITH AS-IS CONDITIONS AND COORDINATED WITH ALL WALL TYPES
2. OVERHEAD MEP AND STRUCTURAL CONDITIONS VARY. TENANT SHALL FIELD VERIFY AND CONFIRM ALL AS-IS CONDITIONS
3. BEFORE MAKING FLOOR PENETRATIONS OR ANY KIND OF REMOVAL OF CONCRETE FROM THE FLOOR SLAB, G.C. TO ENSURE THAT THE CONCRETE AT THAT LOCATION IS FREE OF REBAR, STRUCTURAL BEAMS, PAN JOISTS, OR GIRDERS. IF FLOOR IS CONSTRUCTED OF POST TENSIONED SYSTEM, G.C. SHALL ENSURE THAT THE ADEQUATE MEASURES ARE TAKEN TO STEER CLEAR OF STRESSED BARS IN ORDER TO AVOID INJURY OR COMPROMISE OF THE STRUCTURAL INTEGRITY OF THE FLOOR. IN THIS CASE, THE CUTTING OF ANY REBAR SHALL REQUIRE PRIOR APPROVAL FROM A PROFESSIONAL STRUCTURAL ENGINEER FAMILIAR WITH THE ORIGINAL CONSTRUCTION OF THE FLOOR SYSTEM. USE OF SYSTEMS SUCH AS GPR FOR LOCATING REBAR IS HIGHLY RECOMMENDED BEFORE MAKING PENETRATIONS INTO THE SLAB.

FRESNO YOSEMITE International Airport

FRESNO YOSEMITE INTERNATIONAL AIRPORT
LEASE OUTLINE DRAWINGS

TERMINAL CONCESSIONS

DATE: 10/28/22

SCALE: 1/16" = 1' - 0"

SHEET NUMBER: C203

FRESNO YOSEMITE International Airport

AIRPORT CODE: FAT

ADDENDUM NO. 6
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type.**

Additional information provided via PowerPoint

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date: 6
November 17, 2022

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Airports Department
4995 E Clinton Way,
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AIRPORT CODE: FAT

ADDENDUM NO. 7
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type**.

DUE DATE OF RFP, COVER PAGE RFP, PAGE 5, PAGE 15, BID OPENING OF 3:00 P.M., JANUARY 3, 2023, shall be deleted and replaced with:

3:00 P.M., January 10, 2023.

QUESTIONS

Question #1, From Hudson: "Can the City provide LOD's for the Concourse A space POD delineating the space between retail and F&B for those parties considering space category proposal Option 2 (News & Convenience) OR proposal Option 3 (Food & Beverage) ONLY?"

Answer: **See Addendum No. 5 for further information on the layout of Space C203 (Pod). See RFP Exhibit 4 for concept drawings of the Food & Beverage area.**

Question #2, From Hudson: "Can the City please provide an LOD of the Concourse A; Space POD – We'd like to understand how the city is envision the layout between both the F&B and N&C concepts in the space. Right now we see one large space, but not how each of the individual units within that space will be located or positioned."

Answer: **See Addendum No. 5 for further information on the layout of Space C203 (Pod). See RFP Exhibit 4 for concept drawings of the Food & Beverage area.**

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Airports Department
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Fresno, California 93727-1525
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flyfresno.com

FRESNO
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Airport

AIRPORT CODE: FAT

Question #3, From Hudson: “Can you please confirm which space on the map (Exhibit 2) is designated for C-120? There are currently 6 spaces colored in on the concession space map and it’s not clear which is C-120. Can you please also confirm that FAT would like a national branded coffee in this space?”

Answer: **Revised Exhibit 2 with space number labels is attached. Yes, City would like a national branded coffee for Space C-120.**

Question #4, From Hudson: “Can you please clarify the security deposit amount (SECTION 15.01 FORM OF SURETY)?”

Answer: **It is 3 times the monthly rent for all space for Concessions, Support Space, Storage and Office Space. City will determine the actual amount based upon the awarded locations.**

Question #5, From Hudson: “What is available for support premises (storage and office space) and where is it located?”

Answer: **Support premises is available. See map provided as RFP Exhibit 5 showing locations available for storage.**

Question #6, From Hudson: “How and where are deliveries received? What is the path concessionaires need to use to bring products to each space?”

Answer: **See map provided as RFP Exhibit 5 for path of travel for deliveries, including newly added storage spaces.**

Question #7, From Hudson: “Is there a loading dock? And if so, where is it located”

Answer: **The loading dock is currently located outside of the old pre-screening restaurant area. There will be a newly created storage space for both F&B and N&C in the remodeled area to allow for use of the dock by both F&B and N&C deliveries. See map provided as RFP Exhibit 5.**

IFRESNO

City of Fresno
Airports Department
4995 E Clinton Way,
Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

Question #8, From Hudson: “Are the F&B spaces currently vented and can we access the vents? If no, are we able to vent the spaces?”

Answer: **The only space currently vented is the POD F&B (Space 203). Spaces C120 and C134 can have venting added at Concessionaires expense with approval by City of the roofing vendor.**

Question #9, From SSP America, Inc.: “Please provide 2022 monthly sales for each Food & Beverage location?”

Answer: **2022 monthly sales (through October) have been provided as RFP Exhibit 3.**

Question #10, From SSP America, Inc.: “With the rise in food costs and construction costs, please consider increasing the pricing to street plus 15%?”

Answer: **The City will not consider increasing the pricing to Street plus 15% at this time.**

Question #11, From SSP America, Inc.: “Where should the $5,000 Deposit Check be mailed if a respondent submits electronically?”

Answer: **Please submit the check to: Purchasing Office, Attn: Tamra Torrence, Sr. Procurement Specialist, City of Fresno, 2600 Fresno Street, Room 2156, Fresno, CA 93721**

Question #12A, From SSP America, Inc.: “C120 and C134 – These spaces have gate doors to the exterior within the footprints. Are these required for operations or code exiting or can they be removed?”

Answer: **One door must remain in the store design in order to receive product deliveries via SIDA. Door placement can be moved per final approval by City of Proposer's design plan.**

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Airports Department
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Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

Question #12B, From SSP America, Inc.: “POD F&B - Is there a height restriction?”

Answer: **There are no codes or architectural restrictions. The only restrictions would be upon final approval of the design by the City and the Proposer's ability to maintain the location.**

Question #12C, From SSP America, Inc.: “POD F&B – There is an existing Flight Information Display at the top of the escalators, is it possible to relocate this?”

Answer: **It is possible, provided that the City finds a suitable alternative location for the FIDS.**

Question #12D, From SSP America, Inc.: “POD F&B – Are we able to apply new materials/finishes to the back of the restroom core?”

Answer: **Proposers are able to submit design plans that apply new materials/finishes to the back of the restroom core, subject to City approval of the finish, location, etc.**

Additional Information Regarding Demo of existing facilities:

City will be responsible for the demolition of the existing concession spaces to the studs and will provide stub outs for utilities connections. Outgoing Concessionaire, if any, is responsible for the removal of any fixtures and furniture in the space prior to demolition.

Revised Exhibit 1 to RFP:
Attached is the revised Exhibit 1 to the RFP. It includes a PDF of the tracked changes to show what was updated in the document.

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Airports Department
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Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

FRESNO
YOSEMITE
International
Airport

AIRPORT CODE: FAT

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

IFRESNO

City of Fresno
Airports Department
4995 E Clinton Way,
Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

City of FRESNO
Purchasing Division - (559) 621-1332 - www.fresno.gov
2101 G. Street, Bldg. A
Fresno, California 93706

General Services Department
Brian Barr, Director

ADDENDUM NO. 8

FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT
Bid File No. 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **January 10, 2023, 3:00 P.M.**

PURCHASING DIVISION

NOTICE OF RELOCATION

Please be advised that the Purchasing Division has been relocated, formerly located at Fresno City Hall, 2nd Floor, Fresno Street, Fresno CA 93721, and will now be housed at the Municipal Service Center (MSC), located at:

2101 G. Street, Building A
Fresno, CA 93706

As we continue to provide bid support, please note you can continue to reach the Purchasing Division at the following telephone number:

559-621-1332

****In person Bid Openings are now held at the above mentioned address****

****Please send deposits and mail correspondences to the above mentioned address****

City of Fresno

MELISSA PERALES
Purchasing Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

FRESNO
YOSEMITE
International
Airport

AIRPORT CODE: FAT

ADDENDUM NO. 9
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 10, 2023.**

All changes and or clarifications will appear in **bold underlined type**.

DUE DATE OF RFP, COVER PAGE RFP, PAGE 5, PAGE 15, BID OPENING OF 3:00 P.M., JANUARY 10, 2023, shall be deleted and replaced with:

3:00 P.M., January 17, 2023.

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

January 9, 2023

Addendum 8

FRESNO

City of Fresno
Airports Department
4995 E Clinton Way,
Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

TAB 1 –
Proposed Business Terms
and Conditions

Proposer's Name **HG Fresno Concessionaires JV**
(Submit with Proposal)

FORM 2: BUSINESS TERM/DEAL

NEWS & CONVENIENCE CONCESSIONS
AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Key Business Terms for News & Convenience (3 locations)	
Term	15 years from construction completion date of the entire package.
Space Rent (1st Year)	$40.00 square foot/year with annual CPI adjustments not to exceed 5% starting year 2.
Support Space Rent (1st Year)	$20.00 square foot/year with annual CPI adjustments not to exceed 5% starting year 2.
Percentage Rent Rate	10% of sales
Anticipated Minimum Capital Investment	$ 837 per square foot
Mid-Term Refurbishment Requirement	$ 158 per square foot
ACDBE Participation Goal	13% of Annual Gross Receipts
Required Hours	Concessionaire shall open all units a minimum of one and one-half hours before the first scheduled flight of the day and remain open until at least 30 minutes after the last departing flight (including flights that may have been delayed).
Use of Concession Space	The spaces associated with this concession opportunity may be used only for the sale of permitted News & Gift items as stated in the successful proposal. The specific concept will be documented in a final executed concession agreement. The space may not be subdivided into separate concepts, without prior written consent. No advertising or sponsorship is allowed in the concession space unless approved by City.
Storage Space	Concession storage space is available. Storage space cost is $20.00 per square foot per year and is not included in the RR and is subject to annual CPI adjustments not to exceed 5% annually.
Restrictions on Use of the Concession Space	Proposers are restricted from proposing any uses except as described RFP response.

Agreed to by: _____ Date: 11/21/2022
Title: **Chief Operating Officer & Deputy CEO**

Joint Venture Certificate of Authority

THE UNDERSIGNED, being all of the partners of HG Fresno Concessionaires JV (the "Company"), a joint venture to be formed, hereby certify that Jordi Martin Consuegra, Brian Quinn and/or Courtney Thornton as representatives of Hudson Group (HG) Retail, LLC, the majority partner and Administrator of the Company, are duly authorized to execute and deliver, on behalf of the Company, any and all agreements, documents and submissions in connection with the pending Request for Proposal No. 12300507 – Food & Beverage Concessions and News & Convenience Concessions at Fresno Yosemite International Airport Terminal for City of Fresno, Airports Department that are reasonably necessary to complete the Company's proposal in response to the Request for Proposal No. 12300507 – Food & Beverage Concessions and News & Convenience Concessions at Fresno Yosemite International Airport Terminal for City of Fresno, Airports Department and in the event of award, any and all documents related to the lease and operation of the awarded concessions.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Authority this January day of 04, 2023.

Hudson Group (HG) Retail, LLC

By: _____

Martinez & Niebla, LLC

By: _____

ALWAYS FRESH BAKED - FRESH BREWED - FRESH FOOD

November 18, 2022

Evan Schut
Senior Vice President, Food & Beverage
HUDSON
One Meadowlands Plaza
East Rutherford, NJ 07073

Re: **Letter of Authorization – Einstein Bros. Bagels**

Dear Evan,

It is our pleasure to provide this letter confirming authorization that Hudson ("Hudson") has the rights to include Einstein Bros. Bagels' trademarks, logos, and products in the Proposal of Hudson to the lessor at Fresno Yosemite International Airport ("the Airport") regarding opportunities for development and operations of food and beverage concessions at the Airport.

This letter will remain in effect for one year following the date written above and may be extended by mutual written agreement of the parties. This letter will also automatically terminate if Hudson does not win the award under the Proposal or, after winning the award, the Lease is not signed by Hudson and the Airport (or its designee).

If you need any additional information or support for your package, please let us know.

Thank you for the opportunity to partner with Hudson @ FAT Airport!

All the best,

Tina Welch

Tina Welch
Sr. Director, Business Development
e | tina.welch@bagelbrands.com
c | 502.35.4615

cocokind

December 13, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support – Fresno Yosemite International Airport

Dear Ms. Messina,

On behalf of cocokind, I would like to let you know how excited we are to be part of Hudson's local vendor offerings for the Fresno Yosemite International Airport.

Cocokind creates sensitive skin-friendly products that concentrate on hydration and barrier support. Our transparency is unmatched, providing a detailed breakdown of the product formula and the carbon footprint on the side of every box. Founded by Priscilla Tsai in 2015, cocokind merges results-driven skincare, community, and sustainability to consistently challenge the status quo in the beauty industry. Our philosophy is 'a little bit often' so you can get glowy, happy skin without stepping outside of your natural comfort zone.

We would absolutely love the opportunity to be featured at the Hudson store at the Fresno Yosemite International Airport! Our affordable, effective formulas and engaging packaging are the perfect fit for a diverse audience. We partnered with Napa Farms at the SFO airport and performed very well in this market. Our versatile multi-purpose mymatcha moisture stick (pictured below) was our top selling SKU at Napa Farms. It is sold in a display of 12 units making it incredibly easy to merchandise on the shelf and by the registers. We are excited about the opportunity to reach our local audience in the San Francisco area, where cocokind was founded and continues to be headquartered.

As I mentioned above, we value your partnership and thank you for your business. If you have any questions please reach out to me at katie@cocokind.com.

Thank you so much for considering cocokind for this valuable space!

Katie Lenzen

Katie Lenzen

December 9, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support- Fresno Yosemite International Airport

Dear Ms. Messina,

On behalf of Life's Grape, we are elated to be chosen by Plum Market to be a local offering at the Fresno Yosemite International Airport.

Life's Grape is a family owned, women run, locally owned, farm-to-table business located in Kerman. We are proud of being a California grown product and it would be an honor to have our products available to travelers seeking unique products like ours.

Life's Grape provides the highest quality grapes on the market and are a sought-after snack for those on-the-go. We look forward to a prosperous partnership with the Fresno International Airport that will allow our brand to get the exposure we have been trying to achieve. Thank you for this opportunity.

Thanks a bunch,

Courtney Gillespie

President and Co-Founder

December 9. 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support – Fresno Yosemite International Airport

Dear Ms. Messina

Let me introduce myself, my name is John Hinkle beekeeper and owner of Hinkle's Honey in Fresno California. I am very interested in the opportunity to be a part of Hudson's offerings for the Fresno Yosemite International Airport.

We are a small beekeeping operation in Fresno and a certified producer of our product. Our honey is a unique blend from all our different bee locations in the area, which creates a delicious valley blend. Our honey has never been superheated or filtered, which leaves all the enzymes, nutrients and pollens, leaving it as a raw, natural product.

I believe our produce would be a great asset, and would be honored to have the opportunity to have our honey in such an exclusive hometown location.

Sincerely,

John Hinkle

John Hinkle
Owner
Hinkle's Honey

2500 PEARL ST, STE 315
BOULDER, CO 80302
720.420.0686 | MADEINNATURE.COM

December 8, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support – Fresno Yosemite International Airport

Dear Ms. Messina,

On behalf of Made in Nature, we appreciate the offer of being afforded an opportunity to be part of Hudson's local offerings for Fresno Yosemite International Airport. Debbas Gourmet was aquired by Made in Nature early in 2022. We now share a consolidated facility in Fresno, California.

Our A'Cappella Knotty Grahams are now in distribution at Plum Markets and are set for a July merchandising event with Hudson News stores in airports around the country. If Hudson is awarded the opportunity at FAT we would love to support A'Cappella at your new location.

Our A'Cappella brand provides high-quality, desirable gourmet treats for consumers, and would be a great fit in airport venues – we look forward to working together to bring an amazing experience to the Fresno Yosemite International Airport

Sincerely,

T.Huff

Tim Huff
Director of Sales
Mobile – 732 801 6518

December 8, 2022

HUDSON GROUP
Attn: Iris G. Messina
Vice President, Business Development
One Meadowlands Plaza
East Rutherford, NJ 07073

Subject: **Letter of Support – Fresno Yosemite International Airport**

Dear Ms. Messina,

On behalf of Raphio Chocolate, I would like to share with you how excited we are to be provided with an opportunity to be part of Hudson and Plum Market's local offerings for Fresno Yosemite International Airport.

Our chocolate brand is synonymous with Fresno as we are the only craft chocolate maker in Fresno that makes chocolate from scratch, from cocoa beans. This method of production ensures that the chocolate product is of the highest quality, aesthetically pleasing and tastes delicious. We have full support of our local community evidenced by 5.0 Stars reviews on Yelp and 4.9 stars on Google. Nationally, we have also won a prestigious award – Good Food Award by Good Food Foundation.

Airports are undeniably appealing from an exposure perspective, yet an incredibly daunting and cost-prohibitive direct business pursuit for a small company like ours. The opportunity to have our products featured in select Hudson and Plum Market stores at Fresno Yosemite International Airport is exciting especially as Hudson and Plum Market's approach maximizes our exposure and minimizes our risks - we'd never be able to afford a stand-alone operation.

We look forward to working together to bring an amazing experience to the Fresno Yosemite International Airport, our hometown airport! Thank you for this opportunity and your support.

Regards,

Yohanes Makmur
Co-Founder | VP Marketing

December 8, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support – Fresno Yosemite International Airport

Dear Ms. Messina,

On behalf of Charles Chocolates I would like to let you know how excited we are to be afforded an opportunity to be part of Hudson's local offerings for Fresno Yosemite International Airport.

Airports are undeniably appealing from an exposure perspective, yet an incredibly daunting and a cost-prohibitive direct business pursuit for a small company like mine. The opportunity to have our products featured in select Hudson stores at Fresno Yosemite International Airport is exciting especially as Hudson's approach maximizes our exposure and minimizes our risks - we'd never be able to afford a stand-alone operation.

Charles Chocolates is well known and well loved Northern California artisan chocolatier – we look forward to working together to bring an amazing experience to the Fresno Yosemite International Airport, just as we have with the Hudson Group family of retail locations at SFO! Thank you for this opportunity and your support.

Sincerely,

Chuck 'Charles' Siegel
President

December 22, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support-Fresno Yosemite International Airport

Dear Ms. Messina,

POM Wonderful is excited to partner with Hudson and Plum Market to showcase our local, healthy, high-quality products at the Fresno Yosemite International Airport.

Founded in 2002, POM Wonderful is the largest grower and producer of fresh pomegranates and pomegranate juice in the United States and the worldwide leader in fresh California pomegranates and pomegranate-based products. We grow, handpick, and juice our own pomegranates to ensure the highest quality.

POM Wonderful is credited with making the antioxidant goodness of pomegranates more accessible, more approachable, and always with consistent premium quality and taste. Based in Del Rey, California, just 14.5 miles from the Fresno Yosemite International Airport, the POM Wonderful portfolio includes POM Pomegranate Fresh Arils, POM Wonderful 100% Pomegranate Juice, POM Antioxidant Super Teas, and healthy juice blends.

POM Wonderful is part of The Wonderful Company, a privately held company with a portfolio that includes other No. 1 brands such as Wonderful® Pistachios, FIJI® Water, Wonderful® Halos®, JUSTIN® wine, and Teleflora®.

We fully support Hudson's and Plum Market's approach to include products from local businesses in their airport environment. This allows us to grow our business and offer healthy products to consumers seeking healthier options during their travels.

Please do not hesitate to reach out if you have any additional questions.

Sincerely,

Derrick Miller
President, POM Wonderful

5286 South Del Rey, Del Rey, California 93616

Notice to Purchaser - In the event that this check is lost, misplaced or stolen, a sworn statement and 90-day waiting period will be required prior to replacement. This check should be negotiated within 90 days.

Cashier's Check - Customer Copy

No. 1466217225

Void After 90 Days 30-1/1140 NTX

Date 10/25/22 12:19:18 PM

TETERBORO
0003 0090012 0075

Pay BANK OF AMERICA FIVE ZERO ZERO ZERO 00 CTS CTS

$5,000.00

Five Thousand and 00/100 Dollars

To The Order Of CITY OF FRESNO PURCHASING DEPARTMENT

Not-Negotiable
Customer Copy
Retain for your Records

Remitter (Purchased By): HUDSON GROUP (HG) RETAIL LLC

001641006097

Bank of America, N.A.
SAN ANTONIO, TX

00-53-3364B 06-2019

BANK OF AMERICA

Cashier's Check

No. 1466217225

Notice to Purchaser - In the event that this check is lost, misplaced or stolen, a sworn statement and 90-day waiting period will be required prior to replacement. This check should be negotiated within 90 days.

Void After 90 Days 30-1/1140 NTX

Date 10/25/22 12:19:18 PM

TETERBORO
0003 0090012 0075

Pay BANK OF AMERICA FIVE ZERO ZERO ZERO 00 CTS CTS

$5,000.00

Five Thousand and 00/100 Dollars

To The Order Of CITY OF FRESNO PURCHASING DEPARTMENT

Remitter (Purchased By): HUDSON GROUP (HG) RETAIL LLC

Bank of America, N.A.
SAN ANTONIO, TX

00-53-3364B 06-2019

AUTHORIZED SIGNATURE

⑈1466217225⑈ ⑆111000019⑆ 001641006097⑈

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENTS.

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 3: PROPOSAL DEPOSIT

Accompanying this proposal is a Proposal Deposit in the amount of **Five Thousand Dollars ($5,000.00)** in form of:

[_____] Annual Bidder's Bond [_____] Certificate of Deposit

[_____] Proposer's Bond [_____] Certified Check

[x] Cashier's Check [_____] Irrevocable Letter of Credit

Proposal Deposit is deposited by the undersigned Proposer with the City of Fresno as a guarantee that the Proposer, if awarded all or part of the Agreement, will, within 15 calendar days (except in the event federal funding is applicable to the Agreement, then 10 working days) from the date the Notice of Award is mailed to the Proposer, execute and return an Agreement furnished by the City.

Copies of Proposal Deposits may be submitted electronically, with the exception of a certified or cashier's check, which must be brought to the Purchasing Manager's office prior to the bid opening and labeled accordingly with proposal number.

Such Deposit is made with the understanding that failure to execute such Agreement will result in damage to the City, that the amount of such damage would be difficult to determine and that in the event of such default said Deposit shall become the property of the City; or, if a Proposer's Bond is deposited, the amount of the obligation thereof, but not more than the above stated amount, shall thereupon be due and payable to the City of Fresno as liquidated damages for such default, payment of said amount to be the joint and several obligation of the Proposer and the corporate surety.

BUSINESS LOCATION

( ) The undersigned Proposer does not maintain a place of business in the City of Fresno.

(X) The undersigned Proposer maintains a place of business in the City of Fresno at:

5175 E Clinton Way, Fresno, CA 93727

BUSINESS LICENSE

(x) The undersigned Proposer has a current City of Fresno Business License Number: *Tax Account No. 91631

If the successful proposer does not have a City of Fresno Business License, it shall obtain such a license prior to the issuance of a Notice to Proceed for the Work and maintain in effect throughout the term of this Contract.

*Please note, HG Fresno Concessionaires JV is a newly formed entity. As a result, it does not have a City of Fresno Business License. In lieu of that, we have provided the City of Fresno Business License for the primary equity holder: Hudson Group (HG) Retail, LLC on the following page.

City of FRESNO

Why are business taxes assessed?

To help fund certain governmental services, such as police, fire, street maintenance, parks, economic development, and general administration.

When are business taxes due?

Taxes are due on or before the payment due date on the tax return.
The City mails business tax return forms for your business. Late fees of at least twenty per cent (20%) are assessed if such taxes are not paid (or postmarked) by the due date.

How are business taxes determined?

Depending on your type of business, business taxes are either a fixed amount (flat tax) or a variable amount based on the gross receipts of your business. The business tax return form sent to you will provide the specific instructions on how to determine the proper amount of tax due.

Where are business taxes paid?

You may mail your payment to: Fresno City Business Tax Section
PO Box 45017, Fresno 93718-5017

If you are paying your current tax renewal before the due date, you may renew online at the link below.

Your Web Security Code is found on your renewal form.

www.businesstax.fresno.gov/webrenewals

If your business tax return cannot be mailed or postmarked before the due date, and you need help calculating the late penalty, please bring the tax return and payment to our office:

Fresno City Hall, Tulare and P Street, Second Floor
Monday - Friday 9:00a.m. - 4:30 p.m.

Whom do I contact to update my Business Tax Certificate records or to get additional information?

If the business ownership, business name, location, mailing address, or phone number changes, or the business closes, you are required to report the change to our office. For changes or additional information, please contact our Customer Service Division at:

Telephone: (559) 621-6880 Mon. - Fri. 9 AM - 4:30 PM

Fax Machine: (559) 457-1202

Mailing Address: PO Box 45017, Fresno 93718-5017

Some business may receive additional tax return or permit renewal forms from the City. Additional taxes or permit fees may be required if your business is located within certain special assessment districts or engaged in a particular type of business activity. Additional taxes or permit fees are required for hotels and motels (room tax), taxicab companies and drivers, card rooms, billiard rooms, mobile food vendors and certain other activities.

In most instances, a separate Business Tax Certificate must be filed for each location of the same business within Fresno. With few exceptions, a Business Tax Certificate must be renewed either monthly, semi-annually or annually for it to remain valid. Obtaining a Business Tax Certificate does not entitle the holder thereof to carry on any business without having complied with all applicable provisions of the Fresno Municipal Code (FMC), or carry on any business in any building or location where the conduct of such business would be in violation of the FMC.

Your Tax Certificate is attached at the bottom of this form. Please detach and display your Tax Certificate in your place of business. Businesses which do not maintain a fixed location, or are located outside the City of Fresno, should carry this Tax Certificate while conducting business within the City.

CITY OF FRESNO BUSINESS TAX CERTIFICATE

EXPIRES: 03/31/2023

Business Name: HUDSON GROUP (HG) RETAIL LLC

Location: 5175 E CLINTON WAY

Contact/Owner:: HUDSON NEWS COMPANY

Tax Account No. 91631

This tax certificate may be accepted as valid up to thirty (30) days after the expiration date above if appropriate tax returns have been filed and business tax paid before the due date. This tax certificate must be available for inspection by any authorized City of Fresno employee. Businesses that do not maintain a fixed location, or are located outside the city, should carry this Tax Certificate while conducting business within the City. This certifies that the noted business has a Business Tax Certificate with the City of Fresno. It does not entitle the holder to carry on business activities in a manner inconsistent with any applicable provision of the Fresno Municipal Code.

HUDSON GROUP (HG) RETAIL LLC
TAX DEPT - Aisha Bateman
1 MEADOWLANDS PLZ STE 902
E RUTHERFORD NJ 07073-2100

Michael Lima
City Controller

TAB 2 –
Business Forms, Inserts
and Relevant Materials

The Nation's Leading Travel Retail Concessionaire

Hudson has been a travel retail leader for over 30 years. Built on vision and a progressive attitude that ensures longevity, Hudson grew from a single news/gifts location in LaGuardia Airport to include an array of operations in travel venues and destination locations across the U.S. and Canada.

The information below is reflective of the majority equity holder in HG Fresno Concessionaires JV. The stats we've provided in this statement of qualifications speak to our operations prior to the spread of COIVD-19. While we scaled back operations to deal with the downturn in air travel, we're definitely on the road to recovery and fully expect to be back to business as usual as the crisis continues to abate.

$1.9 Billion
2019 revenue (overall)

Hudson
A DUFRY Company

30+ YEARS
Airport Concessions Experience

AMAC
AIRPORT MINORITY ADVISORY COUNCIL

$150 Million
2019 Food Sales

Operating in
88 Locations
in U.S. & Canada

$180 Million
9 Califonia Markets

88 Markets
North America

150+
F&B Locations

1,000+
Concessions Locations

Trade Name Registrations:
Hudson

Corporate or Limited Liability Company/Partnership entity information:
HG Fresno Concessionaires JV is a joint venture between Hudson (87% ownership) and local ACDBE retailer Martinez-Niebla, LLC (13% ownership).

Legal name of Corporation, Limited Liability Company or Partnership:
HG Fresno Concessionaires JV is a newly formed entity. The primary equity holder is Hudson (HG) Retail, LLC.

State of Formation:
Delaware*

Federal Tax ID:
Hudson (HG) Retail, LLC: 27-2070333*

* Please note, HG Fresno Concessionaires JV is a newly formed entity. As a result, it does not have state of formation or tax ID. In lieu of both, we have provided the state of formation and tax ID for the primary equity holder: Hudson (HG) Retail, LLC.

State of Delaware
Secretary of State
Division of Corporations
Delivered 02:41 PM 01/19/2010
FILED 02:41 PM 01/19/2010
SRV 100049824 - 4777376 FILE

CERTIFICATE OF FORMATION

OF

HUDSON GROUP (HG) RETAIL, LLC

The undersigned, being an authorized person, for the purposes of forming a limited liability company under the Delaware Limited Liability Company Act, Title 6, Chapter 18, Delaware Code, Section 18-101 *et seq.* (the "Act"), hereby certifies, pursuant to Section 18-201(a) of the Act, that:

FIRST: The name of the limited liability company (hereinafter called the "Company") is **HUDSON GROUP (HG) RETAIL, LLC.**

SECOND: The address of its registered office in the State of Delaware is: Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is: The Corporation Trust Company.

Executed on January 19, 2010.

Anthony Webb, Authorized Person

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "HUDSON GROUP (HG) RETAIL, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-SIXTH DAY OF OCTOBER, A.D. 2022.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "HUDSON GROUP (HG) RETAIL, LLC" WAS FORMED ON THE NINETEENTH DAY OF JANUARY, A.D. 2010.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

4777376 8300

Authentication: 204707538

SR# 20223864760

Date: 10-26-22

You may verify this certificate online at corp.delaware.gov/authver.shtml

Secretary of State
Certificate of Status

I, SHIRLEY N. WEBER, PH.D., California Secretary of State, hereby certify:

Entity Name:	HUDSON GROUP (HG) RETAIL, LLC
Entity No.:	201010310184
Registration Date:	04/09/2010
Entity Type:	Limited Liability Company - Out of State
Formed In:	DELAWARE
Status:	Active

The above referenced entity is active on the Secretary of State's records and is qualified to transact intrastate business in California.

This certificate relates to the status of the entity on the Secretary of State's records as of the date of this certificate and does not reflect documents that are pending review or other events that may impact status.

No information is available from this office regarding the financial condition, status of licenses, if any, business activities or practices of the entity.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of November 15, 2022.

SHIRLEY N. WEBER, PH.D.
Secretary of State

Certificate No.: 059957837

To verify the issuance of this Certificate, use the Certificate No. above with the Secretary of State Certification Verification Search available at **biz**fileOnline.sos.ca.gov.

Certified Profile

CLOSE WINDOW

Print

Business & Contact Information

BUSINESS NAME	**MARTINEZ & NIEBLA LLC**
OWNER	**TRICIA SANCHEZ**
ADDRESS	**2631 CIRCLE DR** **NEWPORT BEACH, CA 92663** [map]
PHONE	**714-689-1700**
ETHNICITY	**Hispanic American**
GENDER	**Male**
COUNTY	**Orange (CA)**

Certification Information

CERTIFYING AGENCY	**City of Los Angeles**
CERTIFICATION TYPE	**ACDBE - Airport Concessionaire Disadvantaged Business Enterprise**
CERTIFIED BUSINESS DESCRIPTION	

Commodity Codes

Code	Description
NAICS 446130	Optical Goods Stores (changed in 2022 codeset)
NAICS 448140	Family clothing stores (changed in 2022 codeset to 458110)
NAICS 451211	Book stores (changed in 2022 codeset to 459210)
NAICS 453220	Gift, Novelty, and Souvenir Stores (changed in 2022 codeset)

Additional Information

WORK DISTRICTS/REGIONS	**Fresno, Los Angeles, Orange, Riverside, Sacramento, San Diego**
CUCP PUBLIC DIRECTORY CERTIFICATION NUMBER	**35525**

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 4: NON-COLLUSION AFFIDAVIT

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Proposer declares under penalty of perjury under the laws of the State of California that this proposal is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation; that such proposal is genuine and not collusive or sham; that said Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham proposal and has not directly or indirectly colluded, conspired, connived, or agreed with any Proposer or anyone else to put in a sham proposal, or that anyone shall refrain from submitting a proposal; that said Proposer has not in any manner directly or indirectly sought by agreement, communication, or conference with anyone to fix the proposal price of said Proposer or of any other Proposer, or to fix any overhead, profit, or cost element of such proposal price, or of that of any other Proposer, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in such proposal are true, and further, that said Proposer has not directly or indirectly submitted his proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid and will not pay any fee in connection therewith, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any other individual except to any person or persons as have a partnership or other financial interest with said Proposer in this general business.

The above Non-Collusion Affidavit is part of the proposal. Signing this proposal on the signature page thereof shall also constitute signature of this Non-Collusion Affidavit.

Proposers are cautioned that making a false certification may subject the certifier to criminal prosecution.

Agreed to by: _____ Date: 1/3/2023
Title: Chief Operating Officer & Deputy CEO

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 5: REFERENCES

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Please list at least three current references of similar size and type of services, including governmental agencies and/or airport authorities, if available.

Reference No. 1:

AGENCY/COMPANY NAME: Indianapolis International Airport
Address: 7800 Col. H. Weir Cook Memorial Drive, Indianapolis, Indiana 46241
Contact Person: David Shaw
Email: dshaw@ind.com
Phone Number: 317 487 5010
Fax Number: 317 487 5034
Length of Contract: 1/1/2022 - 12/31/2032
Type of Concessions Provided: Travel Convenience / Specialty Retail

Reference No. 2:

AGENCY/COMPANY NAME: Myrtle Beach International Airport
Address: 1100 Jetport Rd, Myrtle, SC 29577
Contact Person: Judi Olmstead
Email: olmsteaj@horrycounty.org
Phone Number: 843.839.7359
Fax Number: N/A
Length of Contract: 12 years
Type of Concessions Provided: Travel Convenience

Reference No. 3:

AGENCY/COMPANY NAME: City Of Colorado Springs Municipal Airport
Address: 7770 Milton E. Proby Parkway, Suite 50
Contact Person: Gregory S. Phillips, AAE
Email: Greg.Phillips@coloradosprings.gov
Phone Number: 719.550.1910
Fax Number: N/A
Length of Contract: 7 years
Type of Concessions Provided: Travel Convenience

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 6: PROPOSER QUALIFICATION QUESTIONNAIRE

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

TO: THE PURCHASING MANAGER, OF THE CITY OF FRESNO

The undersigned Proposer submits the following information in accordance with the proposal Specifications:
(Use additional sheets as needed.)

1. a. Business Name (If using more than one business name, please list all names.):
HG Fresno Concessionaires JV

b. Address:
1 Meadowlands Plaza
East Rutherford, NJ 07073

Is your firm operating as a franchisee? Yes_____ or No X

If yes, list the franchiser, and number of years your business has been franchised:

2. Provide the names, titles, qualifications, years of experience, and years with your firm, for all key personnel in authority in your business, including the key personnel that will be involved in this project, and the extent to which they will be involved in the performance of this Contract.
Please see the pages following this form for information on key personnel.

3. All Proposers must have a minimum of 3 years' experience under current business name of similar scope and size.

How many years has your business been under your present name? 30+

How many years under former names? (List name and number of years)

Please note – HG Fresno Concessionaires JV is a newly formed entity. In addition, the primary equity holder: Hudson Group (HG) Retail, LLC is an affiliate of Hudson Ltd. ("Hudson"). Hudson has operations in more than 100 joint ventures, many of whom have been in operations for more than a decade. To satisfy the experience requirement and for the sake of brevity, we've provided data on the pages following this from 3 of our current programs that have been in operation for more than 3 years – including our current retail program at FAT.

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 6: PROPOSER QUALIFICATION QUESTIONNAIRE (Continued)

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

4. How many years has your business been providing services? 30+

5. What other types of services does your business provide?

Our four pillars – Travel Convenience, Specialty Retail, Duty Free, and Food & Beverage – are at the core of our strategy, and are what truly differentiates us as a travel experience leader in North America. Over the years, we have built a best-in-class store portfolio, augmented by digital technology and operational excellence, that seamlessly delivers what our team members, travelers, landlords, and partners are looking for and more.

6. Describe your firm's communications system and how communications will be implemented between the City and your firm's local office for transmitting correspondence, reports, requests, etc.

Formal reports such as monthly sales reports and certified annual sales are sent as applicable from the agreement. Formal letters are typically used when the subject matter warrants (ex. requests for information, company updates, etc.). Otherwise, our market leader will typically call and/or email with various business points of contact at the airport.

7. Have there been any contract terminations for the services your firm performs before the fulfillment of the contract within the past three years? Yes_____ or No X

If so, list the date, client, and reason for termination below:

8. Provide organizational chart of firm's key personnel. Organization chart attached?
Yes X or No ____

9. Does the proposer currently possess sufficient staff and extra staff to meet the initial requirements (See Attachments D-G) for this contract?
Yes X or No ____

If "Yes", describe the inventory and if "No", describe how you will meet the initial requirements:

Each day, members of the sales team will greet and assist FAT guests. Supervisors and managers will move continuously from store to store to monitor customer service, operations and inventory. In addition to dedicated team members, we may shift teams between stores to operate registers or otherwise assist customers as needed during high-traffic periods.

Proposer's Name HG Fresno Concessionaires JV

(Submit with Proposal)

FORM 6: PROPOSER QUALIFICATION QUESTIONNAIRE (Continued)

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

10. Describe your firm's vacation policy and holidays, if provided by your firm:

Employees who are classified as regular full-time (non-union) or regular part-time (non-union) are eligible for vacation benefits under this Policy after completing 60 days' continuous regular employment. Employees classified as seasonal or temporary are not eligible for vacation benefits. Note: Hudson can provide further detail around our vacation and holiday policy if needed.

11. Provide your firm's employee training program.
Document attached (y/n)? Y

Note: we consider training material proprietary and important information that we prefer to keep confidential. We appreciate your understanding the sensitivity around sharing such materials in their entirety.

12. Provide organizational chart of proposed staffing.
Document attached (y/n)? Y

HG Fresno Concessionaires JV

Staffing Plan

Plum Market	
Position	**No. of FTEs**
Chef	1
Sous Chef	4
Cook	8
Prep Cook	3
Porter	5
Brand Manager - Plum	1
Supervisor	4
Bar	8
Total FTEs	**34**

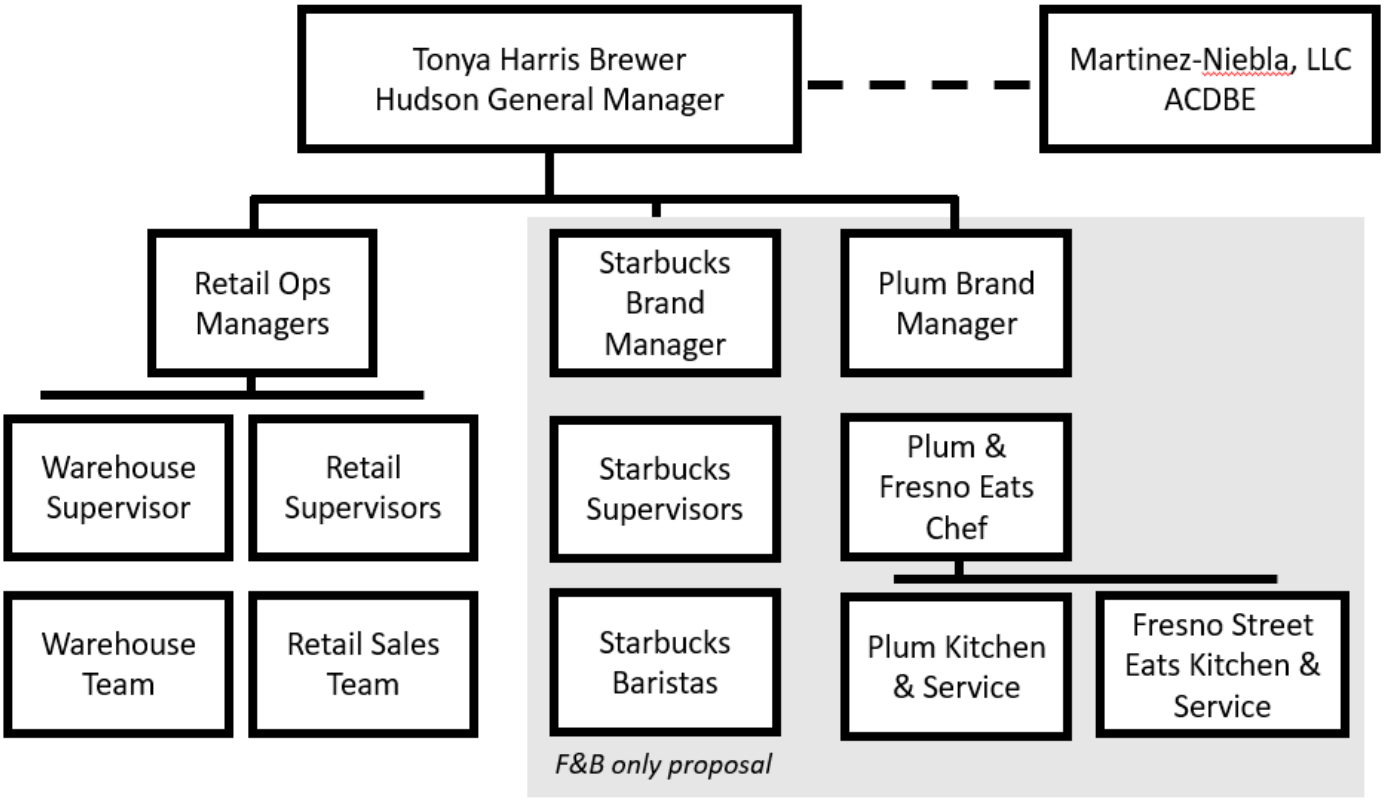
Retail Team & Infrastructure	
Position	**No. of FTEs**
Sales Team	16
Supervisors	4
Warehouse Manager	1
Warehouse Team	3
Total FTEs	**24**

Fresno Street Eats	
Position	**No. of FTEs**
Cook	5
Server	4
Supervisor	3
Total FTEs	**12**

Starbucks (Pre & Post Security)	
Position	**No. of FTEs**
Barista	10
Brand Manager - Starbucks	1
Supervisor	6
Total FTEs	**17**

Program Oversight	
Position	**No. of FTEs**
Program General Manager	1
Administrative & Accounting	1
Total FTEs	**2**

HG Fresno Concessionaires JV – Organizational Chart



HG Fresno Concessionaires JV – Roles & Responsibility Summary

Please note, for the sake of brevity we've included a summary. We're happy to provide full job descriptions upon request.

Role	Responsibility
FAT Program Manger	Manage all concepts and offers at FAT; ensuring coordination across all experiences
Manager: Plum Market	Manage operation of Plum Market & Fresno Street Eats Concepts
Manager: Starbucks	Manage operation of Starbucks locations
Supervisor	Assist with operation of respective concept; including management of front line team
Warehouse Manager	Manage storage, delivery and logistics of FAT program
Warehouse Team	Store, delivery and organize materials, products and ingredients for FAT program
Chef	Manage kitchen operations, kitchen staff, create menus, liaise with suppliers
Sous Chef	Assist chef with day-to-day operations of kitchen; manage staff
Cook	Manage preparation of specific cuisine; assist sous chef and/or chef
Barista	Prepare and serve beverages and pre-packaged foods
Prep Cook	Prepare food of specific cuisine; assist sous chef and/or chef
Server	Serve food and/or beverages
Sales Team	Assist guests with purchases of retail items; run cash registers
Bartender	Prepare and serve alcoholic beverages at bar
Porter	Cleans and organizes kitchen and storage areas
Back-of-House Support	Administrative and accounting staff to support FAT operations

HG Fresno Concessionaires JV – Please note, for the sake of brevity we've included a summary of key personnel below. We're happy to provide more information upon request.

KEY PERSONNEL & ROLES

Tonya Brewer Harris is the General Manager of our program at FAT today. She's worked at FAT for more than 20 years and as a wealth of knowledge, experience and local understanding that is invaluable. In the event we're afforded the opportunity to continue to operate concessions at FAT, Tonya will continue to lead our efforts. Tonya and the entire FAT concessions team will be supported by Mike Petersen (SVP, Operations) and Brian Berkner (RVP, Operations). Each will continue to make regular visits to FAT to provide training, mentorship and analyses to maximize the performance of our program. Mike and Brian will ensure that our entire FAT program offering celebrates Fresno consistent with our original program vision presented in this proposal.

SUPPORTING THE TEAM & PROGRAM AT FRESNO

The performance of our concessions programs are closely monitored to make sure we are delivering value. Routine analyses at FAT will be performed at the local level by Tonya, at a regional level by operations leaders - SVP Mike and Brian – and at the national level by a number of subject matter experts at regional locations as well as the North American Support Center (NASC).

As the CEO of our FAT program, Tonya will be assisted by this support structure to continually evolve the program as trends, technology and needs change. Below we've included some of our top leaders who will support Tonya and contribute to our success at FAT.

Title	Area of expertise
Tonya Brewer Harris General Manger @ FAT	FAT concessions & operations
Mike Petersen SVP - Operations	Concessions program oversight & operations
Brian Berkner RVP - Operations	Concessions program oversight & operations
Evan Schut SVP - F&B	F&B operations
Mario Scorcia EVP - Duty Paid	Duty Paid operations
Iris Messina VP - Business Development	Program facilitator
Brad Lenz SVP - Store Design & Construction	Design and construction activities
Ruben Martinez ACDBE Partner	Concessions program design & operations
Tony Sanchez ACDBE Partner	Concessions program design & operations
Tricia Sanchez ACDBE Partner	Concessions program design & operations

In addition to the individuals noted above, a complete infrastructure team will be available to support FAT to support functions including accounting, purchasing, technology, human resources, legal and compliance/licensing needs.

Please see the table below for 3 of our current programs that have been in operation for than 3 years – including our current retail program at FAT.

Location	Lease/Operation Commencement	No. of stores	Total sq. ft.	Concepts operated	Sales
Fort Lauderdale-Hollywood International	2013	19	15,000+	Travel essentials, candy, books, apparel, accessories ,sunglasses	2019 $11.90M 2022: $14.20M
Dallas Love Field	2012	22	15,000+	Travel essentials, QSR, coffee, cosmetics, jewelry, accessories, specialty	2019: $11.30M 2022: $15.30M
Fresno Yosemite International Airport	2002	3	3,000+	Travel Essentials	2019: $3.08M 2022: $4.43M

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 7:STATEMENT OF ACCEPTANCE OF THE INDEMNIFICATION AND INSURANCE REQUIREMENTS

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

The Proposer shall sign below that the Proposer accepts in whole the Indemnification and Insurance Requirements set forth in these Specifications. If the Proposer takes exception to some portions, those portions shall be listed here below and the Proposer shall sign that the Proposer accepts all portions of the requirements not listed.

Note: Any exceptions may render the proposal non-responsive.

INDEMNIFICATION, EXEMPTION OF CITY, AND INSURANCE

A. **INDEMNIFICATION AND RELEASE**

To the furthest extent allowed by law, Concessionaire shall indemnify, hold harmless and defend City, and its officers, officials, employees, agents and volunteers (hereinafter referred to collectively as "City") from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage, including damage by fire or other casualty) incurred by City, Concessionaire or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of Concessionaire's: (i) occupancy, maintenance and/or use of the Premises; (ii) use of all or any part of the Airport, including use of any public airport facilities and improvements, upon which the Premises is located; or (iii) performance of, or failure to perform, this Agreement. Concessionaire's obligations under the preceding sentence shall apply to any negligence of City, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused solely by the gross negligence, or by the willful misconduct, of City.

If Concessionaire should contract any work on the Premises or subcontract any of its obligations under this Agreement, Concessionaire shall require each consultant, contractor and subcontractor to enter into a Side Agreement, at the discretion of the City's Risk Manager or their designee, to indemnify, hold harmless and defend City, and its officers, officials, employees, agents and volunteers in accordance with the terms of the preceding paragraph.

Concessionaire's occupancy, maintenance and use of the Premises shall be at Concessionaire's sole risk and expense. Concessionaire accepts all risk relating to Concessionaire's: (i) occupancy, maintenance and/or use of the Premises; (ii) use of all or any part of that Premises, including use of any public facilities and improvements, upon which the Premises is located; and (iii) the performance of, or failure to perform, this Agreement. City shall not be liable to Concessionaire or Concessionaire's insurer(s) for, and Concessionaire and its insurer(s) hereby waives and releases City from, any and all loss, liability, fines, penalties, forfeitures, costs or damages resulting from or attributable

to an occurrence on or about the Premises including any public facilities and improvements, upon which the Premises is located, in any way related to the Concessionaire's operations and activities. Concessionaire shall immediately notify City of any occurrence on the Premises including any public facilities and improvements, upon which the Premises are located, resulting in injury or death to any person or damage to property of any person.

The provisions of this Section A shall survive termination or expiration of this Agreement.

INSURANCE REQUIREMENTS

(a) Throughout the life of this Agreement, Concessionaire shall pay for and maintain in full force and effect all insurance as required herein with an insurance company(ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated no less than "A-VII" in the Best's Insurance Rating Guide, or (ii) as may be authorized in writing by City's Risk Manager or his/her designee at any time and in his/her sole discretion. The City of Fresno and each of its officers, officials, employees, agents and volunteers (hereinafter referred to collectively as "City") requires policies of insurance as stated herein shall maintain limits of liability of not less than those amounts stated therein. However, the insurance limits available to City, shall be the greater of the minimum limits specified therein or the full limit of any insurance proceeds to the named insured.

(b) If at any time during the life of the Agreement or any extension, Concessionaire or any of its subcontractors fail to maintain any required insurance in full force and effect, all services and work under this Agreement shall be discontinued immediately, and all payments due or that become due to Concessionaire shall be withheld until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City pursuant to this section shall in any way relieve Concessionaire of its responsibilities under this Agreement. The phrase "fail to maintain any required insurance" shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

(c) The fact that insurance is obtained by Concessionaire shall not be deemed to release or diminish the liability of Concessionaire, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Concessionaire. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Concessionaire, vendors, suppliers, invitees, contractors, subcontractors, or anyone employed directly or indirectly by any of them.

Coverage shall be at least as broad as:

1. The most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01, providing liability coverage arising out of your business operations. The Commercial General Liability policy shall be written on an occurrence form and shall provide coverage for "bodily injury," "property damage" and "personal and advertising injury" with coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, and contractual liability (including, without limitation,

indemnity obligations under the Agreement) with limits of liability not less than those set forth under "Minimum Limits of Insurance."

2. The most current version of ISO *Commercial Auto Coverage Form CA 00 01, providing liability coverage arising out of the ownership, maintenance or use of automobiles in the course of your business operations. The Automobile Policy shall be written on an occurrence form and shall provide coverage for all owned, hired, and non-owned automobiles or other licensed vehicles (Code 1- Any Auto). If personal automobile coverage is used, the City, its officers, officials, employees, agents and volunteers are to be listed as additional insureds.

3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

MINIMUM LIMITS OF INSURANCE CONCESSIONAIRE

Concessionaire, or any party the Concessionaire subcontracts with, shall maintain limits of liability of not less than those set forth below. However, insurance limits available to The City of Fresno and each of its officers, officials, employees, agents and volunteers as additional insureds, shall be the greater of the minimum limits specified herein or the full limit of any insurance proceeds available to the named insured:

1. **COMMERCIAL GENERAL LIABILITY** :

   (i) $1,000,000 per occurrence for bodily injury and property damage;
   (ii) $1,000,000 per occurrence for personal and advertising injury;
   (iii) $2,000,000 aggregate for products and completed operations; and,
   (iv) $2,000,000 general aggregate applying separately to the work performed under the Agreement.

2. **COMMERCIAL AUTOMOBILE LIABILITY :**

   $1,000,000 per accident for bodily injury and property damage.

3. **WORKERS' COMPENSATION INSURANCE** as required by the State of California with statutory limits and **EMPLOYER'S LIABILITY** with limits of liability not less than:

   (i) $1,000,000 each accident for bodily injury;
   (ii) $1,000,000 disease each employee; and,
   (iii) $1,000,000 disease policy limit.

4. **LIQUOR LIABILITY INSURANCE (if applicable)** for alcoholic beverages that are to be sold, served or furnished, Liquor Liability coverage is required with limits of liability of not less than:

   (i) $1,000,000 per occurrence;
   (ii) $2,000,000 aggregate for bodily injury and property damage;

5. **PROPERTY: (if operating within the airport)** Limits of insurance in an amount equal to the full (100%) replacement cost (without deduction for depreciation) of Concessionaire's business property.

UMBRELLA OR EXCESS INSURANCE

In the event Concessionaire purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies). In addition, such Umbrella or Excess insurance policy(ies) shall also apply on a primary and non-contributory basis for the benefit of the City of Fresno and each of its officers, officials, employees, agents and volunteers.

DEDUCTIBLES AND SELF-INSURED RETENTIONS

Concessionaire shall be responsible for payment of any deductibles contained in any insurance policy(ies) required herein and Concessionaire shall also be responsible for payment of any self-insured retentions. Any deductibles or self-insured retentions must be declared on the Certificate of Insurance, and approved by, the City's Risk Manager or his/her designee. At the option of the City's Risk Manager or his/her designee, either:

(i) The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its officers, officials, employees, agents and volunteers; or

(ii) Concessionaire shall provide a financial guarantee, satisfactory to City's Risk Manager or his/her designee, guaranteeing payment of losses and related investigations, claim administration and defense expenses. At no time shall the City be responsible for the payment of any deductibles or self-insured retentions.

OTHER INSURANCE PROVISIONS/ENDORSEMENTS

All policies of insurance required herein shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after thirty (30) calendar days written notice has been given to City, except ten (10) days for nonpayment of premium. Concessionaire is also responsible for providing written notice to the City under the same terms and conditions. Upon issuance by the insurer, broker, or agent of a notice of cancellation, non-renewal, or reduction in coverage or in limits, Concessionaire shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy is due to expire during the work to be performed for City, Concessionaire shall provide a new certificate, and applicable endorsements, evidencing renewal of such policy not less than fifteen (15) calendar days prior to the expiration date of the expiring policy.

The Commercial General, Liquor Liability and Automobile Liability policies of insurance shall be endorsed to name The City of Fresno and each of its officers, officials, employees, agents and volunteers as additional insureds.

Concessionaire shall establish additional insured status for the City and for all ongoing and completed operations by use of ISO Form CG 20 26, CG 20 11 or similar by an executed manuscript insurance company endorsement providing additional insured status as broad as that contained in ISO Forms CG 20 26 or CG 20 11.

The Commercial General, Liquor Liability and Automobile Liability policies of insurance shall be endorsed so Concessionaire's insurance shall be primary and no contribution shall be required of City. The coverage shall contain no special limitations on the scope of protection afforded to The City of Fresno and each of its officers, officials, employees, agents and volunteers. If

Concessionaire maintains higher limits of liability than the minimums shown above, City requires and shall be entitled to coverage for the higher limits of liability maintained by Concessionaire.

Should any of the required policies provide that the defense costs are paid within the Limits of Liability, thereby reducing the available limits by any defense costs, then the requirement for the Limits of Liability of these polices will be twice the above stated limits.

The Workers' Compensation insurance policy shall contain, or be endorsed to contain, a waiver of subrogation as to The City of Fresno and each of its officers, officials, employees, agents and volunteers.

The property insurance policy is to contain, or be endorsed to contain, the following provisions:

1. Full replacement value of any permanent improvements on the Premises, with the City named as a Loss Payee.

2. The coverage shall contain:

    (i) No coinsurance penalty.
    (ii) No limitations or exclusions for vacancy of any part of the Premises.
    (iii) No special limitations on the scope of protection afforded to City.

PROVIDING OF DOCUMENTS - Concessionaire shall furnish City with all certificate(s) and applicable endorsements effecting coverage required herein **All certificates and applicable endorsements are to be received and approved by the City's Risk Manager or designee prior to City's execution of the Agreement and before work commences.** All non-ISO endorsements amending policy coverage shall be executed by a licensed and authorized agent or broker. Upon request of City, Concessionaire shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement. All subcontractors working under the direction of Concessionaire shall also be required to provide all documents noted herein.

MAINTENANCE OF COVERAGE - If at any time during the life of the Agreement or any extension, Concessionaire or any of its subcontractors fail to maintain any required insurance in full force and effect, all work under this Agreement shall be discontinued immediately until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City hereunder shall in any way relieve Concessionaire of its responsibilities under this Agreement. The phrase "fail to maintain any required insurance" shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

The fact that insurance is obtained by Concessionaire shall not be deemed to release or diminish the liability of Concessionaire, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Concessionaire. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Concessionaire, its principals, officers, agents, employees, persons under the supervision of Concessionaire, vendors, suppliers, invitees, consultants, sub-consultants, subcontractors, or anyone employed directly or indirectly by any of them.

SUBCONTRACTORS - If Concessionaire should subcontract all or any portion of the services to be performed under this Agreement, Concessionaire shall require, at the discretion of the City, their subcontractor to enter into a separate Side Agreement in order to provide indemnification and insurance protection to City. Concessionaire shall verify that all subcontractors maintain insurance meeting all the requirements stated herein and Concessionaire shall ensure that City and each of their officers, officials, agents, employees and volunteers are additional insureds. The subcontractors' certificates and endorsements shall be on file with Concessionaire and City prior to the commencement of any work by the subcontractor.

☒ **ACCEPT**
☐ **DO NOT ACCEPT**

If "DO NOT ACCEPT" is checked, please list exceptions:

INSERT IF APPLICABLE

Signature of Authorized Person

Brian J. Quinn

Type or Print Name of Authorized Person

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 9: ADDENDA and TIME PERIOD TO AWARD/REJECT

ADDENDA

The City makes a concentrated effort to ensure any addenda issued relating to these Specifications are distributed to all interested parties. It shall be the Proposer's responsibility to inquire as to whether any addenda to the Specifications have been issued. Upon issuance by the City, all addenda are part of the proposal. Signing the proposal on the signature page thereof shall also constitute signature on all addenda.

TIME PERIOD TO AWARD/REJECT

The undersigned Proposer agrees that the City may have **ONE HUNDRED (120) DAYS** from the date proposals are opened to accept or reject proposals. It is further understood that, if the Proposer to whom any award is made fails to enter into a Contract as provided in the Specifications, award may be made to another Proposer, who shall be bound to perform as if she/he had received the award in the first instance.

Proposer's Name HG Fresno Concessionaires JV
(Submit within 3 days after Proposal opening)

FORM 10: DBE DATA REQUEST

This information is being gathered for informational purposes only and failure to provide this information will have no impact whatsoever on the evaluation of your bid or proposal.

All information submitted on this form is subject to review by the DBE Coordinator

Commitment Percentage: 30%

I certify that the information contained in this good faith effort documentation form is true and correct to the best of my knowledge. I further understand that any willful falsification, fraudulent statement or misrepresentation could make this bid non-responsive.

Proposer/Authorized Representative Signature: _____

Title: Chief Operating Officer & Deputy CEO Date: 1/3/2023

(Submit with Proposal)

Proposer's Name HG Fresno Concessionaires JV

FORM 11: DISCLOSURE OF CONFLICT OF INTEREST

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

		YES*	NO
1	Are you currently in litigation with the City of Fresno or any of its agents?	☐	☑
2	Do you represent any firm, organization or person who is in litigation with the City of Fresno?	☐	☑
3	Do you currently represent or perform work for any clients who do business with the City of Fresno?	☐	☑
4	Are you or any of your principals, managers or professionals, owners or investors in a business which does business with the City of Fresno, or in a business which is in litigation with the City of Fresno?	☐	☑
5	Are you or any of your principals, managers or professionals, related by blood or marriage to any City of Fresno employee who has any significant role in the subject matter of this service?	☐	☑
6	Do you or any of your subcontractors have, or expect to have, any interest, direct or indirect, in any other contract in connection with this Project?	☐	☑
* If the answer to any question is yes, please explain in full below.			

Explanation: _____

☐ Additional page(s) attached.

Brian J. Quinn
Signature

1/3/2023
Date

Brian J. Quinn
(name)

HG Fresno Concessionaires JV
(company)

1 Meadowlands Plaza
(address)

East Rutherford, NJ 07073
(City state zip)

HG Fresno Concessionaires JV has reviewed the agreement and does not have any comments at this time.

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 16: CONCESSION AGREEMENT DRAFT ACKNOWLEDGEMENT

On behalf of *HG Fresno Concessionaires JV* (the "**Company**"), the undersigned, acknowledges that the Company has had access to a draft Concession Agreement which is being included as part of this Request For Proposals ("**RFP**") to all prospective concessionaires for Fresno International Airport ("**FAT**"). The Company hereby confirms that the Company will agree to all the provisions set forth in the draft Concession Agreement, inclusive of all of the specific requirements, rules and regulations applicable to operating at FAT and the requirements of the City of Fresno. By submitting a Proposal in response to this RFP, the Company hereby acknowledges and agrees that the schedule to complete all design work, have plans approved, obtain requisite permits and complete the construction and fit out of the Units is absolutely critical and the Company hereby agrees to use its best efforts and all available resources to ensure that the Units are open for business on the scheduled Opening Dates as set forth in the RFP and in the Proposed Business Terms.

Should the Company have any comments with respect to any of the terms and provisions of the draft Concession Agreement, such comments must be included as part of the Company's proposal in response to the RFP. Comments which require substantive changes to the draft Concession Agreement will not be accepted and the nature and extent of any such comments submitted will be factored into the scoring by the Evaluation Committee.

The Company hereby agrees to: (i) immediately commence design work on notice of the award (and before the Concession Agreement is executed) so that plans are approved, permits are obtained and construction is completed and the Unit(s) are ready to be open for business on the Opening Date; and (ii) execute the proposed Concession Agreement in the form of the draft Concession Agreement made available. Should the Company fail to either immediately commence design work within 7 days of the notice of award or sign the Concession Agreement within 30 days of submission, then at the election of FAT, the Proposal Guaranty shall be forfeited, and FAT shall have the right to negotiate with other prospective concessionaires.

FOR THE COMPANY:

HG Fresno Concessionaires JV
[Insert name of proposing company]

BY: _____

TITLE: Chief Operating Officer & Deputy CEO

DATE: 11/21/2022

ACKNOWLEDGMENT

State of NJ

County of Bergen

On 11/21/22 before me, Brian J. Quinn (insert name and title of the officer) personally appeared ,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of NJ that the foregoing is true and correct.

WITNESS my hand and official seal.

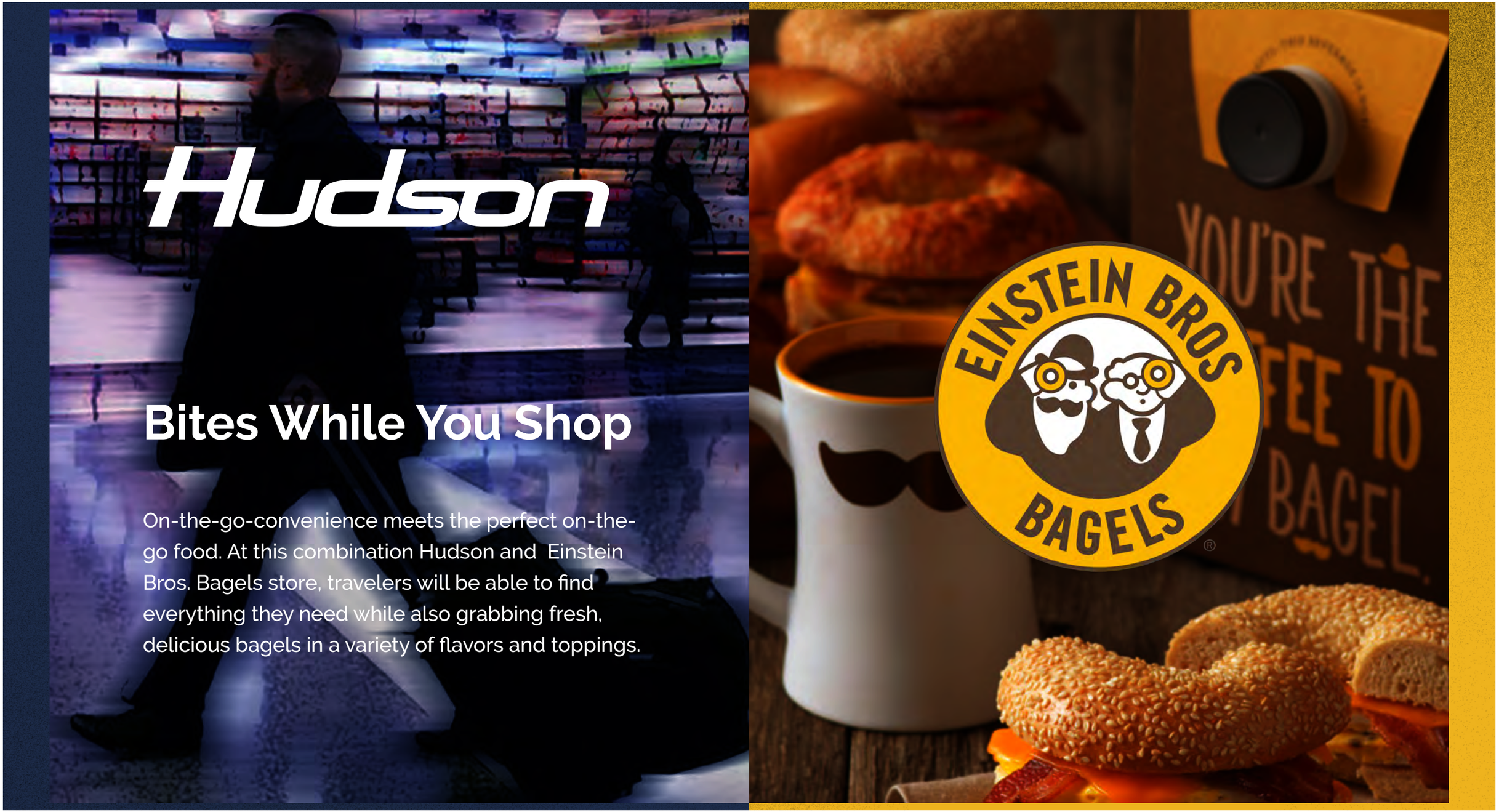
Signature _____(Seal)

RICARDO SECLEN
NOTARY PUBLIC OF NEW JERSEY
ID # 50020946
My Commision Expires 8/10/2025

TAB 3 –
Tenant Mix & Concessions Plan

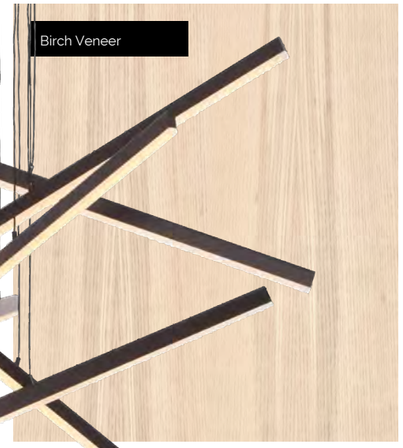
T-105 | Hudson + Einstein Bros. Bagels | Concept

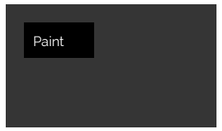
1,245 SF

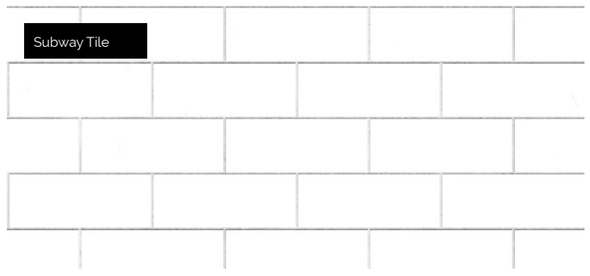


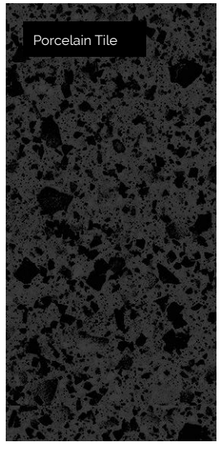
T-105 | Hudson + Einstein Bros. Bagels | Materials Board

1,245 SF









Hudson

EINSTEIN BROS. BAGELS

Designed to allow customers to seamlessly shop at both Hudson and Einstein Bros. Bagels once they enter, the two storefronts open up into a seamless shared space. Within, customers can shop while they wait for their bagel order.

- This reimagined Hudson and Einstein Bros. shopping experience leverages our strengths and emphasizes quality.
- Designed to meet the traveler's needs with a fast, easy, and sophisticated merchandising approach.
- The storefront seamlessly combines Hudson and Einstein Bros. brand elements to create energy and motion through a mix of materials and finishes.
- Authentic materials are the foundation of this environment. These color choices create a more comfortable experience for the shopper and allow our brands to pop through marketing and graphics.
- The brightly lit neutral interior uses strategically placed directional elements to guide customers to the product.
- Digital content above the coolers activates the space and keeps it feeling dynamic.

T-105 | Hudson + Einstein Bros. Bagels | Storefront Rendering 1

1,245 SF

= DIGITAL INTERACTION

Hudson

T-105 | Hudson + Einstein Bros. Bagels | Storefront Rendering 2

1,245 SF

= DIGITAL INTERACTION

T-105 | Hudson + Einstein Bros. Bagels | Interior Rendering 1

1,245 SF

= DIGITAL INTERACTION

T-105 | Hudson + Einstein Bros. Bagels | Interior Rendering 2

1,245 SF

= DIGITAL INTERACTION

T-105 | Hudson + Einstein Bros. Bagels | Floor Plan Rendering

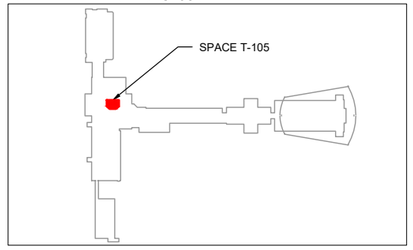
1,245 SF

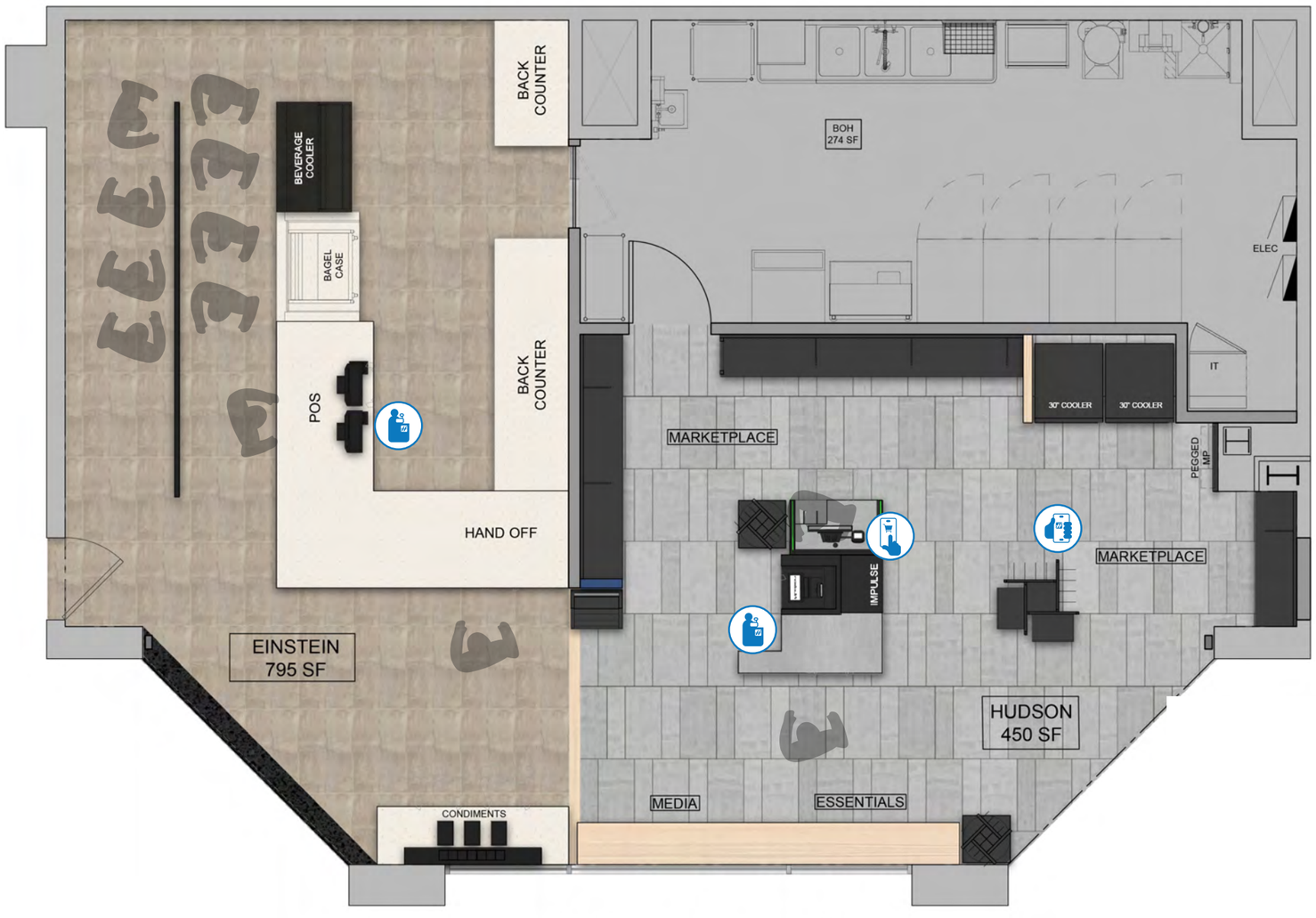
STAFFED CHECKOUT

SELF CHECKOUT

STAFFED MOBILE CHECKOUT

KEY PLAN PRE-SECURITY



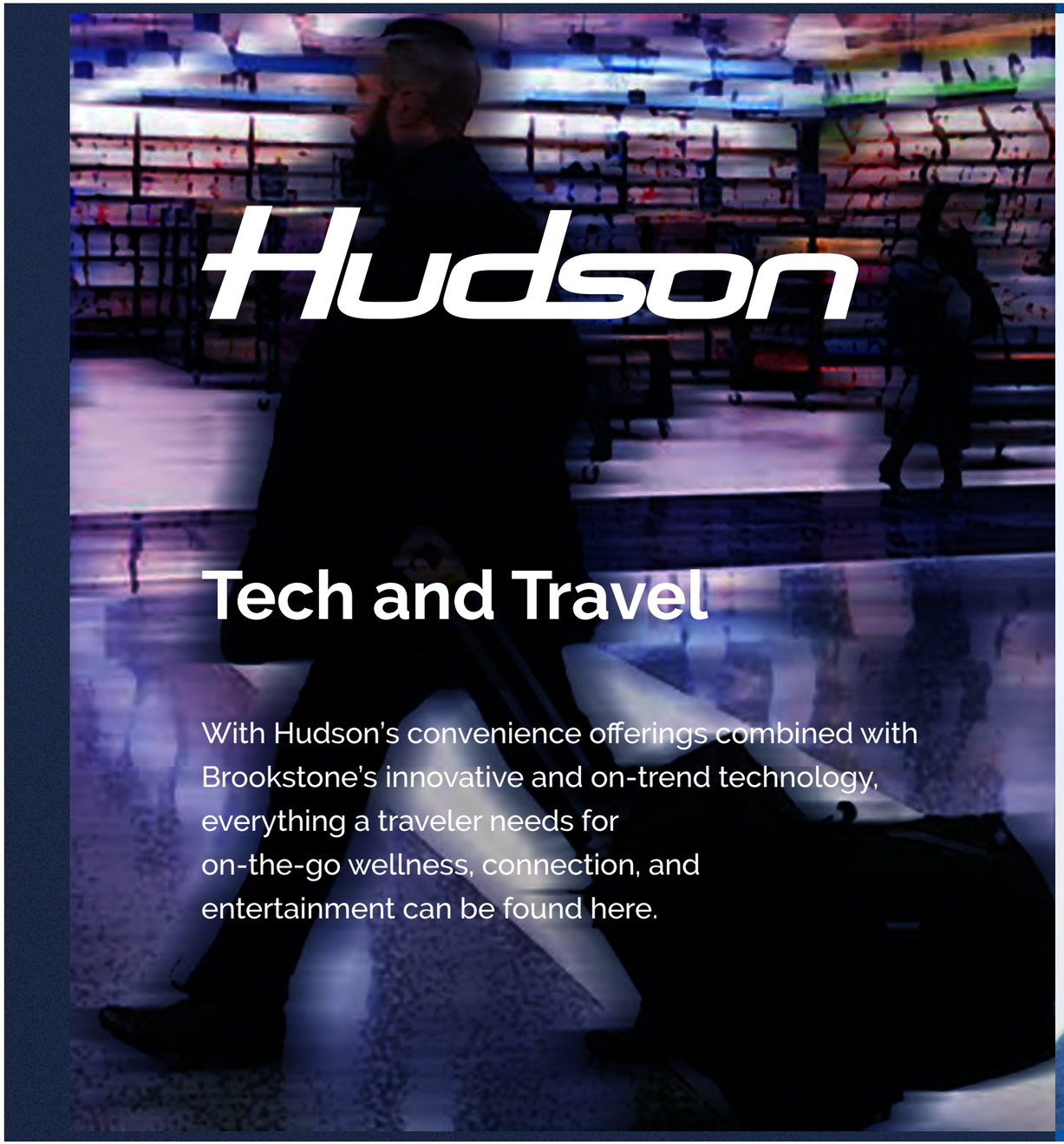


DIRECTION OF TRAVEL

Hudson

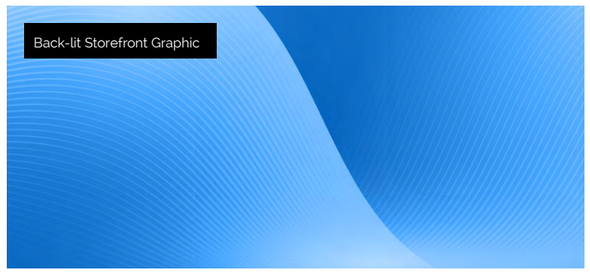
C-135 | Hudson + Brookstone | Concept

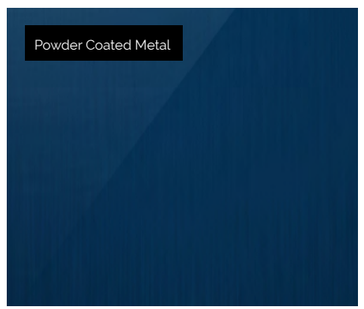
1,008 SF

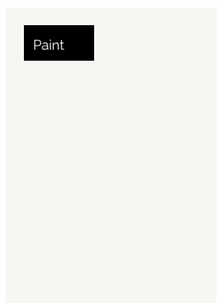


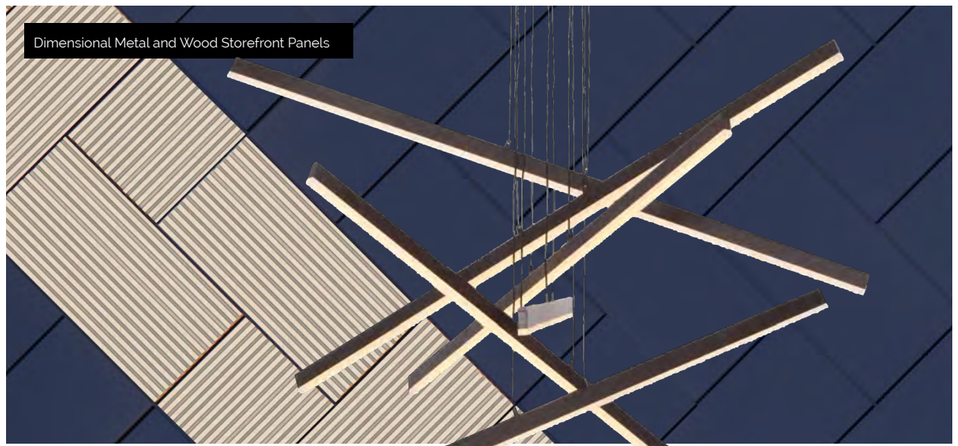
C-135 | Hudson + Brookstone | Materials Board

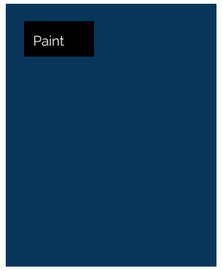
1,008 SF

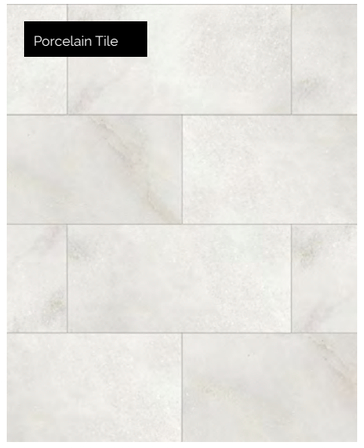


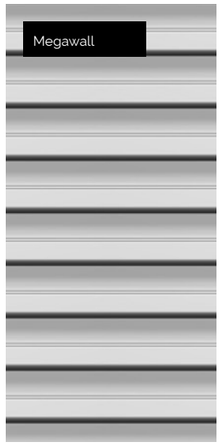












Hudson

Brookstone®

Convenience transitions seamlessly into technology and wellness offerings in this shared space, with both storefronts' sleek blue color palettes and easy-to-navigate interiors making it easy to browse and shop.

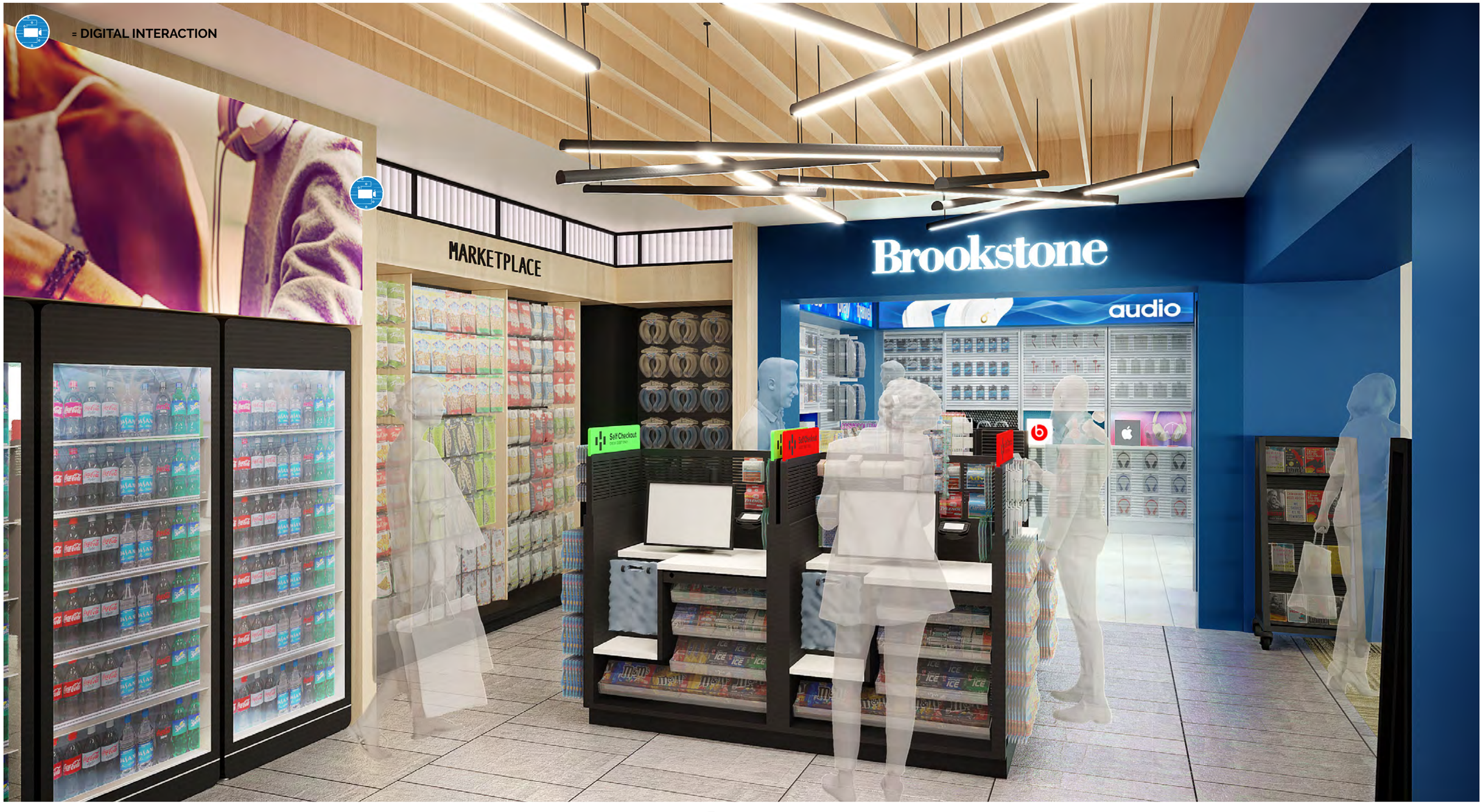
- This reimagined Hudson and Brookstone shopping experience leverages our strengths and emphasizes quality.
- Designed to meet the traveler's needs with a fast, easy, and sophisticated merchandising approach.
- A darker blue is the foundation of the Hudson environment. This color choice creates a more comfortable experience for the shopper and allows our brand blue to pop in marketing and graphics.
- The brightly lit neutral interior uses strategically placed directional elements to guide customers to the product.
- Digital content above the coolers activates the space and keeps it feeling dynamic.
- From the concourse, a well-lit and eye-catching Brookstone facade beckons travelers to enter and explore.
- Fixtures are intentionally positioned to create brand and category destinations, where customers can comfortably dwell.

C-135 | Hudson + Brookstone | Storefront Rendering

1,008 SF

C-135 | Hudson + Brookstone | Interior Rendering

1,008 SF



Hudson

C-135 | Hudson + Brookstone | Floor Plan Rendering

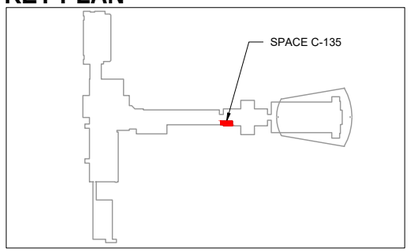
1,008 SF

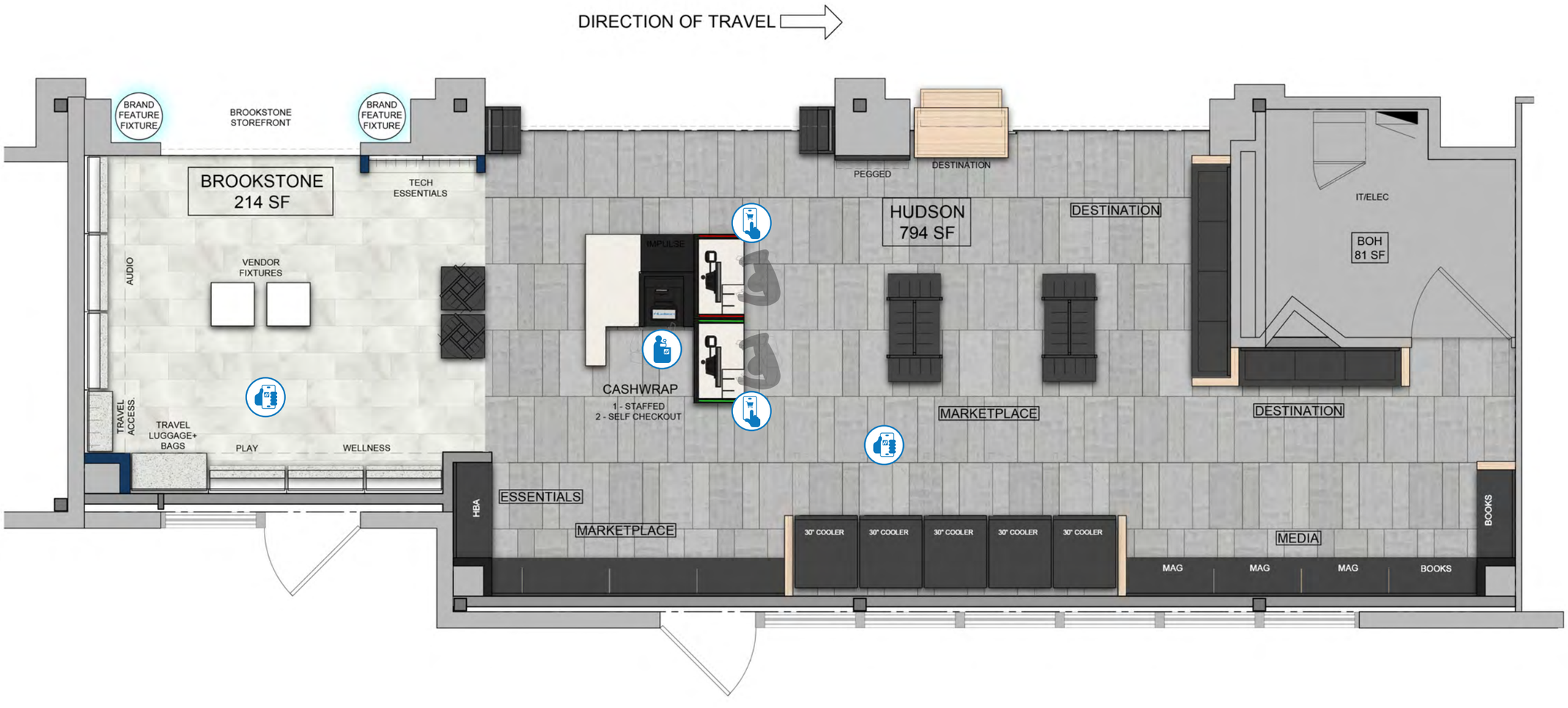
STAFFED CHECKOUT

SELF CHECKOUT

STAFFED MOBILE CHECKOUT

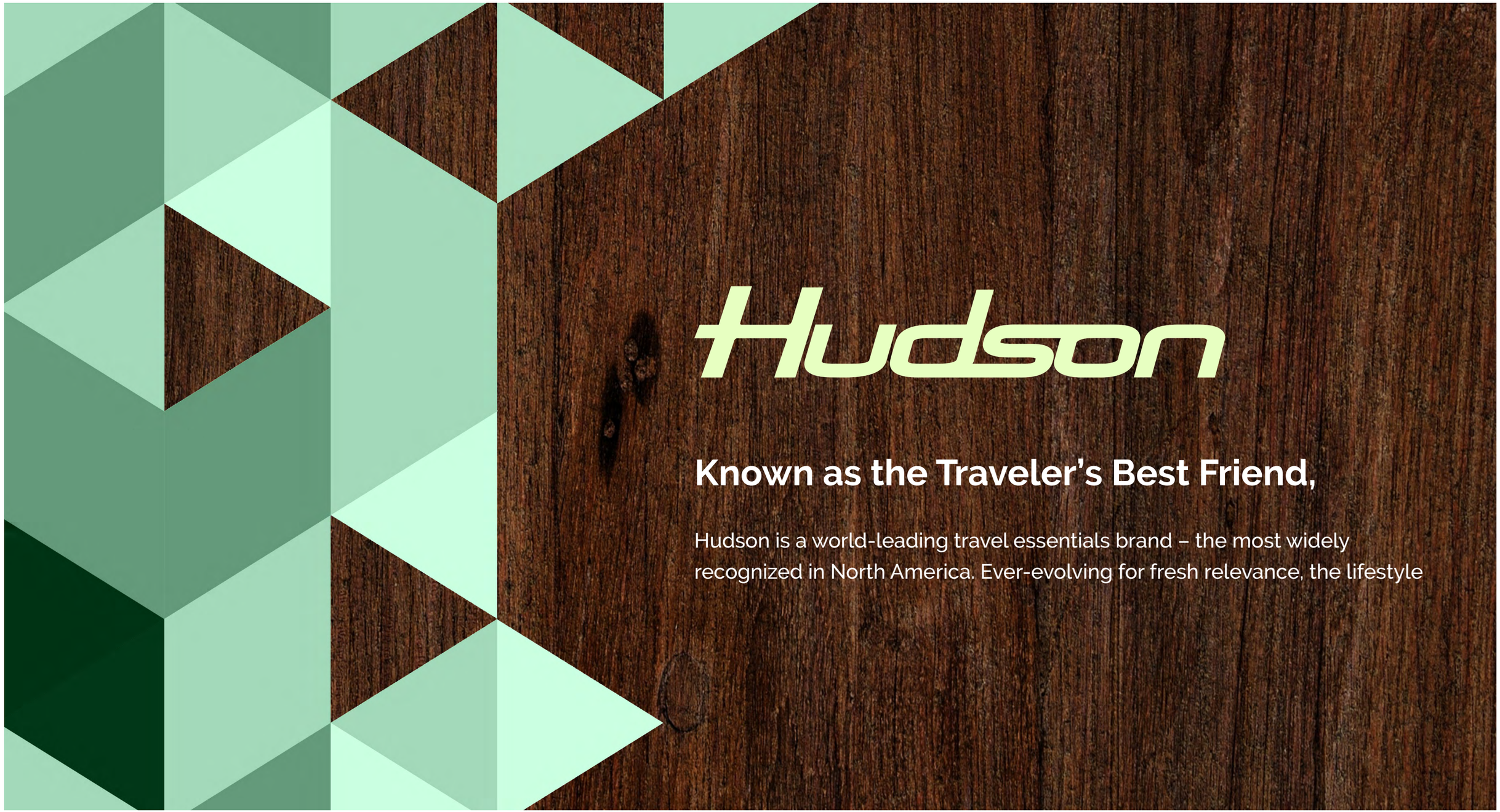
KEY PLAN





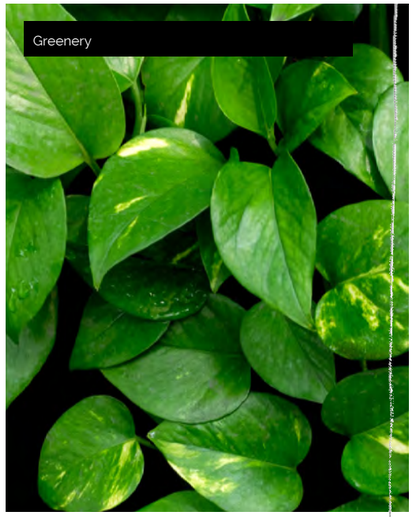
Hudson

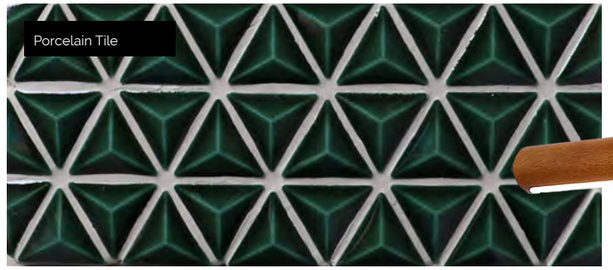
POD | Hudson | Concept **1,100 SF**

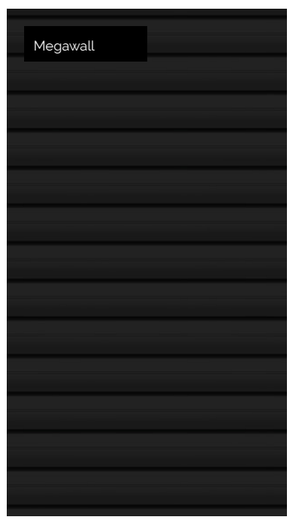


POD | Hudson | Materials Board

1,100 SF







With a biophilic design inspired by the Yosemite National Park and its majestic sequoia trees, this Hudson store transports travelers into a natural, calming space, offering a breath of fresh air from the airport's hustle and bustle.

- Pops of green and wood appear throughout the space in materiality to transport customers to Yosemite National park.
- Moss accents can be seen throughout the space to help activate and bring the space to life.

POD | Hudson | Storefront Rendering

1,100 SF

POD | Hudson | Interior Rendering

1,100 SF

= DIGITAL INTERACTION

Hudson

POD | Hudson | Floor Plan Renderings

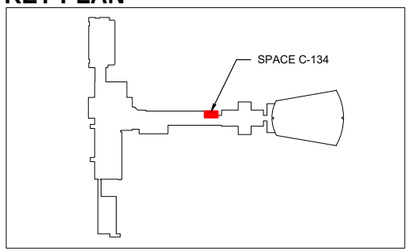
1,100 SF

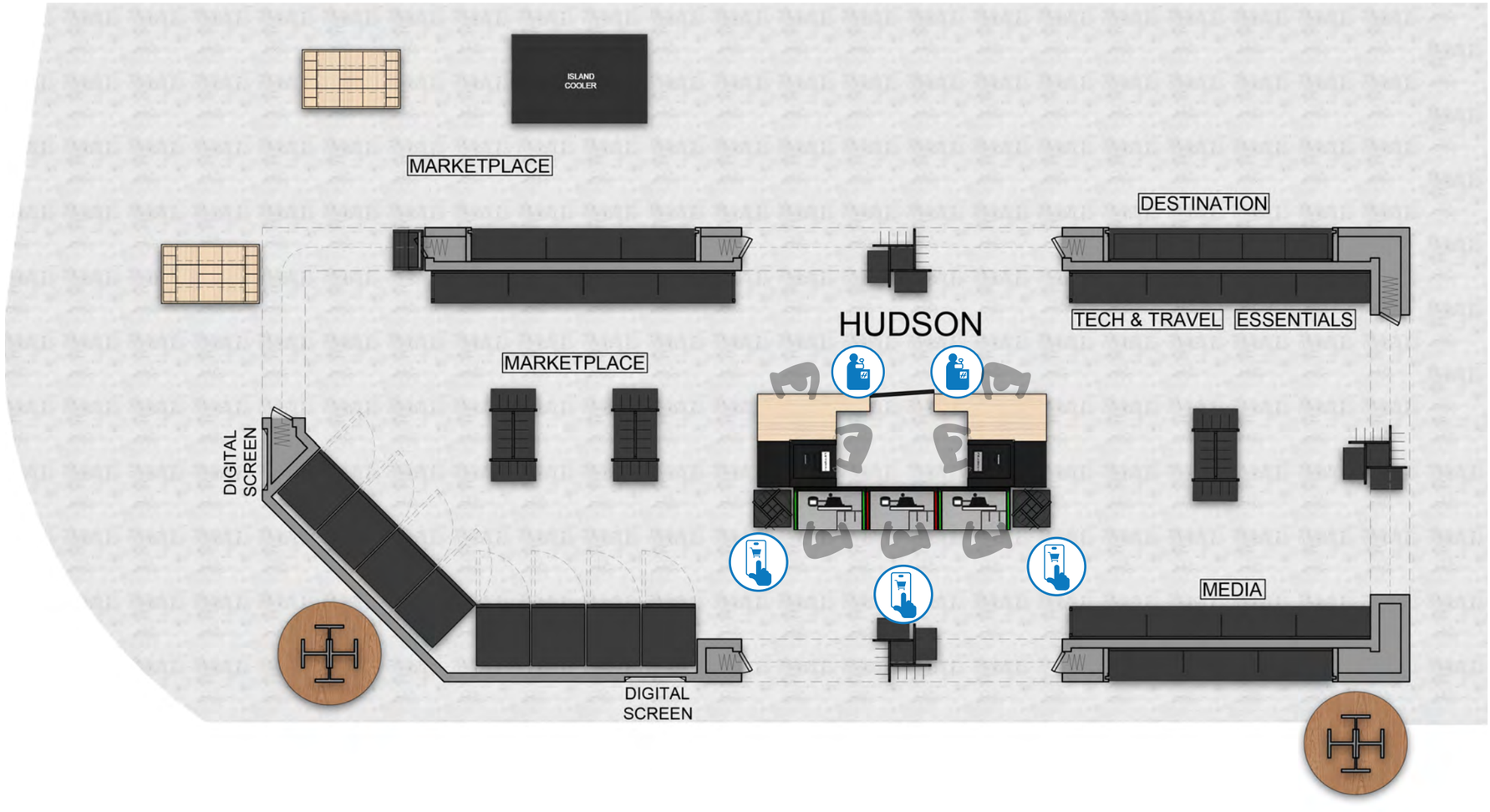
STAFFED CHECKOUT

SELF CHECKOUT

STAFFED MOBILE CHECKOUT

KEY PLAN





Hudson

Industry Trends

Fresno Yosemite International Airport (FAT) serves as a regional hub for the San Joaquin Valley and the greater Central Valley region. Known for its variety of tourist attractions and proximity to some of California's most popular and highly visited national parks like Yosemite, Sequoia and Kings Canyon, FAT provides a high level of service for all travelers.

Known as one of the most recognizable and premier travel concessionaires in North America, Hudson is equally as committed to enhancing the travel experience for passengers every day. We pay attention to details and study passenger demographics as well as varying purchase patterns, this is why we are aware and sensitive to the recent shift in traveler's demand and needs. We know that following the Covid-19 pandemic travelers have increasingly grown more attracted to convenience, variety, quality and easy to access tech-enabled shopping options. We also note that varying purchasing patterns in travelers means an opportunity to rethink our program approach and concepts to better serve the demands of FAT travelers and make FAT a convenient and friendly airport for all with the best traveler amenities for years to come.

Program Summary

Our program approach is three-pronged 1) to deliver best-in-class service at FAT 2) enhance the overall business and leisure travelers experience through technology and 3) to provide game-changing opportunities (hybrid concepts) for economic development for a world class program.

Our Hybrid program model will include:

Hudson
Brookstone

C-135

Hudson
EINSTEIN BROS. BAGELS

T-105

Hudson

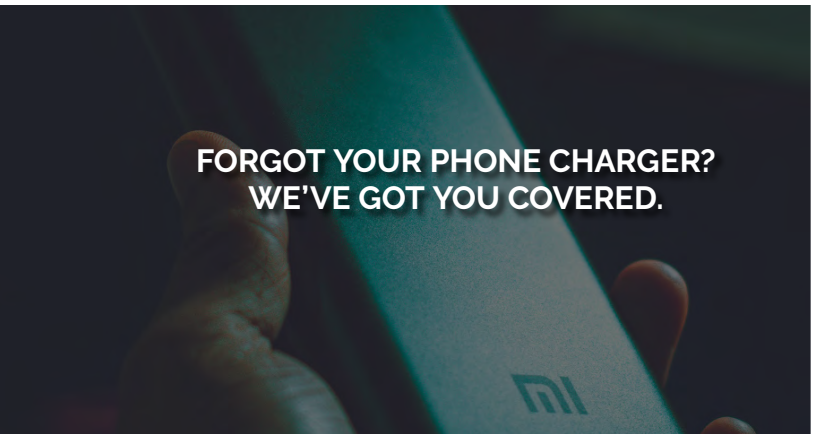
Space POD

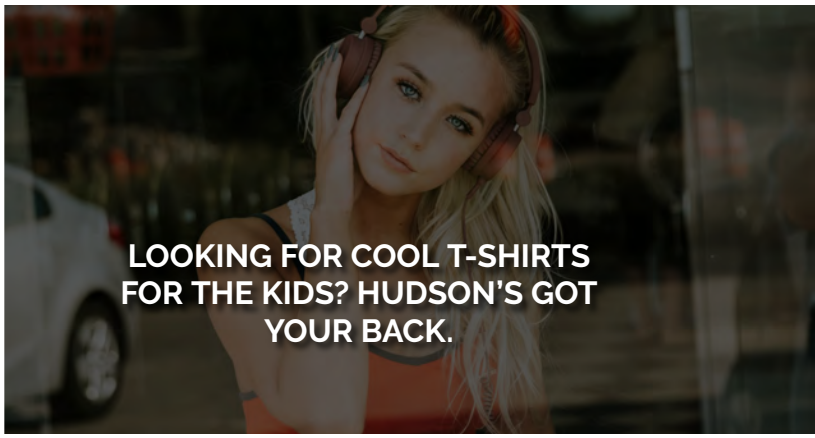
Hudson

Hudson – The Only Name in News & Travel Convenience

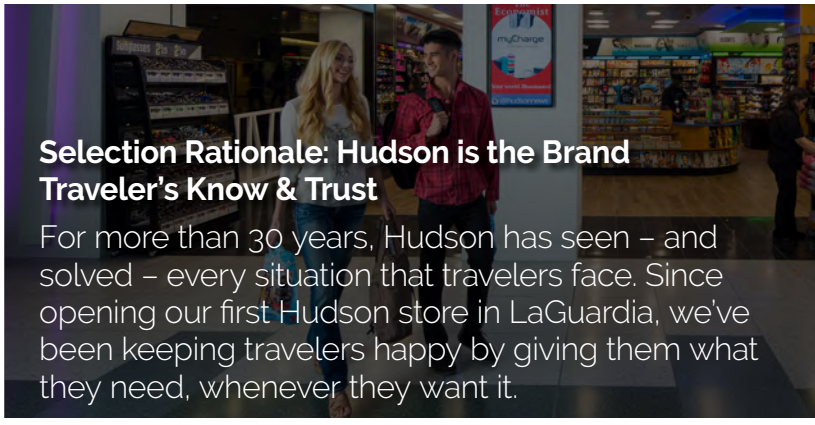
Known as the Traveler's Best Friend, Hudson is a world leading travel essentials brand – the most widely recognized in all of North America. Ever-evolving for fresh relevance, the lifestyle shopping experience caters to today's on the-go consumer.

Our reputation among travelers is why Hudson is the only name in travel convenience.





THE BRAND KNOWN AND TRUSTED BY TRAVELERS



Selection Rationale: Hudson is the Brand Traveler's Know & Trust

For more than 30 years, Hudson has seen – and solved – every situation that travelers face. Since opening our first Hudson store in LaGuardia, we've been keeping travelers happy by giving them what they need, whenever they want it.

Why Hudson @ FAT

Profile Summary

Delta passenger 1579 is returning home after spending the week in Fresno on business. His flight to JFK is about 7.5 hours (DL 3994 connecting to DL508 in SLC). He's 47, a father of twins and his flight is delayed about 40 minutes. He was pleased to see the blue Hudson sign as he made his way through security because he knows they'll have a wide assortment to choose from. Passenger 1579 is avid reader and loves magazine (how 1995 of him), and he can count on Hudson having a decent selection of mags to choose from. He's pretty sure he saw Brookstone next to Hudson, so he might make his way there to look at some new headphones.

Concept Recommendation

Hudson is perfect for passenger 1579. He can find healthy options in the Grab & Go portion of the space. Thanks to a friendly sales associate, he'll also find a Freda Kahlo meets Rosy-The-Riveter tote bag that he's positive will make his wife smile

Brookstone®

Description:
Welcome to the New Brookstone
Brookstone, Hudson's exclusive brand, is an iconic American brand that packs 54 years of expertise. It features a wide array of unique and innovative products in the travel, wellness, aromatherapy, and into the tech essentials, gadgets, comfort products, and travel necessities that keep every road warrior connected and confident while on the ground or in the air.

Through our years of experience in leading the travel retail industry, we've completely reimagined Brookstone to align with the needs and desires of today's tech-savvy, gadget-oriented consumers on the go.

Brookstone isn't "just" an electronics brand. It's a lifestyle brand with more.

Selection Rationale:
The evolution of travel and consumer preferences demands more travel accessories and travel essentials basics. Things like power and cables, earbuds, as well as comfort items -- neck pillows, blankets and socks. After all, this is the age of more – and Brookstone more than delivers.

FAT travelers will find exciting new and expanded categories. Travelers can handle delayed flights, missed connections or any other inconvenience- if they can stay connected and comfortable.

The merchandise is focused on what travelers need and want, including a selection of STEM-related games and activities. A family of five can pick up the wellness, entertainment, and travel essentials that make every trip a little more fun while a business traveler can easily replace the broken or lost tech tool that will save the meeting.

Brookstone associates are thoroughly trained on every product. They are confident and knowledgeable in explaining each item, it's benefits and unique attributes. They are after all the "Traveler's Best Friend."

Why Brookstone @ FAT

Profile Summary

Passenger B2861 is leaving Fresno to visit his family for the holiday. His flight to EWR is about 7.5 hours (United B2861 connecting to United 1591 in DEN). He's 32, single and he has about 2 hrs. until boarding. He was pleased to see the Brookstone sign as he made his way through security because he knows they'll have a wide assortment to choose from. Passenger B2861 is tech-savvy and loves to try new headphones, and he can count on Brookstone having a nice selection of headphones to choose from.

Concept Recommendation

Brookstone is perfect for passenger B2861. He can find great brands in headphones, such as Apple and Bose. Thanks to a friendly sales associate, he'll also find games to buy and play since he has 2 hours until his boarding. He can bring these items on the plane with him as well to help pass the time on the long flight.

EINSTEIN BROS.® BAGELS

Einstein Bros. Bagels
Known as the largest fast casual bagel brand in America as well as a top franchise in the breakfast category.

Options for All Dayparts
- Various options and menus catered to each daypart.

Known & Beloved Everywhere
- Locations in college campuses, airports, business & industry, healthcare & military installations.

Menu Variety
- Delicious, freshly-made bagels, sandwiches, coffee & more at an affordable price.

Selection Rationale:
At Einstein Bros.® Bagels, they believe in the bagel. They believe it has the power to do amazing things—giving you a reason to look forward to morning office meetings or an afternoon escape or even the simple joy of a shmear mustache on your kid's face. It's why they get to the store at 2am every day and bake fresh bagels every four hours, so their bagels are as fresh and delicious as possible. It's why they only use the finest breakfast ingredients to create the most inspiring flavors. It's why they do everything possible to make your day that much better. To spread a little more joy and happiness in the world. To laugh, smile and enjoy each other's company that much more. And to them, there's no better way to do that than with the bagel.

Why Einstein Bros.® Bagels @ FAT

Profile Summary

Passenger B4073 is returning home after spending the week in Fresno, visiting her boyfriend. Her flight to BOS is about 7.5 hours (United 2410 connecting to United 1103 in DEN). She's 20, in a long-distance relationship and her flight is in 40 minutes. She woke up late and didn't have a chance to drink her coffee or have breakfast. She was pleased to see the Einstein Bros.® Bagels sign as she's sure she can find a great cup of coffee and a bagel on the go. She's also happy she won't be breaking the bank on breakfast this morning.

Concept Recommendation

Einstein Bros.® Bagels is perfect for passenger B4073. She can find coffee and variety of quick breakfast options. This passenger always wanted to try Einstein Bros.® Bagels but never had a chance to do so. She is surprised that she found them at the airport. She is excited to have their coffee and bagel for the first time. This worked perfectly for her since she doesn't have too much time for a big breakfast.

Technology Trends

Technology powers our lives, making things faster, easier, and more convenient for us. Technology allows us to start our cars remotely, adjust the thermostat, keep an eye on our pets, see who's at the front door. Technology is part of our everyday lives – and it's only going to become more so.

Technology is going to play a much larger role at airports too. Whether it's an airline app that informs you if your flight is delayed or on time, Free Wi-Fi and charging areas for travelers, or the technology and biometrics required to go through security, there is no doubt that technology will only continue to enhance the travel experience for all travelers around the world.

Airports like FAT involve so many different parties every day from the travelers themselves to the pilots to the airline employees and security personnel to vendors, we know that adopting new technology will be the key driver in creating every facet of a traveler's journey seamless.

"We make travel easy, convenient and fast"

Tech-Enabled Shopping

Whether for business or pleasure, FAT sees and serves millions of travelers a day. With anticipated rebound of travel and travelers' technology upgrades and programming will help travelers navigate their journey more efficiently and sustainably.

We know that travelers are increasingly attracted to convenience, variety, quality and accessible tech-enabled shopping option. Tech-enabled shopping is the future of travel shopping. It's all about convenience and speed of service, two things' travelers value most.

When working on our programming we have looked at different ways to upgrade and innovate with tech. See key tech enhancements and services we have upgraded that are focused on enhancing the guest experience across our program for FAT.

The Travel Shopping Experience Elevated
The travel experience can be frustrating at times, like having to wait in line while an associate multitasks — processing transactions while assisting a customer on the floor at the same time. This is where took the opportunity to improve the experience through technology. See below to see how we are using technology to elevate the experience at each of our stores:

- **Self-Check-out Options-** hurried travelers will appreciate the speed of service
- **Digital Menu Boards-** hungry travelers will appreciate the freshly available food options (breakfast-lunch-dinner)
- **QR codes-** tired travelers will appreciate the varied options for attaining information
- **Loyalty Apps-** loyal travelers will appreciate being able to use their loyalty points

Combined these technology upgrades result in pure simplicity. From not needing to stand in line at the checkout while an associate rings and bags your purchases to being able to redeem your loyalty points—our tech-enable programming puts FAT travelers in control.

Technology and advanced staffing techniques create an elevated shopping experience

For optimal customer service and satisfaction

Pricing Methodology

Accurate and evolving pricing is an important component of our business. Here's how we monitor pricing and how we make changes over time:

1. Travel Essentials. Our local and regional operations leaders monitor pricing of items in this category routinely. They survey the local market for comparable products to set initial pricing levels. After the initial pricing is established, our teams continue to review pricing at comparable locations and make adjustments based on local market fluctuations.

2. Books, newspapers, magazines. Merchandise in this category is set based on each distributors Manufacturer's Suggested Retail Price (MSRP), which equals street pricing.

3. Specialty-retail merchandise. Specialty retail merchandise varies by brand, and we follow the pricing guidance provided by the different brands (i.e., Coach, Urban Decay) in almost all cases.

4. F&B – Our local and regional operations leaders monitor F&B pricing routinely. Our rates are comparable to the F&B stores located outside the airport. After the initial pricing is established, our teams continue to review pricing at comparable locations and make adjustments based on local market fluctuations.

5. Changes. In the event that pricing is changed, we provide written notification of such changes to our clients (i.e., aviation authorities).

Our experience has proven that reasonable prices increase sales. By increasing sales, we are better able to increase rents for the airport while stabilizing our percentage rent for better control and predictability of profit margins. The expectation of reasonable pricing goes a long way toward enhancing the airport's image in the eyes of the traveling public.

Hudson generally prefers to maintain prices at a constant level, but recognizes that costs may increase over time. Prices will be compared periodically, particularly if prices should shift unusually for a given merchandise category. For instance, the cost of tobacco products changes significantly with tax alterations. Prices from our comparison locations would be presented in support of a request for a price increase.

Yosemite Country Foods
Yosemite Country Foods has been a family owned business located just south of Yosemite, since 1991. It was started so that Yosemite National Park could have its own unique product line. They use nothing but the freshest, top quality products such as; Beef and Turkey Jerky, Candy, Trail Mix and Dried Fruit. Yosemite Country Foods can be found in our Hudson stores at FAT today!

Hudson is hoping to bring the following local brands to our NEW Hudson stores at FAT:

A 'Capella
At Made in Nature, they're the pioneers of organic snacks. They've been traveling the world, walking the fields, collaborating with growers, rolling up their sleeves, and getting dirty for over 30 years. No matter your snacking occasion, persuasion or location, they've got the most delicious and delightful snacks. From organic dried fruit to fair trade chocolate, they've got your snacks covered!

Braga
Braga Organic Farms started from their love for pistachios and organic food in general. Their products have been certified organic food by C.C.O.F. since November of 2000. They currently have 40 acres of pistachios located in Madera, California. They truly believe that everybody should purchase organic food directly from the farmer. There is no better or fresher way to eat! Braga's delicious and nutritious snacks include Almonds,

- ALWAYS ORGANIC
- NON-GMO
- CERTIFIED GLUTEN FREE
- 100% PLANT-BASED

Hinkle's Honey

Hinkle's Honey offers their delicious blend of different nectars straight from the hives. Their honey is NEVER super-heated, filtered or strained, therefore you are receiving the enzymes, nutrients and pollens the bee adds in, flavoring is never added. When the honey is extracted from their different areas and locations it is then blended into a tank for a delicious one of a kind flavor that will not disappoint your taste buds.

Life's Grape

Their grapes are gently sun-dried on the vine under the shade of the canopy. This signature, all-natural drying process results in a juicier and sweeter snack. They know this difference will surprise and delight you! Their delicious and unique snacks include Dark Chocolate Dipper Vine-Dried Grapes, Peanut Butter Dipped Vine-Dried Grapes and Classic Vine-Dried Grapes.

Raphio Chocolate

Raphio Chocolate was born from a desire to promote healthy real chocolates to other parents or anyone, for that matter, so their children or loved ones can also enjoy pure dark chocolate. Their chocolate bars have won several awards nationally as well as internationally. They are proudly worn on each winning product. Their offering includes chocolate bars, chocolate bonbons and ground chocolate.

Hudson Merchandise Categories & Pricing

Hudson will continue to evolve product assortments and modify the mix based on traveler feedback, purchasing patterns and sales results. Fresno does not stand still and as a result, both the product and retail plans will anticipate trends to keep pace with FAT busy life.

FAT life includes elements and milestones past and present, incorporating both culture and lifestyle. The rich heritage will be highlighted and respected. Critical to the plan and integral to planning, is intentional consideration of Fresno Events which are locally and globally recognized.

Product Pricing

Please see the tables below for a high-level product assortment, consistent with our travel essentials operation portfolio across North America.

Product Category	Price Range
Snacks, Candy, Food	$1.99-$24.99
Beverages	$1.59-$5.99
Electronics	$9.99-$499.99
Souvenirs & Apparel	$2.49-$99.99
Travel Accessories	$9.99-$49.99

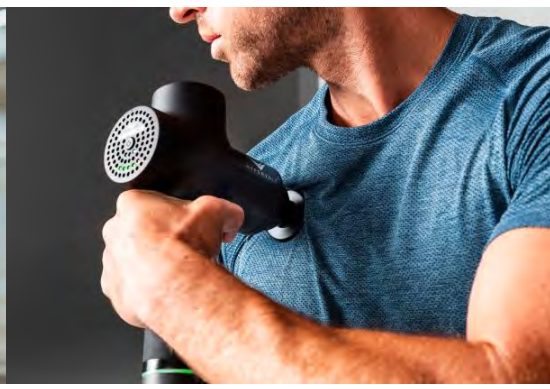
Brookstone Merchandise Categories & Pricing

Brookstone offers today's travelers variety in selections and brands to fulfill their tech needs on-the-go and beyond. In addition to premium global Brands like Apple, Beats, Bose and Sony (to name just a few) Brookstone also offers an extensive assortment of proprietary products available exclusively at Hudson Airport Stores. With additional categories like Wellness + Personal Care, and a curated collection of S.T.E.M. related toys and activities. (Science/Technology/Engineering/Mathematics), Brookstone continues to exceed the expectations of today's tech-savvy traveling consumer.

Product Pricing

Please see the tables below for a high-level product assortment, consistent with our travel essentials operation portfolio across North America.

Audio Headphones, ear buds, headsets, including wireless and wired, noise reduction, noise cancelling, bone conduction, and options for kids	$21.99 - $349.99
Tech Accessories Charging cables, adapters, portable power	$14.99 - $119.99
Travel Accessories Locks, luggage tags, comfort, including pillows, socks, and blankets	$9.99 - $49.99
Luggage Roller bags, duffels, laptop bags, backpacks, travel cubes, totes	$9.99 - $699.99
Wellness + Personal Care Handheld and specialty massagers, wellness travel kits, aromatherapy, mental health, fitness massage, cleanse and refresh	$9.99 - $599.99
S.T.E.M. Toys, activities, education, games, kits, novelty	$9.99 - $129.99



Einstein Bros.® Bagels is your neighborhood bagel shop. They're proud to provide your guests with freshly baked bagels, breakfast sandwiches, lunch sandwiches, coffee and so much more.

Product Pricing

Please see the table below for a high-level product assortment of Einstein Bros. Bagels.

Product Category	
Bagels & Breakfast Sandwiches	$2.39 – $18.99
Lunch/Hot & Toasty	$7.89 - $9.99
Beverages	$2.29 - $4.69
Espresso	$3.79 - $5.49

TAB 4 –
Projected Gross Receipts,
Rent and Cash Flow

Fresno International Airport

Permitted Use	**Hudson + Brookstone**
Location	**C-135**
Square Footage	**1,008**
CapEx per Square Foot	**$820**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300	
Pro Forma	**INPUTS**	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	**TOTAL**
Gross Sales		**$1,426,133**	**$1,477,430**	**$1,545,916**	**$1,622,250**	**$1,707,940**	**$1,788,669**	**$1,871,664**	**$1,966,370**	**$2,065,869**	**$2,170,402**	**$2,280,224**	**$2,395,603**	**$2,516,821**	**$2,644,172**	**$2,777,967**	**$30,257,428**
Operating Expenses																	
Cost of Goods	35.8%	$509,989	$528,334	$552,824	$580,121	$610,764	$639,633	$669,313	$703,180	$738,761	$776,142	$815,415	$856,675	$900,023	$945,564	$993,409	**$10,820,149**
Labor	22.5%	$320,456	$331,983	$347,372	$364,524	$383,779	$401,919	$420,568	$441,849	$464,206	$487,695	$512,373	$538,299	$565,537	$594,153	$624,217	**$6,798,927**
Space Rent	**$40.00**	$40,320	$42,336	$44,453	$46,675	$49,009	$51,460	$54,033	$56,734	$59,571	$62,550	$65,677	$68,961	$72,409	$76,029	$79,831	**$870,048**
Percentage Rent	**10.0%**	$102,293	$105,407	$110,139	$115,550	$121,785	$127,407	$133,134	$139,903	$147,016	$154,491	$162,345	$170,599	$179,273	$188,388	$197,966	**$2,155,695**
Other Direct Expenses	6.5%	$93,274	$96,629	$101,108	$106,101	$111,705	$116,985	$122,413	$128,607	$135,115	$141,952	$149,134	$156,681	$164,609	$172,938	$181,688	**$1,978,939**
G&A	5.8%	$82,716	$85,691	$89,663	$94,090	$99,061	$103,743	$108,557	$114,049	$119,820	$125,883	$132,253	$138,945	$145,976	$153,362	$161,122	**$1,754,931**
Royalties	2.5%	$35,653	$36,936	$38,648	$40,556	$42,698	$44,717	$46,792	$49,159	$51,647	$54,260	$57,006	$59,890	$62,921	$66,104	$69,449	**$756,436**
Utilities	0.5%	$7,352	$7,616	$7,969	$8,363	$8,804	$9,221	$9,648	$10,137	$10,650	$11,188	$11,755	$12,349	$12,974	$13,631	$14,320	**$155,977**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$7,730	$8,111	$8,540	$8,943	$9,358	$9,832	$10,329	$10,852	$11,401	$11,978	$12,584	$13,221	**$122,879**
Total Operating Expenses	**84.0%**	**$1,192,053**	**$1,234,931**	**$1,292,176**	**$1,363,710**	**$1,435,717**	**$1,503,624**	**$1,573,400**	**$1,652,977**	**$1,736,617**	**$1,824,490**	**$1,916,810**	**$2,013,800**	**$2,115,698**	**$2,222,753**	**$2,335,224**	**$25,413,980**
EBITDA	**16.0%**	$234,079	$242,499	$253,740	$258,540	$272,223	$285,045	$298,264	$313,393	$329,251	$345,911	$363,414	$381,803	$401,122	$421,419	$442,743	**$4,843,447**
Amortization/Depreciation	2.7%	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	**-$826,135**
Interest & Taxes (24%)	24.0%	-$56,179	-$58,200	-$60,898	-$62,050	-$65,333	-$68,411	-$71,583	-$75,214	-$79,020	-$83,019	-$87,219	-$91,633	-$96,269	-$101,141	-$106,258	**-$1,162,427**
NET PROFIT	**9.4%**	**$122,825**	**$129,224**	**$137,767**	**$141,414**	**$151,814**	**$161,558**	**$171,605**	**$183,103**	**$195,155**	**$207,817**	**$221,119**	**$235,095**	**$249,777**	**$265,203**	**$281,409**	**$2,854,885**

Sales assumptions
- Based on existing Hudson News airside performance, company internal benchmarks for the Brookstone concept
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Fresno International Airport

Permitted Use	**Hudson Local**
Location	**C-203-R**
Square Footage	**1,100**
CapEx per Square Foot	**$888**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300	

Pro Forma	INPUTS	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
Gross Sales		**$3,071,548**	**$3,182,030**	**$3,329,532**	**$3,493,936**	**$3,678,492**	**$3,852,362**	**$4,031,115**	**$4,235,089**	**$4,449,385**	**$4,674,523**	**$4,911,054**	**$5,159,554**	**$5,420,627**	**$5,694,911**	**$5,983,073**	**$65,167,229**
Operating Expenses																	
Cost of Goods	36.1%	$1,110,246	$1,150,181	$1,203,497	$1,262,923	$1,329,633	$1,392,480	$1,457,092	$1,530,821	$1,608,280	$1,689,659	$1,775,156	$1,864,979	$1,959,347	$2,058,490	$2,162,650	**$23,555,434**
Labor	23.3%	$716,324	$742,090	$776,489	$814,830	$857,871	$898,420	$940,107	$987,677	$1,037,653	$1,090,158	$1,145,320	$1,203,274	$1,264,159	$1,328,126	$1,395,329	**$15,197,828**
Space Rent	**$40.00**	$44,000	$46,200	$48,510	$50,936	$53,482	$56,156	$58,964	$61,912	$65,008	$68,258	$71,671	$75,255	$79,018	$82,969	$87,117	**$949,457**
Percentage Rent	**10.0%**	$263,155	$272,003	$284,443	$298,458	$314,367	$329,080	$344,147	$361,596	$379,930	$399,194	$419,434	$440,700	$463,045	$486,523	$511,190	**$5,567,266**
Other Direct Expenses	6.5%	$200,890	$208,116	$217,763	$228,515	$240,586	$251,958	$263,649	$276,989	$291,005	$305,730	$321,200	$337,452	$354,527	$372,467	$391,313	**$4,262,159**
G&A	5.8%	$178,150	$184,558	$193,113	$202,648	$213,353	$223,437	$233,805	$245,635	$258,064	$271,122	$284,841	$299,254	$314,396	$330,305	$347,018	**$3,779,699**
Royalties	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Utilities	0.5%	$15,834	$16,403	$17,164	$18,011	$18,963	$19,859	$20,780	$21,832	$22,937	$24,097	$25,316	$26,597	$27,943	$29,357	$30,843	**$335,937**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$16,648	$17,470	$18,392	$19,262	$20,156	$21,175	$22,247	$23,373	$24,555	$25,798	$27,103	$28,475	**$264,653**
Total Operating Expenses	**82.7%**	**$2,528,598**	**$2,619,550**	**$2,740,979**	**$2,892,969**	**$3,045,724**	**$3,189,782**	**$3,337,806**	**$3,506,618**	**$3,684,053**	**$3,870,466**	**$4,066,312**	**$4,272,067**	**$4,488,234**	**$4,715,339**	**$4,953,935**	**$53,912,432**
EBITDA	**17.3%**	$542,950	$562,480	$588,553	$600,967	$632,768	$662,580	$693,308	$728,471	$765,331	$804,057	$844,742	$887,486	$932,393	$979,572	$1,029,138	**$11,254,797**
Amortization/Depreciation	1.5%	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	**-$976,568**
Interest & Taxes (24%)	24.0%	-$130,308	-$134,995	-$141,253	-$144,232	-$151,864	-$159,019	-$166,394	-$174,833	-$183,679	-$192,974	-$202,738	-$212,997	-$223,774	-$235,097	-$246,993	**-$2,701,151**
NET PROFIT	**11.6%**	**$347,537**	**$362,380**	**$382,196**	**$391,630**	**$415,799**	**$438,456**	**$461,810**	**$488,533**	**$516,547**	**$545,979**	**$576,900**	**$609,385**	**$643,514**	**$679,370**	**$717,041**	**$7,577,078**

Sales assumptions
- Based on existing Hudson News airside performance, company internal benchmarks
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Fresno International Airport

Permitted Use	**Hudson + Café**
Location	**T-105**
Square Footage	**1,245**
CapEx per Square Foot	**$806**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300

Pro Forma	INPUTS	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
Gross Sales		**$1,346,278**	**$1,394,704**	**$1,459,355**	**$1,531,414**	**$1,612,306**	**$1,688,514**	**$1,766,863**	**$1,856,266**	**$1,950,193**	**$2,048,873**	**$2,152,546**	**$2,261,465**	**$2,375,895**	**$2,496,115**	**$2,622,418**	**$28,563,203**
Operating Expenses																	
Cost of Goods	33.1%	$445,586	$461,614	$483,012	$506,862	$533,635	$558,858	$584,790	$614,380	$645,468	$678,128	$712,442	$748,491	$786,365	$826,155	$867,958	**$9,453,742**
Labor	28.6%	$384,852	$398,695	$417,177	$437,776	$460,900	$482,685	$505,082	$530,639	$557,490	$585,699	$615,335	$646,471	$679,182	$713,549	$749,655	**$8,165,188**
Space Rent	**$40.00**	$49,800	$52,290	$54,905	$57,650	$60,532	$63,559	$66,737	$70,074	$73,577	$77,256	$81,119	$85,175	$89,434	$93,905	$98,601	**$1,074,612**
Percentage Rent	**10.0%**	$84,828	$87,180	$91,031	$95,492	$100,698	$105,293	$109,950	$115,553	$121,442	$127,631	$134,136	$140,972	$148,156	$155,706	$163,641	**$1,781,708**
Other Direct Expenses	6.8%	$91,051	$94,326	$98,699	$103,572	$109,043	$114,197	$119,496	$125,543	$131,895	$138,569	$145,580	$152,947	$160,686	$168,817	$177,359	**$1,931,780**
G&A	5.8%	$78,084	$80,893	$84,643	$88,822	$93,514	$97,934	$102,478	$107,663	$113,111	$118,835	$124,848	$131,165	$137,802	$144,775	$152,100	**$1,656,666**
Royalties	4.2%	$56,530	$58,563	$61,278	$64,303	$67,700	$70,900	$74,190	$77,944	$81,888	$86,031	$90,385	$94,958	$99,763	$104,811	$110,114	**$1,199,358**
Utilities	0.5%	$6,940	$7,190	$7,523	$7,894	$8,311	$8,704	$9,108	$9,569	$10,053	$10,562	$11,096	$11,658	$12,248	$12,867	$13,519	**$147,243**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$7,297	$7,657	$8,062	$8,443	$8,834	$9,281	$9,751	$10,244	$10,763	$11,307	$11,879	$12,481	**$115,999**
Total Operating Expenses	**89.4%**	**$1,197,672**	**$1,240,751**	**$1,298,266**	**$1,369,668**	**$1,441,991**	**$1,510,192**	**$1,580,273**	**$1,660,199**	**$1,744,205**	**$1,832,462**	**$1,925,185**	**$2,022,599**	**$2,124,942**	**$2,232,465**	**$2,345,427**	**$25,526,296**
EBITDA	**10.6%**	$148,607	$153,952	$161,089	$161,746	$170,315	$178,323	$186,590	$196,067	$205,988	$216,411	$227,361	$238,866	$250,952	$263,650	$276,991	**$3,036,907**
Amortization/Depreciation	3.5%	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	**-$1,003,541**
Interest & Taxes (24%)	24.0%	-$35,666	-$36,949	-$38,661	-$38,819	-$40,876	-$42,797	-$44,782	-$47,056	-$49,437	-$51,939	-$54,567	-$57,328	-$60,229	-$63,276	-$66,478	**-$728,858**
NET PROFIT	**4.6%**	**$46,039**	**$50,101**	**$55,525**	**$56,024**	**$62,537**	**$68,622**	**$74,906**	**$82,108**	**$89,648**	**$97,569**	**$105,892**	**$114,635**	**$123,821**	**$133,472**	**$143,611**	**$1,304,509**

Sales assumptions
- Based on existing Hudson News landside performance, estimation for coffee service capacity and an synergy sales uplift for the hybrid Retail + F&B location
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

TAB 5 –
Proposed Capital Investment

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 13: ANTICIPATED MINIMUM CAPITAL INVESTMENT PROPOSAL (Continued)

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

SCHEDULE 2: PROPOSAL SHEET FOR INITIAL CAPITAL INVESTMENT PER NEWS & GIFT CONCESSION UNIT

SCHEDULE NO. 2 – FAT: Initial Capital Investment (Dollar Amount) per News & Gift Concession Unit. (Be Advised, there is also a Mid-Term Refurbishment Requirement for Each News & Gift Concession Unit. The Refurbishment Requirement (not less than ½ of 1% of each Unit's Total Gross Sales) will begin at the start of Year 4 (2026) for those Units located in the Terminal Building and Concourse A and at the start of Year 5 (2027) for those Units located in Concourse B, and continue through each subsequent year, including Option Years.)

Concession Location (Concourse, Space #, Sq.Ft.)*	**Merchandising Plan**	**Minimum Opening Year**	**Initial Capital Investment (Dollar Amount)**
Terminal (Pre-Security); Space T-105 (1,245sq.ft.)	Combination News & Convenience and National Branded Coffee	2023	$ 1,003,541
Concourse A; Space C-135 (1,008sq.ft.)	News & Convenience	2023	$ 826,135
Concourse A; Space POD (1,470sq.ft.) N&C ONLY	News & Convenience	2023	$ 976,568
Total Initial Capital Investment (Dollar Amount) For All News & Convenience Units			$ 2,806,244

FAT Total Schedule No. 2 is $ two million eigth hundred and six thousand two hundred forty four **dollars and** -- **cents.**

The Proposer shall submit proposals on Schedule 1 or Schedule 2, or may bid on both schedules.

The City reserves the right to award a contract for the Schedule 1 or 2 or both, as listed in the order shown in the bid proposal, subject to available funds at the time of award, whichever the City deems to be in its own best interest.

Completion of Bid Proposal Form to be Eligible for Award. Proposers must bid all items within the schedules. The Proposer is non-responsive and ineligible for award in the event Proposer fails to initial this paragraph on the line provided and completely fill in the Proposal Form including, without limitation, all dollar amounts, and information called for on this Proposal Form. By Proposer's initials to the right hereof, Proposer represents he/she has read and understands the consequences of not completely filling in this Proposal Form.

Initial

The City reserves the right to reject any and all proposals.

FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL

FOOD & BEVERAGE CONCESSIONS
AND NEWS & CONVENIENCE CONCESSIONS

PROPOSED CAPITAL INVESTMENT
SOURCE(S) OF FUNDS

HG Fresno Concessionaires JV, a Joint Venture ("JV") between Hudson (HG) Retail, LLC with 87% ownership and Martinez-Niebla, LLC with 13% ownership will invest approximately $2.8 million. $100,000 of that investment will be funded from internal cash flows from the JV partners, proportional to ownership percentage. The remaining portion of the capital investment will be financed by the JV. If 3rd party financing is unavailable for whatever reason, Hudson shall act as lender of last resort

TAB 6 –
Qualifications, Background & Experience

FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL

Hudson has over 30 years of concessions operations throughout the U.S. and Canada. Today Hudson operates over 1,000 locations in 88 locations in airports of all sizes, from small (Des Moines, Iowa) to the world's busiest (Hartsfield-Jackson Atlanta International Airport), commuter terminals, hotels, and some of the most visited landmarks and tourist destinations in the world.

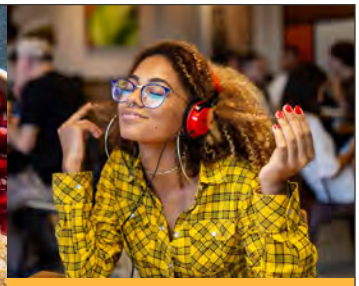
The information below is reflective of the majority equity holder in HG Fresno Concessionaires JV– Hudson (HG) Retail, LLC. The stats we've provided in this statement of qualifications speak to our operations prior to the spread of COVID-19. While we scaled back operations to deal with the downturn in air travel, we're definitely on the road to recovery and fully expect to be back to business as usual as the crisis continues to abate.

We're open in every market we operated in prior to the pandemic, with the exception of a few street-side locations that are closed by the landlord. Today, we've reopened more than 94% of our concession locations across North America. In addition, we've worked with our landlords to drive sales using a variety of entrepreneurial tactics – including digital innovation.

In addition to leveraging technology, we also leveraged old-fashion expertise and hard work. Where other concessionaires were closed (or remain closed) – we've expanded our offerings, especially around expanding our food and beverage portfolio and operations. Our willingness to support travelers, even when times are hard, means we've outperformed other concessionaires. We're proud to be The Traveler's Best Friend –in good and challenging times.

$1.9 Billion
2019 revenue (overall)

Hudson
A DUFRY Company



30+ YEARS
Airport Concessions Experience

AMAC
AIRPORT MINORITY ADVISORY COUNCIL

$150 Million
2019 Food Sales

Operating in **88 Locations** in U.S. & Canada

$180 Million
9 Califonia Markets

88 Markets
North America

150+
F&B Locations

1,000+
Concessions Locations

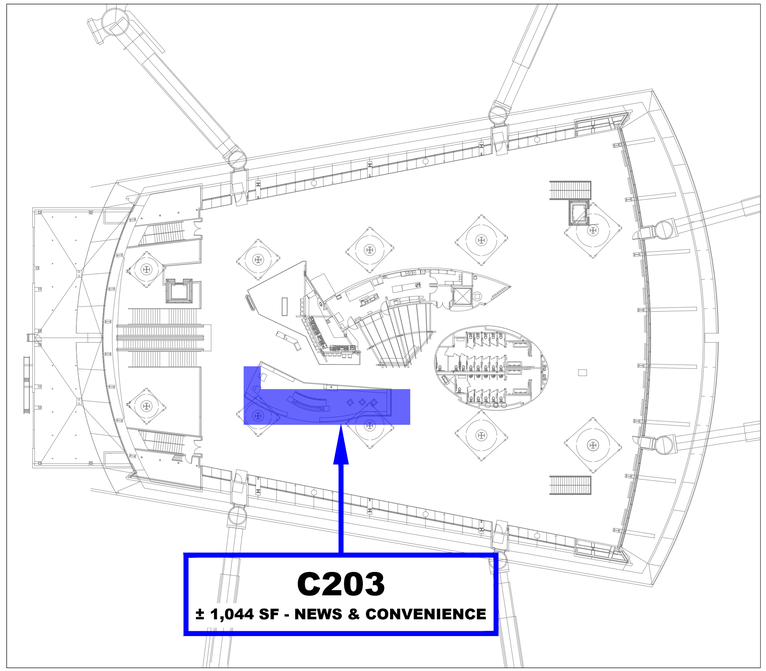
Hudson Group (HG) Retail, LLC is a Delaware limited liability company and 100% owned by Hudson Group (HG) Inc., a Delaware corporation, which is a wholly owned subsidiary of Hudson Ltd. a Bermuda corporation.

Hudson has undergone 2 ownership changes within the past 5 years. First, in 2018, Hudson was listed on the New York Stock Exchange. Then in 2020, Hudson was delisted from public trading. We invite you to visit the Media portion of our website if you'd like to learn more: https://www.hudsongroup.com/media

EXHIBIT B
Square Footage is preliminary until final As Builts are completed

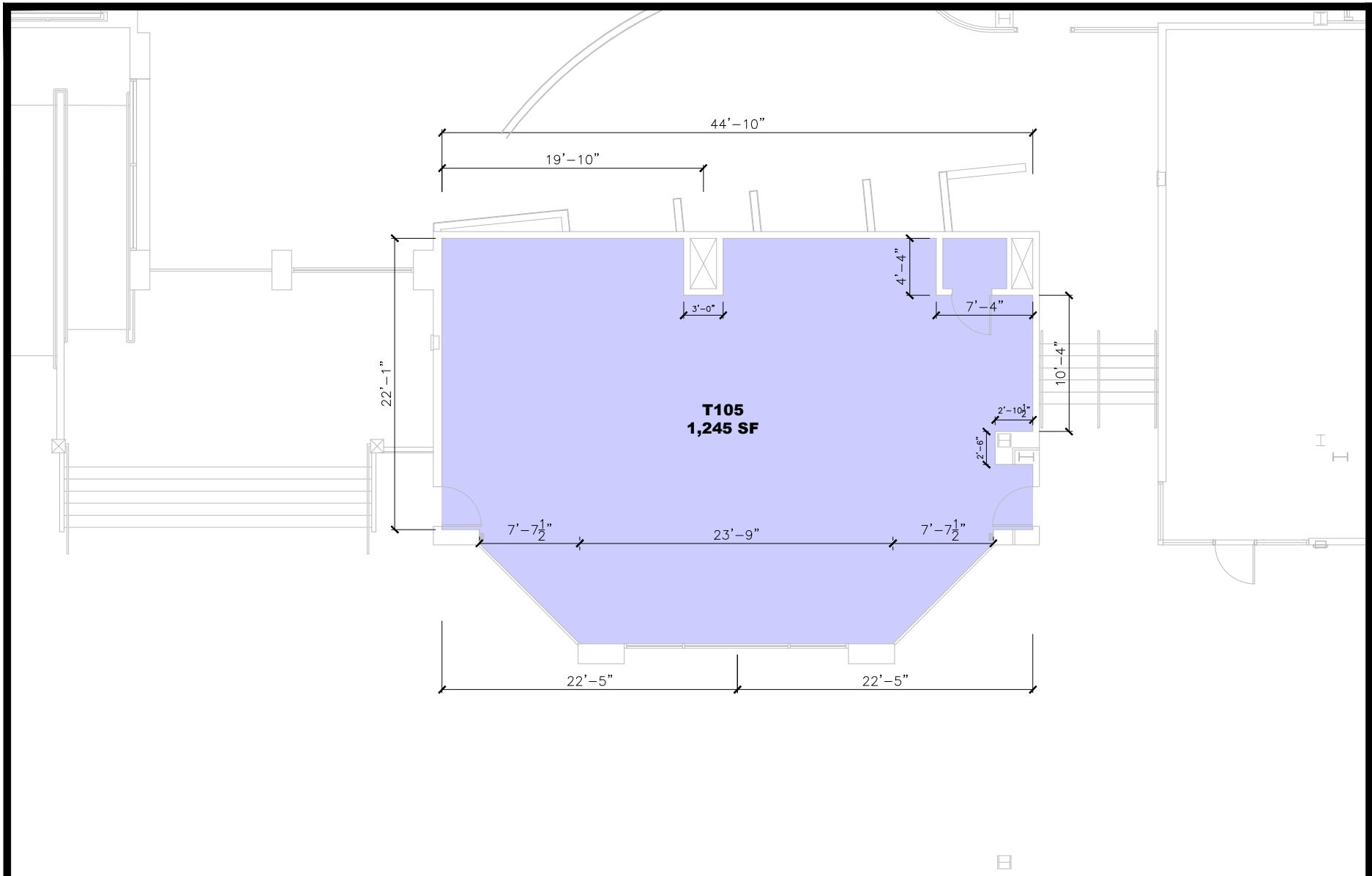
CONCESSION SPACE

C135
± 1,008 SF



T105
± 1,245 SF

NEWS & CONVENIENCE CONCESSIONS LOCATIONS - OVERVIEW

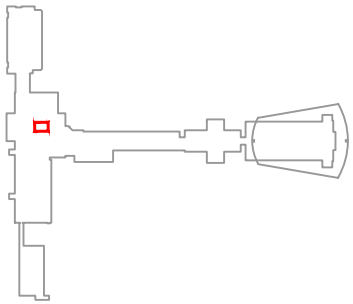


FRESNO YOSEMITE International Airport

FRESNO YOSEMITE INTERNATIONAL AIRPORT
LEASE OUTLINE DRAWINGS

TERMINAL CONCESSIONS

TERMINAL KEY



DISCLAIMER:

THIS LEASE OUTLINE DRAWING IS PRELIMINARY AND INTENDED TO PROVIDE BASIC ARCHITECTURAL CHARACTERISTICS, APPROXIMATE DIMENSIONS, AND OVERALL AREA OF SHELL LEASE SPACE. INFORMATION CONTAINED WITHIN IS SUBJECT TO CHANGE WITHOUT NOTICE. AS STATED IN GENERAL NOTES 1 AND 2, TENANT IS REQUIRED TO FIELD VERIFY ALL AS-IS CONDITIONS PRIOR TO COMMENCEMENT OF DESIGN WORK.

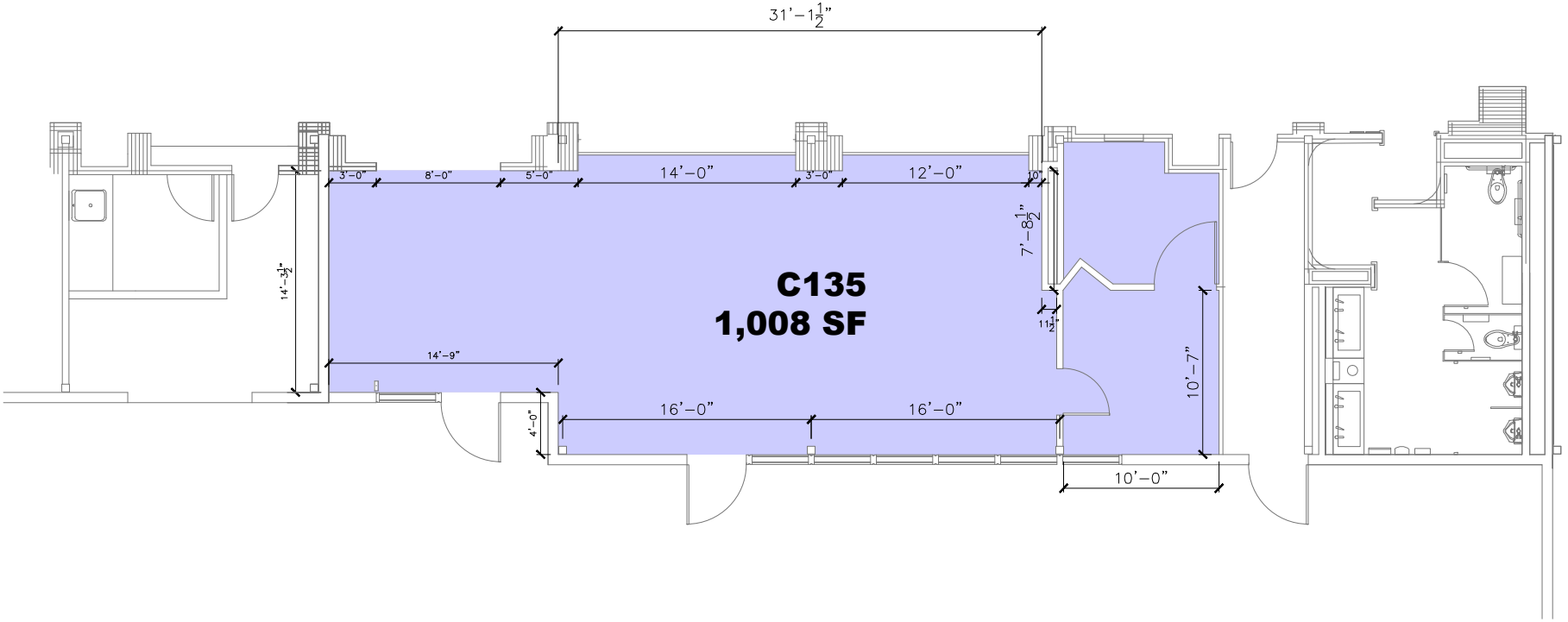
GENERAL NOTES:

1. ALL DIMENSIONS TO BE FIELD VERIFIED WITH AS-IS CONDITIONS AND COORDINATED WITH ALL WALL TYPES
2. OVERHEAD MEP AND STRUCTURAL CONDITIONS VARY. TENANT SHALL FIELD VERIFY AND CONFIRM ALL AS-IS CONDITIONS
3. BEFORE MAKING FLOOR PENETRATIONS OR ANY KIND OF REMOVAL OF CONCRETE FROM THE FLOOR SLAB, G.C. TO ENSURE THAT THE CONCRETE AT THAT LOCATION IS FREE OF REBAR, STRUCTURAL BEAMS, PAN JOISTS, OR GIRDERS. IF FLOOR IS CONSTRUCTED OF POST TENSIONED SYSTEM, G.C. SHALL ENSURE THAT THE ADEQUATE MEASURES ARE TAKEN TO STEER CLEAR OF STRESSED BARS IN ORDER TO AVOID INJURY OR COMPROMISE OF THE STRUCTURAL INTEGRITY OF THE FLOOR. IN THIS CASE, THE CUTTING OF ANY REBAR SHALL REQUIRE PRIOR APPROVAL FROM A PROFESSIONAL STRUCTURAL ENGINEER FAMILIAR WITH THE ORIGINAL CONSTRUCTION OF THE FLOOR SYSTEM. USE OF SYSTEMS SUCH AS GPR FOR LOCATING REBAR IS HIGHLY RECOMMENDED BEFORE MAKING PENETRATIONS INTO THE SLAB.

DATE: 03/09/23

SCALE: 3/32" = 1' - 0"

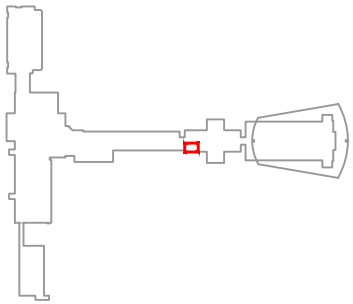
SHEET NUMBER: T105



FRESNO YOSEMITE INTERNATIONAL AIRPORT
LEASE OUTLINE DRAWINGS

TERMINAL CONCESSIONS
(W/ C133 ADDITION)

TERMINAL KEY



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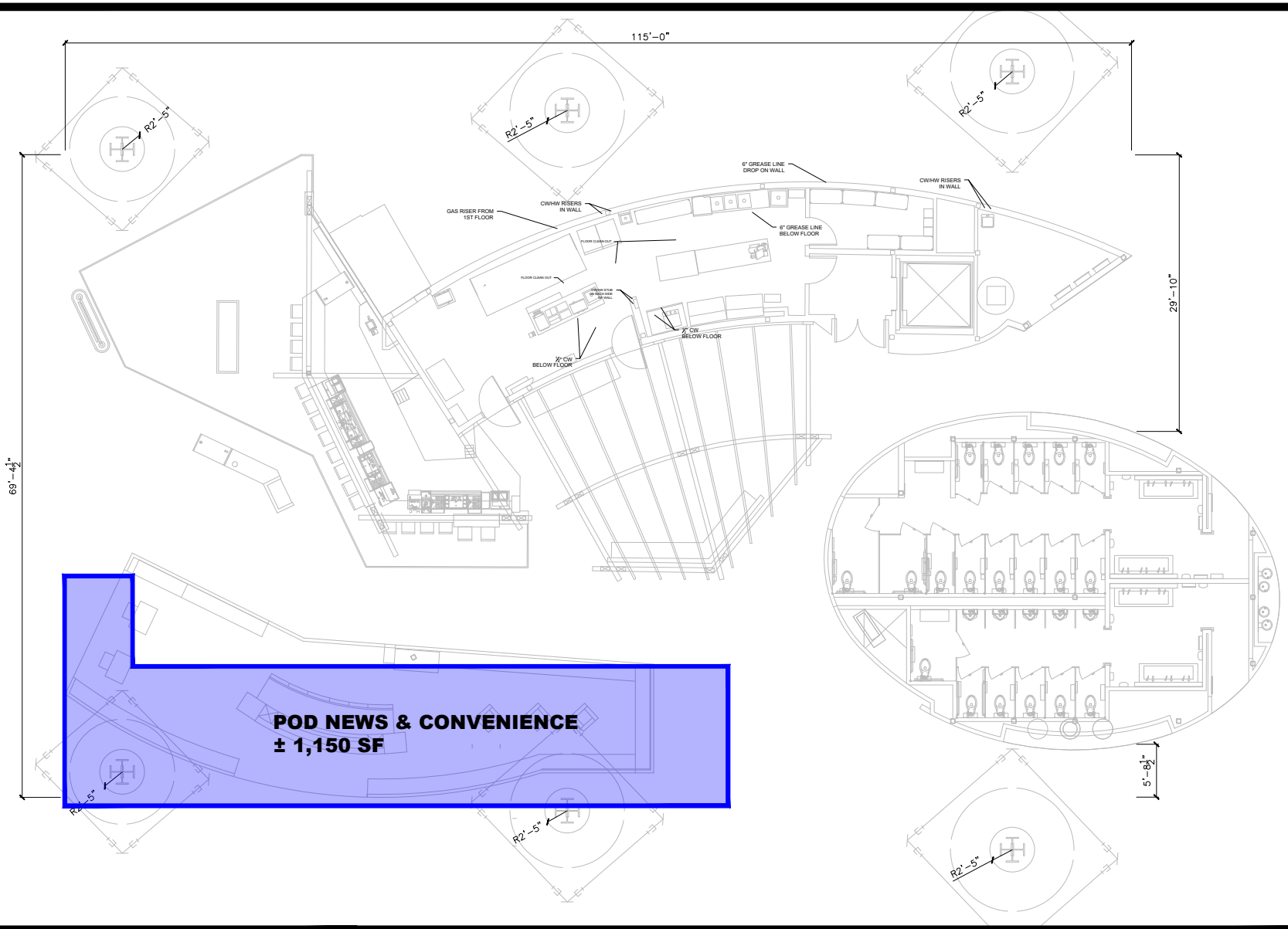
DATE: 03/09/23

SCALE: 3/32" = 1' - 0"

SHEET NUMBER: C135

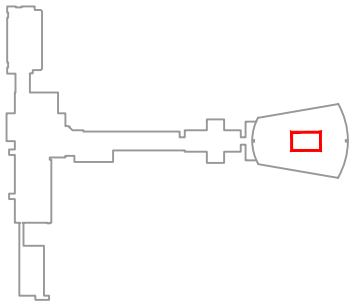


FRESNO YOSEMITE International Airport

FRESNO YOSEMITE INTERNATIONAL AIRPORT
LEASE OUTLINE DRAWINGS

TERMINAL CONCESSIONS

TERMINAL KEY



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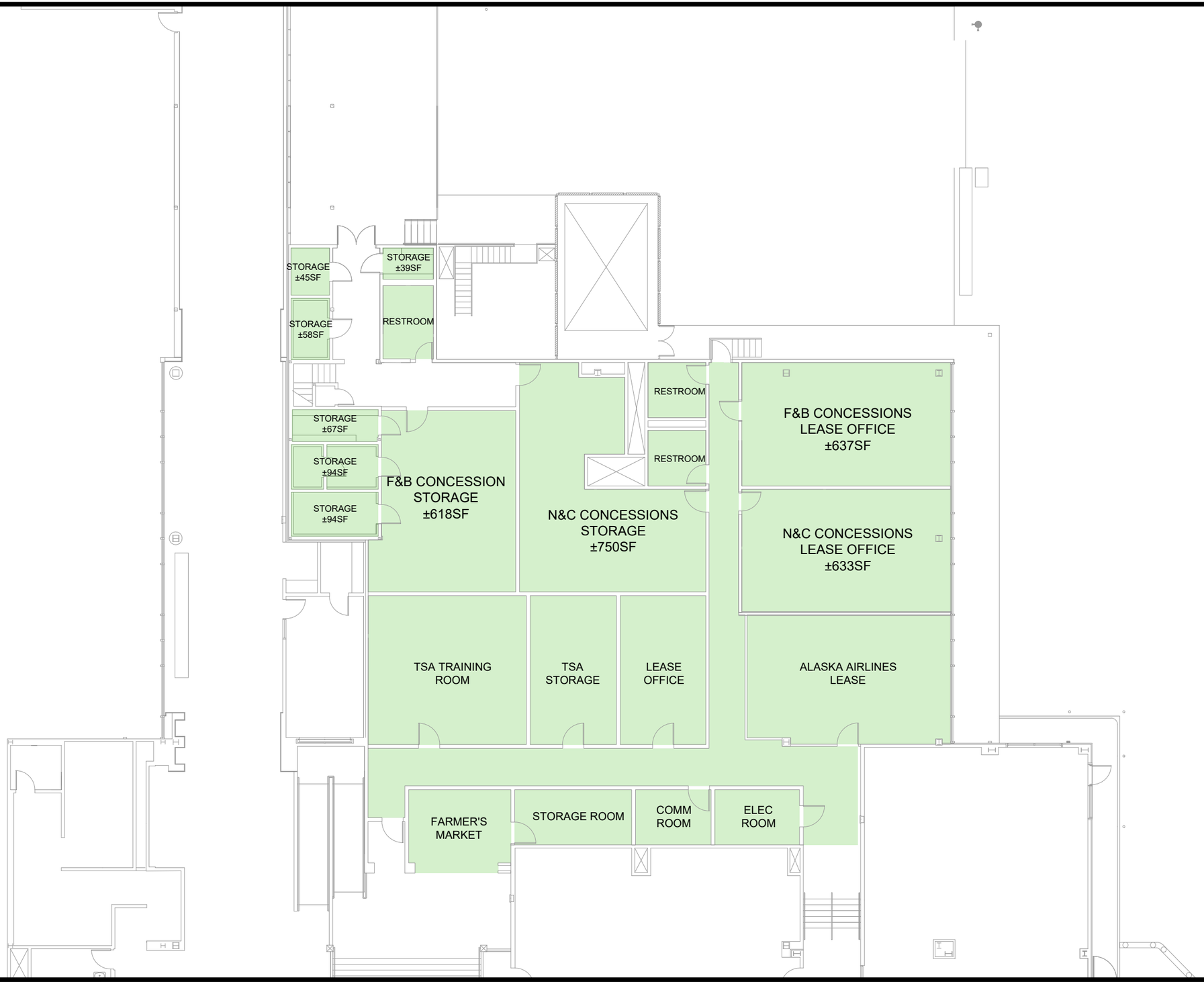
DATE: 05/08/23

SCALE: 1/16" = 1' - 0"

SHEET NUMBER: C203

LAST EDITED: 6/29/23



FRESNO YOSEMITE INTERNATIONAL AIRPORT

CONCESSION SPACE MAP

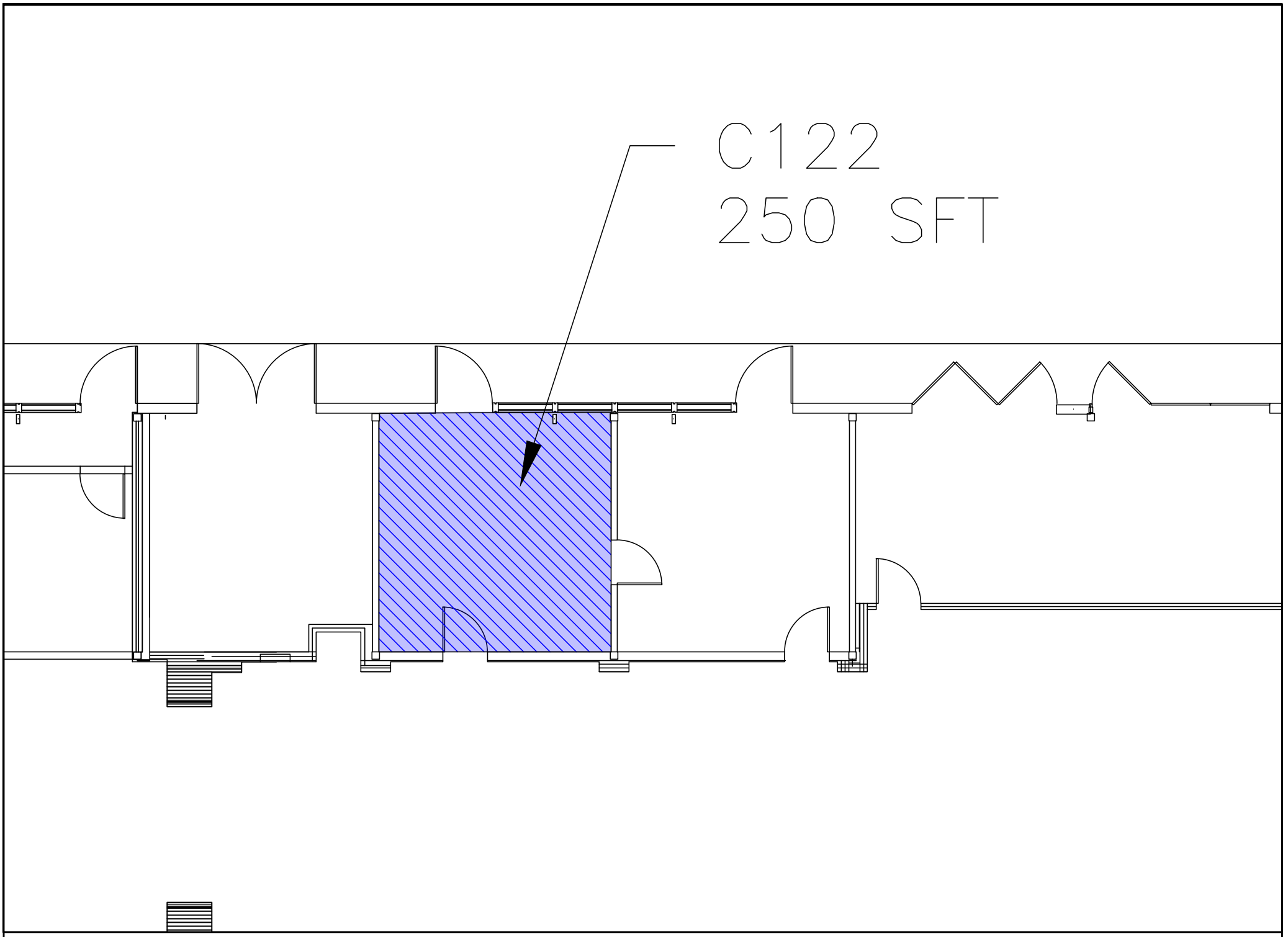
CENTRAL DISTRIBUTION AREA / CONCESSION STORAGE

LAST EDITED: 6/5/23

FRESNO YOSEMITE INTERNATIONAL AIRPORT

CONCESSION SPACE MAP

CONCESSION STORAGE (1ST FLOOR POD)



FRESNO YOSEMITE INTERNATIONAL AIRPORT

ROOM C122	LOCATION MAP

EXHIBIT C

FRESNO YOSEMITE
International Airport

Monthly Concessions Report

_____
Tenant Name

_____ , _____
Month Year

	Gross Revenue
Location 1	
Location 2	
Location 3	
Total Gross Receipts	$ -

Total Amount Due with this Report:	**$ -**

Overall for Month	Gross Revene
News	
Gift	
Convenience	

Report Prepared by: _____

Date Prepared: _____

Signature: _____

EXHIBIT D
Development Schedule

DocuSign Envelope ID: BD7238C3-8324-4522-A5DB-DC64DDC5342E

EXHIBIT E

DocuSign Envelope ID: BD7238C3-8324-4522-A5DB-DC64DDC5342E

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) COMMITMENT FORM

The ACDBE goal for this concession package is 13 %

***NOTE**: The City will only credit ACDBE participation that is certified by an approved certification entity at the time of proposal submission.*

The undersigned concessionaire/vendor has satisfied the requirements of the proposal specifications in the following manner (Please check (✓) only one box):

- ☐ 100% Self-Performance: The proposer, a certified ACDBE firm and sole concessionaire, is committed to meeting or exceeding the ACDBE goal through 100% self-performance. *(If checked, must submit required ACDBE certificate).*
- ☒ Percentage Participation: The proposer is committed to meeting or exceeding the ACDBE goal, with a minimum of 13 % ACDBE participation on this concessions package.
- ☐ The proposer is unable to meet the ACDBE goal and is committed to a minimum of _____% ACDBE participation on this concessions package and submits documentation demonstrating good faith efforts.
- ☐ The proposer is unable to meet the ACDBE goal and submits documentation demonstrating good faith efforts.

NOTE: *Based on the response provided above by Proposer, City may require the submission of additional clarifying information upon notification of award or during the evaluation process.*

Name of Proposing Entity: HG Fresno Concessionaires JV

Name of Authorized Representative or Designee: Courtney Thornton

Title: EVP Corporate Strategy & Business Development

Signature DocuSigned by: Courtney Thornton F60EA06471CE4F6... 9/11/2023

DocuSign Envelope ID: BD7238C3-8324-4522-A5DB-DC64DDC5342E

EXHIBIT F

DocuSign Envelope ID: BD7238C3-8324-4522-A5DB-DC64DDC5342E

DISCLOSURE OF CONFLICT OF INTEREST

News & Convenience Concessions Agreement between City of Fresno ("Fresno")
HG Fresno Concessionaires JV ("Hudson")

		YES*	NO
1	Are you currently in litigation with the City of Fresno or any of its agents?	☐	☒
2	Do you represent any firm, organization or person who is in litigation with the City of Fresno?	☐	☒
3	Do you currently represent or perform work for any clients who do business with the City of Fresno?	☐	☒
4	Are you or any of your principals, managers or professionals, owners or investors in a business which does business with the City of Fresno, or in a business which is in litigation with the City of Fresno?	☐	☒
5	Are you or any of your principals, managers or professionals, related by blood or marriage to any City of Fresno employee who has any significant role in the subject matter of this service?	☐	☒
6	Do you or any of your subcontractors have, or expect to have, any interest, direct or indirect, in any other contract in connection with this Project?	☐	☒
* If the answer to any question is yes, please explain in full below.			

Explanation: _____

☐ Additional page(s) attached.

DocuSigned by:
Courtney Thornton
F00EA00471CE4F0...
Signature

9/11/2023
Date

Courtney Thornton
(name)

HG Fresno Concessionaires JV
(company)

One Meadowlands Plaza
(address)

East Rutherford, NJ 07073
(city state zip)

EXHIBIT G
Product and Price List

EXHIBIT H

FRESNO YOSEMITE
International Airport

New & Renewal Badge Checklist

Badge Forms:

_____ Identification Badge Application (Reviewed and signed by Signor)

_____ Driver's Training Questionnaire (If you will be driving on Airport property)

Two Forms of ID:

_____ Driver's License or ID (Must be a current California ID)

***and* one of the following**:

_____ Social Security Card

_____ US Passport or;

_____ Birth Certificate

_____ PIV/CAC/Chipped Card (Must be badging for issuing Government Agency)

If born out of the US, one of the forms of ID must be:

_____ Naturalization paper

_____ Permanent Resident card or;

_____ US Passport

Badging Office Hours:

Renewing Badges and Fingerprinting: Monday, Wednesday, or Friday at 8:00am, 10:00am, or 1:00pm.

New Badge Classes: Tuesdays or Thursdays at 9:30am or 1:00pm.

Please call to schedule. Walk-ins will not be accepted.

Note: *If an ID is expiring within 30 days of being presented to the badging office it must also be accompanied by paperwork and/or receipts showing that it has been renewed. All forms must be original. Copies will NOT be accepted.*

Social Security Cards that are laminated will NOT be accepted.

FRESNO YOSEMITE INTERNATIONAL AIRPORT

IDENTIFICATION BADGE APPLICATION **CM#** _____

BOTH SIDES MUST BE COMPLETED PRIOR TO APPOINTMENT

Last Name

First Initial

Page 1 EMPLOYEE

EMPLOYEE: THIS SIDE OF THE APPLICATION MUST BE FULLY COMPLETED BY YOU *BEFORE* THE AUTHORIZED REPRESENTATIVE SIGNS OFF ON THE EMPLOYER'S SIDE OF THE APPLICATION

***Full Name** (Please Print) First Middle Last
*Residence Address (No P.O. Box) Street Apt. # City State Zip

*Phone #	Cell #	*Email:			
*DOB MM DD YYYY	*Hair	*Eye	*Height	*Weight	*Gender M F
*Country or State of Birth	*Citizenship	Passport Country	Passport #		
*DL State Issued	*DL #	*DL Expiration	*SSN		

Alias Name (1) (Please Print) First Middle Last	Alias DOB
Alias Name (2) (Please Print) First Middle Last	

Alien Reg #	Immigrant Visa #	I-94 #	DS-1350

*Company Name	*Job Description/Title
*Direct Supervisor's Name	
*Supervisor's Title	*Supervisor's Business Phone #
*Give a brief but detailed statement of specific duties justifying your need for access into Airport secured areas	

*Previous Badge at FYI? Yes No	Badge #	Return Date

Previous Badge ☐ Renewal ☐ Lost/Stolen ☐ Revoked (Reason) ☐ Returned

Company Previous Badge Issued Under

The information I have provided is true, complete, and correct to the best of my knowledge and belief and is provided in good faith. I understand that a knowing and willful false statement can be punished by fine or imprisonment or both. (Section 1001 of Title 18 of the United States Code)

*Signature:	*Date

PLEASE DO NOT WRITE BELOW THIS LINE (RESERVED FOR OFFICIAL USE ONLY

Issued:	Badge	SIDA	LEO	STERILE	CARGO
Expires	Color	AOA	PUBLIC	Tenant/Vendor/Student	

Pin #	Fee: $	APS Official	
Date SIDA Trained:	Driver: Yes No	Escort: Yes No	Movement: Yes No
Badge #'s			

***Required information**

Revised September 2022

FRESNO YOSEMITE INTERNATIONAL AIRPORT

IDENTIFICATION BADGE APPLICATION
BOTH SIDES MUST BE COMPLETED PRIOR TO APPOINTMENT

Page 2

EMPLOYER'S CERTIFICATION

The Transportation Security Administration (TSA) in accordance with 49 CFR Part 1540 series requires that the employer of an airport security identification badge applicant certify that a CHRC will be completed, and this person does not have convictions for any of the listed disqualifying crimes.

In compliance with the requirement stated above, the Employer's Authorized Representative, whose identity, affiliation and signature appear below, hereby attest that the Employee/Applicant identified in Page 1 of the Application form (CHECK BOX BELOW):

*☐ Was hired by this Employer on _____; and that the CHRC requirements listed above have been fully met.

*☐ I hereby request driving privileges for this employee. I attached the "Driver's Training Questionnaire" to this application.

*☐ I hereby request SIDA/AOA escort privileges for this employee.

***Required information**

*Employer's Business Name/ Project Contracting Company

*Street Address *City *State *Zip

Mailing Address (if different than Street Address)

*Phone # FAX #

*Email Address

Authorized Signature

*Full Name (Print) First *Middle *Last

*Title or Position

*Signature *Date

I UNDERSTAND THAT A $25.00 FEE WILL BE CHARGED TO MY COMPANY FOR BADGES THAT ARE NOT RETURNED TO:
FRESNO YOSEMITE INTERNATIONAL AIRPORT
PUBLIC SAFETY OFFICE
4995 E CLINTON WAY
FRESNO, CA 93727
559-621-6650

FRESNO YOSEMITE
International Airport

Revised September 2022

FRESNO YOSEMITE
International Airport

DRIVER'S TRAINING QUESTIONNAIRE

(FORM REQUIRED FOR ALL DRIVERS)

All Airport Security Identification Badge holders who are required to operate vehicles on the Airport must obtain a driver designation ("D" designation on the badge) by completing the Air Operations Area (AOA) Driver's Training Program with successful testing.

FAA (FAR Part 139.329) requires that all designated drivers with access to the Aircraft Movement Area (taxiways, runways and their safety areas) will complete a supplementary Movement Area Driver's Training Program ("M" designation on the badge) prior to the initial performance of such duties and at least once every 12 consecutive calendar months. Failure to complete the recurrent training within the required time period will result in an immediate badge suspension. Pedestrian and vehicle operations are forbidden in the Aircraft Movement Area unless the individual has an authorized purpose and has completed the Aircraft Movement Area Driver's Training Program within the last 12 months.

Company/Agency: _____

Employee's Name: _____

Please select one from the options below:

☐ Employee (driver) does not require access to the Aircraft Movement Area
(Employee will complete "AOA" Driver's Training Program and receive "D" designation on the airport badge)

☐ Employee (driver) requires access to the Aircraft Movement Area
(Employee will complete both "AOA" and "Aircraft Movement Area" Driver's Training Programs and receive "D" and "M" designations on the airport badge)

If the employee requires access to the Aircraft Movement Area, please provide the reason:

☐ Involved in Aircraft Pushback from Terminal

☐ Involved in Aircraft Towing on Taxiways

☐ Involved in Disabled Aircraft Recovery

☐ Construction Company Contractor Requiring Unescorted Access

☐ FAA or NWS Employee with Movement Area Duties

☐ City of Fresno Airport Dept. Employee with Movement Area Duties

☐ Military Employee with Movement Area Duties

☐ Other (explain below)

Other: _____

Authorized Signer's Name: _____ Title: _____

Signature: _____ Date: _____

Rev. 09/2022

FRESNO YOSEMITE
International Airport

DISQUALIFYING CRIMES

1. Forgery of certificates, false marking of aircraft, and other aircraft registration violations;
2. Interference with air navigation;
3. Improper transportation of a hazardous material;
4. Aircraft piracy;
5. Interference with flight crew members or flight attendants;
6. Commission of certain crimes aboard an aircraft in flight;
7. Carrying a weapon or explosive aboard aircraft;
8. Conveying false information and threats;
9. Aircraft piracy outside the special aircraft jurisdiction of the United States;
10. Lighting violation involving transporting controlled substances;
11. Unlawful entry into an aircraft or airport area that serves air carriers or foreign air carriers contrary to established security requirements;
12. Destruction of an aircraft or aircraft facility;
13. Murder;
14. Assault with intent to murder;
15. Espionage;
16. Sedition; (Resistance or rebellion against the government in power.)
17. Kidnapping or hostage taking;
18. Treason;
19. Rape or aggravated sexual abuse;
20. Unlawful possession, use, sale, or distribution, or manufacture of an explosive or weapon;
21. Extortion;
22. Armed robbery; or felony unarmed robbery;
23. Distribution of, or intent to distribute, a controlled substance;
24. Felony arson;
25. A Felony involving a threat;
26. A Felony involving –
    1. Willful destruction of property;
    2. Importation or manufacture of a controlled substance;
    3. Burglary;
    4. Theft;
    5. Dishonesty, fraud, or misrepresentation;
    6. Possession or distribution of stolen property;
    7. Aggravated assault;
    8. Bribery; or
    9. Illegal possession of a controlled substance punishable by a maximum term of imprisonment of more than 1 year, or any other crime classified as a felony that the Administrator determines indicates a propensity for placing contraband aboard an aircraft in return for money; or;
27. Violence at international airports;
28. Conspiracy or attempt to commit any of the acts referred to in clauses (1) through (28).

I hereby acknowledge that I have not been convicted of any disqualifying criminal offenses, or been found not guilty by reason of insanity. Federal regulations under 49 CFR 1542.209 impose a continuing obligation to disclose to the airport operator within 24 hours if convicted of any of the above listed crimes while still having unescorted access.

The information I have provided on this application is true, complete, and correct to the best of my knowledge and belief and is provided in good faith. I understand that a knowing and willful false statement on this application can be punished by fine or imprisonment or both. (See section 1001 of Title 18 United States Code.)"

Signature: _____ **Date:** _____

Print Name: _____

FRESNO YOSEMITE
International Airport

AIRPORT PUBLIC SAFETY SUPPLEMENTAL QUESTIONNAIRE

1. Have you actually committed any of the previously listed disqualifying crimes even though you may not have been arrested or convicted? **YES/NO**
2. Have you committed a theft, or crime of dishonesty, within the past 5 years? **YES/NO**
3. Are you a registered sex offender, or have you committed a sex offense? **YES/NO**
4. Do you have outstanding warrants for your arrest? **YES/NO**
5. Are you currently violating a court order? **YES/NO**
6. Have you committed a drug violation within the last 5 years? **YES/NO**
7. Have you committed a violent crime within the last 10 years? **YES/NO**
8. Do you have a history of mental instability? **YES/NO**
9. Have you committed airport security violations? **YES/NO**
10. Have you engaged in behavior that was not supportive of airport security? **YES/NO**

A yes answer to any of the above questions may not disqualify you from maintaining or receiving an FYI Identification Badge. If you answered yes to any of the above questions, please give details below. Use a separate sheet of paper if necessary.

_____
_____
_____
_____
_____

FAILURE TO DISCLOSE ANY DISQUALIFYING OFFENSES OR CRIMES IS GROUNDS FOR IMMEDIATE AND PERMANENT DENIAL OF AIRPORT PRIVILEGES. YOU WILL BE GIVEN AN OPPORTUNITY TO DISCUSS THE CIRCUMSTANCES OF INCIDENTS, AND EXCEPTIONS ARE POSSIBLE. HOWEVER, FAILURE TO FULLY DISCLOSE PRIOR ARRESTS AND CONVICTIONS IS CONSIDERED UNTRUTHFUL CONDUCT. INITIAL _____

CERTIFICATE OF APPLICANT (read carefully before signing): I hereby certify that all statements made on this questionnaire are true and complete to the best of my knowledge. I understand that any misstatements or omissions can be grounds for revocation or denial of an FYI Identification Badge. I further understand that I am required to report any subsequent violations to Airport Public Safety immediately and that I may be subject to background inquiries at any time.

Signature: _____ **Date:**_____

Print Name: _____

Acceptable Documents

All documents must be original and not expired

LIST A

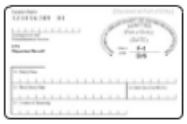
Documents that Establish both Identity and Employment Authorization

1 U.S. Passport or U.S. Passport Card.

2 Permanent Resident Card or Alien Registration Receipt Card (Form I-551) or a foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine-readable immigrant visa.

3 Employment Authorization Document that contains a photograph (Form I-766).

4 In the case of a nonimmigrant alien authorized to work for a specific employer incident to status, a foreign passport with Form I-94 or Form I-94A bearing the same name as the passport and containing an endorsement of the alien's nonimmigrant status, as long as the period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitation identified on the form.



*Regardless if the identification in LIST A establishes identity and employment authorization, applicants are required to present a second piece of identification from this form.

LIST B

Documents that Establish Identity

1 Driver license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address.

2 ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address.

LIST C

Documents that Establish Employment Authorization

1 Social Security Account Number card other than one that specifies on the face that the issuance of the card does not authorize employment in the United States.

2 Certification of Birth Abroad issued by the Department of State (Form DS-1350).

3 Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal.

4 Certificate of Naturalization.

Acceptable Documents

All documents must be original and not expired

U.S. Born Citizen

Combination of Identification	LIST A	LIST B		LIST C	
	U.S. Passport	Driver License	Fed/State ID	Social Security Card	Birth Certificate
1	✓	✓			
2	✓		✓		
3	✓			✓	
4	✓				✓
5		✓		✓	
6		✓			✓
7			✓	✓	
8			✓		✓

U.S. Citizen Born Abroad

Combination of Identification	LIST A	LIST B		LIST C		
	U.S. Passport	Driver License	Fed/State ID	Social Security Card	Certificate of Birth Abroad	Naturalization Certificate
1	✓	✓				
2	✓		✓			
3	✓			✓		
4	✓					✓
5		✓			✓	
6		✓				✓
7			✓		✓	
8			✓			✓

Foreign Citizen

Combination of Identification	LIST A			LIST B		LIST C
	Permanent Resident Card	Employment Authorization	Visa +I-94+ Valid Foreign Passport	Driver License	Fed/State ID	Social Security Card
1	✓			✓		
2	✓				✓	
3	✓					✓
4		✓		✓		
5		✓			✓	
6		✓				✓
7			✓	✓		
8			✓		✓	
9			✓			✓

EXHIBIT I

EXAMPLE OF SEVERE DECLINE IN ENPLANEMENTS FOR THREE MONTHS CALCULATION

The following calculation scenario is intended to provide an example of the mechanics of the Severe Decline in Enplanements for Three Months provision. The enplanement figures used in the calculation are not intended to be representations of actual or projected enplanement levels in the past, present or future.

Assumptions used in Example:

- Current Year – 2023
- Previous Year - 2022

The following table shows the monthly enplanements for the Previous Year (2022) above monthly enplanements for the Current Year (2023):

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Previous Year	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Epax (000)	70	70	85	100	110	120	110	100	80	70	80	90
	Jan	Feb	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec
Current Year	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023
Epax (000)	80	80	60	70	70	70	90	60	70	60	70	90
% of Previous Month's Epax	114.3%	114.3%	70.6%	70.0%	63.6%	58.3%	81.8%	60.0%	87.5%	85.7%	87.5%	100.0%

Per the enplanements shown in this table, there occurs a Severe Decline in Enplanements for Three Months with respect to the months March 2023 – May 2023, and the Space Rent shall be suspended effective June 1, 2023. Enplanement Stabilization for Three Months occurs with respect to the months September 2023 – November 2023, and the Space Rent shall be reinstated effective December 1, 2023.

EXHIBIT J

FRESNO YOSEMITE International Airport

NOTICE OF ANNUAL RENTAL ADJUSTMENT
(Based on USDLBLS Consumer Price Index for All Urban Consumers - All Items)

June 8, 2023 11:23 AM

RE: NEWS & CONVENIENCE CONCESSIONS AGREEMENT
HUDSON GROUP

The rental adjustment calculation shown to the right was completed in keeping with the intent of the lease for support space in the News & Convenience Concessions at Fresno Yosemite International Airport,

between

THE CITY OF FRESNO, CALIFORNIA

AND
HUDSON GROUP dba
HG FRESNO CONCESSIONAIRES JV

EFFECTIVE: July 1, 2024

**** MONTHLY RENTAL WILL BE: $3,078.25**

If you have any questions concerning this matter, please contact the undersigned at (559) 621-4500.

Best,

Airports Properties Division
City of Fresno - Airports Department

FRESNO YOSEMITE INTERNATIONAL AIRPORT
NEWS & CONVENIENCE CONCESSIONS
SUPPORT SPACE

DATE: June 8, 2023 11:23 AM

==========

ANNUAL RENTAL ADJUSTMENT COMPUTATION
FOR LEASE YEAR COMMENCING:
July 1, 2024

==========

USDLBLS CPI - JAN-DEC., 2021		265.510 *
USDLBLS CPI - JAN-DEC., 2022		287.984 *
AMOUNT OF CPI CHANGE		22.5
PERCENTAGE CPI CHANGE		8.4645%
SQUARE FOOTAGE		1,759.00
CURRENT MONTHLY RENTAL		$2,931.67
CURRENT RENT P/SQ FT/YR		20.0000
AMOUNT OF ADJUSTMENT		1.00000
NEW MONTHLY RENTAL		21.0000
	NOTE: 5% MAXIMUM APPLIES	
AMOUNT OF ADJUSTMENT		$146.58

NEW MONTHLY RENTAL		**$3,078.25**
EFFECTIVE:	July 1, 2024	**$36,939.00**

==========

Prepared by:

CITY OF FRESNO
AIRPORTS DEPARTMENT
PROPERTIES DIVISION
4995 EAST CLINTON WAY
FRESNO, CA 93727-1504

TELEPHONE: (559) 621-4500
FACSIMILE: (559) 251-4825

NOTES:

* PER USDL/BLS

**Actual monthly amount billed may be different than showns on this spreadsheet due to rounding.

SAMPLE

FRESNO YOSEMITE International Airport

NOTICE OF ANNUAL RENTAL ADJUSTMENT
(Based on USDLBLS Consumer Price Index for All Urban Consumers - All Items)

June 8, 2023 11:23 AM

RE: NEWS & CONVENIENCE CONCESSIONS AGREEMENT
HUDSON GROUP

The rental adjustment calculation shown to the right was completed in keeping with the intent of the lease for concession space in the News & Convenience Concessions at Fresno Yosemite International Airport,

between

THE CITY OF FRESNO, CALIFORNIA

AND
HUDSON GROUP dba
HG FRESNO CONCESSIONAIRES JV

EFFECTIVE: **July 1, 2024**

**** MONTHLY RENTAL WILL BE:** **$11,910.50**

If you have any questions concerning this matter, please contact the undersigned at (559) 621-4500.

Best,

Airports Properties Division
City of Fresno - Airports Department

FRESNO YOSEMITE INTERNATIONAL AIRPORT
NEWS & CONVENIENCE CONCESSIONS
CONCESSION SPACE

DATE: June 8, 2023 11:23 AM

==========

ANNUAL RENTAL ADJUSTMENT COMPUTATION
FOR LEASE YEAR COMMENCING:
July 1, 2024

==========

USDLBLS CPI - JAN-DEC.,	2021	265.510 *
USDLBLS CPI - JAN-DEC.,	2022	287.984 *
AMOUNT OF CPI CHANGE	.....	22.5
PERCENTAGE CPI CHANGE	.....	8.4645%
SQUARE FOOTAGE	.....	3,403.00
CURRENT MONTHLY RENTAL		$11,343.33
CURRENT RENT P/SQ FT/YR	.....	40.0000
AMOUNT OF ADJUSTMENT	.....	2.00000
NEW MONTHLY RENTAL		42.0000
	NOTE: 5% MAXIMUM APPLIES	
AMOUNT OF ADJUSTMENT	.....	$567.17

NEW MONTHLY RENTAL		**$11,910.50**
EFFECTIVE:	July 1, 2024	**$142,926.00**

==========

Prepared by:

CITY OF FRESNO
AIRPORTS DEPARTMENT
PROPERTIES DIVISION
4995 EAST CLINTON WAY
FRESNO, CA 93727-1504

TELEPHONE: (559) 621-4500
FACSIMILE: (559) 251-4825

NOTES:

* PER USDL/BLS

**Actual monthly amount billed may be different than showns on this spreadsheet due to rounding.

SAMPLE

EXHIBIT K
Initial Capital Investment

Fresno International Airport

Permitted Use	**Hudson + Brookstone**
Location	**C-135**
Square Footage	**1,008**
CapEx per Square Foot	**$820**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300	
Pro Forma	**INPUTS**	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	**TOTAL**
Gross Sales		**$1,426,133**	**$1,477,430**	**$1,545,916**	**$1,622,250**	**$1,707,940**	**$1,788,669**	**$1,871,664**	**$1,966,370**	**$2,065,869**	**$2,170,402**	**$2,280,224**	**$2,395,603**	**$2,516,821**	**$2,644,172**	**$2,777,967**	**$30,257,428**
Operating Expenses																	
Cost of Goods	35.8%	$509,989	$528,334	$552,824	$580,121	$610,764	$639,633	$669,313	$703,180	$738,761	$776,142	$815,415	$856,675	$900,023	$945,564	$993,409	**$10,820,149**
Labor	22.5%	$320,456	$331,983	$347,372	$364,524	$383,779	$401,919	$420,568	$441,849	$464,206	$487,695	$512,373	$538,299	$565,537	$594,153	$624,217	**$6,798,927**
Space Rent	**$40.00**	$40,320	$42,336	$44,453	$46,675	$49,009	$51,460	$54,033	$56,734	$59,571	$62,550	$65,677	$68,961	$72,409	$76,029	$79,831	**$870,048**
Percentage Rent	**10.0%**	$102,293	$105,407	$110,139	$115,550	$121,785	$127,407	$133,134	$139,903	$147,016	$154,491	$162,345	$170,599	$179,273	$188,388	$197,966	**$2,155,695**
Other Direct Expenses	6.5%	$93,274	$96,629	$101,108	$106,101	$111,705	$116,985	$122,413	$128,607	$135,115	$141,952	$149,134	$156,681	$164,609	$172,938	$181,688	**$1,978,939**
G&A	5.8%	$82,716	$85,691	$89,663	$94,090	$99,061	$103,743	$108,557	$114,049	$119,820	$125,883	$132,253	$138,945	$145,976	$153,362	$161,122	**$1,754,931**
Royalties	2.5%	$35,653	$36,936	$38,648	$40,556	$42,698	$44,717	$46,792	$49,159	$51,647	$54,260	$57,006	$59,890	$62,921	$66,104	$69,449	**$756,436**
Utilities	0.5%	$7,352	$7,616	$7,969	$8,363	$8,804	$9,221	$9,648	$10,137	$10,650	$11,188	$11,755	$12,349	$12,974	$13,631	$14,320	**$155,977**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$7,730	$8,111	$8,540	$8,943	$9,358	$9,832	$10,329	$10,852	$11,401	$11,978	$12,584	$13,221	**$122,879**
Total Operating Expenses	**84.0%**	**$1,192,053**	**$1,234,931**	**$1,292,176**	**$1,363,710**	**$1,435,717**	**$1,503,624**	**$1,573,400**	**$1,652,977**	**$1,736,617**	**$1,824,490**	**$1,916,810**	**$2,013,800**	**$2,115,698**	**$2,222,753**	**$2,335,224**	**$25,413,980**
EBITDA	**16.0%**	$234,079	$242,499	$253,740	$258,540	$272,223	$285,045	$298,264	$313,393	$329,251	$345,911	$363,414	$381,803	$401,122	$421,419	$442,743	**$4,843,447**
Amortization/Depreciation	2.7%	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	**-$826,135**
Interest & Taxes (24%)	24.0%	-$56,179	-$58,200	-$60,898	-$62,050	-$65,333	-$68,411	-$71,583	-$75,214	-$79,020	-$83,019	-$87,219	-$91,633	-$96,269	-$101,141	-$106,258	**-$1,162,427**
NET PROFIT	**9.4%**	**$122,825**	**$129,224**	**$137,767**	**$141,414**	**$151,814**	**$161,558**	**$171,605**	**$183,103**	**$195,155**	**$207,817**	**$221,119**	**$235,095**	**$249,777**	**$265,203**	**$281,409**	**$2,854,885**

Sales assumptions
- Based on existing Hudson News airside performance, company internal benchmarks for the Brookstone concept
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Fresno International Airport

Permitted Use	**Hudson Local**
Location	**C-203-R**
Square Footage	**1,100**
CapEx per Square Foot	**$888**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300	

Pro Forma	INPUTS	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
Gross Sales		**$3,071,548**	**$3,182,030**	**$3,329,532**	**$3,493,936**	**$3,678,492**	**$3,852,362**	**$4,031,115**	**$4,235,089**	**$4,449,385**	**$4,674,523**	**$4,911,054**	**$5,159,554**	**$5,420,627**	**$5,694,911**	**$5,983,073**	**$65,167,229**
Operating Expenses																	
Cost of Goods	36.1%	$1,110,246	$1,150,181	$1,203,497	$1,262,923	$1,329,633	$1,392,480	$1,457,092	$1,530,821	$1,608,280	$1,689,659	$1,775,156	$1,864,979	$1,959,347	$2,058,490	$2,162,650	**$23,555,434**
Labor	23.3%	$716,324	$742,090	$776,489	$814,830	$857,871	$898,420	$940,107	$987,677	$1,037,653	$1,090,158	$1,145,320	$1,203,274	$1,264,159	$1,328,126	$1,395,329	**$15,197,828**
Space Rent	**$40.00**	$44,000	$46,200	$48,510	$50,936	$53,482	$56,156	$58,964	$61,912	$65,008	$68,258	$71,671	$75,255	$79,018	$82,969	$87,117	**$949,457**
Percentage Rent	**10.0%**	$263,155	$272,003	$284,443	$298,458	$314,367	$329,080	$344,147	$361,596	$379,930	$399,194	$419,434	$440,700	$463,045	$486,523	$511,190	**$5,567,266**
Other Direct Expenses	6.5%	$200,890	$208,116	$217,763	$228,515	$240,586	$251,958	$263,649	$276,989	$291,005	$305,730	$321,200	$337,452	$354,527	$372,467	$391,313	**$4,262,159**
G&A	5.8%	$178,150	$184,558	$193,113	$202,648	$213,353	$223,437	$233,805	$245,635	$258,064	$271,122	$284,841	$299,254	$314,396	$330,305	$347,018	**$3,779,699**
Royalties	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Utilities	0.5%	$15,834	$16,403	$17,164	$18,011	$18,963	$19,859	$20,780	$21,832	$22,937	$24,097	$25,316	$26,597	$27,943	$29,357	$30,843	**$335,937**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$16,648	$17,470	$18,392	$19,262	$20,156	$21,175	$22,247	$23,373	$24,555	$25,798	$27,103	$28,475	**$264,653**
Total Operating Expenses	**82.7%**	**$2,528,598**	**$2,619,550**	**$2,740,979**	**$2,892,969**	**$3,045,724**	**$3,189,782**	**$3,337,806**	**$3,506,618**	**$3,684,053**	**$3,870,466**	**$4,066,312**	**$4,272,067**	**$4,488,234**	**$4,715,339**	**$4,953,935**	**$53,912,432**
EBITDA	**17.3%**	$542,950	$562,480	$588,553	$600,967	$632,768	$662,580	$693,308	$728,471	$765,331	$804,057	$844,742	$887,486	$932,393	$979,572	$1,029,138	**$11,254,797**
Amortization/Depreciation	1.5%	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	**-$976,568**
Interest & Taxes (24%)	24.0%	-$130,308	-$134,995	-$141,253	-$144,232	-$151,864	-$159,019	-$166,394	-$174,833	-$183,679	-$192,974	-$202,738	-$212,997	-$223,774	-$235,097	-$246,993	**-$2,701,151**
NET PROFIT	**11.6%**	**$347,537**	**$362,380**	**$382,196**	**$391,630**	**$415,799**	**$438,456**	**$461,810**	**$488,533**	**$516,547**	**$545,979**	**$576,900**	**$609,385**	**$643,514**	**$679,370**	**$717,041**	**$7,577,078**

Sales assumptions
- Based on existing Hudson News airside performance, company internal benchmarks
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Fresno International Airport

Permitted Use	**Hudson + Café**
Location	**T-105**
Square Footage	**1,245**
CapEx per Square Foot	**$806**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300

Pro Forma	INPUTS	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
Gross Sales		**$1,346,278**	**$1,394,704**	**$1,459,355**	**$1,531,414**	**$1,612,306**	**$1,688,514**	**$1,766,863**	**$1,856,266**	**$1,950,193**	**$2,048,873**	**$2,152,546**	**$2,261,465**	**$2,375,895**	**$2,496,115**	**$2,622,418**	**$28,563,203**
Operating Expenses																	
Cost of Goods	33.1%	$445,586	$461,614	$483,012	$506,862	$533,635	$558,858	$584,790	$614,380	$645,468	$678,128	$712,442	$748,491	$786,365	$826,155	$867,958	**$9,453,742**
Labor	28.6%	$384,852	$398,695	$417,177	$437,776	$460,900	$482,685	$505,082	$530,639	$557,490	$585,699	$615,335	$646,471	$679,182	$713,549	$749,655	**$8,165,188**
Space Rent	**$40.00**	$49,800	$52,290	$54,905	$57,650	$60,532	$63,559	$66,737	$70,074	$73,577	$77,256	$81,119	$85,175	$89,434	$93,905	$98,601	**$1,074,612**
Percentage Rent	**10.0%**	$84,828	$87,180	$91,031	$95,492	$100,698	$105,293	$109,950	$115,553	$121,442	$127,631	$134,136	$140,972	$148,156	$155,706	$163,641	**$1,781,708**
Other Direct Expenses	6.8%	$91,051	$94,326	$98,699	$103,572	$109,043	$114,197	$119,496	$125,543	$131,895	$138,569	$145,580	$152,947	$160,686	$168,817	$177,359	**$1,931,780**
G&A	5.8%	$78,084	$80,893	$84,643	$88,822	$93,514	$97,934	$102,478	$107,663	$113,111	$118,835	$124,848	$131,165	$137,802	$144,775	$152,100	**$1,656,666**
Royalties	4.2%	$56,530	$58,563	$61,278	$64,303	$67,700	$70,900	$74,190	$77,944	$81,888	$86,031	$90,385	$94,958	$99,763	$104,811	$110,114	**$1,199,358**
Utilities	0.5%	$6,940	$7,190	$7,523	$7,894	$8,311	$8,704	$9,108	$9,569	$10,053	$10,562	$11,096	$11,658	$12,248	$12,867	$13,519	**$147,243**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$7,297	$7,657	$8,062	$8,443	$8,834	$9,281	$9,751	$10,244	$10,763	$11,307	$11,879	$12,481	**$115,999**
Total Operating Expenses	**89.4%**	**$1,197,672**	**$1,240,751**	**$1,298,266**	**$1,369,668**	**$1,441,991**	**$1,510,192**	**$1,580,273**	**$1,660,199**	**$1,744,205**	**$1,832,462**	**$1,925,185**	**$2,022,599**	**$2,124,942**	**$2,232,465**	**$2,345,427**	**$25,526,296**
EBITDA	**10.6%**	$148,607	$153,952	$161,089	$161,746	$170,315	$178,323	$186,590	$196,067	$205,988	$216,411	$227,361	$238,866	$250,952	$263,650	$276,991	**$3,036,907**
Amortization/Depreciation	3.5%	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	**-$1,003,541**
Interest & Taxes (24%)	24.0%	-$35,666	-$36,949	-$38,661	-$38,819	-$40,876	-$42,797	-$44,782	-$47,056	-$49,437	-$51,939	-$54,567	-$57,328	-$60,229	-$63,276	-$66,478	**-$728,858**
NET PROFIT	**4.6%**	**$46,039**	**$50,101**	**$55,525**	**$56,024**	**$62,537**	**$68,622**	**$74,906**	**$82,108**	**$89,648**	**$97,569**	**$105,892**	**$114,635**	**$123,821**	**$133,472**	**$143,611**	**$1,304,509**

Sales assumptions
- Based on existing Hudson News landside performance, estimation for coffee service capacity and an synergy sales uplift for the hybrid Retail + F&B location
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 13: ANTICIPATED MINIMUM CAPITAL INVESTMENT PROPOSAL (Continued)

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

SCHEDULE 2: PROPOSAL SHEET FOR INITIAL CAPITAL INVESTMENT PER NEWS & GIFT CONCESSION UNIT

SCHEDULE NO. 2 – FAT: Initial Capital Investment (Dollar Amount) per News & Gift Concession Unit. (Be Advised, there is also a Mid-Term Refurbishment Requirement for Each News & Gift Concession Unit. The Refurbishment Requirement (not less than ½ of 1% of each Unit's Total Gross Sales) will begin at the start of Year 4 (2026) for those Units located in the Terminal Building and Concourse A and at the start of Year 5 (2027) for those Units located in Concourse B, and continue through each subsequent year, including Option Years.)

Concession Location (Concourse, Space #, Sq.Ft.)*	**Merchandising Plan**	**Minimum Opening Year**	**Initial Capital Investment (Dollar Amount)**
Terminal (Pre-Security); Space T-105 (1,245sq.ft.)	Combination News & Convenience and National Branded Coffee	2023	$ 1,003,541
Concourse A; Space C-135 (1,008sq.ft.)	News & Convenience	2023	$ 826,135
Concourse A; Space POD (1,470sq.ft.) N&C ONLY	News & Convenience	2023	$ 976,568
Total Initial Capital Investment (Dollar Amount) For All News & Convenience Units			$ 2,806,244

FAT Total Schedule No. 2 is $ two million eigth hundred and six thousand two hundred forty four **dollars and** -- **cents.**

The Proposer shall submit proposals on Schedule 1 or Schedule 2, or may bid on both schedules.

The City reserves the right to award a contract for the Schedule 1 or 2 or both, as listed in the order shown in the bid proposal, subject to available funds at the time of award, whichever the City deems to be in its own best interest.

Completion of Bid Proposal Form to be Eligible for Award. Proposers must bid all items within the schedules. The Proposer is non-responsive and ineligible for award in the event Proposer fails to initial this paragraph on the line provided and completely fill in the Proposal Form including, without limitation, all dollar amounts, and information called for on this Proposal Form. By Proposer's initials to the right hereof, Proposer represents he/she has read and understands the consequences of not completely filling in this Proposal Form.

Initial

The City reserves the right to reject any and all proposals.

FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL

FOOD & BEVERAGE CONCESSIONS
AND NEWS & CONVENIENCE CONCESSIONS

PROPOSED CAPITAL INVESTMENT
SOURCE(S) OF FUNDS

HG Fresno Concessionaires JV, a Joint Venture ("JV") between Hudson (HG) Retail, LLC with 87% ownership and Martinez-Niebla, LLC with 13% ownership will invest approximately $2.8 million. $100,000 of that investment will be funded from internal cash flows from the JV partners, proportional to ownership percentage. The remaining portion of the capital investment will be financed by the JV. If 3rd party financing is unavailable for whatever reason, Hudson shall act as lender of last resort

EXHIBIT L

FAA
Airports

ASSURANCES

AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

   The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

   The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

   Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and

assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

a. 49 U.S.C. subtitle VII, as amended.
b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.[1]
c. Federal Fair Labor Standards Act – 29 U.S.C. § 201, et seq.
d. Hatch Act – 5 U.S.C. § 1501, et seq.[2]
e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.[1, 2]
f. National Historic Preservation Act of 1966 – Section 106 – 54 U.S.C. § 306108.[1]
g. Archeological and Historic Preservation Act of 1974 – 54 U.S.C. § 312501, et seq.[1]
h. Native Americans Grave Repatriation Act – 25 U.S.C. § 3001, et seq.
i. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. § 7401, et seq.
j. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. § 1451, et seq.
k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.[1]
l. 49 U.S.C. § 303, (formerly known as Section 4(f)).
m. Rehabilitation Act of 1973 – 29 U.S.C. § 794.
n. 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).
o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
p. Age Discrimination Act of 1975 – 42 U.S.C. § 6101, et seq.
q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
r. Architectural Barriers Act of 1968, as amended – 42 U.S.C. § 4151, et seq.[1]
s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 – 42 U.S.C. § 8373.[1]
t. Contract Work Hours and Safety Standards Act – 40 U.S.C. § 3701, et seq.[1]
u. Copeland Anti-kickback Act – 18 U.S.C. § 874.[1]

v. National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, et seq.[1]

w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.

x. Single Audit Act of 1984 – 31 U.S.C. § 7501, et seq.[2]

y. Drug-Free Workplace Act of 1988 – 41 U.S.C. §§ 8101 through 8105.

z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).

aa. Civil Rights Restoration Act of 1987, P.L. 100-259.

bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

a. Executive Order 11246 – Equal Employment Opportunity[1]

b. Executive Order 11990 – Protection of Wetlands

c. Executive Order 11998 – Flood Plain Management

d. Executive Order 12372 – Intergovernmental Review of Federal Programs

e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction[1]

f. Executive Order 12898 – Environmental Justice

g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency

h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation

j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America's Workers

k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).

b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [4, 5]

c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.

d. 14 CFR Part 13 – Investigative and Enforcement Procedures.

e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.

f. 14 CFR Part 150 – Airport Noise Compatibility Planning.

g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.

h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.

i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.[1]

j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.[1]

k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).[1]

l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).[1]

m. 49 CFR Part 20 – New Restrictions on Lobbying.

n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.

o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.

p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.[1, 2]

q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.

r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.[1]

s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.

t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.

u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).

v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).

w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.

x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

[1] These laws do not apply to airport planning sponsors.

[2] These laws do not apply to private sponsors.

[3] 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall

apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

[4] Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

[5] Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere

with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.

f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.

g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance-Management.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The

accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of $2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.

c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.

e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.

h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:

   1. Operating the airport's aeronautical facilities whenever required;

   2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and

   3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or

facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:

   1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and

   2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.

d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.

e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable

classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.

g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for

which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

   1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

   2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor’s acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.

   3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. Reports and Inspections.

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the

public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:

   1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

   2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or

b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:

1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;

2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;

3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and

4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:

1. eliminate such adverse effect in a manner approved by the Secretary; or

2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.

b. Applicability

   1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.

   2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

   3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

   The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

   1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or

   2. So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

   "The (**[Selection Criteria: Sponsor Name]**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 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, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] 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."

e. Required Contract Provisions.

   1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.

2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.

3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.

4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

    a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and

    b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

    1. Reinvestment in an approved noise compatibility project;

    2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);

    3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;

    4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or

    5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

    If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development

project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

    1. Reinvestment in an approved noise compatibility project;
    2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
    3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
    4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
    5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by

the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf) for AIP projects as of [Selection Criteria: Project Application Date].

35. Relocation and Real Property Acquisition.

a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.

c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:

   1. Describes the requests;
   2. Provides an explanation as to why the requests could not be accommodated; and
   3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

EXHIBIT A

Proprietary Information Redacted

FORM 1: CHECK LIST

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Proposals shall be submitted in a three-ring binder, **one original (marked original) and 3 copies.** If submitted electronically, hard copies are not applicable. The total proposal packet must be sealed and clearly marked on the outside **RFP No. 12300507 for FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT.**

Proposers are requested to submit this Checklist and the following information, providing the content in the sequence shown below. If documentation provided is incomplete, the Proposer may be considered non-responsive and ineligible for award of a Contract.

	Checkbox Column	Form #	Item Name	Notes/Instructions
✓	✓	1	Cover Letter and Proposal Checklist	Complete one form for entire Proposal
✓	✓	2	Proposed Business Terms & Conditions	Complete one form for entire Proposal
✓	✓	3	Proposal Guarantee OR Proposal Bond	Submit one check or Letter of Credit for entire Proposal in the required amount
✓	✓	4	Non-Collusion Affidavit	Complete one form for entire Proposal
✓	✓	5	References	Complete one form for entire Proposal
✓	✓	6	Proposer Qualification Questionnaire	Complete one form for entire Proposal
✓	✓	7	Statement of Acceptance of the Indemnification and Insurance Requirements	Complete one form for entire Proposal
	✓	8	Certification for Local Preference - N/A	Complete separate form for each Unit within Proposal
✓	✓	9	Addenda and Time Period to Award/Reject	Complete one form for entire Proposal

✓	✓	10	DBE Data Request	Complete one form for entire Proposal
✓	✓	11	Disclosure of Conflict of Interest	Complete one form for entire Proposal
✓	✓	12	Proposer Questions	Submit one copy of each question asked including the answer provided by the city (directly or via Addenda)
✓	✓	13	Proposed Capital Investment	Complete one form, both Schedule 1 and Schedule 2, for entire Proposal
✓	✓	14	Signature Pages	Complete one form for entire Proposal
✓	✓	15	Pro forma	Complete one Pro forma for each space and one Pro forma for the entire package. Each Pro forma should cover each year of the term.
✓	✓	16	Agreement Draft Acknowledgement	Complete one form for entire Proposal
✓	✓	Other	ALL Proposal Requirements detailed in Tab A to Tab H	Complete separate form for each Unit within Proposal
✓	✓	Other	Electronic Submittal OR Binders: 1- Original Bound (8 ½ by 11 paper, double-sided, 12 point-font). Renderings may be produced on 11x17 paper single-sided. 2- Two (2) Bound Copies(8 1/2 by 11 paper, double-sided, 12 point-font). Renderings may be produced on 11x17 paper single-sided	One Original Binder including wet signatures for the Proposal Two binders containing exact copies of Original Binder
✓	N/A Electronic Submission	Other	Flash Drive containing Proposal and all Forms	1 Flash Drive (included in Original Binder)

Bid Results

Bidder Details

Vendor Name	Hudson Group
Address	One Meadowlands Plaza East Rutherford, New Jersey 07073 United States
Respondee	HG Fresno Concessionaires JV
Respondee Title	Mike Callaghan - Director of Business Development
Phone	201-957-3937
Email	ProposalTeam@hudsongroup.com
Vendor Type	NONE
License #	
CADIR	

Bid Detail

Bid Format	Electronic
Submitted	01/17/2023 1:28 PM (PST)
Delivery Method	Electronic Submission via Planet Bids
Bid Responsive	
Bid Status	Submitted
Confirmation #	315862
Ranking	0

Respondee Comment

Please note: We understand the direction within the submission of proposal section states “The flash drive submittal must contain one file per tab, each named accordingly (i.e. Cover Letter, Tab A, etc.) to coincide with each Proposal tab contained within the Proposal; files within tab files to separate and name individual electronic documents is required.” When submitting via planet bids, we are only permitted to upload up to 4 documents. Due to this limitation, we had to combine all tabs into one master response. We are happy to provide each tab separately upon request. Please also note that the proposal guarantee was not uploaded as its own separate attachment. We required that upload space to ensure both proposals and pro formas were submitted. The hard copy of the proposal guarantee was submitted on 1/17 and a copy is also included in the master proposal responses.

Buyer Comment

Attachments

Sending Cashier's Check as Bid Security

File Title	File Name	File Type
HG Fresno Concessionaires JV, All Spaces Proposal - Compressed.pdf	HG Fresno Concessionaires JV, All Spaces Proposal - Compressed.pdf	Proposal documents
HG Fresno Concessionaires JV _Retail Only Proposal -Projected Gross Receipts, Rent and Cash Flow (Form 15).xlsx	HG Fresno Concessionaires JV _Retail Only Proposal -Projected Gross Receipts, Rent and Cash Flow (Form 15).xlsx	Bid Bond
HG Fresno Concessionaires JV, Retail Spaces Proposal - Compressed.pdf	HG Fresno Concessionaires JV, Retail Spaces Proposal - Compressed.pdf	General Attachment
HG Fresno Concessionaires JV_All Space Proposal _Projected Gross Receipts, Rent and Cash Flow (Form 15).xlsx	HG Fresno Concessionaires JV_All Space Proposal _Projected Gross Receipts, Rent and Cash Flow (Form 15).xlsx	General Attachment
		Bid Bond

Line Items

Discount Terms No Discount

Item #	Item Code	Type	Item Description	UOM	QTY	Unit Price	Line Total	Response	Comment
Schedule 1 & 2							$2.0000		
1			FAT Total Schedule No. 1	Lump Sum	1	$1.0000	$1.0000	Yes	Please note – we have submitted all required financial documents within our electronic submittal.
2			FAT Total Schedule No. 2	Lump Sum	1	$1.0000	$1.0000	Yes	Please note – we have submitted all required financial documents within our electronic submittal.

Line Item Subtotals

Section Title	Line Total
Schedule 1 & 2	**$2.0000**
Grand Total	**$2.0000**

NEWS & CONVENIENCE CONCESSIONS

At Fresno Yosemite International Airport Terminal

Cover Letter

FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL

On behalf of HG Fresno Concessionaires JV, we are pleased to submit our proposal for management of the retail spaces located at Fresno Yosemite International Airport. HG Fresno Concessionaires JV is a joint venture between Hudson (87% ownership) The Traveler's Best Friend" for over 30+ years and local ACDBE retailer Martinez-Niebla, LLC (13% ownership).

Proposed Concepts (All Spaces)
For this opportunity we're proposing Hudson, Brookstone & Einstein Bros Bagels & Coffee.

T-105
Hudson remains the only travel essentials brand known and loved by travelers. **Einstein Bros. Bagels** is also known from coast to coast and it would be a first in Fresno. What a powerful "hybrid" concept – N&C and coffee, a combo we know well and operate expertly.

C-135
In late 2019, all **Brookstone** locations in U.S. airports became powered by **Hudson**. Since that time, we've transformed the brand into a tech-centric lifestyle brand that carries the hottest in audio, tech, STEM, chargers, and even tech-enabled wellness items. It's THE airside concept to explore and experience technology.

POD
In recent years, we've focused on the need for hybrid locations – meaning the combination of different types of concessions in a single space. Regardless of the food option chosen for the POD space, we will customize the assortment of this **Hudson** to maximize sales and the guest experience.

Supporting the Fresno Community
We're proud to share a few ways that we connect with the Fresno area today, and tomorrow.

MNC
INSPIRING SUCCESS
INSPIRANDO ÉXITO

We're delighted to share that, Rueben Martinez – co owner of Martinez-Niebla, LLC, is known and welcomed by long-time community leader Richard Ybarra. In addition to being the CEO of MNC and the son-in-law of Cesar Chavez, he is a resident of Fresno County. Mr. Ybarra offered a letter of support, included with Form 6 of our response, in which he shares that due to his deep knowledge of the Valley's "history, traditions as well as the social and economic conditions and value" that he's confident Mr. Martinez will add "value to the broader community."

VISIT FRESNO COUNTY
FRESNO/CLOVIS
CONVENTION & VISITORS BUREAU

Thanks to our relationship with the National Park Foundation, in 2023 we'll be launching several volunteer initiatives to support Fresno's national parks. We're passionate about supporting the local community and environment – including Fresno County.

Canyon National Park

Sequoia National Park

Yosemite National Park

Thank You.
Thank you so much for your time and consideration. We look forward to our continued partnership with the Fresno Yosemite International Airport.

Sincerely,

Brian Quinn
1 Meadowlands Plaza
East Rutherford, NJ 07073
proposalteam@hudsongroup.com
(201) 939-8109

In the RFP documents, the evaluation criteria (pg. 24) contained items that were not included in the proposal format provided (pg. 28). We complied strictly with the prescribed proposal outline and as a result, some items in the evaluation criteria were excluded. We would like an opportunity to provide more information, to ensure our capabilities and proposed solution receive the proper scoring according to the evaluation criteria. Thank you.

Proposer's Name: HG Fresno Concessionaires JV
(Submit with Proposal)

FORM1: COVER LETTER TO THE PURCHASING MANAGER INCLUDING PROPOSER CHECKLIST

Date:

TO: Purchasing Manager
City of Fresno-Finance and Purchasing Department
2600 Fresno Street
Fresno, California 93721

SUBMITTED BY:

Proposer: Iris Messina

Proposer's Company: HG Fresno Concessionaires JV

Proposer's Contact Email: IMessina@hudsongroup.com

Mailing Address: 1 Meadowlands Plaza

City, State, Zip: East Rutherford, NJ 07073

SUBJECT: PROPOSAL FOR FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

The undersigned hereby submits to the Purchasing Manager of the City of Fresno this proposal for Food & Beverage Concessions and News & Gift Concessions Agreement (Agreement) at Fresno Yosemite International Airport Terminal for City of Fresno, Airports Department as described in this and the attached documents.

Provisions of this proposal are based upon all the terms, covenants and conditions set forth in the RFP, the Agreement and all the other RFP documents.

The signature(s) below represent those of the Proposer and comply with the requirements of this RFP.

Print Name	Print Title	Signature
Brian J. Quinn	Chief Operating Officer	
Print Name	Print Title	Signature
Print Name	Print Title	Signature

(If the proposal is submitted by a corporation the corporate seal must be affixed to this proposal.)
Seal

FORM 1: CHECK LIST

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Proposals shall be submitted in a three-ring binder, **one original (marked original) and 3 copies.** If submitted electronically, hard copies are not applicable. The total proposal packet must be sealed and clearly marked on the outside **RFP No. 12300507 for FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT.**

Proposers are requested to submit this Checklist and the following information, providing the content in the sequence shown below. If documentation provided is incomplete, the Proposer may be considered non-responsive and ineligible for award of a Contract.

Checkbox Column	Form #	Item Name	Notes/Instructions
✓	1	Cover Letter and Proposal Checklist	Complete one form for entire Proposal
✓	2	Proposed Business Terms & Conditions	Complete one form for entire Proposal
✓	3	Proposal Guarantee OR Proposal Bond	Submit one check or Letter of Credit for entire Proposal in the required amount
✓	4	Non-Collusion Affidavit	Complete one form for entire Proposal
✓	5	References	Complete one form for entire Proposal
✓	6	Proposer Qualification Questionnaire	Complete one form for entire Proposal
✓	7	Statement of Acceptance of the Indemnification and Insurance Requirements	Complete one form for entire Proposal
✓	8	Certification for Local Preference - **N/A**	Complete separate form for each Unit within Proposal
✓	9	Addenda and Time Period to Award/Reject	Complete one form for entire Proposal

✓	10	DBE Data Request	Complete one form for entire Proposal
✓	11	Disclosure of Conflict of Interest	Complete one form for entire Proposal
✓	12	Proposer Questions	Submit one copy of each question asked including the answer provided by the city (directly or via Addenda)
✓	13	Proposed Capital Investment	Complete one form, both Schedule 1 and Schedule 2, for entire Proposal
✓	14	Signature Pages	Complete one form for entire Proposal
✓	15	Pro forma	Complete one Pro forma for each space and one Pro forma for the entire package. Each Pro forma should cover each year of the term.
✓	16	Agreement Draft Acknowledgement	Complete one form for entire Proposal
✓	Other	ALL Proposal Requirements detailed in Tab A to Tab H	Complete separate form for each Unit within Proposal
✓	Other	Electronic Submittal OR Binders: 1- Original Bound (8 ½ by 11 paper, double-sided, 12 point-font). Renderings may be produced on 11x17 paper single-sided. 2- Two (2) Bound Copies(8 1/2 by 11 paper, double-sided, 12 point-font). Renderings may be produced on 11x17 paper single-sided	One Original Binder including wet signatures for the Proposal Two binders containing exact copies of Original Binder
N/A Electronic Submission	Other	Flash Drive containing Proposal and all Forms	1 Flash Drive (included in Original Binder)

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM: Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 10/12/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION: We noticed a discrepancy in the question deadline. The proposed schedule in the RFP states December 6, 2022. The planetbids site states November 22, 2022. Please confirm which date is accurate. Thank you!

ANSWER: Page 15. Last Day to Submit Questions by 5:00 p.m. – December 6, 2022, shall be deleted and replaced with the following revised information:

Last Day to Submit Questions by 5:00 p.m. November 22, 2022

RESPONSE BY: MELISSA GARZA-PERRY

INCLUDED IN ADDENDUM NO. 2

DATE: 10/12/2022

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 10/24/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION: Can the City provide LODs for the Concourse A Space POD delineating the space between retail and F&B for those parties considering space category proposal Option 2 (News & Convenience) OR proposal Option 3 (Food & Beverage) ONLY?

ANSWER: Note for Pod Spaces: It is the intent of the City to redevelop these spaces as indicated on the attached Lease Outline Drawing (LOD). However, the City desires to receive a design that is highly efficient and representative of the requirements stated within the RFP.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 10/28/22

INCLUDED IN ADDENDUM NO. 5

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 10/24/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION: Can the City please provide an LOD of the Concourse A; Space POD - We'd like to understand how the city is envisioning the layout between both the F&B and N&C concepts in the space.

Right now we see one large space, but not how each of the individual units within that space will be located or positioned.

ANSWER: Note for Pod Spaces: It is the intent of the City to redevelop these spaces as indicated on the attached Lease Outline Drawing (LOD). However, the City desires to receive a design that is highly efficient and representative of the requirements stated within the RFP.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 10/28/2022

INCLUDED IN ADDENDUM NO. 5

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM: Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 10/31/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:

Can you please confirm which space on the map (Exhibit 2) is designated for C-120? There are currently 6 spaces colored in on the concession space map and it's not clear which is C-120. Can you please also confirm that FAT would like a national branded coffee in this space?

ANSWER: Revised Exhibit 2 with space number labels is attached. Yes, City would like a national branded coffee for Space C-120.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 12/9/2022

INCLUDED IN ADDENDUM NO. 7

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/15/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION: Can you please clarify the security deposit amount (SECTION 15.01 FORM OF SURETY)?

ANSWER: It is 3 times the monthly rent for all space for Concessions, Support Space, Storage and Office Space. City will determine the actual amount based upon the awarded locations.

RESPONSE BY: MELISSA GARZA-PERRY

INCLUDED IN ADDENDUM NO. 7

DATE: 12/9/2022

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/21/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:
What is available for support premises (storage and office space) and where is it located?

ANSWER: Support premises is available. See map provided as RFP Exhibit 5 showing locations available for storage.

RESPONSE BY: MELISSA GARZA-PERRY
DATE: 12/9/2022

INCLUDED IN ADDENDUM NO. 7
DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/21/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:
How and where are deliveries received? What is the path concessionaires need to use to bring products to each space?

ANSWER: See map provided as RFP Exhibit 5 for path of travel for deliveries, including newly added storage spaces.

RESPONSE BY: MELISSA GARZA-PERRY

INCLUDED IN ADDENDUM NO. 7

DATE: 12/9/2022

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/21/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:
Is there a loading dock? and if so, where is it located?

ANSWER: The loading dock is currently located outside of the old pre-screening restaurant area. There will be a newly created storage space for both F&B and N&C in the remodeled area to allow for use of the dock by both F&B and N&C deliveries. See map provided as RFP Exhibit 5.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 12/9/2022

INCLUDED IN ADDENDUM NO. 7

DATE: _____

Duplicate as Necessary, one sheet per question.

FORM 12: Proposer Questions

City of FRESNO

PURCHASING DIVISION
TELEPHONE # (559) 621-1332
RIGHTFAX # (559) 457-1244

PROPOSER QUESTIONS FOR: **FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT** RFP NO. 12300507 ATTENTION**:** Tamra Torrence Employee's Title: Sr. Procurement Specialist Employee's E-mail Address: Tamra.Torrence@fresno.gov	**(FOR CITY OF FRESNO USE ONLY)** QUESTION No: _____ DATE: ___ REVIEWED BY: ____ RESPONSIBLE FOR RESPONSE: [__] CITY [__] CONSULTANT
FROM:Iris Messina COMPANY: Hudson CONTACT PERSON: Iris Messina	DATE: 11/22/2022 PHONE No: 201.957.3937 FAX No: N/A

QUESTION:

Are the F&B spaces currently vented and can we access the vents? If not, are we able to vent the spaces?

ANSWER: The only space currently vented is the POD F&B (Space 203). Spaces C120 and C134 can have venting added at Concessionaires expense with approval by City of the roofing vendor.

RESPONSE BY: MELISSA GARZA-PERRY

DATE: 12/9/2022

INCLUDED IN ADDENDUM NO. 7

DATE: _____

Duplicate as Necessary, one sheet per question.

FRESNO YOSEMITE International Airport

AIRPORT CODE: FAT

ADDENDUM NO. 1
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type.**

Page 23. Paragraph 7. Parking, shall be deleted and replaced with the following revised information:

7. PARKING: The successful Proposer's employees will be permitted to use designated airport employee parking facilities at a cost of $15.00/month (subject to change). **There is a fee of $25.00 for a key card and activation. There is an additional $25.00 fee for replacement of lost cards.**

City of Fresno

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date: 1
October 6, 2022

IN FRESNO

City of Fresno
Airports Department
4995 E Clinton Way,
Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

FRESNO
YOSEMITE
International
Airport

AIRPORT CODE: FAT

ADDENDUM NO. 2
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type.**

Page 15. Last Day to Submit Questions by 5:00 p.m. – December 6, 2022, shall be deleted and replaced with the following revised information:

Last Day to Submit Questions by 5:00 p.m. **November 22, 2022**

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date: 2
October 12, 2022

FRESNO

City of Fresno
Airports Department
4995 E Clinton Way,
Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

FRESNO
YOSEMITE
International
Airport

AIRPORT CODE: FAT

ADDENDUM NO. 3
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type.**

Page 48. RFP - 8. Certification for Local Preference / Complete separate form for each Unit within Proposal, **shall be deleted in full.**

Page 58 RFP – **Form 8 shall be deleted in full.**

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date: 3
October 12, 2022

IGFRESNO

City of Fresno
Airports Department
4995 E Clinton Way,
Fresno, California 93727-1525
(559) 621-4500
flyfresno.com

FRESNO YOSEMITE International Airport

AIRPORT CODE: FAT

ADDENDUM NO. 4
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type**.

Page 6. RFP - A proposal conference will be held at **1:00 PM., on November 15,2022**. Join the meeting by going to https://zoom.us/j/92047244398 or call 1 (669) 900-9128, Meeting ID: 920 4724 4398. Prospective Proposers are encouraged to attend since City Staff will be present to answer any questions regarding the Specifications, **shall be deleted in full** and replaced with.

A proposal conference/site tour will be held at **1:00 PM., on November 15,2022**. Prospective Proposers are encouraged to attend since City Staff will be present to answer any questions regarding the Specifications. Prospective Proposers will meet at the Nick Palomares Prescreening Terminal Conference room at Fresno Yosemite International Airport located at 5175 East Clinton Way, Fresno, CA 93727. Those interested must RSVP to Tamra Torrence (tamra.torrence@fresno.gov) no later than November 1, 2022, by 5 p.m.

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

Addenda to date: 4
October 12, 2022

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ADDENDUM NO. 5
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type**.

The clarifications below shall apply to the following:

Page 14. RFP – CONCESSIONS OPPORTUNITY, Concourse A; Space POD for F&B ONLY should be **4,100 square ft.**

Page 14-15. RFP – CONCESSIONS OPPORTUNITY, Concourse A; Space POD for N&C ONLY should be **1,100 square ft.**

Page 18. RFP – Locations and Merchandising Descriptions: News & Convenience Package; Concourse A; POD **5,200SF** for N&C ONLY **1,100SF.**

Page 18. RFP – Locations and Merchandising Descriptions: Food & Beverage Package; Concourse A; POD **5,200SF** for F&B ONLY **4,100SF.**

Page 25. RFP - SELECTION PROCESS AND EVALUATION CRITERIA; PROPOSAL EVALUATION; Concept and Design Section; and

Page 30 – RFP - SUBMISSION OF PROPOSAL, TAB 3 – Tenant Mix & Concessions Plan Section

***Note for Pod Spaces*: It is the intent of the City to redevelop these spaces as indicated on the attached Lease Outline Drawing (LOD). However, the City desires to receive a design that is highly efficient and representative of the requirements stated within the RFP. Therefore, for the Pod Space, in the event Proposer is only proposing on News & Convenience or Food & Beverage, Proposer is asked to submit a representative design sample including materials and**

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renderings/sketches for the unit that fits into the approximate footprint of square footage designated for each category as set forth above in the LOD attached. In the event this solicitation is awarded to separate Food & Beverage and News & Convenience Proposers, Proposers shall agree to work together in conjunction with the City to establish a cohesive design for the two spaces.

The City is not requiring that Proposers finish all square footage allocated to each category in the Pod location. The square footage provided in the LOD is only representative of the potential development area. Proposer must clearly identify and/or delineate the area Proposer is planning to develop within this footprint. The square footage is meant to establish a general footprint within which Proposers shall use their unique creativity to develop open-air, flow-through style locations that incorporate circulation area and ingress and egress.

Pages 141-142 – RFP – **Shall be deleted and replaced with the attached revised LOD.**

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

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Addenda to date: 5
October 28, 2022

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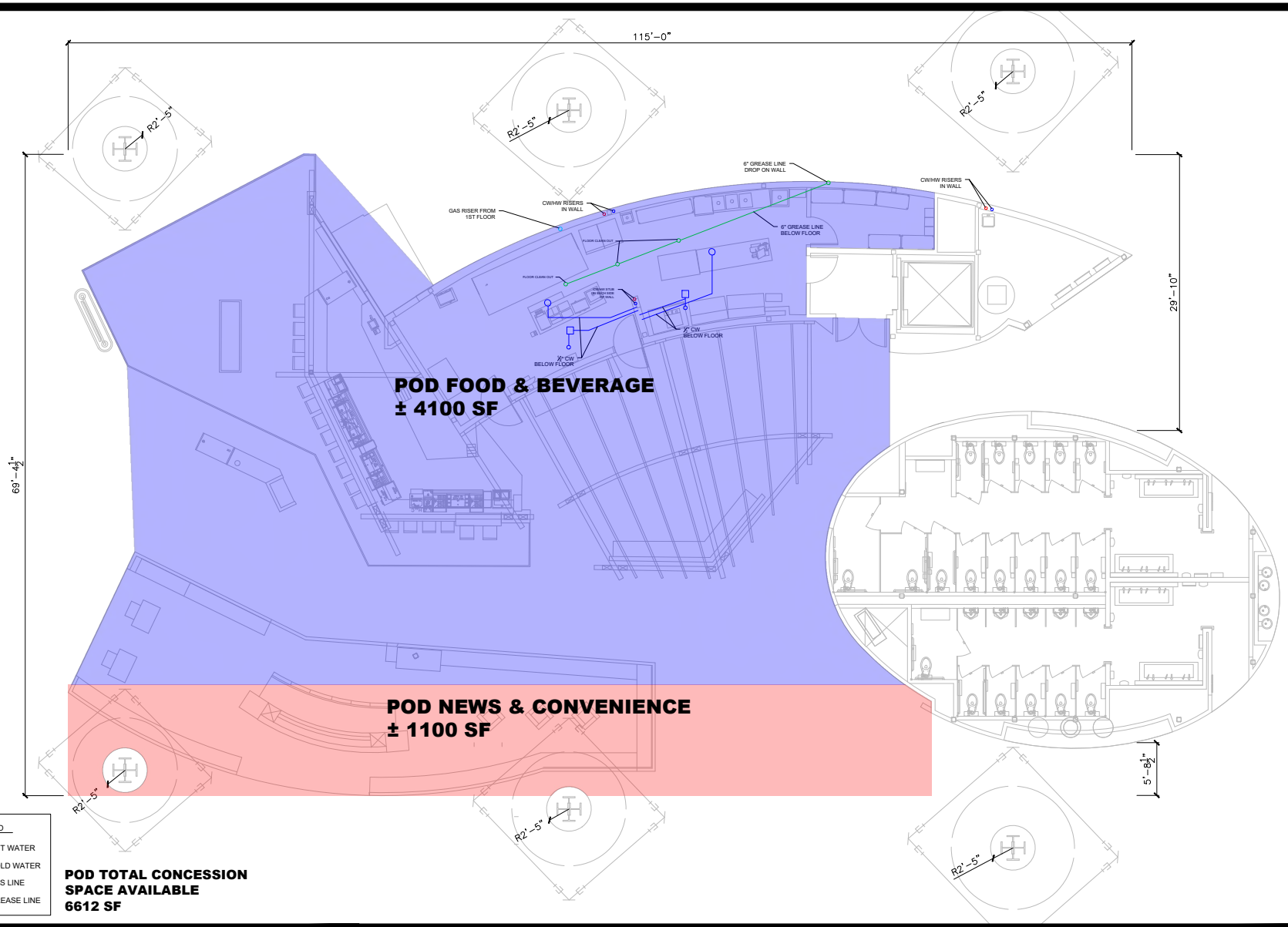
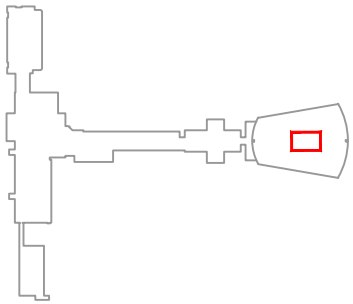


POD TOTAL CONCESSION SPACE AVAILABLE
6612 SF

TERMINAL KEY



DISCLAIMER:

THIS LEASE OUTLINE DRAWING IS PRELIMINARY AND INTENDED TO PROVIDE BASIC ARCHITECTURAL CHARACTERISTICS, APPROXIMATE DIMENSIONS, AND OVERALL AREA OF SHELL LEASE SPACE. INFORMATION CONTAINED WITHIN IS SUBJECT TO CHANGE WITHOUT NOTICE. AS STATED IN GENERAL NOTES 1 AND 2, TENANT IS REQUIRED TO FIELD VERIFY ALL AS-IS CONDITIONS PRIOR TO COMMENCEMENT OF DESIGN WORK.

GENERAL NOTES:

1. ALL DIMENSIONS TO BE FIELD VERIFIED WITH AS-IS CONDITIONS AND COORDINATED WITH ALL WALL TYPES
2. OVERHEAD MEP AND STRUCTURAL CONDITIONS VARY. TENANT SHALL FIELD VERIFY AND CONFIRM ALL AS-IS CONDITIONS
3. BEFORE MAKING FLOOR PENETRATIONS OR ANY KIND OF REMOVAL OF CONCRETE FROM THE FLOOR SLAB, G.C. TO ENSURE THAT THE CONCRETE AT THAT LOCATION IS FREE OF REBAR, STRUCTURAL BEAMS, PAN JOISTS, OR GIRDERS. IF FLOOR IS CONSTRUCTED OF POST TENSIONED SYSTEM, G.C. SHALL ENSURE THAT THE ADEQUATE MEASURES ARE TAKEN TO STEER CLEAR OF STRESSED BARS IN ORDER TO AVOID INJURY OR COMPROMISE OF THE STRUCTURAL INTEGRITY OF THE FLOOR. IN THIS CASE, THE CUTTING OF ANY REBAR SHALL REQUIRE PRIOR APPROVAL FROM A PROFESSIONAL STRUCTURAL ENGINEER FAMILIAR WITH THE ORIGINAL CONSTRUCTION OF THE FLOOR SYSTEM. USE OF SYSTEMS SUCH AS GPR FOR LOCATING REBAR IS HIGHLY RECOMMENDED BEFORE MAKING PENETRATIONS INTO THE SLAB.

FRESNO YOSEMITE International Airport

FRESNO YOSEMITE INTERNATIONAL AIRPORT
LEASE OUTLINE DRAWINGS

TERMINAL CONCESSIONS

DATE: 10/28/22

SCALE: 1/16" = 1' - 0"

SHEET NUMBER: C203

FRESNO YOSEMITE International Airport

AIRPORT CODE: FAT

ADDENDUM NO. 6
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type.**

Additional information provided via PowerPoint

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

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Addenda to date: 6
November 17, 2022

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ADDENDUM NO. 7
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 3, 2023.**

All changes and or clarifications will appear in **bold underlined type**.

DUE DATE OF RFP, COVER PAGE RFP, PAGE 5, PAGE 15, BID OPENING OF 3:00 P.M., JANUARY 3, 2023, shall be deleted and replaced with:

3:00 P.M., January 10, 2023.

QUESTIONS

Question #1, From Hudson: "Can the City provide LOD's for the Concourse A space POD delineating the space between retail and F&B for those parties considering space category proposal Option 2 (News & Convenience) OR proposal Option 3 (Food & Beverage) ONLY?"

Answer: **See Addendum No. 5 for further information on the layout of Space C203 (Pod). See RFP Exhibit 4 for concept drawings of the Food & Beverage area.**

Question #2, From Hudson: "Can the City please provide an LOD of the Concourse A; Space POD – We'd like to understand how the city is envision the layout between both the F&B and N&C concepts in the space. Right now we see one large space, but not how each of the individual units within that space will be located or positioned."

Answer: **See Addendum No. 5 for further information on the layout of Space C203 (Pod). See RFP Exhibit 4 for concept drawings of the Food & Beverage area.**

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Question #3, From Hudson: “Can you please confirm which space on the map (Exhibit 2) is designated for C-120? There are currently 6 spaces colored in on the concession space map and it’s not clear which is C-120. Can you please also confirm that FAT would like a national branded coffee in this space?”

Answer: **Revised Exhibit 2 with space number labels is attached. Yes, City would like a national branded coffee for Space C-120.**

Question #4, From Hudson: “Can you please clarify the security deposit amount (SECTION 15.01 FORM OF SURETY)?”

Answer: **It is 3 times the monthly rent for all space for Concessions, Support Space, Storage and Office Space. City will determine the actual amount based upon the awarded locations.**

Question #5, From Hudson: “What is available for support premises (storage and office space) and where is it located?”

Answer: **Support premises is available. See map provided as RFP Exhibit 5 showing locations available for storage.**

Question #6, From Hudson: “How and where are deliveries received? What is the path concessionaires need to use to bring products to each space?”

Answer: **See map provided as RFP Exhibit 5 for path of travel for deliveries, including newly added storage spaces.**

Question #7, From Hudson: “Is there a loading dock? And if so, where is it located”

Answer: **The loading dock is currently located outside of the old pre-screening restaurant area. There will be a newly created storage space for both F&B and N&C in the remodeled area to allow for use of the dock by both F&B and N&C deliveries. See map provided as RFP Exhibit 5.**

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Question #8, From Hudson: “Are the F&B spaces currently vented and can we access the vents? If no, are we able to vent the spaces?”

Answer: **The only space currently vented is the POD F&B (Space 203). Spaces C120 and C134 can have venting added at Concessionaires expense with approval by City of the roofing vendor.**

Question #9, From SSP America, Inc.: “Please provide 2022 monthly sales for each Food & Beverage location?”

Answer: **2022 monthly sales (through October) have been provided as RFP Exhibit 3.**

Question #10, From SSP America, Inc.: “With the rise in food costs and construction costs, please consider increasing the pricing to street plus 15%?”

Answer: **The City will not consider increasing the pricing to Street plus 15% at this time.**

Question #11, From SSP America, Inc.: “Where should the $5,000 Deposit Check be mailed if a respondent submits electronically?”

Answer: **Please submit the check to: Purchasing Office, Attn: Tamra Torrence, Sr. Procurement Specialist, City of Fresno, 2600 Fresno Street, Room 2156, Fresno, CA 93721**

Question #12A, From SSP America, Inc.: “C120 and C134 – These spaces have gate doors to the exterior within the footprints. Are these required for operations or code exiting or can they be removed?”

Answer: **One door must remain in the store design in order to receive product deliveries via SIDA. Door placement can be moved per final approval by City of Proposer's design plan.**

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Question #12B, From SSP America, Inc.: “POD F&B - Is there a height restriction?”

Answer: **There are no codes or architectural restrictions. The only restrictions would be upon final approval of the design by the City and the Proposer's ability to maintain the location.**

Question #12C, From SSP America, Inc.: “POD F&B – There is an existing Flight Information Display at the top of the escalators, is it possible to relocate this?”

Answer: **It is possible, provided that the City finds a suitable alternative location for the FIDS.**

Question #12D, From SSP America, Inc.: “POD F&B – Are we able to apply new materials/finishes to the back of the restroom core?”

Answer: **Proposers are able to submit design plans that apply new materials/finishes to the back of the restroom core, subject to City approval of the finish, location, etc.**

Additional Information Regarding Demo of existing facilities:

City will be responsible for the demolition of the existing concession spaces to the studs and will provide stub outs for utilities connections. Outgoing Concessionaire, if any, is responsible for the removal of any fixtures and furniture in the space prior to demolition.

Revised Exhibit 1 to RFP:
Attached is the revised Exhibit 1 to the RFP. It includes a PDF of the tracked changes to show what was updated in the document.

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MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

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City of FRESNO
Purchasing Division - (559) 621-1332 - www.fresno.gov
2101 G. Street, Bldg. A
Fresno, California 93706

General Services Department
Brian Barr, Director

ADDENDUM NO. 8

FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT
Bid File No. 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **January 10, 2023, 3:00 P.M.**

PURCHASING DIVISION

NOTICE OF RELOCATION

Please be advised that the Purchasing Division has been relocated, formerly located at Fresno City Hall, 2nd Floor, Fresno Street, Fresno CA 93721, and will now be housed at the Municipal Service Center (MSC), located at:

2101 G. Street, Building A
Fresno, CA 93706

As we continue to provide bid support, please note you can continue to reach the Purchasing Division at the following telephone number:

559-621-1332

****In person Bid Openings are now held at the above mentioned address****

****Please send deposits and mail correspondences to the above mentioned address****

City of Fresno

MELISSA PERALES
Purchasing Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

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ADDENDUM NO. 9
FOOD & BEVERAGE CONCESSIONS AND NEWS & CONVENIENCE CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL
Bid File: 12300507

NOTICE TO ALL BIDDERS

This Addendum is attached to and made a part of the above entitled specifications for the City of Fresno with a scheduled bid opening of **3:00 P.M., January 10, 2023.**

All changes and or clarifications will appear in **bold underlined type**.

DUE DATE OF RFP, COVER PAGE RFP, PAGE 5, PAGE 15, BID OPENING OF 3:00 P.M., JANUARY 10, 2023, shall be deleted and replaced with:

3:00 P.M., January 17, 2023.

MELISSA GARZA-PERRY
Airports Properties Manager

The bidder shall sign below indicating he/she has thoroughly read and understands the contents of this Addendum.

Signed: _____

Company: HG Fresno Concessionaires JV

This addendum is being distributed ONLINE only and will not be sent by U.S. Mail. The bidder shall submit a signed copy of this addendum with their bid.

January 9, 2023

Addendum 8

FRESNO

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(559) 621-4500
flyfresno.com

TAB 1 –
Proposed Business Terms
and Conditions

Proposer's Name **HG Fresno Concessionaires JV**
(Submit with Proposal)

FORM 2: BUSINESS TERM/DEAL

NEWS & CONVENIENCE CONCESSIONS
AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Key Business Terms for News & Convenience (3 locations)	
Term	15 years from construction completion date of the entire package.
Space Rent (1st Year)	$40.00 square foot/year with annual CPI adjustments not to exceed 5% starting year 2.
Support Space Rent (1st Year)	$20.00 square foot/year with annual CPI adjustments not to exceed 5% starting year 2.
Percentage Rent Rate	10% of sales
Anticipated Minimum Capital Investment	$ 837 per square foot
Mid-Term Refurbishment Requirement	$ 158 per square foot
ACDBE Participation Goal	13% of Annual Gross Receipts
Required Hours	Concessionaire shall open all units a minimum of one and one-half hours before the first scheduled flight of the day and remain open until at least 30 minutes after the last departing flight (including flights that may have been delayed).
Use of Concession Space	The spaces associated with this concession opportunity may be used only for the sale of permitted News & Gift items as stated in the successful proposal. The specific concept will be documented in a final executed concession agreement. The space may not be subdivided into separate concepts, without prior written consent. No advertising or sponsorship is allowed in the concession space unless approved by City.
Storage Space	Concession storage space is available. Storage space cost is $20.00 per square foot per year and is not included in the RR and is subject to annual CPI adjustments not to exceed 5% annually.
Restrictions on Use of the Concession Space	Proposers are restricted from proposing any uses except as described RFP response.

Agreed to by: _____ Date: 11/21/2022
Title: **Chief Operating Officer & Deputy CEO**

Joint Venture Certificate of Authority

THE UNDERSIGNED, being all of the partners of HG Fresno Concessionaires JV (the "Company"), a joint venture to be formed, hereby certify that Jordi Martin Consuegra, Brian Quinn and/or Courtney Thornton as representatives of Hudson Group (HG) Retail, LLC, the majority partner and Administrator of the Company, are duly authorized to execute and deliver, on behalf of the Company, any and all agreements, documents and submissions in connection with the pending Request for Proposal No. 12300507 – Food & Beverage Concessions and News & Convenience Concessions at Fresno Yosemite International Airport Terminal for City of Fresno, Airports Department that are reasonably necessary to complete the Company's proposal in response to the Request for Proposal No. 12300507 – Food & Beverage Concessions and News & Convenience Concessions at Fresno Yosemite International Airport Terminal for City of Fresno, Airports Department and in the event of award, any and all documents related to the lease and operation of the awarded concessions.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Certificate of Authority this January day of 04, 2023.

Hudson Group (HG) Retail, LLC

By: _____

Martinez & Niebla, LLC

By: _____

ALWAYS FRESH BAKED - FRESH BREWED - FRESH FOOD

November 18, 2022

Evan Schut
Senior Vice President, Food & Beverage
HUDSON
One Meadowlands Plaza
East Rutherford, NJ 07073

Re: **Letter of Authorization – Einstein Bros. Bagels**

Dear Evan,

It is our pleasure to provide this letter confirming authorization that Hudson ("Hudson") has the rights to include Einstein Bros. Bagels' trademarks, logos, and products in the Proposal of Hudson to the lessor at Fresno Yosemite International Airport ("the Airport") regarding opportunities for development and operations of food and beverage concessions at the Airport.

This letter will remain in effect for one year following the date written above and may be extended by mutual written agreement of the parties. This letter will also automatically terminate if Hudson does not win the award under the Proposal or, after winning the award, the Lease is not signed by Hudson and the Airport (or its designee).

If you need any additional information or support for your package, please let us know.

Thank you for the opportunity to partner with Hudson @ FAT Airport!

All the best,

Tina Welch

Tina Welch
Sr. Director, Business Development
e | tina.welch@bagelbrands.com
c | 502.35.4615

cocokind

December 13, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support – Fresno Yosemite International Airport

Dear Ms. Messina,

On behalf of cocokind, I would like to let you know how excited we are to be part of Hudson's local vendor offerings for the Fresno Yosemite International Airport.

Cocokind creates sensitive skin-friendly products that concentrate on hydration and barrier support. Our transparency is unmatched, providing a detailed breakdown of the product formula and the carbon footprint on the side of every box. Founded by Priscilla Tsai in 2015, cocokind merges results-driven skincare, community, and sustainability to consistently challenge the status quo in the beauty industry. Our philosophy is 'a little bit often' so you can get glowy, happy skin without stepping outside of your natural comfort zone.

We would absolutely love the opportunity to be featured at the Hudson store at the Fresno Yosemite International Airport! Our affordable, effective formulas and engaging packaging are the perfect fit for a diverse audience. We partnered with Napa Farms at the SFO airport and performed very well in this market. Our versatile multi-purpose mymatcha moisture stick (pictured below) was our top selling SKU at Napa Farms. It is sold in a display of 12 units making it incredibly easy to merchandise on the shelf and by the registers. We are excited about the opportunity to reach our local audience in the San Francisco area, where cocokind was founded and continues to be headquartered.

As I mentioned above, we value your partnership and thank you for your business. If you have any questions please reach out to me at katie@cocokind.com.

Thank you so much for considering cocokind for this valuable space!

Katie Lenzen

Katie Lenzen

December 9, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support- Fresno Yosemite International Airport

Dear Ms. Messina,

On behalf of Life's Grape, we are elated to be chosen by Plum Market to be a local offering at the Fresno Yosemite International Airport.

Life's Grape is a family owned, women run, locally owned, farm-to-table business located in Kerman. We are proud of being a California grown product and it would be an honor to have our products available to travelers seeking unique products like ours.

Life's Grape provides the highest quality grapes on the market and are a sought-after snack for those on-the-go. We look forward to a prosperous partnership with the Fresno International Airport that will allow our brand to get the exposure we have been trying to achieve. Thank you for this opportunity.

Thanks a bunch,

Courtney Gillespie

President and Co-Founder

December 9. 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support – Fresno Yosemite International Airport

Dear Ms. Messina

Let me introduce myself, my name is John Hinkle beekeeper and owner of Hinkle's Honey in Fresno California. I am very interested in the opportunity to be a part of Hudson's offerings for the Fresno Yosemite International Airport.

We are a small beekeeping operation in Fresno and a certified producer of our product. Our honey is a unique blend from all our different bee locations in the area, which creates a delicious valley blend. Our honey has never been superheated or filtered, which leaves all the enzymes, nutrients and pollens, leaving it as a raw, natural product.

I believe our produce would be a great asset, and would be honored to have the opportunity to have our honey in such an exclusive hometown location.

Sincerely,

John Hinkle

John Hinkle
Owner
Hinkle's Honey

2500 PEARL ST, STE 315
BOULDER, CO 80302
720.420.0686 | MADEINNATURE.COM

December 8, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support – Fresno Yosemite International Airport

Dear Ms. Messina,

On behalf of Made in Nature, we appreciate the offer of being afforded an opportunity to be part of Hudson's local offerings for Fresno Yosemite International Airport. Debbas Gourmet was aquired by Made in Nature early in 2022. We now share a consolidated facility in Fresno, California.

Our A'Cappella Knotty Grahams are now in distribution at Plum Markets and are set for a July merchandising event with Hudson News stores in airports around the country. If Hudson is awarded the opportunity at FAT we would love to support A'Cappella at your new location.

Our A'Cappella brand provides high-quality, desirable gourmet treats for consumers, and would be a great fit in airport venues – we look forward to working together to bring an amazing experience to the Fresno Yosemite International Airport

Sincerely,

T.Huff

Tim Huff
Director of Sales
Mobile – 732 801 6518

December 8, 2022

HUDSON GROUP
Attn: Iris G. Messina
Vice President, Business Development
One Meadowlands Plaza
East Rutherford, NJ 07073

Subject: **Letter of Support – Fresno Yosemite International Airport**

Dear Ms. Messina,

On behalf of Raphio Chocolate, I would like to share with you how excited we are to be provided with an opportunity to be part of Hudson and Plum Market's local offerings for Fresno Yosemite International Airport.

Our chocolate brand is synonymous with Fresno as we are the only craft chocolate maker in Fresno that makes chocolate from scratch, from cocoa beans. This method of production ensures that the chocolate product is of the highest quality, aesthetically pleasing and tastes delicious. We have full support of our local community evidenced by 5.0 Stars reviews on Yelp and 4.9 stars on Google. Nationally, we have also won a prestigious award – Good Food Award by Good Food Foundation.

Airports are undeniably appealing from an exposure perspective, yet an incredibly daunting and cost-prohibitive direct business pursuit for a small company like ours. The opportunity to have our products featured in select Hudson and Plum Market stores at Fresno Yosemite International Airport is exciting especially as Hudson and Plum Market's approach maximizes our exposure and minimizes our risks - we'd never be able to afford a stand-alone operation.

We look forward to working together to bring an amazing experience to the Fresno Yosemite International Airport, our hometown airport! Thank you for this opportunity and your support.

Regards,

Yohanes Makmur
Co-Founder | VP Marketing

December 8, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support – Fresno Yosemite International Airport

Dear Ms. Messina,

On behalf of Charles Chocolates I would like to let you know how excited we are to be afforded an opportunity to be part of Hudson's local offerings for Fresno Yosemite International Airport.

Airports are undeniably appealing from an exposure perspective, yet an incredibly daunting and a cost-prohibitive direct business pursuit for a small company like mine. The opportunity to have our products featured in select Hudson stores at Fresno Yosemite International Airport is exciting especially as Hudson's approach maximizes our exposure and minimizes our risks - we'd never be able to afford a stand-alone operation.

Charles Chocolates is well known and well loved Northern California artisan chocolatier – we look forward to working together to bring an amazing experience to the Fresno Yosemite International Airport, just as we have with the Hudson Group family of retail locations at SFO! Thank you for this opportunity and your support.

Sincerely,

Chuck 'Charles' Siegel
President

December 22, 2022

Iris G. Messina
Vice President, Business Development
Hudson Group
One Meadowlands Plaza
East Rutherford, NJ 07073

RE: Letter of Support-Fresno Yosemite International Airport

Dear Ms. Messina,

POM Wonderful is excited to partner with Hudson and Plum Market to showcase our local, healthy, high-quality products at the Fresno Yosemite International Airport.

Founded in 2002, POM Wonderful is the largest grower and producer of fresh pomegranates and pomegranate juice in the United States and the worldwide leader in fresh California pomegranates and pomegranate-based products. We grow, handpick, and juice our own pomegranates to ensure the highest quality.

POM Wonderful is credited with making the antioxidant goodness of pomegranates more accessible, more approachable, and always with consistent premium quality and taste. Based in Del Rey, California, just 14.5 miles from the Fresno Yosemite International Airport, the POM Wonderful portfolio includes POM Pomegranate Fresh Arils, POM Wonderful 100% Pomegranate Juice, POM Antioxidant Super Teas, and healthy juice blends.

POM Wonderful is part of The Wonderful Company, a privately held company with a portfolio that includes other No. 1 brands such as Wonderful® Pistachios, FIJI® Water, Wonderful® Halos®, JUSTIN® wine, and Teleflora®.

We fully support Hudson's and Plum Market's approach to include products from local businesses in their airport environment. This allows us to grow our business and offer healthy products to consumers seeking healthier options during their travels.

Please do not hesitate to reach out if you have any additional questions.

Sincerely,

Derrick Miller
President, POM Wonderful

5286 South Del Rey, Del Rey, California 93616

Notice to Purchaser - In the event that this check is lost, misplaced or stolen, a sworn statement and 90-day waiting period will be required prior to replacement. This check should be negotiated within 90 days.

Cashier's Check - Customer Copy

No. 1466217225

Void After 90 Days 30-1/1140 NTX

Date 10/25/22 12:19:18 PM

TETERBORO
0003 0090012 0075

Pay BANK OF AMERICA FIVE ZERO ZERO ZERO 00 CTS CTS

$5,000.00

Five Thousand and 00/100 Dollars

To The Order Of CITY OF FRESNO PURCHASING DEPARTMENT

Not-Negotiable
Customer Copy
Retain for your Records

Remitter (Purchased By): HUDSON GROUP (HG) RETAIL LLC

001641006097

Bank of America, N.A.
SAN ANTONIO, TX

00-53-3364B 06-2019

BANK OF AMERICA

Cashier's Check

No. 1466217225

Notice to Purchaser - In the event that this check is lost, misplaced or stolen, a sworn statement and 90-day waiting period will be required prior to replacement. This check should be negotiated within 90 days.

Void After 90 Days 30-1/1140 NTX

Date 10/25/22 12:19:18 PM

TETERBORO
0003 0090012 0075

Pay BANK OF AMERICA FIVE ZERO ZERO ZERO 00 CTS CTS

$5,000.00

Five Thousand and 00/100 Dollars

To The Order Of CITY OF FRESNO PURCHASING DEPARTMENT

Remitter (Purchased By): HUDSON GROUP (HG) RETAIL LLC

Bank of America, N.A.
SAN ANTONIO, TX

00-53-3364B 06-2019

AUTHORIZED SIGNATURE

⑈1466217225⑈ ⑆111000019⑆ 001641006097⑈

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENTS.

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 3: PROPOSAL DEPOSIT

Accompanying this proposal is a Proposal Deposit in the amount of **Five Thousand Dollars ($5,000.00)** in form of:

[_____] Annual Bidder's Bond [_____] Certificate of Deposit

[_____] Proposer's Bond [_____] Certified Check

[x] Cashier's Check [_____] Irrevocable Letter of Credit

Proposal Deposit is deposited by the undersigned Proposer with the City of Fresno as a guarantee that the Proposer, if awarded all or part of the Agreement, will, within 15 calendar days (except in the event federal funding is applicable to the Agreement, then 10 working days) from the date the Notice of Award is mailed to the Proposer, execute and return an Agreement furnished by the City.

Copies of Proposal Deposits may be submitted electronically, with the exception of a certified or cashier's check, which must be brought to the Purchasing Manager's office prior to the bid opening and labeled accordingly with proposal number.

Such Deposit is made with the understanding that failure to execute such Agreement will result in damage to the City, that the amount of such damage would be difficult to determine and that in the event of such default said Deposit shall become the property of the City; or, if a Proposer's Bond is deposited, the amount of the obligation thereof, but not more than the above stated amount, shall thereupon be due and payable to the City of Fresno as liquidated damages for such default, payment of said amount to be the joint and several obligation of the Proposer and the corporate surety.

BUSINESS LOCATION

( ) The undersigned Proposer does not maintain a place of business in the City of Fresno.

(X) The undersigned Proposer maintains a place of business in the City of Fresno at:

5175 E Clinton Way, Fresno, CA 93727

BUSINESS LICENSE

(x) The undersigned Proposer has a current City of Fresno Business License Number: *Tax Account No. 91631

If the successful proposer does not have a City of Fresno Business License, it shall obtain such a license prior to the issuance of a Notice to Proceed for the Work and maintain in effect throughout the term of this Contract.

*Please note, HG Fresno Concessionaires JV is a newly formed entity. As a result, it does not have a City of Fresno Business License. In lieu of that, we have provided the City of Fresno Business License for the primary equity holder: Hudson Group (HG) Retail, LLC on the following page.

City of FRESNO

Why are business taxes assessed?

To help fund certain governmental services, such as police, fire, street maintenance, parks, economic development, and general administration.

When are business taxes due?

Taxes are due on or before the payment due date on the tax return.
The City mails business tax return forms for your business. Late fees of at least twenty per cent (20%) are assessed if such taxes are not paid (or postmarked) by the due date.

How are business taxes determined?

Depending on your type of business, business taxes are either a fixed amount (flat tax) or a variable amount based on the gross receipts of your business. The business tax return form sent to you will provide the specific instructions on how to determine the proper amount of tax due.

Where are business taxes paid?

You may mail your payment to: Fresno City Business Tax Section
PO Box 45017, Fresno 93718-5017

If you are paying your current tax renewal before the due date, you may renew online at the link below.

Your Web Security Code is found on your renewal form.

www.businesstax.fresno.gov/webrenewals

If your business tax return cannot be mailed or postmarked before the due date, and you need help calculating the late penalty, please bring the tax return and payment to our office:

Fresno City Hall, Tulare and P Street, Second Floor
Monday - Friday 9:00a.m. - 4:30 p.m.

Whom do I contact to update my Business Tax Certificate records or to get additional information?

If the business ownership, business name, location, mailing address, or phone number changes, or the business closes, you are required to report the change to our office. For changes or additional information, please contact our Customer Service Division at:

Telephone: (559) 621-6880 Mon. - Fri. 9 AM - 4:30 PM

Fax Machine: (559) 457-1202

Mailing Address: PO Box 45017, Fresno 93718-5017

Some business may receive additional tax return or permit renewal forms from the City. Additional taxes or permit fees may be required if your business is located within certain special assessment districts or engaged in a particular type of business activity. Additional taxes or permit fees are required for hotels and motels (room tax), taxicab companies and drivers, card rooms, billiard rooms, mobile food vendors and certain other activities.

In most instances, a separate Business Tax Certificate must be filed for each location of the same business within Fresno. With few exceptions, a Business Tax Certificate must be renewed either monthly, semi-annually or annually for it to remain valid. Obtaining a Business Tax Certificate does not entitle the holder thereof to carry on any business without having complied with all applicable provisions of the Fresno Municipal Code (FMC), or carry on any business in any building or location where the conduct of such business would be in violation of the FMC.

Your Tax Certificate is attached at the bottom of this form. Please detach and display your Tax Certificate in your place of business. Businesses which do not maintain a fixed location, or are located outside the City of Fresno, should carry this Tax Certificate while conducting business within the City.

CITY OF FRESNO BUSINESS TAX CERTIFICATE

EXPIRES: 03/31/2023

Business Name: HUDSON GROUP (HG) RETAIL LLC

Location: 5175 E CLINTON WAY

Contact/Owner:: HUDSON NEWS COMPANY

Tax Account No. 91631

This tax certificate may be accepted as valid up to thirty (30) days after the expiration date above if appropriate tax returns have been filed and business tax paid before the due date. This tax certificate must be available for inspection by any authorized City of Fresno employee. Businesses that do not maintain a fixed location, or are located outside the city, should carry this Tax Certificate while conducting business within the City. This certifies that the noted business has a Business Tax Certificate with the City of Fresno. It does not entitle the holder to carry on business activities in a manner inconsistent with any applicable provision of the Fresno Municipal Code.

HUDSON GROUP (HG) RETAIL LLC
TAX DEPT - Aisha Bateman
1 MEADOWLANDS PLZ STE 902
E RUTHERFORD NJ 07073-2100

Michael Lima
City Controller

TAB 2 –
Business Forms, Inserts
and Relevant Materials

The Nation's Leading Travel Retail Concessionaire

Hudson has been a travel retail leader for over 30 years. Built on vision and a progressive attitude that ensures longevity, Hudson grew from a single news/gifts location in LaGuardia Airport to include an array of operations in travel venues and destination locations across the U.S. and Canada.

The information below is reflective of the majority equity holder in HG Fresno Concessionaires JV. The stats we've provided in this statement of qualifications speak to our operations prior to the spread of COIVD-19. While we scaled back operations to deal with the downturn in air travel, we're definitely on the road to recovery and fully expect to be back to business as usual as the crisis continues to abate.

$1.9 Billion
2019 revenue (overall)

Hudson
A DUFRY Company

30+ YEARS
Airport Concessions Experience

AMAC
AIRPORT MINORITY ADVISORY COUNCIL

$150 Million
2019 Food Sales

Operating in
88 Locations
in U.S. & Canada

$180 Million
9 Califonia Markets

88 Markets
North America

150+
F&B Locations

1,000+
Concessions Locations

Trade Name Registrations:
Hudson

Corporate or Limited Liability Company/Partnership entity information:
HG Fresno Concessionaires JV is a joint venture between Hudson (87% ownership) and local ACDBE retailer Martinez-Niebla, LLC (13% ownership).

Legal name of Corporation, Limited Liability Company or Partnership:
HG Fresno Concessionaires JV is a newly formed entity. The primary equity holder is Hudson (HG) Retail, LLC.

State of Formation:
Delaware*

Federal Tax ID:
Hudson (HG) Retail, LLC: 27-2070333*

* Please note, HG Fresno Concessionaires JV is a newly formed entity. As a result, it does not have state of formation or tax ID. In lieu of both, we have provided the state of formation and tax ID for the primary equity holder: Hudson (HG) Retail, LLC.

State of Delaware
Secretary of State
Division of Corporations
Delivered 02:41 PM 01/19/2010
FILED 02:41 PM 01/19/2010
SRV 100049824 - 4777376 FILE

CERTIFICATE OF FORMATION

OF

HUDSON GROUP (HG) RETAIL, LLC

The undersigned, being an authorized person, for the purposes of forming a limited liability company under the Delaware Limited Liability Company Act, Title 6, Chapter 18, Delaware Code, Section 18-101 *et seq.* (the "Act"), hereby certifies, pursuant to Section 18-201(a) of the Act, that:

FIRST: The name of the limited liability company (hereinafter called the "Company") is **HUDSON GROUP (HG) RETAIL, LLC.**

SECOND: The address of its registered office in the State of Delaware is: Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is: The Corporation Trust Company.

Executed on January 19, 2010.

Anthony Webb, Authorized Person

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "HUDSON GROUP (HG) RETAIL, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-SIXTH DAY OF OCTOBER, A.D. 2022.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "HUDSON GROUP (HG) RETAIL, LLC" WAS FORMED ON THE NINETEENTH DAY OF JANUARY, A.D. 2010.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.

4777376 8300

Authentication: 204707538

SR# 20223864760

Date: 10-26-22

You may verify this certificate online at corp.delaware.gov/authver.shtml

Secretary of State
Certificate of Status

I, SHIRLEY N. WEBER, PH.D., California Secretary of State, hereby certify:

Entity Name:	HUDSON GROUP (HG) RETAIL, LLC
Entity No.:	201010310184
Registration Date:	04/09/2010
Entity Type:	Limited Liability Company - Out of State
Formed In:	DELAWARE
Status:	Active

The above referenced entity is active on the Secretary of State's records and is qualified to transact intrastate business in California.

This certificate relates to the status of the entity on the Secretary of State's records as of the date of this certificate and does not reflect documents that are pending review or other events that may impact status.

No information is available from this office regarding the financial condition, status of licenses, if any, business activities or practices of the entity.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of November 15, 2022.

SHIRLEY N. WEBER, PH.D.
Secretary of State

Certificate No.: 059957837

To verify the issuance of this Certificate, use the Certificate No. above with the Secretary of State Certification Verification Search available at **biz**fileOnline.sos.ca.gov.

Certified Profile

CLOSE WINDOW

Print

Business & Contact Information

BUSINESS NAME	**MARTINEZ & NIEBLA LLC**
OWNER	**TRICIA SANCHEZ**
ADDRESS	**2631 CIRCLE DR** **NEWPORT BEACH, CA 92663** [map]
PHONE	**714-689-1700**
ETHNICITY	**Hispanic American**
GENDER	**Male**
COUNTY	**Orange (CA)**

Certification Information

CERTIFYING AGENCY	**City of Los Angeles**
CERTIFICATION TYPE	**ACDBE - Airport Concessionaire Disadvantaged Business Enterprise**
CERTIFIED BUSINESS DESCRIPTION	

Commodity Codes

Code	Description
NAICS 446130	Optical Goods Stores (changed in 2022 codeset)
NAICS 448140	Family clothing stores (changed in 2022 codeset to 458110)
NAICS 451211	Book stores (changed in 2022 codeset to 459210)
NAICS 453220	Gift, Novelty, and Souvenir Stores (changed in 2022 codeset)

Additional Information

WORK DISTRICTS/REGIONS	**Fresno, Los Angeles, Orange, Riverside, Sacramento, San Diego**
CUCP PUBLIC DIRECTORY CERTIFICATION NUMBER	**35525**

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 4: NON-COLLUSION AFFIDAVIT

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Proposer declares under penalty of perjury under the laws of the State of California that this proposal is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization or corporation; that such proposal is genuine and not collusive or sham; that said Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham proposal and has not directly or indirectly colluded, conspired, connived, or agreed with any Proposer or anyone else to put in a sham proposal, or that anyone shall refrain from submitting a proposal; that said Proposer has not in any manner directly or indirectly sought by agreement, communication, or conference with anyone to fix the proposal price of said Proposer or of any other Proposer, or to fix any overhead, profit, or cost element of such proposal price, or of that of any other Proposer, or to secure any advantage against the public body awarding the Contract of anyone interested in the proposed Contract; that all statements contained in such proposal are true, and further, that said Proposer has not directly or indirectly submitted his proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid and will not pay any fee in connection therewith, to any corporation, partnership, company, association, organization, proposal depository, or to any member or agent thereof, or to any other individual except to any person or persons as have a partnership or other financial interest with said Proposer in this general business.

The above Non-Collusion Affidavit is part of the proposal. Signing this proposal on the signature page thereof shall also constitute signature of this Non-Collusion Affidavit.

Proposers are cautioned that making a false certification may subject the certifier to criminal prosecution.

Agreed to by: _____ Date: 1/3/2023
Title: Chief Operating Officer & Deputy CEO

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 5: REFERENCES

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

Please list at least three current references of similar size and type of services, including governmental agencies and/or airport authorities, if available.

Reference No. 1:

AGENCY/COMPANY NAME: Indianapolis International Airport
Address: 7800 Col. H. Weir Cook Memorial Drive, Indianapolis, Indiana 46241
Contact Person: David Shaw
Email: dshaw@ind.com
Phone Number: 317 487 5010
Fax Number: 317 487 5034
Length of Contract: 1/1/2022 - 12/31/2032
Type of Concessions Provided: Travel Convenience / Specialty Retail

Reference No. 2:

AGENCY/COMPANY NAME: Myrtle Beach International Airport
Address: 1100 Jetport Rd, Myrtle, SC 29577
Contact Person: Judi Olmstead
Email: olmsteaj@horrycounty.org
Phone Number: 843.839.7359
Fax Number: N/A
Length of Contract: 12 years
Type of Concessions Provided: Travel Convenience

Reference No. 3:

AGENCY/COMPANY NAME: City Of Colorado Springs Municipal Airport
Address: 7770 Milton E. Proby Parkway, Suite 50
Contact Person: Gregory S. Phillips, AAE
Email: Greg.Phillips@coloradosprings.gov
Phone Number: 719.550.1910
Fax Number: N/A
Length of Contract: 7 years
Type of Concessions Provided: Travel Convenience

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 6: PROPOSER QUALIFICATION QUESTIONNAIRE

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

TO: THE PURCHASING MANAGER, OF THE CITY OF FRESNO

The undersigned Proposer submits the following information in accordance with the proposal Specifications:
(Use additional sheets as needed.)

1. a. Business Name (If using more than one business name, please list all names.):
HG Fresno Concessionaires JV

b. Address:
1 Meadowlands Plaza
East Rutherford, NJ 07073

Is your firm operating as a franchisee? Yes_____ or No X

If yes, list the franchiser, and number of years your business has been franchised:

2. Provide the names, titles, qualifications, years of experience, and years with your firm, for all key personnel in authority in your business, including the key personnel that will be involved in this project, and the extent to which they will be involved in the performance of this Contract.
Please see the pages following this form for information on key personnel.

3. All Proposers must have a minimum of 3 years' experience under current business name of similar scope and size.

How many years has your business been under your present name? 30+

How many years under former names? (List name and number of years)

Please note – HG Fresno Concessionaires JV is a newly formed entity. In addition, the primary equity holder: Hudson Group (HG) Retail, LLC is an affiliate of Hudson Ltd. ("Hudson"). Hudson has operations in more than 100 joint ventures, many of whom have been in operations for more than a decade. To satisfy the experience requirement and for the sake of brevity, we've provided data on the pages following this from 3 of our current programs that have been in operation for more than 3 years – including our current retail program at FAT.

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 6: PROPOSER QUALIFICATION QUESTIONNAIRE (Continued)

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

4. How many years has your business been providing services? 30+

5. What other types of services does your business provide?

Our four pillars – Travel Convenience, Specialty Retail, Duty Free, and Food & Beverage – are at the core of our strategy, and are what truly differentiates us as a travel experience leader in North America. Over the years, we have built a best-in-class store portfolio, augmented by digital technology and operational excellence, that seamlessly delivers what our team members, travelers, landlords, and partners are looking for and more.

6. Describe your firm's communications system and how communications will be implemented between the City and your firm's local office for transmitting correspondence, reports, requests, etc.

Formal reports such as monthly sales reports and certified annual sales are sent as applicable from the agreement. Formal letters are typically used when the subject matter warrants (ex. requests for information, company updates, etc.). Otherwise, our market leader will typically call and/or email with various business points of contact at the airport.

7. Have there been any contract terminations for the services your firm performs before the fulfillment of the contract within the past three years? Yes_____ or No X

If so, list the date, client, and reason for termination below:

8. Provide organizational chart of firm's key personnel. Organization chart attached?
Yes X or No ____

9. Does the proposer currently possess sufficient staff and extra staff to meet the initial requirements (See Attachments D-G) for this contract?
Yes X or No ____

If "Yes", describe the inventory and if "No", describe how you will meet the initial requirements:

Each day, members of the sales team will greet and assist FAT guests. Supervisors and managers will move continuously from store to store to monitor customer service, operations and inventory. In addition to dedicated team members, we may shift teams between stores to operate registers or otherwise assist customers as needed during high-traffic periods.

Proposer's Name HG Fresno Concessionaires JV

(Submit with Proposal)

FORM 6: PROPOSER QUALIFICATION QUESTIONNAIRE (Continued)

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

10. Describe your firm's vacation policy and holidays, if provided by your firm:

Employees who are classified as regular full-time (non-union) or regular part-time (non-union) are eligible for vacation benefits under this Policy after completing 60 days' continuous regular employment. Employees classified as seasonal or temporary are not eligible for vacation benefits. Note: Hudson can provide further detail around our vacation and holiday policy if needed.

11. Provide your firm's employee training program.
Document attached (y/n)? Y

Note: we consider training material proprietary and important information that we prefer to keep confidential. We appreciate your understanding the sensitivity around sharing such materials in their entirety.

12. Provide organizational chart of proposed staffing.
Document attached (y/n)? Y

HG Fresno Concessionaires JV

Staffing Plan

Plum Market	
Position	**No. of FTEs**
Chef	1
Sous Chef	4
Cook	8
Prep Cook	3
Porter	5
Brand Manager - Plum	1
Supervisor	4
Bar	8
Total FTEs	**34**

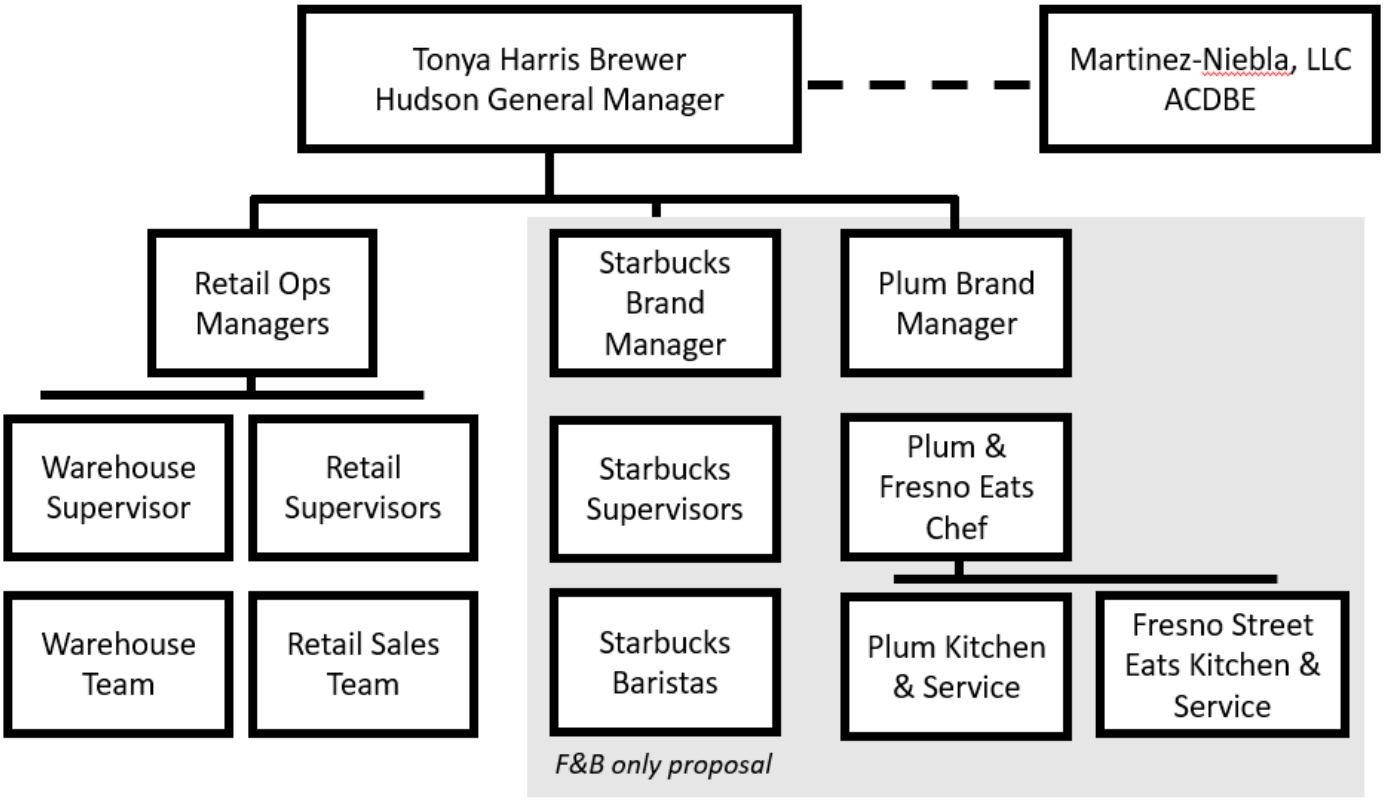
Retail Team & Infrastructure	
Position	**No. of FTEs**
Sales Team	16
Supervisors	4
Warehouse Manager	1
Warehouse Team	3
Total FTEs	**24**

Fresno Street Eats	
Position	**No. of FTEs**
Cook	5
Server	4
Supervisor	3
Total FTEs	**12**

Starbucks (Pre & Post Security)	
Position	**No. of FTEs**
Barista	10
Brand Manager - Starbucks	1
Supervisor	6
Total FTEs	**17**

Program Oversight	
Position	**No. of FTEs**
Program General Manager	1
Administrative & Accounting	1
Total FTEs	**2**

HG Fresno Concessionaires JV – Organizational Chart



HG Fresno Concessionaires JV – Roles & Responsibility Summary

Please note, for the sake of brevity we've included a summary. We're happy to provide full job descriptions upon request.

Role	Responsibility
FAT Program Manger	Manage all concepts and offers at FAT; ensuring coordination across all experiences
Manager: Plum Market	Manage operation of Plum Market & Fresno Street Eats Concepts
Manager: Starbucks	Manage operation of Starbucks locations
Supervisor	Assist with operation of respective concept; including management of front line team
Warehouse Manager	Manage storage, delivery and logistics of FAT program
Warehouse Team	Store, delivery and organize materials, products and ingredients for FAT program
Chef	Manage kitchen operations, kitchen staff, create menus, liaise with suppliers
Sous Chef	Assist chef with day-to-day operations of kitchen; manage staff
Cook	Manage preparation of specific cuisine; assist sous chef and/or chef
Barista	Prepare and serve beverages and pre-packaged foods
Prep Cook	Prepare food of specific cuisine; assist sous chef and/or chef
Server	Serve food and/or beverages
Sales Team	Assist guests with purchases of retail items; run cash registers
Bartender	Prepare and serve alcoholic beverages at bar
Porter	Cleans and organizes kitchen and storage areas
Back-of-House Support	Administrative and accounting staff to support FAT operations

HG Fresno Concessionaires JV – Please note, for the sake of brevity we've included a summary of key personnel below. We're happy to provide more information upon request.

KEY PERSONNEL & ROLES

Tonya Brewer Harris is the General Manager of our program at FAT today. She's worked at FAT for more than 20 years and as a wealth of knowledge, experience and local understanding that is invaluable. In the event we're afforded the opportunity to continue to operate concessions at FAT, Tonya will continue to lead our efforts. Tonya and the entire FAT concessions team will be supported by Mike Petersen (SVP, Operations) and Brian Berkner (RVP, Operations). Each will continue to make regular visits to FAT to provide training, mentorship and analyses to maximize the performance of our program. Mike and Brian will ensure that our entire FAT program offering celebrates Fresno consistent with our original program vision presented in this proposal.

SUPPORTING THE TEAM & PROGRAM AT FRESNO

The performance of our concessions programs are closely monitored to make sure we are delivering value. Routine analyses at FAT will be performed at the local level by Tonya, at a regional level by operations leaders - SVP Mike and Brian – and at the national level by a number of subject matter experts at regional locations as well as the North American Support Center (NASC).

As the CEO of our FAT program, Tonya will be assisted by this support structure to continually evolve the program as trends, technology and needs change. Below we've included some of our top leaders who will support Tonya and contribute to our success at FAT.

Title	Area of expertise
Tonya Brewer Harris General Manger @ FAT	FAT concessions & operations
Mike Petersen SVP - Operations	Concessions program oversight & operations
Brian Berkner RVP - Operations	Concessions program oversight & operations
Evan Schut SVP - F&B	F&B operations
Mario Scorcia EVP - Duty Paid	Duty Paid operations
Iris Messina VP - Business Development	Program facilitator
Brad Lenz SVP - Store Design & Construction	Design and construction activities
Ruben Martinez ACDBE Partner	Concessions program design & operations
Tony Sanchez ACDBE Partner	Concessions program design & operations
Tricia Sanchez ACDBE Partner	Concessions program design & operations

In addition to the individuals noted above, a complete infrastructure team will be available to support FAT to support functions including accounting, purchasing, technology, human resources, legal and compliance/licensing needs.

Please see the table below for 3 of our current programs that have been in operation for than 3 years – including our current retail program at FAT.

Location	Lease/Operation Commencement	No. of stores	Total sq. ft.	Concepts operated	Sales
Fort Lauderdale-Hollywood International	2013	19	15,000+	Travel essentials, candy, books, apparel, accessories ,sunglasses	2019 $11.90M 2022: $14.20M
Dallas Love Field	2012	22	15,000+	Travel essentials, QSR, coffee, cosmetics, jewelry, accessories, specialty	2019: $11.30M 2022: $15.30M
Fresno Yosemite International Airport	2002	3	3,000+	Travel Essentials	2019: $3.08M 2022: $4.43M

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 7:STATEMENT OF ACCEPTANCE OF THE INDEMNIFICATION AND INSURANCE REQUIREMENTS

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

The Proposer shall sign below that the Proposer accepts in whole the Indemnification and Insurance Requirements set forth in these Specifications. If the Proposer takes exception to some portions, those portions shall be listed here below and the Proposer shall sign that the Proposer accepts all portions of the requirements not listed.

Note: Any exceptions may render the proposal non-responsive.

INDEMNIFICATION, EXEMPTION OF CITY, AND INSURANCE

A. **INDEMNIFICATION AND RELEASE**

To the furthest extent allowed by law, Concessionaire shall indemnify, hold harmless and defend City, and its officers, officials, employees, agents and volunteers (hereinafter referred to collectively as "City") from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage, including damage by fire or other casualty) incurred by City, Concessionaire or any other person, and from any and all claims, demands and actions in law or equity (including attorney's fees and litigation expenses), arising or alleged to have arisen directly or indirectly out of Concessionaire's: (i) occupancy, maintenance and/or use of the Premises; (ii) use of all or any part of the Airport, including use of any public airport facilities and improvements, upon which the Premises is located; or (iii) performance of, or failure to perform, this Agreement. Concessionaire's obligations under the preceding sentence shall apply to any negligence of City, but shall not apply to any loss, liability, fines, penalties, forfeitures, costs or damages caused solely by the gross negligence, or by the willful misconduct, of City.

If Concessionaire should contract any work on the Premises or subcontract any of its obligations under this Agreement, Concessionaire shall require each consultant, contractor and subcontractor to enter into a Side Agreement, at the discretion of the City's Risk Manager or their designee, to indemnify, hold harmless and defend City, and its officers, officials, employees, agents and volunteers in accordance with the terms of the preceding paragraph.

Concessionaire's occupancy, maintenance and use of the Premises shall be at Concessionaire's sole risk and expense. Concessionaire accepts all risk relating to Concessionaire's: (i) occupancy, maintenance and/or use of the Premises; (ii) use of all or any part of that Premises, including use of any public facilities and improvements, upon which the Premises is located; and (iii) the performance of, or failure to perform, this Agreement. City shall not be liable to Concessionaire or Concessionaire's insurer(s) for, and Concessionaire and its insurer(s) hereby waives and releases City from, any and all loss, liability, fines, penalties, forfeitures, costs or damages resulting from or attributable

to an occurrence on or about the Premises including any public facilities and improvements, upon which the Premises is located, in any way related to the Concessionaire's operations and activities. Concessionaire shall immediately notify City of any occurrence on the Premises including any public facilities and improvements, upon which the Premises are located, resulting in injury or death to any person or damage to property of any person.

The provisions of this Section A shall survive termination or expiration of this Agreement.

INSURANCE REQUIREMENTS

(a) Throughout the life of this Agreement, Concessionaire shall pay for and maintain in full force and effect all insurance as required herein with an insurance company(ies) either (i) admitted by the California Insurance Commissioner to do business in the State of California and rated no less than "A-VII" in the Best's Insurance Rating Guide, or (ii) as may be authorized in writing by City's Risk Manager or his/her designee at any time and in his/her sole discretion. The City of Fresno and each of its officers, officials, employees, agents and volunteers (hereinafter referred to collectively as "City") requires policies of insurance as stated herein shall maintain limits of liability of not less than those amounts stated therein. However, the insurance limits available to City, shall be the greater of the minimum limits specified therein or the full limit of any insurance proceeds to the named insured.

(b) If at any time during the life of the Agreement or any extension, Concessionaire or any of its subcontractors fail to maintain any required insurance in full force and effect, all services and work under this Agreement shall be discontinued immediately, and all payments due or that become due to Concessionaire shall be withheld until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City pursuant to this section shall in any way relieve Concessionaire of its responsibilities under this Agreement. The phrase "fail to maintain any required insurance" shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

(c) The fact that insurance is obtained by Concessionaire shall not be deemed to release or diminish the liability of Concessionaire, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Concessionaire. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Concessionaire, vendors, suppliers, invitees, contractors, subcontractors, or anyone employed directly or indirectly by any of them.

Coverage shall be at least as broad as:

1. The most current version of Insurance Services Office (ISO) Commercial General Liability Coverage Form CG 00 01, providing liability coverage arising out of your business operations. The Commercial General Liability policy shall be written on an occurrence form and shall provide coverage for "bodily injury," "property damage" and "personal and advertising injury" with coverage for premises and operations (including the use of owned and non-owned equipment), products and completed operations, and contractual liability (including, without limitation,

indemnity obligations under the Agreement) with limits of liability not less than those set forth under "Minimum Limits of Insurance."

2. The most current version of ISO *Commercial Auto Coverage Form CA 00 01, providing liability coverage arising out of the ownership, maintenance or use of automobiles in the course of your business operations. The Automobile Policy shall be written on an occurrence form and shall provide coverage for all owned, hired, and non-owned automobiles or other licensed vehicles (Code 1- Any Auto). If personal automobile coverage is used, the City, its officers, officials, employees, agents and volunteers are to be listed as additional insureds.

3. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

MINIMUM LIMITS OF INSURANCE CONCESSIONAIRE

Concessionaire, or any party the Concessionaire subcontracts with, shall maintain limits of liability of not less than those set forth below. However, insurance limits available to The City of Fresno and each of its officers, officials, employees, agents and volunteers as additional insureds, shall be the greater of the minimum limits specified herein or the full limit of any insurance proceeds available to the named insured:

1. **COMMERCIAL GENERAL LIABILITY** :

   (i) $1,000,000 per occurrence for bodily injury and property damage;
   (ii) $1,000,000 per occurrence for personal and advertising injury;
   (iii) $2,000,000 aggregate for products and completed operations; and,
   (iv) $2,000,000 general aggregate applying separately to the work performed under the Agreement.

2. **COMMERCIAL AUTOMOBILE LIABILITY :**

   $1,000,000 per accident for bodily injury and property damage.

3. **WORKERS' COMPENSATION INSURANCE** as required by the State of California with statutory limits and **EMPLOYER'S LIABILITY** with limits of liability not less than:

   (i) $1,000,000 each accident for bodily injury;
   (ii) $1,000,000 disease each employee; and,
   (iii) $1,000,000 disease policy limit.

4. **LIQUOR LIABILITY INSURANCE (if applicable)** for alcoholic beverages that are to be sold, served or furnished, Liquor Liability coverage is required with limits of liability of not less than:

   (i) $1,000,000 per occurrence;
   (ii) $2,000,000 aggregate for bodily injury and property damage;

5. **PROPERTY: (if operating within the airport)** Limits of insurance in an amount equal to the full (100%) replacement cost (without deduction for depreciation) of Concessionaire's business property.

UMBRELLA OR EXCESS INSURANCE

In the event Concessionaire purchases an Umbrella or Excess insurance policy(ies) to meet the "Minimum Limits of Insurance," this insurance policy(ies) shall "follow form" and afford no less coverage than the primary insurance policy(ies). In addition, such Umbrella or Excess insurance policy(ies) shall also apply on a primary and non-contributory basis for the benefit of the City of Fresno and each of its officers, officials, employees, agents and volunteers.

DEDUCTIBLES AND SELF-INSURED RETENTIONS

Concessionaire shall be responsible for payment of any deductibles contained in any insurance policy(ies) required herein and Concessionaire shall also be responsible for payment of any self-insured retentions. Any deductibles or self-insured retentions must be declared on the Certificate of Insurance, and approved by, the City's Risk Manager or his/her designee. At the option of the City's Risk Manager or his/her designee, either:

(i) The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City, its officers, officials, employees, agents and volunteers; or

(ii) Concessionaire shall provide a financial guarantee, satisfactory to City's Risk Manager or his/her designee, guaranteeing payment of losses and related investigations, claim administration and defense expenses. At no time shall the City be responsible for the payment of any deductibles or self-insured retentions.

OTHER INSURANCE PROVISIONS/ENDORSEMENTS

All policies of insurance required herein shall be endorsed to provide that the coverage shall not be cancelled, non-renewed, reduced in coverage or in limits except after thirty (30) calendar days written notice has been given to City, except ten (10) days for nonpayment of premium. Concessionaire is also responsible for providing written notice to the City under the same terms and conditions. Upon issuance by the insurer, broker, or agent of a notice of cancellation, non-renewal, or reduction in coverage or in limits, Concessionaire shall furnish City with a new certificate and applicable endorsements for such policy(ies). In the event any policy is due to expire during the work to be performed for City, Concessionaire shall provide a new certificate, and applicable endorsements, evidencing renewal of such policy not less than fifteen (15) calendar days prior to the expiration date of the expiring policy.

The Commercial General, Liquor Liability and Automobile Liability policies of insurance shall be endorsed to name The City of Fresno and each of its officers, officials, employees, agents and volunteers as additional insureds.

Concessionaire shall establish additional insured status for the City and for all ongoing and completed operations by use of ISO Form CG 20 26, CG 20 11 or similar by an executed manuscript insurance company endorsement providing additional insured status as broad as that contained in ISO Forms CG 20 26 or CG 20 11.

The Commercial General, Liquor Liability and Automobile Liability policies of insurance shall be endorsed so Concessionaire's insurance shall be primary and no contribution shall be required of City. The coverage shall contain no special limitations on the scope of protection afforded to The City of Fresno and each of its officers, officials, employees, agents and volunteers. If

Concessionaire maintains higher limits of liability than the minimums shown above, City requires and shall be entitled to coverage for the higher limits of liability maintained by Concessionaire.

Should any of the required policies provide that the defense costs are paid within the Limits of Liability, thereby reducing the available limits by any defense costs, then the requirement for the Limits of Liability of these polices will be twice the above stated limits.

The Workers' Compensation insurance policy shall contain, or be endorsed to contain, a waiver of subrogation as to The City of Fresno and each of its officers, officials, employees, agents and volunteers.

The property insurance policy is to contain, or be endorsed to contain, the following provisions:

1. Full replacement value of any permanent improvements on the Premises, with the City named as a Loss Payee.

2. The coverage shall contain:

    (i) No coinsurance penalty.
    (ii) No limitations or exclusions for vacancy of any part of the Premises.
    (iii) No special limitations on the scope of protection afforded to City.

PROVIDING OF DOCUMENTS - Concessionaire shall furnish City with all certificate(s) and applicable endorsements effecting coverage required herein **All certificates and applicable endorsements are to be received and approved by the City's Risk Manager or designee prior to City's execution of the Agreement and before work commences.** All non-ISO endorsements amending policy coverage shall be executed by a licensed and authorized agent or broker. Upon request of City, Concessionaire shall immediately furnish City with a complete copy of any insurance policy required under this Agreement, including all endorsements, with said copy certified by the underwriter to be a true and correct copy of the original policy. This requirement shall survive expiration or termination of this Agreement. All subcontractors working under the direction of Concessionaire shall also be required to provide all documents noted herein.

MAINTENANCE OF COVERAGE - If at any time during the life of the Agreement or any extension, Concessionaire or any of its subcontractors fail to maintain any required insurance in full force and effect, all work under this Agreement shall be discontinued immediately until notice is received by City that the required insurance has been restored to full force and effect and that the premiums therefore have been paid for a period satisfactory to City. Any failure to maintain the required insurance shall be sufficient cause for City to terminate this Agreement. No action taken by City hereunder shall in any way relieve Concessionaire of its responsibilities under this Agreement. The phrase "fail to maintain any required insurance" shall include, without limitation, notification received by City that an insurer has commenced proceedings, or has had proceedings commenced against it, indicating that the insurer is insolvent.

The fact that insurance is obtained by Concessionaire shall not be deemed to release or diminish the liability of Concessionaire, including, without limitation, liability under the indemnity provisions of this Agreement. The duty to indemnify City shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Concessionaire. Approval or purchase of any insurance contracts or policies shall in no way relieve from liability nor limit the liability of Concessionaire, its principals, officers, agents, employees, persons under the supervision of Concessionaire, vendors, suppliers, invitees, consultants, sub-consultants, subcontractors, or anyone employed directly or indirectly by any of them.

SUBCONTRACTORS - If Concessionaire should subcontract all or any portion of the services to be performed under this Agreement, Concessionaire shall require, at the discretion of the City, their subcontractor to enter into a separate Side Agreement in order to provide indemnification and insurance protection to City. Concessionaire shall verify that all subcontractors maintain insurance meeting all the requirements stated herein and Concessionaire shall ensure that City and each of their officers, officials, agents, employees and volunteers are additional insureds. The subcontractors' certificates and endorsements shall be on file with Concessionaire and City prior to the commencement of any work by the subcontractor.

☒ **ACCEPT**
☐ **DO NOT ACCEPT**

If "DO NOT ACCEPT" is checked, please list exceptions:

INSERT IF APPLICABLE

Signature of Authorized Person

Brian J. Quinn

Type or Print Name of Authorized Person

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 9: ADDENDA and TIME PERIOD TO AWARD/REJECT

ADDENDA

The City makes a concentrated effort to ensure any addenda issued relating to these Specifications are distributed to all interested parties. It shall be the Proposer's responsibility to inquire as to whether any addenda to the Specifications have been issued. Upon issuance by the City, all addenda are part of the proposal. Signing the proposal on the signature page thereof shall also constitute signature on all addenda.

TIME PERIOD TO AWARD/REJECT

The undersigned Proposer agrees that the City may have **ONE HUNDRED (120) DAYS** from the date proposals are opened to accept or reject proposals. It is further understood that, if the Proposer to whom any award is made fails to enter into a Contract as provided in the Specifications, award may be made to another Proposer, who shall be bound to perform as if she/he had received the award in the first instance.

Proposer's Name HG Fresno Concessionaires JV
(Submit within 3 days after Proposal opening)

FORM 10: DBE DATA REQUEST

This information is being gathered for informational purposes only and failure to provide this information will have no impact whatsoever on the evaluation of your bid or proposal.

All information submitted on this form is subject to review by the DBE Coordinator

Commitment Percentage: 30%

I certify that the information contained in this good faith effort documentation form is true and correct to the best of my knowledge. I further understand that any willful falsification, fraudulent statement or misrepresentation could make this bid non-responsive.

Proposer/Authorized Representative Signature: _____

Title: Chief Operating Officer & Deputy CEO Date: 1/3/2023

(Submit with Proposal)

Proposer's Name HG Fresno Concessionaires JV

FORM 11: DISCLOSURE OF CONFLICT OF INTEREST

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

		YES*	NO
1	Are you currently in litigation with the City of Fresno or any of its agents?	☐	☑
2	Do you represent any firm, organization or person who is in litigation with the City of Fresno?	☐	☑
3	Do you currently represent or perform work for any clients who do business with the City of Fresno?	☐	☑
4	Are you or any of your principals, managers or professionals, owners or investors in a business which does business with the City of Fresno, or in a business which is in litigation with the City of Fresno?	☐	☑
5	Are you or any of your principals, managers or professionals, related by blood or marriage to any City of Fresno employee who has any significant role in the subject matter of this service?	☐	☑
6	Do you or any of your subcontractors have, or expect to have, any interest, direct or indirect, in any other contract in connection with this Project?	☐	☑
* If the answer to any question is yes, please explain in full below.			

Explanation: _____

☐ Additional page(s) attached.

Brian J. Quinn
Signature

1/3/2023
Date

Brian J. Quinn
(name)

HG Fresno Concessionaires JV
(company)

1 Meadowlands Plaza
(address)

East Rutherford, NJ 07073
(City state zip)

HG Fresno Concessionaires JV has reviewed the agreement and does not have any comments at this time.

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 16: CONCESSION AGREEMENT DRAFT ACKNOWLEDGEMENT

On behalf of *HG Fresno Concessionaires JV* (the "**Company**"), the undersigned, acknowledges that the Company has had access to a draft Concession Agreement which is being included as part of this Request For Proposals ("**RFP**") to all prospective concessionaires for Fresno International Airport ("**FAT**"). The Company hereby confirms that the Company will agree to all the provisions set forth in the draft Concession Agreement, inclusive of all of the specific requirements, rules and regulations applicable to operating at FAT and the requirements of the City of Fresno. By submitting a Proposal in response to this RFP, the Company hereby acknowledges and agrees that the schedule to complete all design work, have plans approved, obtain requisite permits and complete the construction and fit out of the Units is absolutely critical and the Company hereby agrees to use its best efforts and all available resources to ensure that the Units are open for business on the scheduled Opening Dates as set forth in the RFP and in the Proposed Business Terms.

Should the Company have any comments with respect to any of the terms and provisions of the draft Concession Agreement, such comments must be included as part of the Company's proposal in response to the RFP. Comments which require substantive changes to the draft Concession Agreement will not be accepted and the nature and extent of any such comments submitted will be factored into the scoring by the Evaluation Committee.

The Company hereby agrees to: (i) immediately commence design work on notice of the award (and before the Concession Agreement is executed) so that plans are approved, permits are obtained and construction is completed and the Unit(s) are ready to be open for business on the Opening Date; and (ii) execute the proposed Concession Agreement in the form of the draft Concession Agreement made available. Should the Company fail to either immediately commence design work within 7 days of the notice of award or sign the Concession Agreement within 30 days of submission, then at the election of FAT, the Proposal Guaranty shall be forfeited, and FAT shall have the right to negotiate with other prospective concessionaires.

FOR THE COMPANY:

HG Fresno Concessionaires JV
[Insert name of proposing company]

BY: _____

TITLE: Chief Operating Officer & Deputy CEO

DATE: 11/21/2022

ACKNOWLEDGMENT

State of NJ

County of Bergen

On 11/21/22 before me, Brian J. Quinn (insert name and title of the officer) personally appeared ,, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of NJ that the foregoing is true and correct.

WITNESS my hand and official seal.

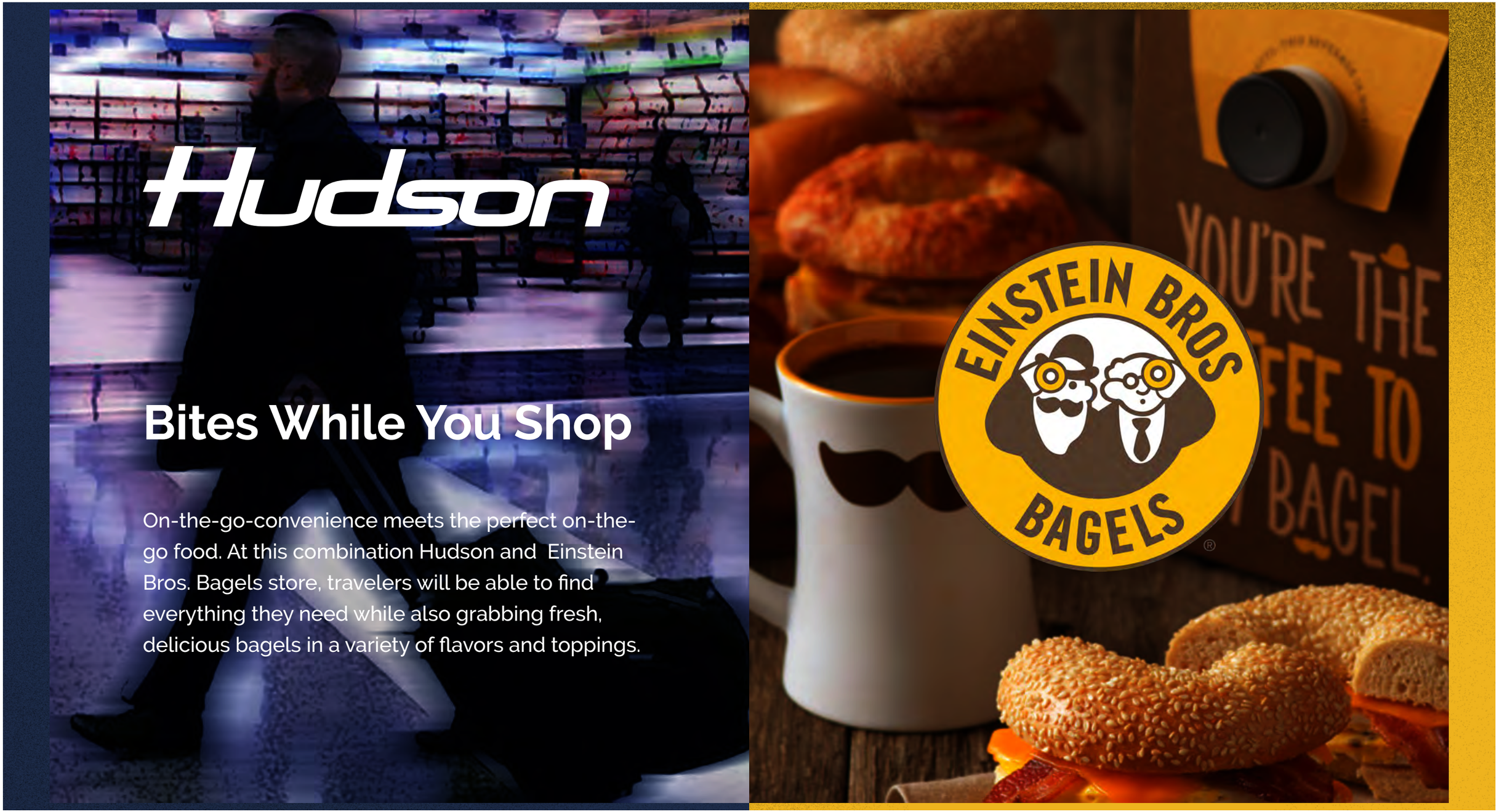
Signature _____(Seal)

RICARDO SECLEN
NOTARY PUBLIC OF NEW JERSEY
ID # 50020946
My Commision Expires 8/10/2025

TAB 3 –
Tenant Mix & Concessions Plan

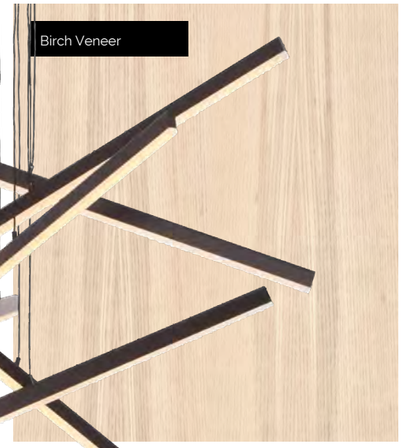
T-105 | Hudson + Einstein Bros. Bagels | Concept

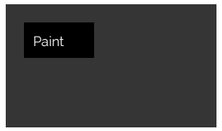
1,245 SF

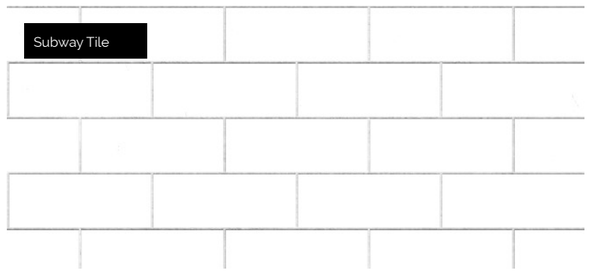


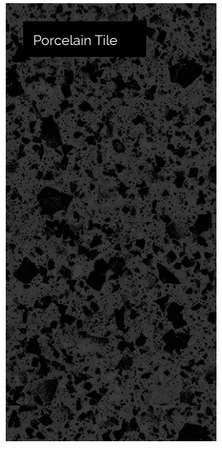
T-105 | Hudson + Einstein Bros. Bagels | Materials Board

1,245 SF









Hudson

EINSTEIN BROS. BAGELS

Designed to allow customers to seamlessly shop at both Hudson and Einstein Bros. Bagels once they enter, the two storefronts open up into a seamless shared space. Within, customers can shop while they wait for their bagel order.

- This reimagined Hudson and Einstein Bros. shopping experience leverages our strengths and emphasizes quality.
- Designed to meet the traveler's needs with a fast, easy, and sophisticated merchandising approach.
- The storefront seamlessly combines Hudson and Einstein Bros. brand elements to create energy and motion through a mix of materials and finishes.
- Authentic materials are the foundation of this environment. These color choices create a more comfortable experience for the shopper and allow our brands to pop through marketing and graphics.
- The brightly lit neutral interior uses strategically placed directional elements to guide customers to the product.
- Digital content above the coolers activates the space and keeps it feeling dynamic.

T-105 | Hudson + Einstein Bros. Bagels | Storefront Rendering 1

1,245 SF

= DIGITAL INTERACTION

Hudson

T-105 | Hudson + Einstein Bros. Bagels | Storefront Rendering 2

1,245 SF

= DIGITAL INTERACTION

T-105 | Hudson + Einstein Bros. Bagels | Interior Rendering 1

1,245 SF

= DIGITAL INTERACTION

T-105 | Hudson + Einstein Bros. Bagels | Interior Rendering 2

1,245 SF

= DIGITAL INTERACTION

T-105 | Hudson + Einstein Bros. Bagels | Floor Plan Rendering

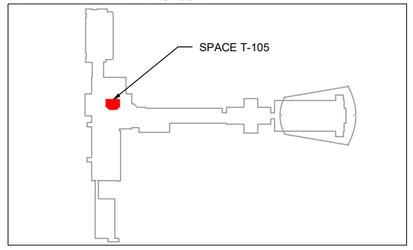
1,245 SF

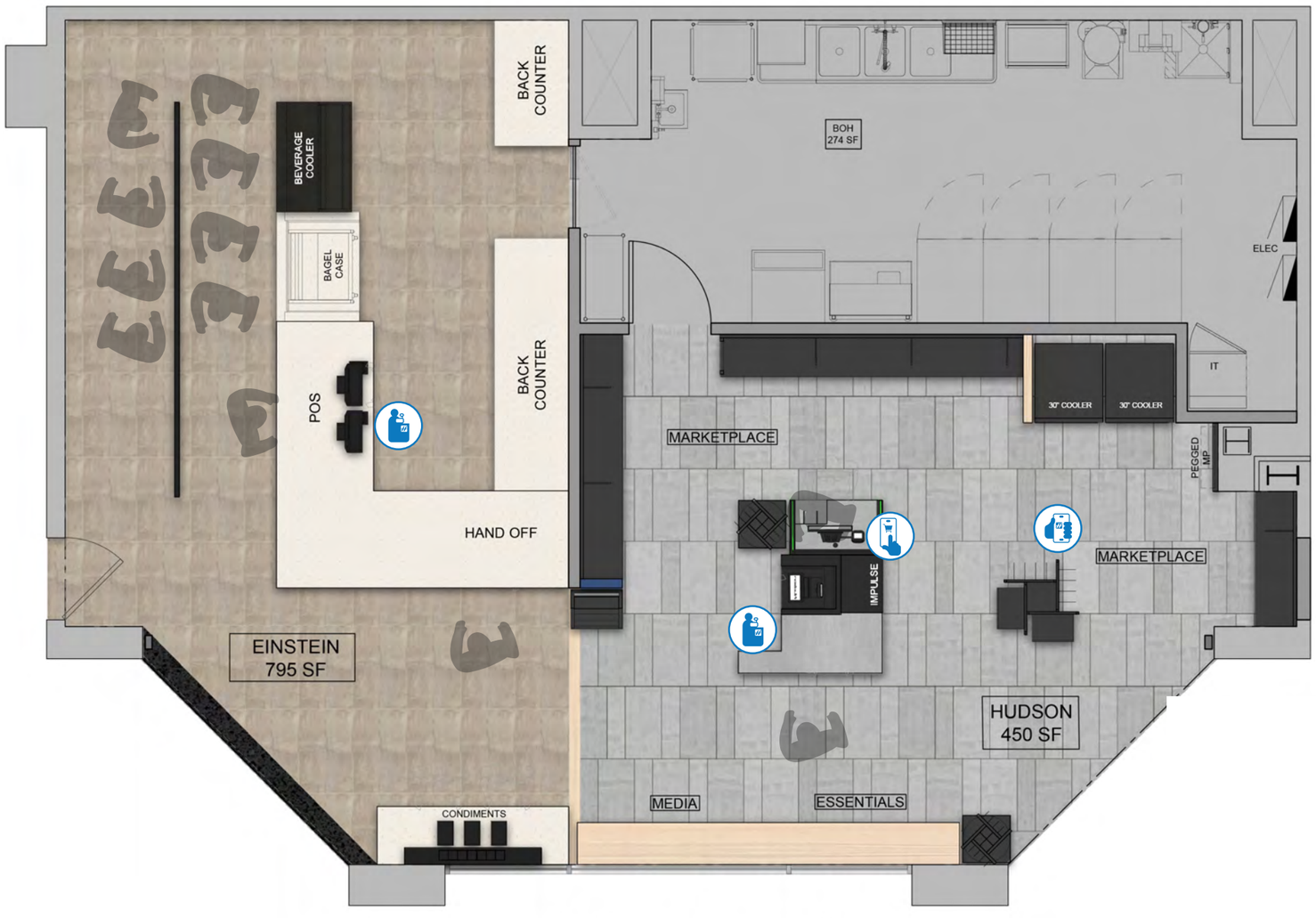
STAFFED CHECKOUT

SELF CHECKOUT

STAFFED MOBILE CHECKOUT

KEY PLAN PRE-SECURITY



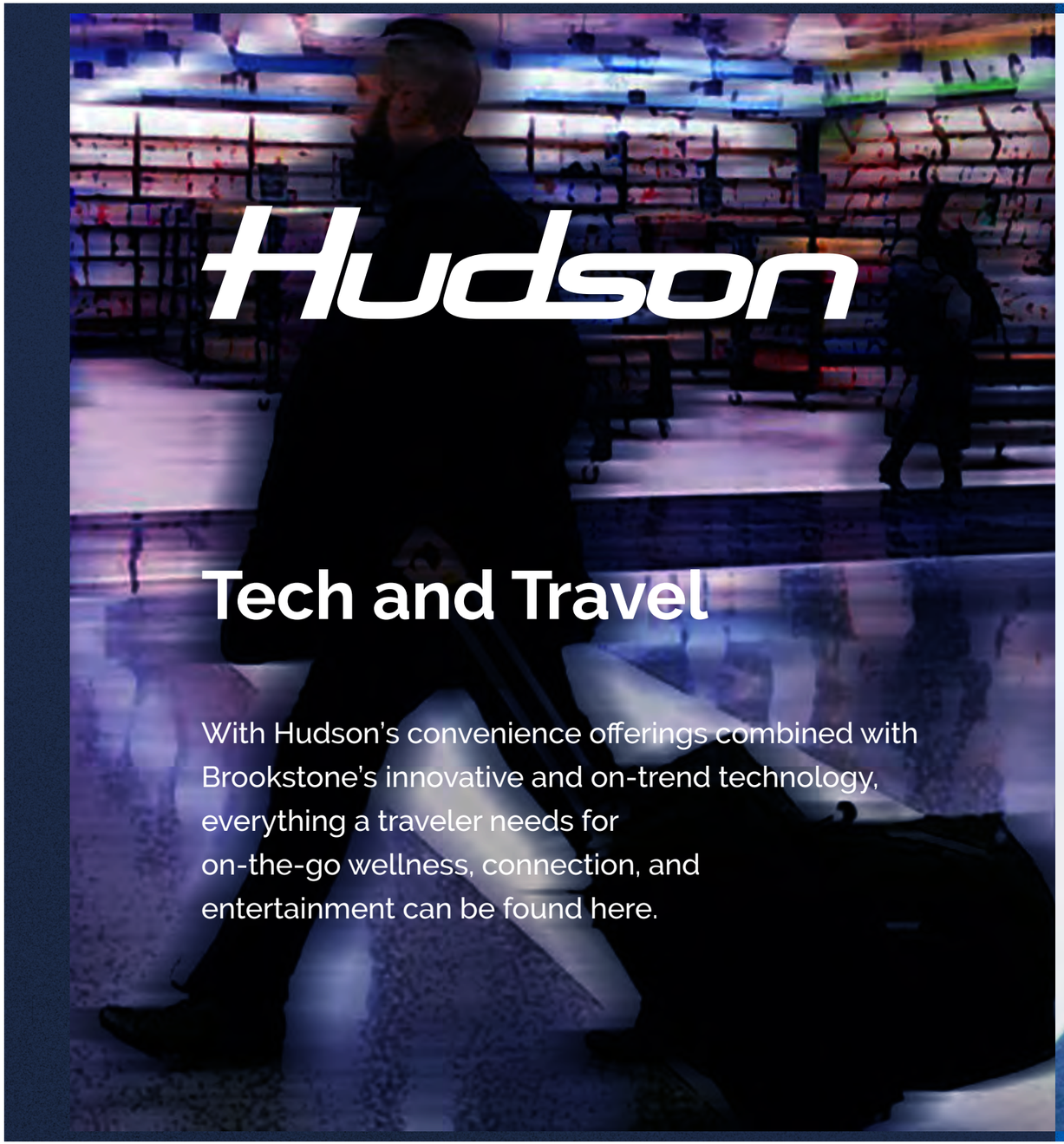


DIRECTION OF TRAVEL

Hudson

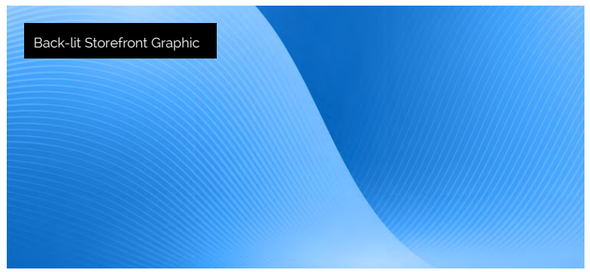
C-135 | Hudson + Brookstone | Concept

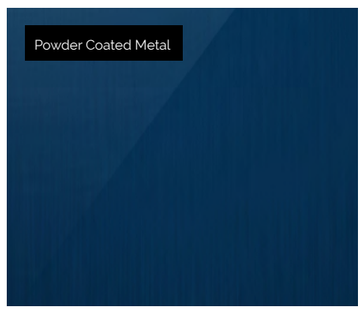
1,008 SF

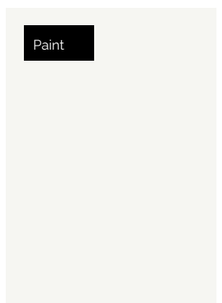


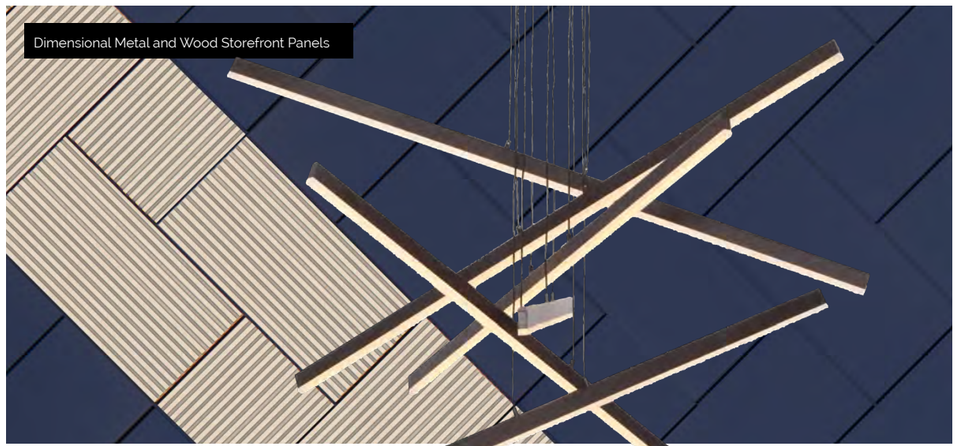
C-135 | Hudson + Brookstone | Materials Board

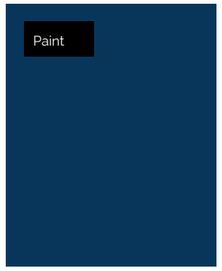
1,008 SF

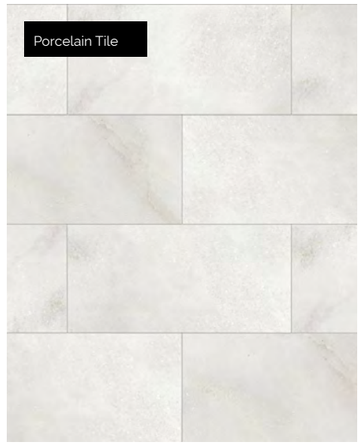


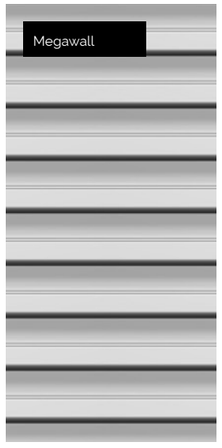












Hudson

Brookstone®

Convenience transitions seamlessly into technology and wellness offerings in this shared space, with both storefronts' sleek blue color palettes and easy-to-navigate interiors making it easy to browse and shop.

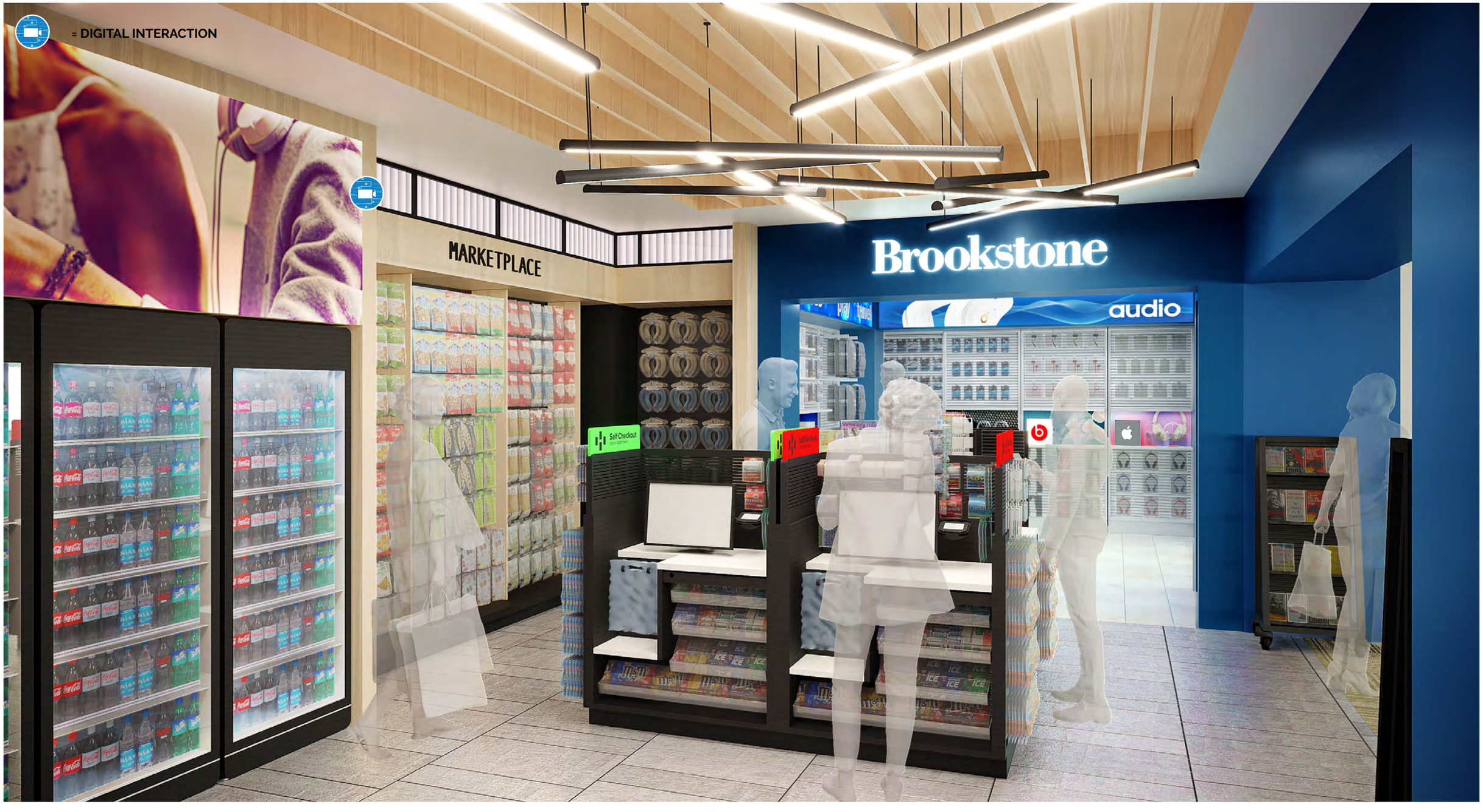
- This reimagined Hudson and Brookstone shopping experience leverages our strengths and emphasizes quality.
- Designed to meet the traveler's needs with a fast, easy, and sophisticated merchandising approach.
- A darker blue is the foundation of the Hudson environment. This color choice creates a more comfortable experience for the shopper and allows our brand blue to pop in marketing and graphics.
- The brightly lit neutral interior uses strategically placed directional elements to guide customers to the product.
- Digital content above the coolers activates the space and keeps it feeling dynamic.
- From the concourse, a well-lit and eye-catching Brookstone facade beckons travelers to enter and explore.
- Fixtures are intentionally positioned to create brand and category destinations, where customers can comfortably dwell.

C-135 | Hudson + Brookstone | Storefront Rendering

1,008 SF

C-135 | Hudson + Brookstone | Interior Rendering

1,008 SF



Hudson

C-135 | Hudson + Brookstone | Floor Plan Rendering

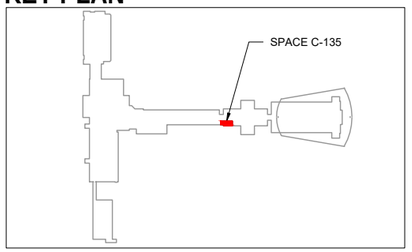
1,008 SF

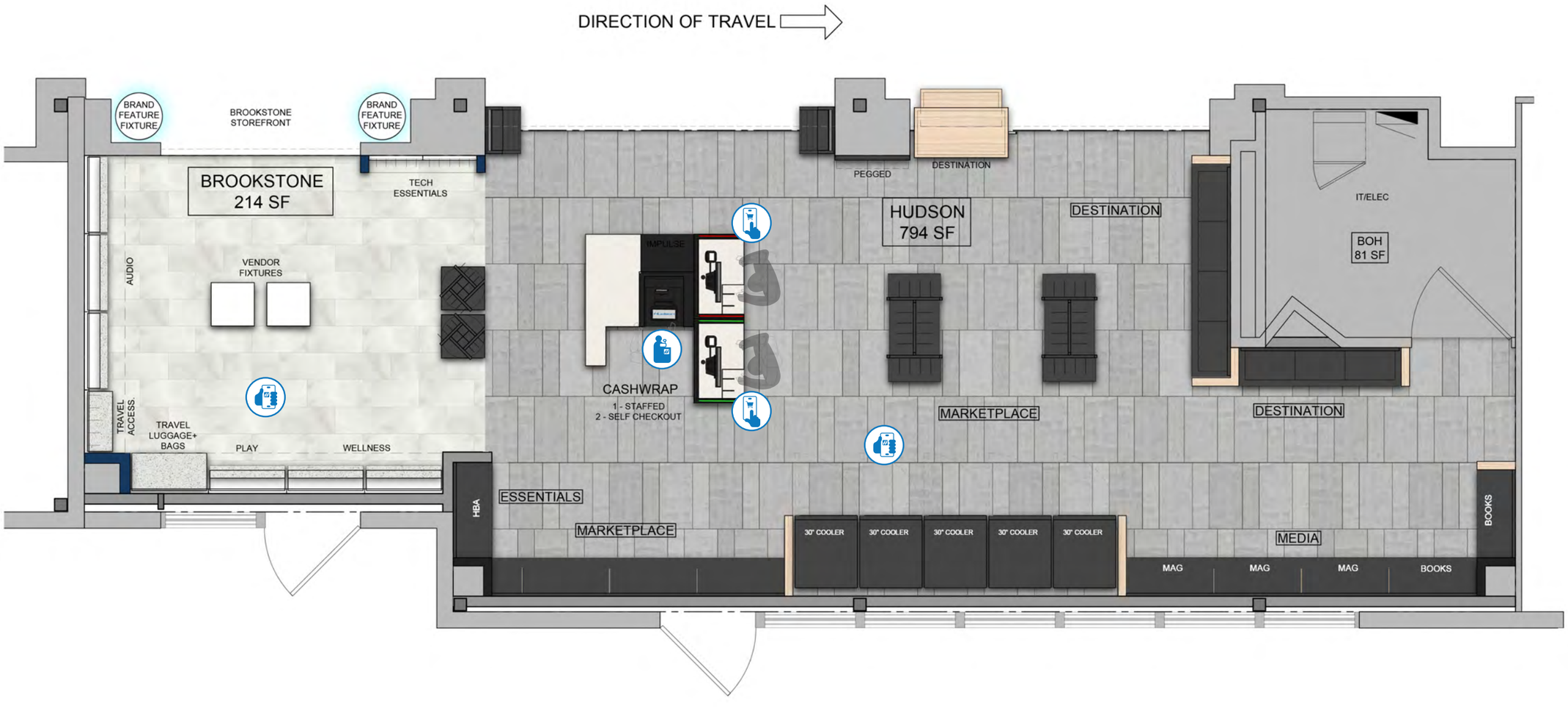
STAFFED CHECKOUT

SELF CHECKOUT

STAFFED MOBILE CHECKOUT

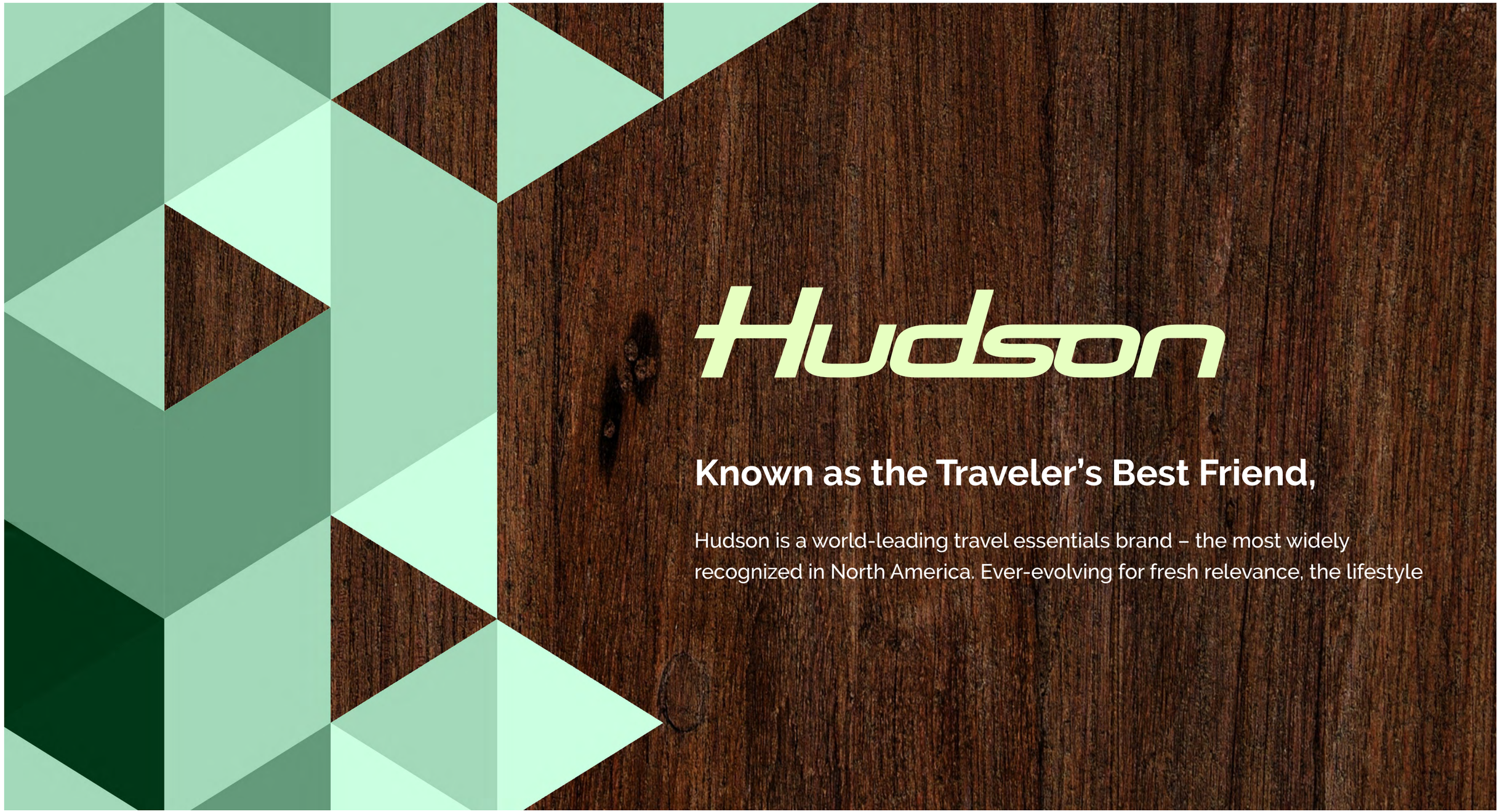
KEY PLAN





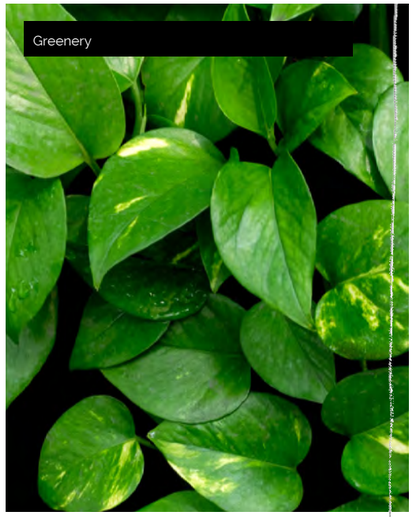
Hudson

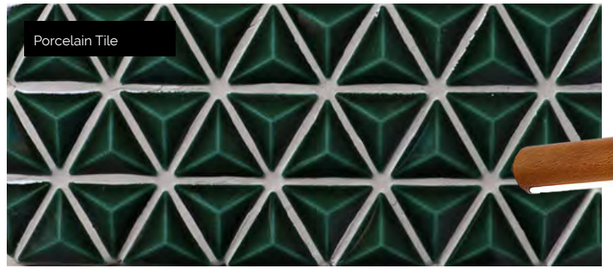
POD | Hudson | Concept **1,100 SF**

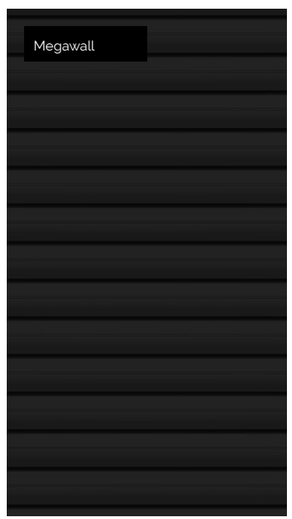


POD | Hudson | Materials Board

1,100 SF







With a biophilic design inspired by the Yosemite National Park and its majestic sequoia trees, this Hudson store transports travelers into a natural, calming space, offering a breath of fresh air from the airport's hustle and bustle.

- Pops of green and wood appear throughout the space in materiality to transport customers to Yosemite National park.
- Moss accents can be seen throughout the space to help activate and bring the space to life.

POD | Hudson | Storefront Rendering

1,100 SF

POD | Hudson | Interior Rendering

1,100 SF

= DIGITAL INTERACTION

Hudson

POD | Hudson | Floor Plan Renderings

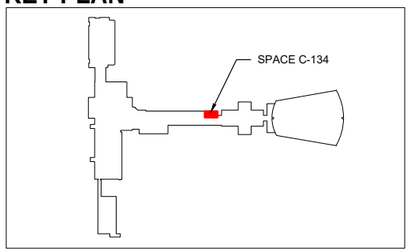
1,100 SF

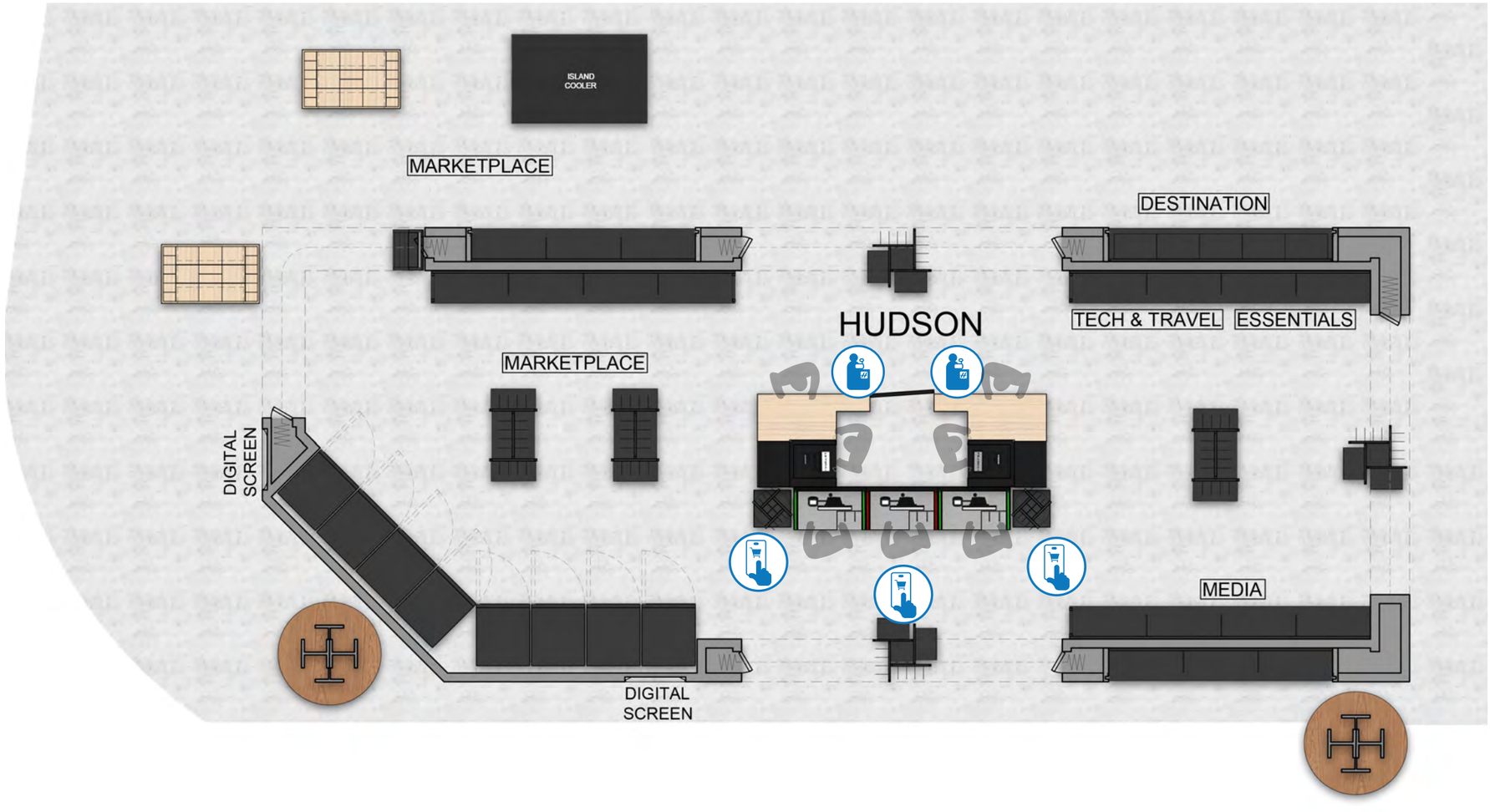
STAFFED CHECKOUT

SELF CHECKOUT

STAFFED MOBILE CHECKOUT

KEY PLAN





Hudson

Industry Trends

Fresno Yosemite International Airport (FAT) serves as a regional hub for the San Joaquin Valley and the greater Central Valley region. Known for its variety of tourist attractions and proximity to some of California's most popular and highly visited national parks like Yosemite, Sequoia and Kings Canyon, FAT provides a high level of service for all travelers.

Known as one of the most recognizable and premier travel concessionaires in North America, Hudson is equally as committed to enhancing the travel experience for passengers every day. We pay attention to details and study passenger demographics as well as varying purchase patterns, this is why we are aware and sensitive to the recent shift in traveler's demand and needs. We know that following the Covid-19 pandemic travelers have increasingly grown more attracted to convenience, variety, quality and easy to access tech-enabled shopping options. We also note that varying purchasing patterns in travelers means an opportunity to rethink our program approach and concepts to better serve the demands of FAT travelers and make FAT a convenient and friendly airport for all with the best traveler amenities for years to come.

Program Summary

Our program approach is three-pronged 1) to deliver best-in-class service at FAT 2) enhance the overall business and leisure travelers experience through technology and 3) to provide game-changing opportunities (hybrid concepts) for economic development for a world class program.

Our Hybrid program model will include:

Hudson
Brookstone

C-135

Hudson
EINSTEIN BROS. BAGELS

T-105

Hudson

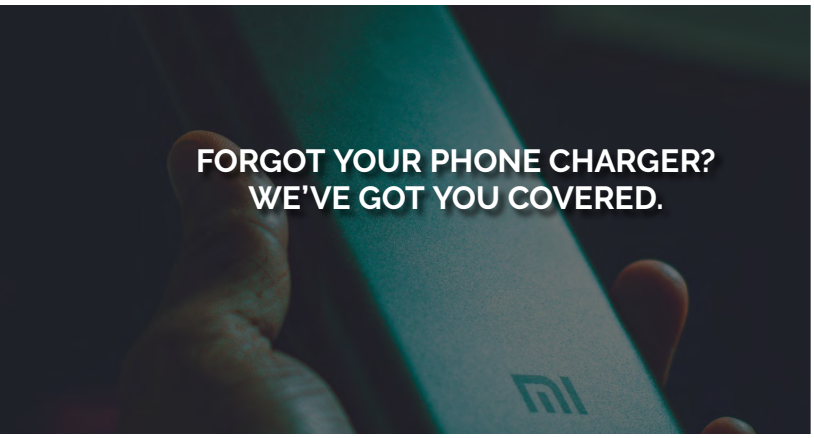
Space POD

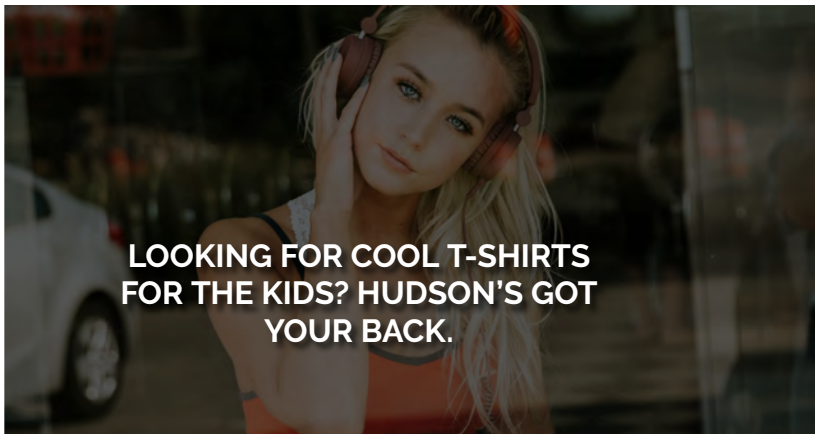
Hudson

Hudson – The Only Name in News & Travel Convenience

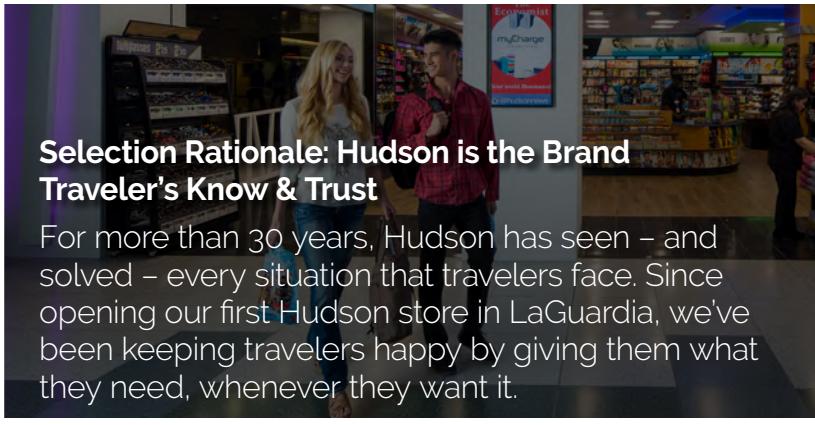
Known as the Traveler's Best Friend, Hudson is a world leading travel essentials brand – the most widely recognized in all of North America. Ever-evolving for fresh relevance, the lifestyle shopping experience caters to today's on the-go consumer.

Our reputation among travelers is why Hudson is the only name in travel convenience.





THE BRAND KNOWN AND TRUSTED BY TRAVELERS



Selection Rationale: Hudson is the Brand Traveler's Know & Trust

For more than 30 years, Hudson has seen – and solved – every situation that travelers face. Since opening our first Hudson store in LaGuardia, we've been keeping travelers happy by giving them what they need, whenever they want it.

Why Hudson @ FAT

Profile Summary

Delta passenger 1579 is returning home after spending the week in Fresno on business. His flight to JFK is about 7.5 hours (DL 3994 connecting to DL508 in SLC). He's 47, a father of twins and his flight is delayed about 40 minutes. He was pleased to see the blue Hudson sign as he made his way through security because he knows they'll have a wide assortment to choose from. Passenger 1579 is avid reader and loves magazine (how 1995 of him), and he can count on Hudson having a decent selection of mags to choose from. He's pretty sure he saw Brookstone next to Hudson, so he might make his way there to look at some new headphones.

Concept Recommendation

Hudson is perfect for passenger 1579. He can find healthy options in the Grab & Go portion of the space. Thanks to a friendly sales associate, he'll also find a Freda Kahlo meets Rosy-The-Riveter tote bag that he's positive will make his wife smile

Brookstone®

Description:
Welcome to the New Brookstone
Brookstone, Hudson's exclusive brand, is an iconic American brand that packs 54 years of expertise. It features a wide array of unique and innovative products in the travel, wellness, aromatherapy, and into the tech essentials, gadgets, comfort products, and travel necessities that keep every road warrior connected and confident while on the ground or in the air.

Through our years of experience in leading the travel retail industry, we've completely reimagined Brookstone to align with the needs and desires of today's tech-savvy, gadget-oriented consumers on the go.

Brookstone isn't "just" an electronics brand. It's a lifestyle brand with more.

Selection Rationale:
The evolution of travel and consumer preferences demands more travel accessories and travel essentials basics. Things like power and cables, earbuds, as well as comfort items -- neck pillows, blankets and socks. After all, this is the age of more – and Brookstone more than delivers.

FAT travelers will find exciting new and expanded categories. Travelers can handle delayed flights, missed connections or any other inconvenience- if they can stay connected and comfortable.

The merchandise is focused on what travelers need and want, including a selection of STEM-related games and activities. A family of five can pick up the wellness, entertainment, and travel essentials that make every trip a little more fun while a business traveler can easily replace the broken or lost tech tool that will save the meeting.

Brookstone associates are thoroughly trained on every product. They are confident and knowledgeable in explaining each item, it's benefits and unique attributes. They are after all the "Traveler's Best Friend."

Why Brookstone @ FAT

Profile Summary

Passenger B2861 is leaving Fresno to visit his family for the holiday. His flight to EWR is about 7.5 hours (United B2861 connecting to United 1591 in DEN). He's 32, single and he has about 2 hrs. until boarding. He was pleased to see the Brookstone sign as he made his way through security because he knows they'll have a wide assortment to choose from. Passenger B2861 is tech-savvy and loves to try new headphones, and he can count on Brookstone having a nice selection of headphones to choose from.

Concept Recommendation

Brookstone is perfect for passenger B2861. He can find great brands in headphones, such as Apple and Bose. Thanks to a friendly sales associate, he'll also find games to buy and play since he has 2 hours until his boarding. He can bring these items on the plane with him as well to help pass the time on the long flight.

EINSTEIN BROS.® BAGELS

Einstein Bros. Bagels
Known as the largest fast casual bagel brand in America as well as a top franchise in the breakfast category.

Options for All Dayparts
- Various options and menus catered to each daypart.

Known & Beloved Everywhere
- Locations in college campuses, airports, business & industry, healthcare & military installations.

Menu Variety
- Delicious, freshly-made bagels, sandwiches, coffee & more at an affordable price.

Selection Rationale:
At Einstein Bros.® Bagels, they believe in the bagel. They believe it has the power to do amazing things—giving you a reason to look forward to morning office meetings or an afternoon escape or even the simple joy of a shmear mustache on your kid's face. It's why they get to the store at 2am every day and bake fresh bagels every four hours, so their bagels are as fresh and delicious as possible. It's why they only use the finest breakfast ingredients to create the most inspiring flavors. It's why they do everything possible to make your day that much better. To spread a little more joy and happiness in the world. To laugh, smile and enjoy each other's company that much more. And to them, there's no better way to do that than with the bagel.

Why Einstein Bros.® Bagels @ FAT

Profile Summary

Passenger B4073 is returning home after spending the week in Fresno, visiting her boyfriend. Her flight to BOS is about 7.5 hours (United 2410 connecting to United 1103 in DEN). She's 20, in a long-distance relationship and her flight is in 40 minutes. She woke up late and didn't have a chance to drink her coffee or have breakfast. She was pleased to see the Einstein Bros.® Bagels sign as she's sure she can find a great cup of coffee and a bagel on the go. She's also happy she won't be breaking the bank on breakfast this morning.

Concept Recommendation

Einstein Bros.® Bagels is perfect for passenger B4073. She can find coffee and variety of quick breakfast options. This passenger always wanted to try Einstein Bros.® Bagels but never had a chance to do so. She is surprised that she found them at the airport. She is excited to have their coffee and bagel for the first time. This worked perfectly for her since she doesn't have too much time for a big breakfast.

Technology Trends

Technology powers our lives, making things faster, easier, and more convenient for us. Technology allows us to start our cars remotely, adjust the thermostat, keep an eye on our pets, see who's at the front door. Technology is part of our everyday lives – and it's only going to become more so.

Technology is going to play a much larger role at airports too. Whether it's an airline app that informs you if your flight is delayed or on time, Free Wi-Fi and charging areas for travelers, or the technology and biometrics required to go through security, there is no doubt that technology will only continue to enhance the travel experience for all travelers around the world.

Airports like FAT involve so many different parties every day from the travelers themselves to the pilots to the airline employees and security personnel to vendors, we know that adopting new technology will be the key driver in creating every facet of a traveler's journey seamless.

"We make travel easy, convenient and fast"

Tech-Enabled Shopping

Whether for business or pleasure, FAT sees and serves millions of travelers a day. With anticipated rebound of travel and travelers' technology upgrades and programming will help travelers navigate their journey more efficiently and sustainably.

We know that travelers are increasingly attracted to convenience, variety, quality and accessible tech-enabled shopping option. Tech-enabled shopping is the future of travel shopping. It's all about convenience and speed of service, two things' travelers value most.

When working on our programming we have looked at different ways to upgrade and innovate with tech. See key tech enhancements and services we have upgraded that are focused on enhancing the guest experience across our program for FAT.

The Travel Shopping Experience Elevated
The travel experience can be frustrating at times, like having to wait in line while an associate multitasks — processing transactions while assisting a customer on the floor at the same time. This is where took the opportunity to improve the experience through technology. See below to see how we are using technology to elevate the experience at each of our stores:

- **Self-Check-out Options-** hurried travelers will appreciate the speed of service
- **Digital Menu Boards-** hungry travelers will appreciate the freshly available food options (breakfast-lunch-dinner)
- **QR codes-** tired travelers will appreciate the varied options for attaining information
- **Loyalty Apps-** loyal travelers will appreciate being able to use their loyalty points

Combined these technology upgrades result in pure simplicity. From not needing to stand in line at the checkout while an associate rings and bags your purchases to being able to redeem your loyalty points—our tech-enable programming puts FAT travelers in control.

Technology and advanced staffing techniques create an elevated shopping experience

For optimal customer service and satisfaction

Pricing Methodology

Accurate and evolving pricing is an important component of our business. Here's how we monitor pricing and how we make changes over time:

1. Travel Essentials. Our local and regional operations leaders monitor pricing of items in this category routinely. They survey the local market for comparable products to set initial pricing levels. After the initial pricing is established, our teams continue to review pricing at comparable locations and make adjustments based on local market fluctuations.

2. Books, newspapers, magazines. Merchandise in this category is set based on each distributors Manufacturer's Suggested Retail Price (MSRP), which equals street pricing.

3. Specialty-retail merchandise. Specialty retail merchandise varies by brand, and we follow the pricing guidance provided by the different brands (i.e., Coach, Urban Decay) in almost all cases.

4. F&B – Our local and regional operations leaders monitor F&B pricing routinely. Our rates are comparable to the F&B stores located outside the airport. After the initial pricing is established, our teams continue to review pricing at comparable locations and make adjustments based on local market fluctuations.

5. Changes. In the event that pricing is changed, we provide written notification of such changes to our clients (i.e., aviation authorities).

Our experience has proven that reasonable prices increase sales. By increasing sales, we are better able to increase rents for the airport while stabilizing our percentage rent for better control and predictability of profit margins. The expectation of reasonable pricing goes a long way toward enhancing the airport's image in the eyes of the traveling public.

Hudson generally prefers to maintain prices at a constant level, but recognizes that costs may increase over time. Prices will be compared periodically, particularly if prices should shift unusually for a given merchandise category. For instance, the cost of tobacco products changes significantly with tax alterations. Prices from our comparison locations would be presented in support of a request for a price increase.

Yosemite Country Foods
Yosemite Country Foods has been a family owned business located just south of Yosemite, since 1991. It was started so that Yosemite National Park could have its own unique product line. They use nothing but the freshest, top quality products such as; Beef and Turkey Jerky, Candy, Trail Mix and Dried Fruit. Yosemite Country Foods can be found in our Hudson stores at FAT today!

Hudson is hoping to bring the following local brands to our NEW Hudson stores at FAT:

A 'Capella
At Made in Nature, they're the pioneers of organic snacks. They've been traveling the world, walking the fields, collaborating with growers, rolling up their sleeves, and getting dirty for over 30 years. No matter your snacking occasion, persuasion or location, they've got the most delicious and delightful snacks. From organic dried fruit to fair trade chocolate, they've got your snacks covered!

Braga
Braga Organic Farms started from their love for pistachios and organic food in general. Their products have been certified organic food by C.C.O.F. since November of 2000. They currently have 40 acres of pistachios located in Madera, California. They truly believe that everybody should purchase organic food directly from the farmer. There is no better or fresher way to eat! Braga's delicious and nutritious snacks include Almonds,

- ALWAYS ORGANIC
- NON-GMO
- CERTIFIED GLUTEN FREE
- 100% PLANT-BASED

Hinkle's Honey

Hinkle's Honey offers their delicious blend of different nectars straight from the hives. Their honey is NEVER super-heated, filtered or strained, therefore you are receiving the enzymes, nutrients and pollens the bee adds in, flavoring is never added. When the honey is extracted from their different areas and locations it is then blended into a tank for a delicious one of a kind flavor that will not disappoint your taste buds.

Life's Grape

Their grapes are gently sun-dried on the vine under the shade of the canopy. This signature, all-natural drying process results in a juicier and sweeter snack. They know this difference will surprise and delight you! Their delicious and unique snacks include Dark Chocolate Dipper Vine-Dried Grapes, Peanut Butter Dipped Vine-Dried Grapes and Classic Vine-Dried Grapes.

Raphio Chocolate

Raphio Chocolate was born from a desire to promote healthy real chocolates to other parents or anyone, for that matter, so their children or loved ones can also enjoy pure dark chocolate. Their chocolate bars have won several awards nationally as well as internationally. They are proudly worn on each winning product. Their offering includes chocolate bars, chocolate bonbons and ground chocolate.

Hudson Merchandise Categories & Pricing

Hudson will continue to evolve product assortments and modify the mix based on traveler feedback, purchasing patterns and sales results. Fresno does not stand still and as a result, both the product and retail plans will anticipate trends to keep pace with FAT busy life.

FAT life includes elements and milestones past and present, incorporating both culture and lifestyle. The rich heritage will be highlighted and respected. Critical to the plan and integral to planning, is intentional consideration of Fresno Events which are locally and globally recognized.

Product Pricing

Please see the tables below for a high-level product assortment, consistent with our travel essentials operation portfolio across North America.

Product Category	Price Range
Snacks, Candy, Food	$1.99-$24.99
Beverages	$1.59-$5.99
Electronics	$9.99-$499.99
Souvenirs & Apparel	$2.49-$99.99
Travel Accessories	$9.99-$49.99

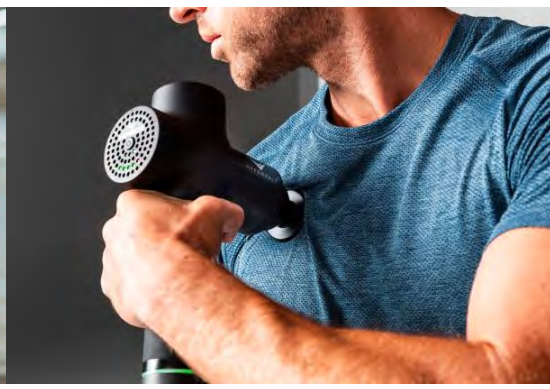
Brookstone Merchandise Categories & Pricing

Brookstone offers today's travelers variety in selections and brands to fulfill their tech needs on-the-go and beyond. In addition to premium global Brands like Apple, Beats, Bose and Sony (to name just a few) Brookstone also offers an extensive assortment of proprietary products available exclusively at Hudson Airport Stores. With additional categories like Wellness + Personal Care, and a curated collection of S.T.E.M. related toys and activities. (Science/Technology/Engineering/Mathematics), Brookstone continues to exceed the expectations of today's tech-savvy traveling consumer.

Product Pricing

Please see the tables below for a high-level product assortment, consistent with our travel essentials operation portfolio across North America.

Audio Headphones, ear buds, headsets, including wireless and wired, noise reduction, noise cancelling, bone conduction, and options for kids	$21.99 - $349.99
Tech Accessories Charging cables, adapters, portable power	$14.99 - $119.99
Travel Accessories Locks, luggage tags, comfort, including pillows, socks, and blankets	$9.99 - $49.99
Luggage Roller bags, duffels, laptop bags, backpacks, travel cubes, totes	$9.99 - $699.99
Wellness + Personal Care Handheld and specialty massagers, wellness travel kits, aromatherapy, mental health, fitness massage, cleanse and refresh	$9.99 - $599.99
S.T.E.M. Toys, activities, education, games, kits, novelty	$9.99 - $129.99



Einstein Bros.® Bagels is your neighborhood bagel shop. They're proud to provide your guests with freshly baked bagels, breakfast sandwiches, lunch sandwiches, coffee and so much more.

Product Pricing

Please see the table below for a high-level product assortment of Einstein Bros. Bagels.

Product Category	
Bagels & Breakfast Sandwiches	$2.39 – $18.99
Lunch/Hot & Toasty	$7.89 - $9.99
Beverages	$2.29 - $4.69
Espresso	$3.79 - $5.49

TAB 4 –
Projected Gross Receipts,
Rent and Cash Flow

Fresno International Airport

Permitted Use	**Hudson + Brookstone**
Location	**C-135**
Square Footage	**1,008**
CapEx per Square Foot	**$820**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300	
Pro Forma	**INPUTS**	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	**TOTAL**
Gross Sales		**$1,426,133**	**$1,477,430**	**$1,545,916**	**$1,622,250**	**$1,707,940**	**$1,788,669**	**$1,871,664**	**$1,966,370**	**$2,065,869**	**$2,170,402**	**$2,280,224**	**$2,395,603**	**$2,516,821**	**$2,644,172**	**$2,777,967**	**$30,257,428**
Operating Expenses																	
Cost of Goods	35.8%	$509,989	$528,334	$552,824	$580,121	$610,764	$639,633	$669,313	$703,180	$738,761	$776,142	$815,415	$856,675	$900,023	$945,564	$993,409	**$10,820,149**
Labor	22.5%	$320,456	$331,983	$347,372	$364,524	$383,779	$401,919	$420,568	$441,849	$464,206	$487,695	$512,373	$538,299	$565,537	$594,153	$624,217	**$6,798,927**
Space Rent	**$40.00**	$40,320	$42,336	$44,453	$46,675	$49,009	$51,460	$54,033	$56,734	$59,571	$62,550	$65,677	$68,961	$72,409	$76,029	$79,831	**$870,048**
Percentage Rent	**10.0%**	$102,293	$105,407	$110,139	$115,550	$121,785	$127,407	$133,134	$139,903	$147,016	$154,491	$162,345	$170,599	$179,273	$188,388	$197,966	**$2,155,695**
Other Direct Expenses	6.5%	$93,274	$96,629	$101,108	$106,101	$111,705	$116,985	$122,413	$128,607	$135,115	$141,952	$149,134	$156,681	$164,609	$172,938	$181,688	**$1,978,939**
G&A	5.8%	$82,716	$85,691	$89,663	$94,090	$99,061	$103,743	$108,557	$114,049	$119,820	$125,883	$132,253	$138,945	$145,976	$153,362	$161,122	**$1,754,931**
Royalties	2.5%	$35,653	$36,936	$38,648	$40,556	$42,698	$44,717	$46,792	$49,159	$51,647	$54,260	$57,006	$59,890	$62,921	$66,104	$69,449	**$756,436**
Utilities	0.5%	$7,352	$7,616	$7,969	$8,363	$8,804	$9,221	$9,648	$10,137	$10,650	$11,188	$11,755	$12,349	$12,974	$13,631	$14,320	**$155,977**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$7,730	$8,111	$8,540	$8,943	$9,358	$9,832	$10,329	$10,852	$11,401	$11,978	$12,584	$13,221	**$122,879**
Total Operating Expenses	**84.0%**	**$1,192,053**	**$1,234,931**	**$1,292,176**	**$1,363,710**	**$1,435,717**	**$1,503,624**	**$1,573,400**	**$1,652,977**	**$1,736,617**	**$1,824,490**	**$1,916,810**	**$2,013,800**	**$2,115,698**	**$2,222,753**	**$2,335,224**	**$25,413,980**
EBITDA	**16.0%**	$234,079	$242,499	$253,740	$258,540	$272,223	$285,045	$298,264	$313,393	$329,251	$345,911	$363,414	$381,803	$401,122	$421,419	$442,743	**$4,843,447**
Amortization/Depreciation	2.7%	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	**-$826,135**
Interest & Taxes (24%)	24.0%	-$56,179	-$58,200	-$60,898	-$62,050	-$65,333	-$68,411	-$71,583	-$75,214	-$79,020	-$83,019	-$87,219	-$91,633	-$96,269	-$101,141	-$106,258	**-$1,162,427**
NET PROFIT	**9.4%**	**$122,825**	**$129,224**	**$137,767**	**$141,414**	**$151,814**	**$161,558**	**$171,605**	**$183,103**	**$195,155**	**$207,817**	**$221,119**	**$235,095**	**$249,777**	**$265,203**	**$281,409**	**$2,854,885**

Sales assumptions
- Based on existing Hudson News airside performance, company internal benchmarks for the Brookstone concept
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Fresno International Airport

Permitted Use	**Hudson Local**
Location	**C-203-R**
Square Footage	**1,100**
CapEx per Square Foot	**$888**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300	

Pro Forma	INPUTS	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
Gross Sales		**$3,071,548**	**$3,182,030**	**$3,329,532**	**$3,493,936**	**$3,678,492**	**$3,852,362**	**$4,031,115**	**$4,235,089**	**$4,449,385**	**$4,674,523**	**$4,911,054**	**$5,159,554**	**$5,420,627**	**$5,694,911**	**$5,983,073**	**$65,167,229**
Operating Expenses																	
Cost of Goods	36.1%	$1,110,246	$1,150,181	$1,203,497	$1,262,923	$1,329,633	$1,392,480	$1,457,092	$1,530,821	$1,608,280	$1,689,659	$1,775,156	$1,864,979	$1,959,347	$2,058,490	$2,162,650	**$23,555,434**
Labor	23.3%	$716,324	$742,090	$776,489	$814,830	$857,871	$898,420	$940,107	$987,677	$1,037,653	$1,090,158	$1,145,320	$1,203,274	$1,264,159	$1,328,126	$1,395,329	**$15,197,828**
Space Rent	**$40.00**	$44,000	$46,200	$48,510	$50,936	$53,482	$56,156	$58,964	$61,912	$65,008	$68,258	$71,671	$75,255	$79,018	$82,969	$87,117	**$949,457**
Percentage Rent	**10.0%**	$263,155	$272,003	$284,443	$298,458	$314,367	$329,080	$344,147	$361,596	$379,930	$399,194	$419,434	$440,700	$463,045	$486,523	$511,190	**$5,567,266**
Other Direct Expenses	6.5%	$200,890	$208,116	$217,763	$228,515	$240,586	$251,958	$263,649	$276,989	$291,005	$305,730	$321,200	$337,452	$354,527	$372,467	$391,313	**$4,262,159**
G&A	5.8%	$178,150	$184,558	$193,113	$202,648	$213,353	$223,437	$233,805	$245,635	$258,064	$271,122	$284,841	$299,254	$314,396	$330,305	$347,018	**$3,779,699**
Royalties	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Utilities	0.5%	$15,834	$16,403	$17,164	$18,011	$18,963	$19,859	$20,780	$21,832	$22,937	$24,097	$25,316	$26,597	$27,943	$29,357	$30,843	**$335,937**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$16,648	$17,470	$18,392	$19,262	$20,156	$21,175	$22,247	$23,373	$24,555	$25,798	$27,103	$28,475	**$264,653**
Total Operating Expenses	**82.7%**	**$2,528,598**	**$2,619,550**	**$2,740,979**	**$2,892,969**	**$3,045,724**	**$3,189,782**	**$3,337,806**	**$3,506,618**	**$3,684,053**	**$3,870,466**	**$4,066,312**	**$4,272,067**	**$4,488,234**	**$4,715,339**	**$4,953,935**	**$53,912,432**
EBITDA	**17.3%**	$542,950	$562,480	$588,553	$600,967	$632,768	$662,580	$693,308	$728,471	$765,331	$804,057	$844,742	$887,486	$932,393	$979,572	$1,029,138	**$11,254,797**
Amortization/Depreciation	1.5%	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	**-$976,568**
Interest & Taxes (24%)	24.0%	-$130,308	-$134,995	-$141,253	-$144,232	-$151,864	-$159,019	-$166,394	-$174,833	-$183,679	-$192,974	-$202,738	-$212,997	-$223,774	-$235,097	-$246,993	**-$2,701,151**
NET PROFIT	**11.6%**	**$347,537**	**$362,380**	**$382,196**	**$391,630**	**$415,799**	**$438,456**	**$461,810**	**$488,533**	**$516,547**	**$545,979**	**$576,900**	**$609,385**	**$643,514**	**$679,370**	**$717,041**	**$7,577,078**

Sales assumptions
- Based on existing Hudson News airside performance, company internal benchmarks
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Fresno International Airport

Permitted Use	**Hudson + Café**
Location	**T-105**
Square Footage	**1,245**
CapEx per Square Foot	**$806**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300

Pro Forma	INPUTS	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
Gross Sales		**$1,346,278**	**$1,394,704**	**$1,459,355**	**$1,531,414**	**$1,612,306**	**$1,688,514**	**$1,766,863**	**$1,856,266**	**$1,950,193**	**$2,048,873**	**$2,152,546**	**$2,261,465**	**$2,375,895**	**$2,496,115**	**$2,622,418**	**$28,563,203**
Operating Expenses																	
Cost of Goods	33.1%	$445,586	$461,614	$483,012	$506,862	$533,635	$558,858	$584,790	$614,380	$645,468	$678,128	$712,442	$748,491	$786,365	$826,155	$867,958	**$9,453,742**
Labor	28.6%	$384,852	$398,695	$417,177	$437,776	$460,900	$482,685	$505,082	$530,639	$557,490	$585,699	$615,335	$646,471	$679,182	$713,549	$749,655	**$8,165,188**
Space Rent	**$40.00**	$49,800	$52,290	$54,905	$57,650	$60,532	$63,559	$66,737	$70,074	$73,577	$77,256	$81,119	$85,175	$89,434	$93,905	$98,601	**$1,074,612**
Percentage Rent	**10.0%**	$84,828	$87,180	$91,031	$95,492	$100,698	$105,293	$109,950	$115,553	$121,442	$127,631	$134,136	$140,972	$148,156	$155,706	$163,641	**$1,781,708**
Other Direct Expenses	6.8%	$91,051	$94,326	$98,699	$103,572	$109,043	$114,197	$119,496	$125,543	$131,895	$138,569	$145,580	$152,947	$160,686	$168,817	$177,359	**$1,931,780**
G&A	5.8%	$78,084	$80,893	$84,643	$88,822	$93,514	$97,934	$102,478	$107,663	$113,111	$118,835	$124,848	$131,165	$137,802	$144,775	$152,100	**$1,656,666**
Royalties	4.2%	$56,530	$58,563	$61,278	$64,303	$67,700	$70,900	$74,190	$77,944	$81,888	$86,031	$90,385	$94,958	$99,763	$104,811	$110,114	**$1,199,358**
Utilities	0.5%	$6,940	$7,190	$7,523	$7,894	$8,311	$8,704	$9,108	$9,569	$10,053	$10,562	$11,096	$11,658	$12,248	$12,867	$13,519	**$147,243**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$7,297	$7,657	$8,062	$8,443	$8,834	$9,281	$9,751	$10,244	$10,763	$11,307	$11,879	$12,481	**$115,999**
Total Operating Expenses	**89.4%**	**$1,197,672**	**$1,240,751**	**$1,298,266**	**$1,369,668**	**$1,441,991**	**$1,510,192**	**$1,580,273**	**$1,660,199**	**$1,744,205**	**$1,832,462**	**$1,925,185**	**$2,022,599**	**$2,124,942**	**$2,232,465**	**$2,345,427**	**$25,526,296**
EBITDA	**10.6%**	$148,607	$153,952	$161,089	$161,746	$170,315	$178,323	$186,590	$196,067	$205,988	$216,411	$227,361	$238,866	$250,952	$263,650	$276,991	**$3,036,907**
Amortization/Depreciation	3.5%	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	**-$1,003,541**
Interest & Taxes (24%)	24.0%	-$35,666	-$36,949	-$38,661	-$38,819	-$40,876	-$42,797	-$44,782	-$47,056	-$49,437	-$51,939	-$54,567	-$57,328	-$60,229	-$63,276	-$66,478	**-$728,858**
NET PROFIT	**4.6%**	**$46,039**	**$50,101**	**$55,525**	**$56,024**	**$62,537**	**$68,622**	**$74,906**	**$82,108**	**$89,648**	**$97,569**	**$105,892**	**$114,635**	**$123,821**	**$133,472**	**$143,611**	**$1,304,509**

Sales assumptions
- Based on existing Hudson News landside performance, estimation for coffee service capacity and an synergy sales uplift for the hybrid Retail + F&B location
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

TAB 5 –
Proposed Capital Investment

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 13: ANTICIPATED MINIMUM CAPITAL INVESTMENT PROPOSAL (Continued)

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

SCHEDULE 2: PROPOSAL SHEET FOR INITIAL CAPITAL INVESTMENT PER NEWS & GIFT CONCESSION UNIT

SCHEDULE NO. 2 – FAT: Initial Capital Investment (Dollar Amount) per News & Gift Concession Unit. (Be Advised, there is also a Mid-Term Refurbishment Requirement for Each News & Gift Concession Unit. The Refurbishment Requirement (not less than ½ of 1% of each Unit's Total Gross Sales) will begin at the start of Year 4 (2026) for those Units located in the Terminal Building and Concourse A and at the start of Year 5 (2027) for those Units located in Concourse B, and continue through each subsequent year, including Option Years.)

Concession Location (Concourse, Space #, Sq.Ft.)*	**Merchandising Plan**	**Minimum Opening Year**	**Initial Capital Investment (Dollar Amount)**
Terminal (Pre-Security); Space T-105 (1,245sq.ft.)	Combination News & Convenience and National Branded Coffee	2023	$ 1,003,541
Concourse A; Space C-135 (1,008sq.ft.)	News & Convenience	2023	$ 826,135
Concourse A; Space POD (1,470sq.ft.) N&C ONLY	News & Convenience	2023	$ 976,568
Total Initial Capital Investment (Dollar Amount) For All News & Convenience Units			$ 2,806,244

FAT Total Schedule No. 2 is $ two million eigth hundred and six thousand two hundred forty four **dollars and** -- **cents.**

The Proposer shall submit proposals on Schedule 1 or Schedule 2, or may bid on both schedules.

The City reserves the right to award a contract for the Schedule 1 or 2 or both, as listed in the order shown in the bid proposal, subject to available funds at the time of award, whichever the City deems to be in its own best interest.

Completion of Bid Proposal Form to be Eligible for Award. Proposers must bid all items within the schedules. The Proposer is non-responsive and ineligible for award in the event Proposer fails to initial this paragraph on the line provided and completely fill in the Proposal Form including, without limitation, all dollar amounts, and information called for on this Proposal Form. By Proposer's initials to the right hereof, Proposer represents he/she has read and understands the consequences of not completely filling in this Proposal Form.

Initial

The City reserves the right to reject any and all proposals.

FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL

FOOD & BEVERAGE CONCESSIONS
AND NEWS & CONVENIENCE CONCESSIONS

PROPOSED CAPITAL INVESTMENT
SOURCE(S) OF FUNDS

HG Fresno Concessionaires JV, a Joint Venture ("JV") between Hudson (HG) Retail, LLC with 87% ownership and Martinez-Niebla, LLC with 13% ownership will invest approximately $2.8 million. $100,000 of that investment will be funded from internal cash flows from the JV partners, proportional to ownership percentage. The remaining portion of the capital investment will be financed by the JV. If 3rd party financing is unavailable for whatever reason, Hudson shall act as lender of last resort

TAB 6 –
Qualifications, Background & Experience

FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL

Hudson has over 30 years of concessions operations throughout the U.S. and Canada. Today Hudson operates over 1,000 locations in 88 locations in airports of all sizes, from small (Des Moines, Iowa) to the world's busiest (Hartsfield-Jackson Atlanta International Airport), commuter terminals, hotels, and some of the most visited landmarks and tourist destinations in the world.

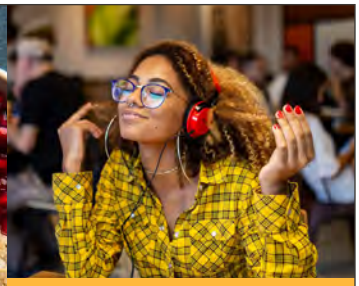
The information below is reflective of the majority equity holder in HG Fresno Concessionaires JV– Hudson (HG) Retail, LLC. The stats we've provided in this statement of qualifications speak to our operations prior to the spread of COVID-19. While we scaled back operations to deal with the downturn in air travel, we're definitely on the road to recovery and fully expect to be back to business as usual as the crisis continues to abate.

We're open in every market we operated in prior to the pandemic, with the exception of a few street-side locations that are closed by the landlord. Today, we've reopened more than 94% of our concession locations across North America. In addition, we've worked with our landlords to drive sales using a variety of entrepreneurial tactics – including digital innovation.

In addition to leveraging technology, we also leveraged old-fashion expertise and hard work. Where other concessionaires were closed (or remain closed) – we've expanded our offerings, especially around expanding our food and beverage portfolio and operations. Our willingness to support travelers, even when times are hard, means we've outperformed other concessionaires. We're proud to be The Traveler's Best Friend –in good and challenging times.

$1.9 Billion
2019 revenue (overall)

Hudson
A DUFRY Company



30+ YEARS
Airport Concessions Experience

AMAC
AIRPORT MINORITY ADVISORY COUNCIL

$150 Million
2019 Food Sales

Operating in **88 Locations** in U.S. & Canada

$180 Million
9 Califonia Markets

88 Markets
North America

150+
F&B Locations

1,000+
Concessions Locations

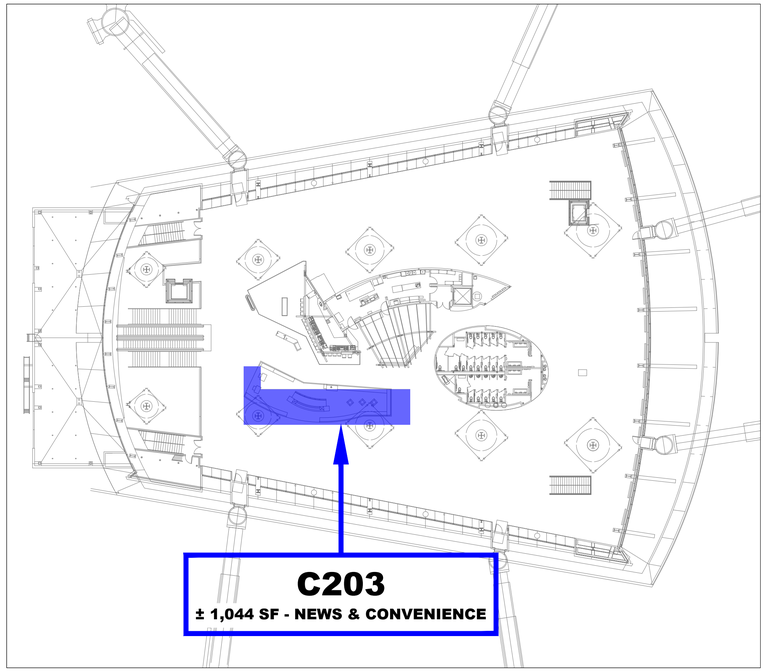
Hudson Group (HG) Retail, LLC is a Delaware limited liability company and 100% owned by Hudson Group (HG) Inc., a Delaware corporation, which is a wholly owned subsidiary of Hudson Ltd. a Bermuda corporation.

Hudson has undergone 2 ownership changes within the past 5 years. First, in 2018, Hudson was listed on the New York Stock Exchange. Then in 2020, Hudson was delisted from public trading. We invite you to visit the Media portion of our website if you'd like to learn more: https://www.hudsongroup.com/media

EXHIBIT B
Square Footage is preliminary until final As Builts are completed

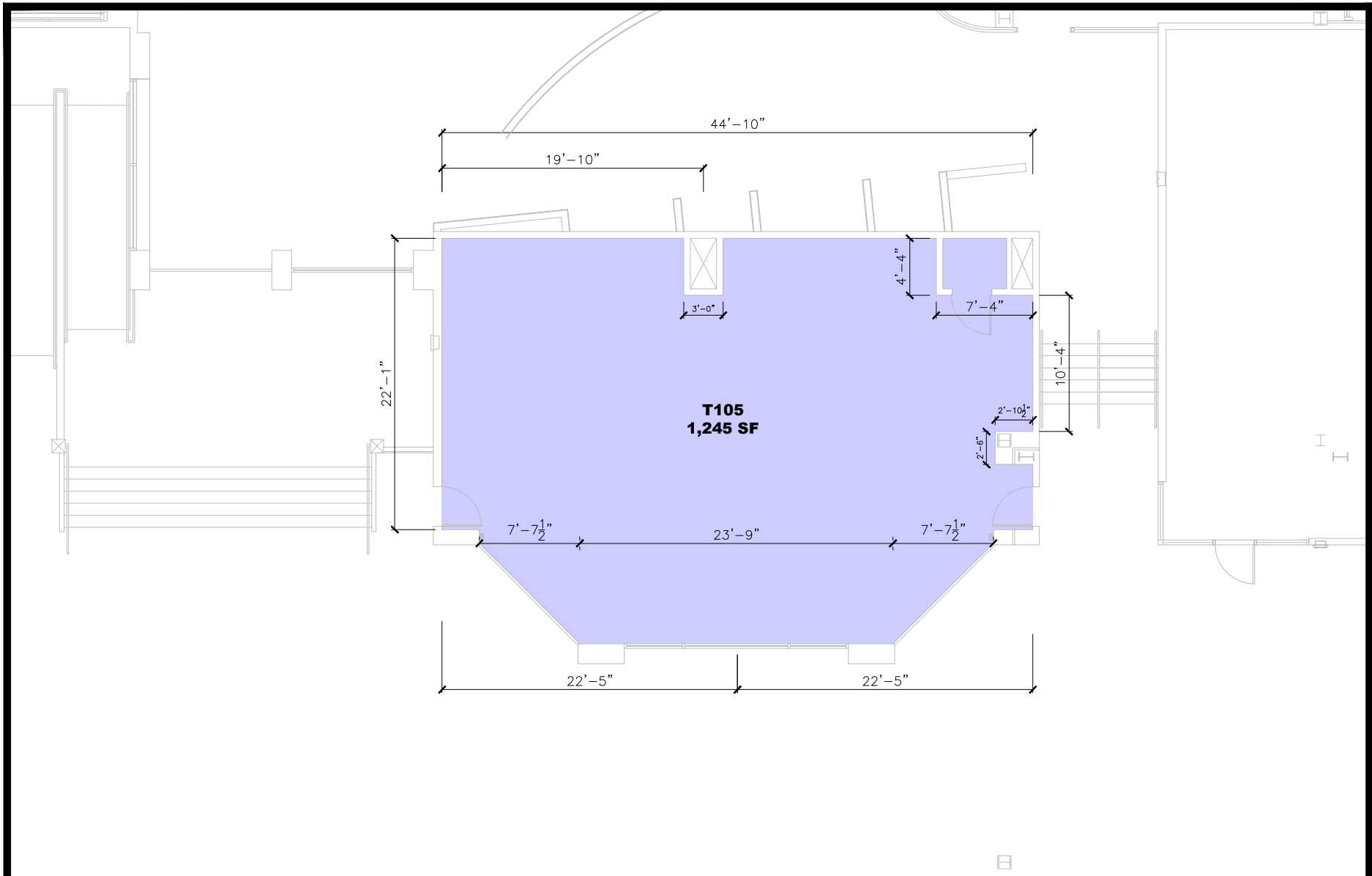
CONCESSION SPACE

C135
± 1,008 SF



T105
± 1,245 SF

NEWS & CONVENIENCE CONCESSIONS LOCATIONS - OVERVIEW

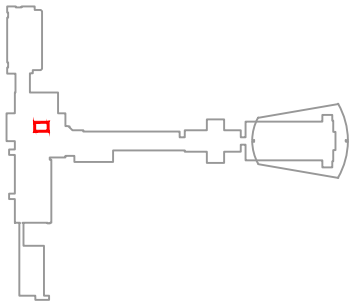


FRESNO YOSEMITE International Airport

FRESNO YOSEMITE INTERNATIONAL AIRPORT
LEASE OUTLINE DRAWINGS

TERMINAL CONCESSIONS

TERMINAL KEY



DISCLAIMER:

THIS LEASE OUTLINE DRAWING IS PRELIMINARY AND INTENDED TO PROVIDE BASIC ARCHITECTURAL CHARACTERISTICS, APPROXIMATE DIMENSIONS, AND OVERALL AREA OF SHELL LEASE SPACE. INFORMATION CONTAINED WITHIN IS SUBJECT TO CHANGE WITHOUT NOTICE. AS STATED IN GENERAL NOTES 1 AND 2, TENANT IS REQUIRED TO FIELD VERIFY ALL AS-IS CONDITIONS PRIOR TO COMMENCEMENT OF DESIGN WORK.

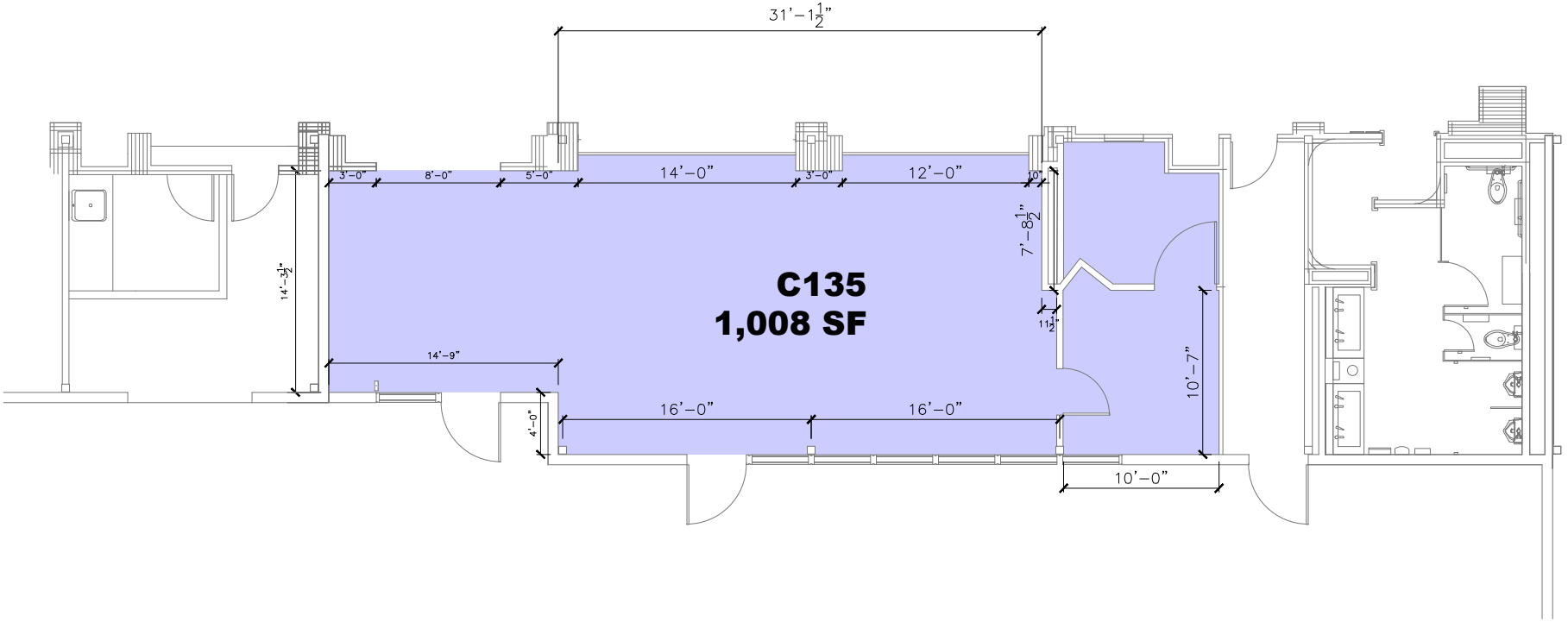
GENERAL NOTES:

1. ALL DIMENSIONS TO BE FIELD VERIFIED WITH AS-IS CONDITIONS AND COORDINATED WITH ALL WALL TYPES
2. OVERHEAD MEP AND STRUCTURAL CONDITIONS VARY. TENANT SHALL FIELD VERIFY AND CONFIRM ALL AS-IS CONDITIONS
3. BEFORE MAKING FLOOR PENETRATIONS OR ANY KIND OF REMOVAL OF CONCRETE FROM THE FLOOR SLAB, G.C. TO ENSURE THAT THE CONCRETE AT THAT LOCATION IS FREE OF REBAR, STRUCTURAL BEAMS, PAN JOISTS, OR GIRDERS. IF FLOOR IS CONSTRUCTED OF POST TENSIONED SYSTEM, G.C. SHALL ENSURE THAT THE ADEQUATE MEASURES ARE TAKEN TO STEER CLEAR OF STRESSED BARS IN ORDER TO AVOID INJURY OR COMPROMISE OF THE STRUCTURAL INTEGRITY OF THE FLOOR. IN THIS CASE, THE CUTTING OF ANY REBAR SHALL REQUIRE PRIOR APPROVAL FROM A PROFESSIONAL STRUCTURAL ENGINEER FAMILIAR WITH THE ORIGINAL CONSTRUCTION OF THE FLOOR SYSTEM. USE OF SYSTEMS SUCH AS GPR FOR LOCATING REBAR IS HIGHLY RECOMMENDED BEFORE MAKING PENETRATIONS INTO THE SLAB.

DATE: 03/09/23

SCALE: 3/32" = 1' - 0"

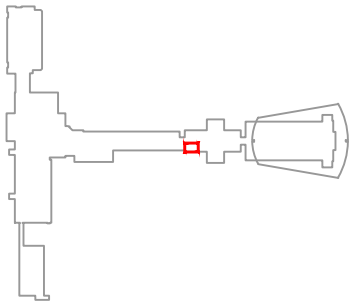
SHEET NUMBER: T105



FRESNO YOSEMITE INTERNATIONAL AIRPORT
LEASE OUTLINE DRAWINGS

TERMINAL CONCESSIONS
(W/ C133 ADDITION)

TERMINAL KEY



DISCLAIMER:

THIS LEASE OUTLINE DRAWING IS PRELIMINARY AND INTENDED TO PROVIDE BASIC ARCHITECTURAL CHARACTERISTICS, APPROXIMATE DIMENSIONS, AND OVERALL AREA OF SHELL LEASE SPACE. INFORMATION CONTAINED WITHIN IS SUBJECT TO CHANGE WITHOUT NOTICE. AS STATED IN GENERAL NOTES 1 AND 2, TENANT IS REQUIRED TO FIELD VERIFY ALL AS-IS CONDITIONS PRIOR TO COMMENCEMENT OF DESIGN WORK.

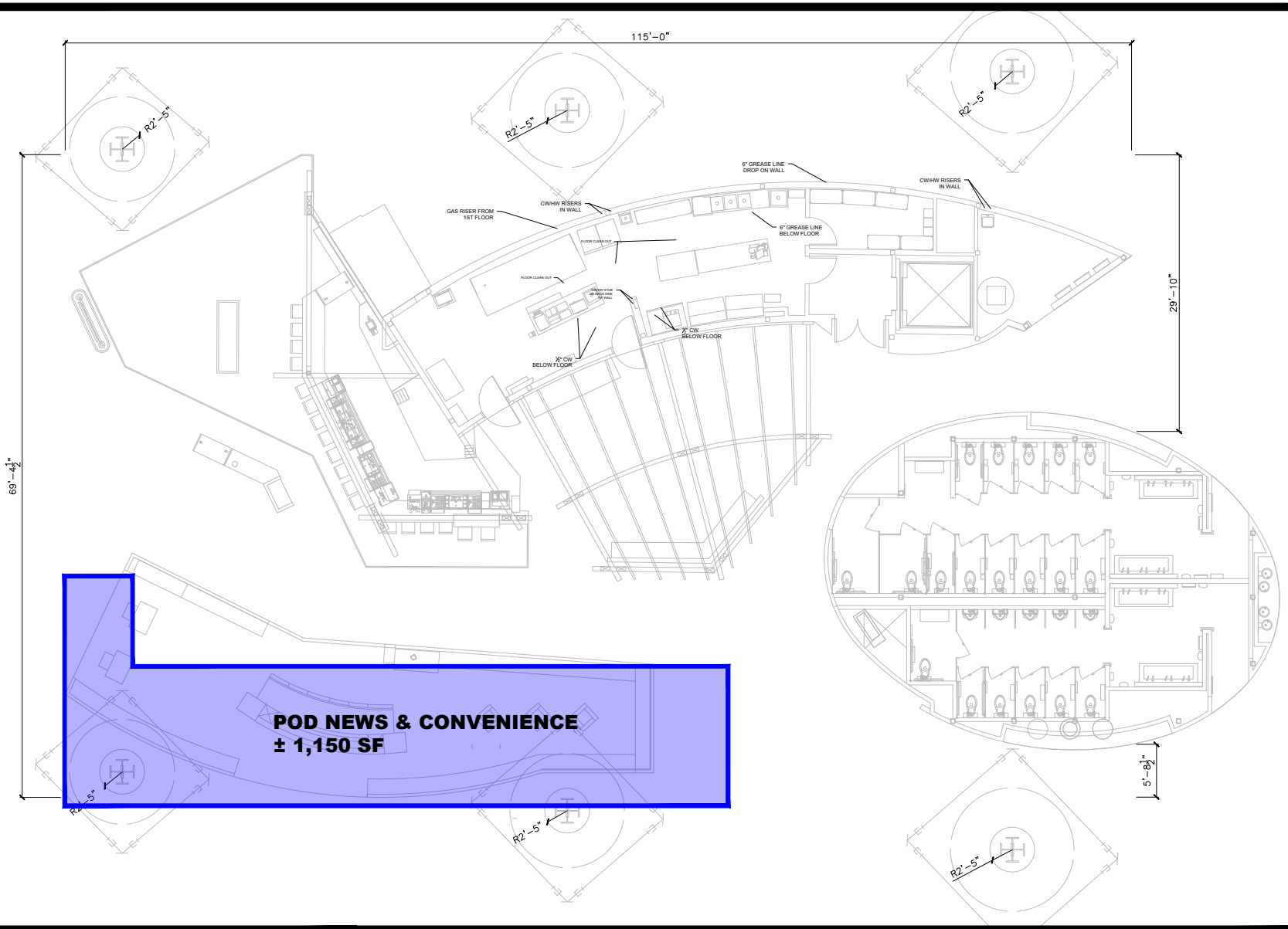
GENERAL NOTES:

1. ALL DIMENSIONS TO BE FIELD VERIFIED WITH AS-IS CONDITIONS AND COORDINATED WITH ALL WALL TYPES
2. OVERHEAD MEP AND STRUCTURAL CONDITIONS VARY. TENANT SHALL FIELD VERIFY AND CONFIRM ALL AS-IS CONDITIONS
3. BEFORE MAKING FLOOR PENETRATIONS OR ANY KIND OF REMOVAL OF CONCRETE FROM THE FLOOR SLAB, G.C. TO ENSURE THAT THE CONCRETE AT THAT LOCATION IS FREE OF REBAR, STRUCTURAL BEAMS, PAN JOISTS, OR GIRDERS. IF FLOOR IS CONSTRUCTED OF POST TENSIONED SYSTEM, G.C. SHALL ENSURE THAT THE ADEQUATE MEASURES ARE TAKEN TO STEER CLEAR OF STRESSED BARS IN ORDER TO AVOID INJURY OR COMPROMISE OF THE STRUCTURAL INTEGRITY OF THE FLOOR. IN THIS CASE, THE CUTTING OF ANY REBAR SHALL REQUIRE PRIOR APPROVAL FROM A PROFESSIONAL STRUCTURAL ENGINEER FAMILIAR WITH THE ORIGINAL CONSTRUCTION OF THE FLOOR SYSTEM. USE OF SYSTEMS SUCH AS GPR FOR LOCATING REBAR IS HIGHLY RECOMMENDED BEFORE MAKING PENETRATIONS INTO THE SLAB.

DATE: 03/09/23

SCALE: 3/32" = 1' - 0"

SHEET NUMBER: C135

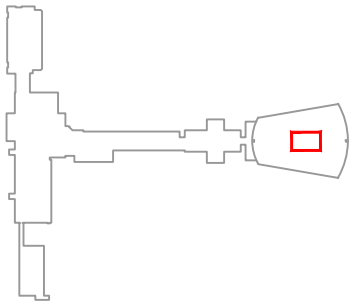


FRESNO YOSEMITE International Airport

FRESNO YOSEMITE INTERNATIONAL AIRPORT
LEASE OUTLINE DRAWINGS

TERMINAL CONCESSIONS

TERMINAL KEY



DISCLAIMER:

THIS LEASE OUTLINE DRAWING IS PRELIMINARY AND INTENDED TO PROVIDE BASIC ARCHITECTURAL CHARACTERISTICS, APPROXIMATE DIMENSIONS, AND OVERALL AREA OF SHELL LEASE SPACE. INFORMATION CONTAINED WITHIN IS SUBJECT TO CHANGE WITHOUT NOTICE. AS STATED IN GENERAL NOTES 1 AND 2, TENANT IS REQUIRED TO FIELD VERIFY ALL AS-IS CONDITIONS PRIOR TO COMMENCEMENT OF DESIGN WORK.

GENERAL NOTES:

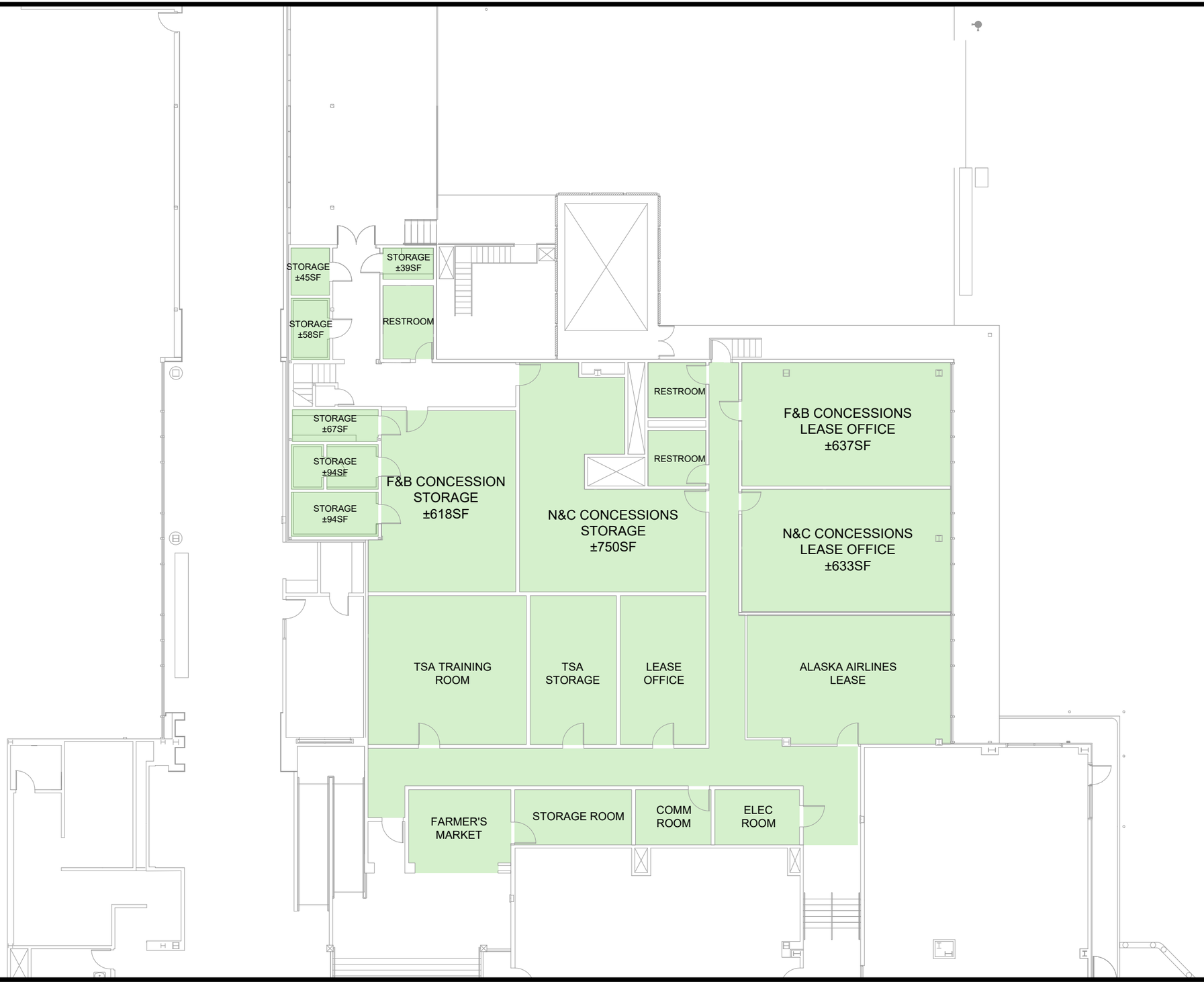
1. ALL DIMENSIONS TO BE FIELD VERIFIED WITH AS-IS CONDITIONS AND COORDINATED WITH ALL WALL TYPES
2. OVERHEAD MEP AND STRUCTURAL CONDITIONS VARY. TENANT SHALL FIELD VERIFY AND CONFIRM ALL AS-IS CONDITIONS
3. BEFORE MAKING FLOOR PENETRATIONS OR ANY KIND OF REMOVAL OF CONCRETE FROM THE FLOOR SLAB, G.C. TO ENSURE THAT THE CONCRETE AT THAT LOCATION IS FREE OF REBAR, STRUCTURAL BEAMS, PAN JOISTS, OR GIRDERS. IF FLOOR IS CONSTRUCTED OF POST TENSIONED SYSTEM, G.C. SHALL ENSURE THAT THE ADEQUATE MEASURES ARE TAKEN TO STEER CLEAR OF STRESSED BARS IN ORDER TO AVOID INJURY OR COMPROMISE OF THE STRUCTURAL INTEGRITY OF THE FLOOR. IN THIS CASE, THE CUTTING OF ANY REBAR SHALL REQUIRE PRIOR APPROVAL FROM A PROFESSIONAL STRUCTURAL ENGINEER FAMILIAR WITH THE ORIGINAL CONSTRUCTION OF THE FLOOR SYSTEM. USE OF SYSTEMS SUCH AS GPR FOR LOCATING REBAR IS HIGHLY RECOMMENDED BEFORE MAKING PENETRATIONS INTO THE SLAB.

DATE: 05/08/23

SCALE: 1/16" = 1' - 0"

SHEET NUMBER: C203

LAST EDITED: 6/29/23



FRESNO YOSEMITE INTERNATIONAL AIRPORT

CONCESSION SPACE MAP

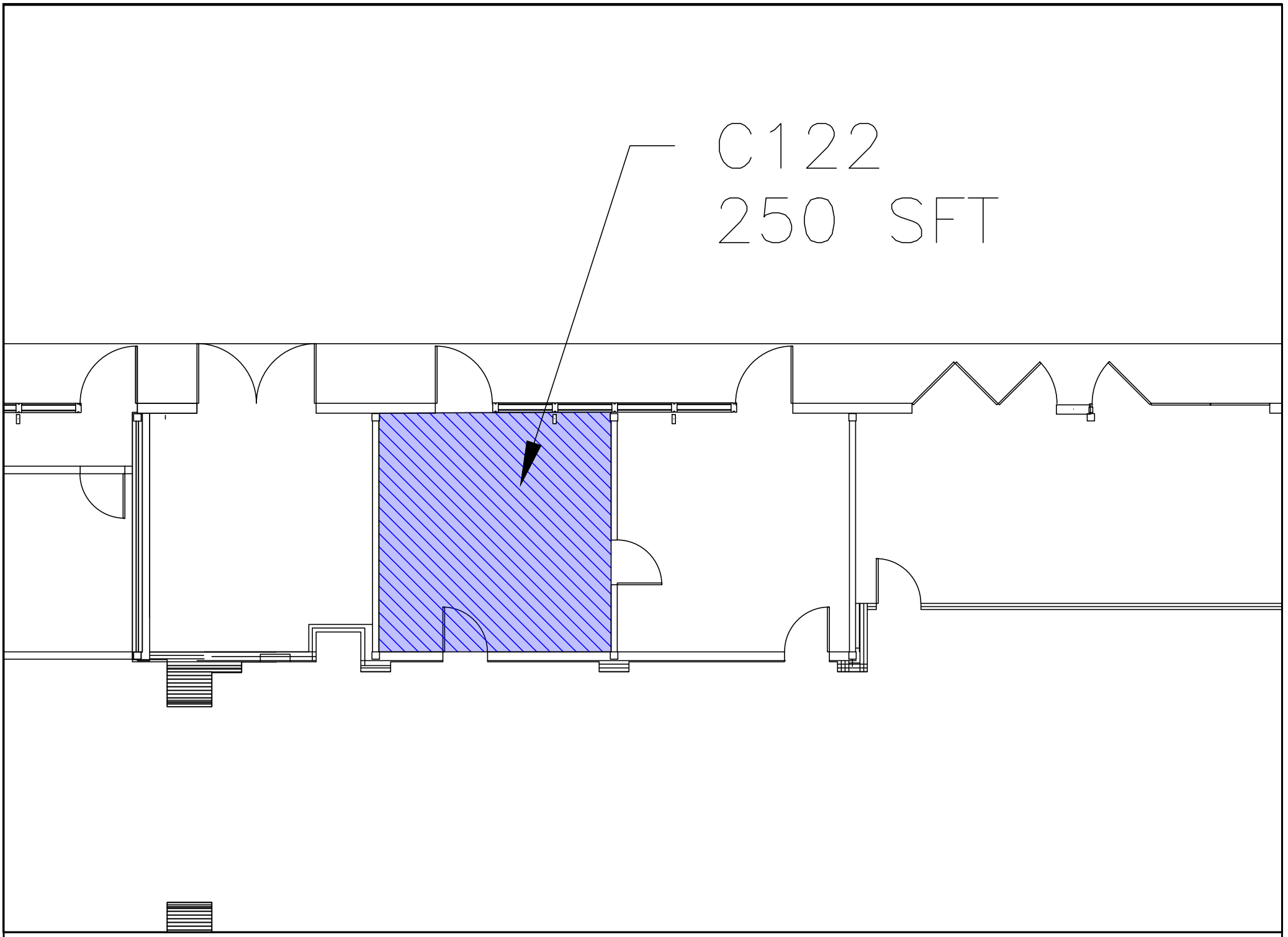
CENTRAL DISTRIBUTION AREA / CONCESSION STORAGE

LAST EDITED: 6/5/23

FRESNO YOSEMITE INTERNATIONAL AIRPORT

CONCESSION SPACE MAP

CONCESSION STORAGE (1ST FLOOR POD)



FRESNO YOSEMITE INTERNATIONAL AIRPORT

ROOM C122	LOCATION MAP

EXHIBIT C

FRESNO YOSEMITE
International Airport

Monthly Concessions Report

_____
Tenant Name

_____ , _____
Month Year

	Gross Revenue
Location 1	
Location 2	
Location 3	
Total Gross Receipts	$ -

Total Amount Due with this Report:	**$ -**

Overall for Month	Gross Revene
News	
Gift	
Convenience	

Report Prepared by: _____

Date Prepared: _____

Signature: _____

EXHIBIT D
Development Schedule

EXHIBIT E

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
COMMITMENT FORM

The ACDBE goal for this concession package is ____%

NOTE*: The City will only credit ACDBE participation that is certified by an approved certification entity at the time of proposal submission.*

The undersigned concessionaire/vendor has satisfied the requirements of the proposal specifications in the following manner (Please check (✓) only one box):

- ☐ 100% Self-Performance: The proposer, a certified ACDBE firm and sole concessionaire, is committed to meeting or exceeding the ACDBE goal through 100% self-performance. *(If checked, must submit required ACDBE certificate).*

- ☐ Percentage Participation: The proposer is committed to meeting or exceeding the ACDBE goal, with a minimum of ____% ACDBE participation on this concessions package.

- ☐ The proposer is unable to meet the ACDBE goal and is committed to a minimum of _____% ACDBE participation on this concessions package and submits documentation demonstrating good faith efforts.

- ☐ The proposer is unable to meet the ACDBE goal and submits documentation demonstrating good faith efforts.

NOTE: *Based on the response provided above by Proposer, City may require the submission of additional clarifying information upon notification of award or during the evaluation process.*

Name of Proposing Entity: _____

Name of Authorized Representative or Designee: _____

Title: _____

Signature_____

EXHIBIT F

DISCLOSURE OF CONFLICT OF INTEREST

_____ between City of Fresno ("Fresno")
_____ (" ")

		YES*	NO
1	Are you currently in litigation with the City of Fresno or any of its agents?	☐	☐
2	Do you represent any firm, organization or person who is in litigation with the City of Fresno?	☐	☐
3	Do you currently represent or perform work for any clients who do business with the City of Fresno?	☐	☐
4	Are you or any of your principals, managers or professionals, owners or investors in a business which does business with the City of Fresno, or in a business which is in litigation with the City of Fresno?	☐	☐
5	Are you or any of your principals, managers or professionals, related by blood or marriage to any City of Fresno employee who has any significant role in the subject matter of this service?	☐	☐
6	Do you or any of your subcontractors have, or expect to have, any interest, direct or indirect, in any other contract in connection with this Project?	☐	☐
* If the answer to any question is yes, please explain in full below.			

Explanation: _____

_____

_____

_____

_____

_____

_____

☐ Additional page(s) attached.

_____
Signature

_____
Date

_____
(name)

_____
(company)

_____
(address)

_____
(city state zip)

EXHIBIT G
Product and Price List

EXHIBIT H

FRESNO YOSEMITE
International Airport

New & Renewal Badge Checklist

Badge Forms:

_____ Identification Badge Application (Reviewed and signed by Signor)

_____ Driver's Training Questionnaire (If you will be driving on Airport property)

Two Forms of ID:

_____ Driver's License or ID (Must be a current California ID)

***and* one of the following**:

_____ Social Security Card

_____ US Passport or;

_____ Birth Certificate

_____ PIV/CAC/Chipped Card (Must be badging for issuing Government Agency)

If born out of the US, one of the forms of ID must be:

_____ Naturalization paper

_____ Permanent Resident card or;

_____ US Passport

Badging Office Hours:

Renewing Badges and Fingerprinting: Monday, Wednesday, or Friday at 8:00am, 10:00am, or 1:00pm.

New Badge Classes: Tuesdays or Thursdays at 9:30am or 1:00pm.

Please call to schedule. Walk-ins will not be accepted.

Note: *If an ID is expiring within 30 days of being presented to the badging office it must also be accompanied by paperwork and/or receipts showing that it has been renewed. All forms must be original. Copies will NOT be accepted.*

Social Security Cards that are laminated will NOT be accepted.

FRESNO YOSEMITE INTERNATIONAL AIRPORT

IDENTIFICATION BADGE APPLICATION **CM#** _____

BOTH SIDES MUST BE COMPLETED PRIOR TO APPOINTMENT

Last Name

First Initial

Page 1 EMPLOYEE

EMPLOYEE: THIS SIDE OF THE APPLICATION MUST BE FULLY COMPLETED BY YOU *BEFORE* THE AUTHORIZED REPRESENTATIVE SIGNS OFF ON THE EMPLOYER'S SIDE OF THE APPLICATION

***Full Name** (Please Print) First Middle Last
*Residence Address (No P.O. Box) Street Apt. # City State Zip

*Phone #	Cell #	*Email:			
*DOB MM DD YYYY	*Hair	*Eye	*Height	*Weight	*Gender M F
*Country or State of Birth	*Citizenship	Passport Country	Passport #		
*DL State Issued	*DL #	*DL Expiration	*SSN		

Alias Name (1) (Please Print) First Middle Last	Alias DOB
Alias Name (2) (Please Print) First Middle Last	

Alien Reg #	Immigrant Visa #	I-94 #	DS-1350

*Company Name	*Job Description/Title
*Direct Supervisor's Name	
*Supervisor's Title	*Supervisor's Business Phone #
*Give a brief but detailed statement of specific duties justifying your need for access into Airport secured areas	

*Previous Badge at FYI? Yes No	Badge #	Return Date

Previous Badge ☐ Renewal ☐ Lost/Stolen ☐ Revoked (Reason) ☐ Returned

Company Previous Badge Issued Under

The information I have provided is true, complete, and correct to the best of my knowledge and belief and is provided in good faith. I understand that a knowing and willful false statement can be punished by fine or imprisonment or both. (Section 1001 of Title 18 of the United States Code)

*Signature:	*Date

PLEASE DO NOT WRITE BELOW THIS LINE (RESERVED FOR OFFICIAL USE ONLY

Issued:	Badge	SIDA	LEO	STERILE	CARGO
Expires	Color	AOA	PUBLIC	Tenant/Vendor/Student	

Pin #	Fee: $	APS Official	
Date SIDA Trained:	Driver: Yes No	Escort: Yes No	Movement: Yes No
Badge #'s			

***Required information**

Revised September 2022

FRESNO YOSEMITE INTERNATIONAL AIRPORT

IDENTIFICATION BADGE APPLICATION
BOTH SIDES MUST BE COMPLETED PRIOR TO APPOINTMENT

Page 2

EMPLOYER'S CERTIFICATION

The Transportation Security Administration (TSA) in accordance with 49 CFR Part 1540 series requires that the employer of an airport security identification badge applicant certify that a CHRC will be completed, and this person does not have convictions for any of the listed disqualifying crimes.

In compliance with the requirement stated above, the Employer's Authorized Representative, whose identity, affiliation and signature appear below, hereby attest that the Employee/Applicant identified in Page 1 of the Application form (CHECK BOX BELOW):

*☐ Was hired by this Employer on _____; and that the CHRC requirements listed above have been fully met.

*☐ I hereby request driving privileges for this employee. I attached the "Driver's Training Questionnaire" to this application.

*☐ I hereby request SIDA/AOA escort privileges for this employee.

***Required information**

*Employer's Business Name/ Project Contracting Company

*Street Address *City *State *Zip

Mailing Address (if different than Street Address)

*Phone # FAX #

*Email Address

Authorized Signature

*Full Name (Print) First *Middle *Last

*Title or Position

*Signature *Date

I UNDERSTAND THAT A $25.00 FEE WILL BE CHARGED TO MY COMPANY FOR BADGES THAT ARE NOT RETURNED TO:
FRESNO YOSEMITE INTERNATIONAL AIRPORT
PUBLIC SAFETY OFFICE
4995 E CLINTON WAY
FRESNO, CA 93727
559-621-6650

FRESNO YOSEMITE
International Airport

Revised September 2022

FRESNO YOSEMITE
International Airport

DRIVER'S TRAINING QUESTIONNAIRE

(FORM REQUIRED FOR ALL DRIVERS)

All Airport Security Identification Badge holders who are required to operate vehicles on the Airport must obtain a driver designation ("D" designation on the badge) by completing the Air Operations Area (AOA) Driver's Training Program with successful testing.

FAA (FAR Part 139.329) requires that all designated drivers with access to the Aircraft Movement Area (taxiways, runways and their safety areas) will complete a supplementary Movement Area Driver's Training Program ("M" designation on the badge) prior to the initial performance of such duties and at least once every 12 consecutive calendar months. Failure to complete the recurrent training within the required time period will result in an immediate badge suspension. Pedestrian and vehicle operations are forbidden in the Aircraft Movement Area unless the individual has an authorized purpose and has completed the Aircraft Movement Area Driver's Training Program within the last 12 months.

Company/Agency: _____

Employee's Name: _____

Please select one from the options below:

☐ Employee (driver) does not require access to the Aircraft Movement Area
(Employee will complete "AOA" Driver's Training Program and receive "D" designation on the airport badge)

☐ Employee (driver) requires access to the Aircraft Movement Area
(Employee will complete both "AOA" and "Aircraft Movement Area" Driver's Training Programs and receive "D" and "M" designations on the airport badge)

If the employee requires access to the Aircraft Movement Area, please provide the reason:

☐ Involved in Aircraft Pushback from Terminal

☐ Involved in Aircraft Towing on Taxiways

☐ Involved in Disabled Aircraft Recovery

☐ Construction Company Contractor Requiring Unescorted Access

☐ FAA or NWS Employee with Movement Area Duties

☐ City of Fresno Airport Dept. Employee with Movement Area Duties

☐ Military Employee with Movement Area Duties

☐ Other (explain below)

Other: _____

Authorized Signer's Name: _____ Title: _____

Signature: _____ Date: _____

Rev. 09/2022

FRESNO YOSEMITE
International Airport

DISQUALIFYING CRIMES

1. Forgery of certificates, false marking of aircraft, and other aircraft registration violations;
2. Interference with air navigation;
3. Improper transportation of a hazardous material;
4. Aircraft piracy;
5. Interference with flight crew members or flight attendants;
6. Commission of certain crimes aboard an aircraft in flight;
7. Carrying a weapon or explosive aboard aircraft;
8. Conveying false information and threats;
9. Aircraft piracy outside the special aircraft jurisdiction of the United States;
10. Lighting violation involving transporting controlled substances;
11. Unlawful entry into an aircraft or airport area that serves air carriers or foreign air carriers contrary to established security requirements;
12. Destruction of an aircraft or aircraft facility;
13. Murder;
14. Assault with intent to murder;
15. Espionage;
16. Sedition; (Resistance or rebellion against the government in power.)
17. Kidnapping or hostage taking;
18. Treason;
19. Rape or aggravated sexual abuse;
20. Unlawful possession, use, sale, or distribution, or manufacture of an explosive or weapon;
21. Extortion;
22. Armed robbery; or felony unarmed robbery;
23. Distribution of, or intent to distribute, a controlled substance;
24. Felony arson;
25. A Felony involving a threat;
26. A Felony involving –
    1. Willful destruction of property;
    2. Importation or manufacture of a controlled substance;
    3. Burglary;
    4. Theft;
    5. Dishonesty, fraud, or misrepresentation;
    6. Possession or distribution of stolen property;
    7. Aggravated assault;
    8. Bribery; or
    9. Illegal possession of a controlled substance punishable by a maximum term of imprisonment of more than 1 year, or any other crime classified as a felony that the Administrator determines indicates a propensity for placing contraband aboard an aircraft in return for money; or;
27. Violence at international airports;
28. Conspiracy or attempt to commit any of the acts referred to in clauses (1) through (28).

I hereby acknowledge that I have not been convicted of any disqualifying criminal offenses, or been found not guilty by reason of insanity. Federal regulations under 49 CFR 1542.209 impose a continuing obligation to disclose to the airport operator within 24 hours if convicted of any of the above listed crimes while still having unescorted access.

The information I have provided on this application is true, complete, and correct to the best of my knowledge and belief and is provided in good faith. I understand that a knowing and willful false statement on this application can be punished by fine or imprisonment or both. (See section 1001 of Title 18 United States Code.)"

Signature: _____ **Date:** _____

Print Name: _____

FRESNO YOSEMITE
International Airport

AIRPORT PUBLIC SAFETY SUPPLEMENTAL QUESTIONNAIRE

1. Have you actually committed any of the previously listed disqualifying crimes even though you may not have been arrested or convicted? **YES/NO**
2. Have you committed a theft, or crime of dishonesty, within the past 5 years? **YES/NO**
3. Are you a registered sex offender, or have you committed a sex offense? **YES/NO**
4. Do you have outstanding warrants for your arrest? **YES/NO**
5. Are you currently violating a court order? **YES/NO**
6. Have you committed a drug violation within the last 5 years? **YES/NO**
7. Have you committed a violent crime within the last 10 years? **YES/NO**
8. Do you have a history of mental instability? **YES/NO**
9. Have you committed airport security violations? **YES/NO**
10. Have you engaged in behavior that was not supportive of airport security? **YES/NO**

A yes answer to any of the above questions may not disqualify you from maintaining or receiving an FYI Identification Badge. If you answered yes to any of the above questions, please give details below. Use a separate sheet of paper if necessary.

_____
_____
_____
_____
_____

FAILURE TO DISCLOSE ANY DISQUALIFYING OFFENSES OR CRIMES IS GROUNDS FOR IMMEDIATE AND PERMANENT DENIAL OF AIRPORT PRIVILEGES. YOU WILL BE GIVEN AN OPPORTUNITY TO DISCUSS THE CIRCUMSTANCES OF INCIDENTS, AND EXCEPTIONS ARE POSSIBLE. HOWEVER, FAILURE TO FULLY DISCLOSE PRIOR ARRESTS AND CONVICTIONS IS CONSIDERED UNTRUTHFUL CONDUCT. INITIAL _____

CERTIFICATE OF APPLICANT (read carefully before signing): I hereby certify that all statements made on this questionnaire are true and complete to the best of my knowledge. I understand that any misstatements or omissions can be grounds for revocation or denial of an FYI Identification Badge. I further understand that I am required to report any subsequent violations to Airport Public Safety immediately and that I may be subject to background inquiries at any time.

Signature: _____ **Date:**_____

Print Name: _____

Acceptable Documents

All documents must be original and not expired

LIST A

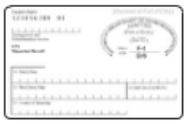
Documents that Establish both Identity and Employment Authorization

1 U.S. Passport or U.S. Passport Card.

2 Permanent Resident Card or Alien Registration Receipt Card (Form I-551) or a foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine-readable immigrant visa.

3 Employment Authorization Document that contains a photograph (Form I-766).

4 In the case of a nonimmigrant alien authorized to work for a specific employer incident to status, a foreign passport with Form I-94 or Form I-94A bearing the same name as the passport and containing an endorsement of the alien's nonimmigrant status, as long as the period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitation identified on the form.



*Regardless if the identification in LIST A establishes identity and employment authorization, applicants are required to present a second piece of identification from this form.

LIST B

Documents that Establish Identity

1 Driver license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address.

2 ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address.

LIST C

Documents that Establish Employment Authorization

1 Social Security Account Number card other than one that specifies on the face that the issuance of the card does not authorize employment in the United States.

2 Certification of Birth Abroad issued by the Department of State (Form DS-1350).

3 Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal.

4 Certificate of Naturalization.

Acceptable Documents

All documents must be original and not expired

U.S. Born Citizen

Combination of Identification	LIST A	LIST B		LIST C	
	U.S. Passport	Driver License	Fed/State ID	Social Security Card	Birth Certificate
1	✓	✓			
2	✓		✓		
3	✓			✓	
4	✓				✓
5		✓		✓	
6		✓			✓
7			✓	✓	
8			✓		✓

U.S. Citizen Born Abroad

Combination of Identification	LIST A	LIST B		LIST C		
	U.S. Passport	Driver License	Fed/State ID	Social Security Card	Certificate of Birth Abroad	Naturalization Certificate
1	✓	✓				
2	✓		✓			
3	✓			✓		
4	✓					✓
5		✓			✓	
6		✓				✓
7			✓		✓	
8			✓			✓

Foreign Citizen

Combination of Identification	LIST A			LIST B		LIST C
	Permanent Resident Card	Employment Authorization	Visa +I-94+ Valid Foreign Passport	Driver License	Fed/State ID	Social Security Card
1	✓			✓		
2	✓				✓	
3	✓					✓
4		✓		✓		
5		✓			✓	
6		✓				✓
7			✓	✓		
8			✓		✓	
9			✓			✓

EXHIBIT I

EXAMPLE OF SEVERE DECLINE IN ENPLANEMENTS FOR THREE MONTHS CALCULATION

The following calculation scenario is intended to provide an example of the mechanics of the Severe Decline in Enplanements for Three Months provision. The enplanement figures used in the calculation are not intended to be representations of actual or projected enplanement levels in the past, present or future.

Assumptions used in Example:

- Current Year – 2023
- Previous Year - 2022

The following table shows the monthly enplanements for the Previous Year (2022) above monthly enplanements for the Current Year (2023):

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Previous Year	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022
Epax (000)	70	70	85	100	110	120	110	100	80	70	80	90
	Jan	Feb	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec
Current Year	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023
Epax (000)	80	80	60	70	70	70	90	60	70	60	70	90
% of Previous Month's Epax	114.3%	114.3%	70.6%	70.0%	63.6%	58.3%	81.8%	60.0%	87.5%	85.7%	87.5%	100.0%

Per the enplanements shown in this table, there occurs a Severe Decline in Enplanements for Three Months with respect to the months March 2023 – May 2023, and the Space Rent shall be suspended effective June 1, 2023. Enplanement Stabilization for Three Months occurs with respect to the months September 2023 – November 2023, and the Space Rent shall be reinstated effective December 1, 2023.

EXHIBIT J

FRESNO YOSEMITE International Airport

NOTICE OF ANNUAL RENTAL ADJUSTMENT
(Based on USDLBLS Consumer Price Index for All Urban Consumers - All Items)

June 8, 2023 11:23 AM

RE: NEWS & CONVENIENCE CONCESSIONS AGREEMENT
HUDSON GROUP

The rental adjustment calculation shown to the right was completed in keeping with the intent of the lease for support space in the News & Convenience Concessions at Fresno Yosemite International Airport,

between

THE CITY OF FRESNO, CALIFORNIA

AND
HUDSON GROUP dba
HG FRESNO CONCESSIONAIRES JV

EFFECTIVE: July 1, 2024

**** MONTHLY RENTAL WILL BE: $3,078.25**

If you have any questions concerning this matter, please contact the undersigned at (559) 621-4500.

Best,

Airports Properties Division
City of Fresno - Airports Department

FRESNO YOSEMITE INTERNATIONAL AIRPORT
NEWS & CONVENIENCE CONCESSIONS
SUPPORT SPACE

DATE: June 8, 2023 11:23 AM

==========

ANNUAL RENTAL ADJUSTMENT COMPUTATION
FOR LEASE YEAR COMMENCING:
July 1, 2024

==========

USDLBLS CPI - JAN-DEC., 2021		265.510 *
USDLBLS CPI - JAN-DEC., 2022		287.984 *
AMOUNT OF CPI CHANGE		22.5
PERCENTAGE CPI CHANGE		8.4645%
SQUARE FOOTAGE		1,759.00
CURRENT MONTHLY RENTAL		$2,931.67
CURRENT RENT P/SQ FT/YR		20.0000
AMOUNT OF ADJUSTMENT		1.00000
NEW MONTHLY RENTAL		21.0000
	NOTE: 5% MAXIMUM APPLIES	
AMOUNT OF ADJUSTMENT		$146.58

NEW MONTHLY RENTAL		**$3,078.25**
EFFECTIVE:	July 1, 2024	**$36,939.00**

==========

Prepared by:

CITY OF FRESNO
AIRPORTS DEPARTMENT
PROPERTIES DIVISION
4995 EAST CLINTON WAY
FRESNO, CA 93727-1504

TELEPHONE: (559) 621-4500
FACSIMILE: (559) 251-4825

NOTES:

* PER USDL/BLS

**Actual monthly amount billed may be different than showns on this spreadsheet due to rounding.

SAMPLE

FRESNO YOSEMITE International Airport

NOTICE OF ANNUAL RENTAL ADJUSTMENT
(Based on USDLBLS Consumer Price Index for All Urban Consumers - All Items)

June 8, 2023 11:23 AM

RE: NEWS & CONVENIENCE CONCESSIONS AGREEMENT
HUDSON GROUP

The rental adjustment calculation shown to the right was completed in keeping with the intent of the lease for concession space in the News & Convenience Concessions at Fresno Yosemite International Airport,

between

THE CITY OF FRESNO, CALIFORNIA

AND
HUDSON GROUP dba
HG FRESNO CONCESSIONAIRES JV

EFFECTIVE: **July 1, 2024**

**** MONTHLY RENTAL WILL BE:** **$11,910.50**

If you have any questions concerning this matter, please contact the undersigned at (559) 621-4500.

Best,

Airports Properties Division
City of Fresno - Airports Department

FRESNO YOSEMITE INTERNATIONAL AIRPORT
NEWS & CONVENIENCE CONCESSIONS
CONCESSION SPACE

DATE: June 8, 2023 11:23 AM

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ANNUAL RENTAL ADJUSTMENT COMPUTATION
FOR LEASE YEAR COMMENCING:
July 1, 2024

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USDLBLS CPI - JAN-DEC.,	2021	265.510 *
USDLBLS CPI - JAN-DEC.,	2022	287.984 *
AMOUNT OF CPI CHANGE	.....	22.5
PERCENTAGE CPI CHANGE	.....	8.4645%
SQUARE FOOTAGE	.....	3,403.00
CURRENT MONTHLY RENTAL		$11,343.33
CURRENT RENT P/SQ FT/YR	.....	40.0000
AMOUNT OF ADJUSTMENT	.....	2.00000
NEW MONTHLY RENTAL		42.0000
	NOTE: 5% MAXIMUM APPLIES	
AMOUNT OF ADJUSTMENT	.....	$567.17

NEW MONTHLY RENTAL		**$11,910.50**
EFFECTIVE:	July 1, 2024	**$142,926.00**

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Prepared by:

CITY OF FRESNO
AIRPORTS DEPARTMENT
PROPERTIES DIVISION
4995 EAST CLINTON WAY
FRESNO, CA 93727-1504

TELEPHONE: (559) 621-4500
FACSIMILE: (559) 251-4825

NOTES:

* PER USDL/BLS

**Actual monthly amount billed may be different than showns on this spreadsheet due to rounding.

SAMPLE

EXHIBIT K
Initial Capital Investment

Fresno International Airport

Permitted Use	**Hudson + Brookstone**
Location	**C-135**
Square Footage	**1,008**
CapEx per Square Foot	**$820**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300	
Pro Forma	**INPUTS**	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	**TOTAL**
Gross Sales		**$1,426,133**	**$1,477,430**	**$1,545,916**	**$1,622,250**	**$1,707,940**	**$1,788,669**	**$1,871,664**	**$1,966,370**	**$2,065,869**	**$2,170,402**	**$2,280,224**	**$2,395,603**	**$2,516,821**	**$2,644,172**	**$2,777,967**	**$30,257,428**
Operating Expenses																	
Cost of Goods	35.8%	$509,989	$528,334	$552,824	$580,121	$610,764	$639,633	$669,313	$703,180	$738,761	$776,142	$815,415	$856,675	$900,023	$945,564	$993,409	**$10,820,149**
Labor	22.5%	$320,456	$331,983	$347,372	$364,524	$383,779	$401,919	$420,568	$441,849	$464,206	$487,695	$512,373	$538,299	$565,537	$594,153	$624,217	**$6,798,927**
Space Rent	**$40.00**	$40,320	$42,336	$44,453	$46,675	$49,009	$51,460	$54,033	$56,734	$59,571	$62,550	$65,677	$68,961	$72,409	$76,029	$79,831	**$870,048**
Percentage Rent	**10.0%**	$102,293	$105,407	$110,139	$115,550	$121,785	$127,407	$133,134	$139,903	$147,016	$154,491	$162,345	$170,599	$179,273	$188,388	$197,966	**$2,155,695**
Other Direct Expenses	6.5%	$93,274	$96,629	$101,108	$106,101	$111,705	$116,985	$122,413	$128,607	$135,115	$141,952	$149,134	$156,681	$164,609	$172,938	$181,688	**$1,978,939**
G&A	5.8%	$82,716	$85,691	$89,663	$94,090	$99,061	$103,743	$108,557	$114,049	$119,820	$125,883	$132,253	$138,945	$145,976	$153,362	$161,122	**$1,754,931**
Royalties	2.5%	$35,653	$36,936	$38,648	$40,556	$42,698	$44,717	$46,792	$49,159	$51,647	$54,260	$57,006	$59,890	$62,921	$66,104	$69,449	**$756,436**
Utilities	0.5%	$7,352	$7,616	$7,969	$8,363	$8,804	$9,221	$9,648	$10,137	$10,650	$11,188	$11,755	$12,349	$12,974	$13,631	$14,320	**$155,977**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$7,730	$8,111	$8,540	$8,943	$9,358	$9,832	$10,329	$10,852	$11,401	$11,978	$12,584	$13,221	**$122,879**
Total Operating Expenses	**84.0%**	**$1,192,053**	**$1,234,931**	**$1,292,176**	**$1,363,710**	**$1,435,717**	**$1,503,624**	**$1,573,400**	**$1,652,977**	**$1,736,617**	**$1,824,490**	**$1,916,810**	**$2,013,800**	**$2,115,698**	**$2,222,753**	**$2,335,224**	**$25,413,980**
EBITDA	**16.0%**	$234,079	$242,499	$253,740	$258,540	$272,223	$285,045	$298,264	$313,393	$329,251	$345,911	$363,414	$381,803	$401,122	$421,419	$442,743	**$4,843,447**
Amortization/Depreciation	2.7%	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	-$55,076	**-$826,135**
Interest & Taxes (24%)	24.0%	-$56,179	-$58,200	-$60,898	-$62,050	-$65,333	-$68,411	-$71,583	-$75,214	-$79,020	-$83,019	-$87,219	-$91,633	-$96,269	-$101,141	-$106,258	**-$1,162,427**
NET PROFIT	**9.4%**	**$122,825**	**$129,224**	**$137,767**	**$141,414**	**$151,814**	**$161,558**	**$171,605**	**$183,103**	**$195,155**	**$207,817**	**$221,119**	**$235,095**	**$249,777**	**$265,203**	**$281,409**	**$2,854,885**

Sales assumptions
- Based on existing Hudson News airside performance, company internal benchmarks for the Brookstone concept
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Fresno International Airport

Permitted Use	**Hudson Local**
Location	**C-203-R**
Square Footage	**1,100**
CapEx per Square Foot	**$888**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300	

Pro Forma	INPUTS	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
Gross Sales		**$3,071,548**	**$3,182,030**	**$3,329,532**	**$3,493,936**	**$3,678,492**	**$3,852,362**	**$4,031,115**	**$4,235,089**	**$4,449,385**	**$4,674,523**	**$4,911,054**	**$5,159,554**	**$5,420,627**	**$5,694,911**	**$5,983,073**	**$65,167,229**
Operating Expenses																	
Cost of Goods	36.1%	$1,110,246	$1,150,181	$1,203,497	$1,262,923	$1,329,633	$1,392,480	$1,457,092	$1,530,821	$1,608,280	$1,689,659	$1,775,156	$1,864,979	$1,959,347	$2,058,490	$2,162,650	**$23,555,434**
Labor	23.3%	$716,324	$742,090	$776,489	$814,830	$857,871	$898,420	$940,107	$987,677	$1,037,653	$1,090,158	$1,145,320	$1,203,274	$1,264,159	$1,328,126	$1,395,329	**$15,197,828**
Space Rent	**$40.00**	$44,000	$46,200	$48,510	$50,936	$53,482	$56,156	$58,964	$61,912	$65,008	$68,258	$71,671	$75,255	$79,018	$82,969	$87,117	**$949,457**
Percentage Rent	**10.0%**	$263,155	$272,003	$284,443	$298,458	$314,367	$329,080	$344,147	$361,596	$379,930	$399,194	$419,434	$440,700	$463,045	$486,523	$511,190	**$5,567,266**
Other Direct Expenses	6.5%	$200,890	$208,116	$217,763	$228,515	$240,586	$251,958	$263,649	$276,989	$291,005	$305,730	$321,200	$337,452	$354,527	$372,467	$391,313	**$4,262,159**
G&A	5.8%	$178,150	$184,558	$193,113	$202,648	$213,353	$223,437	$233,805	$245,635	$258,064	$271,122	$284,841	$299,254	$314,396	$330,305	$347,018	**$3,779,699**
Royalties	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Utilities	0.5%	$15,834	$16,403	$17,164	$18,011	$18,963	$19,859	$20,780	$21,832	$22,937	$24,097	$25,316	$26,597	$27,943	$29,357	$30,843	**$335,937**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$16,648	$17,470	$18,392	$19,262	$20,156	$21,175	$22,247	$23,373	$24,555	$25,798	$27,103	$28,475	**$264,653**
Total Operating Expenses	**82.7%**	**$2,528,598**	**$2,619,550**	**$2,740,979**	**$2,892,969**	**$3,045,724**	**$3,189,782**	**$3,337,806**	**$3,506,618**	**$3,684,053**	**$3,870,466**	**$4,066,312**	**$4,272,067**	**$4,488,234**	**$4,715,339**	**$4,953,935**	**$53,912,432**
EBITDA	**17.3%**	$542,950	$562,480	$588,553	$600,967	$632,768	$662,580	$693,308	$728,471	$765,331	$804,057	$844,742	$887,486	$932,393	$979,572	$1,029,138	**$11,254,797**
Amortization/Depreciation	1.5%	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	-$65,105	**-$976,568**
Interest & Taxes (24%)	24.0%	-$130,308	-$134,995	-$141,253	-$144,232	-$151,864	-$159,019	-$166,394	-$174,833	-$183,679	-$192,974	-$202,738	-$212,997	-$223,774	-$235,097	-$246,993	**-$2,701,151**
NET PROFIT	**11.6%**	**$347,537**	**$362,380**	**$382,196**	**$391,630**	**$415,799**	**$438,456**	**$461,810**	**$488,533**	**$516,547**	**$545,979**	**$576,900**	**$609,385**	**$643,514**	**$679,370**	**$717,041**	**$7,577,078**

Sales assumptions
- Based on existing Hudson News airside performance, company internal benchmarks
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Fresno International Airport

Permitted Use	**Hudson + Café**
Location	**T-105**
Square Footage	**1,245**
CapEx per Square Foot	**$806**

EPAX Forecast		1,180,884	1,199,373	1,230,362	1,265,798	1,306,529	1,341,456	1,376,177	1,417,462	1,459,986	1,503,786	1,548,899	1,595,366	1,643,227	1,692,524	1,743,300

Pro Forma	INPUTS	Year 1 (2024)	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL
Gross Sales		**$1,346,278**	**$1,394,704**	**$1,459,355**	**$1,531,414**	**$1,612,306**	**$1,688,514**	**$1,766,863**	**$1,856,266**	**$1,950,193**	**$2,048,873**	**$2,152,546**	**$2,261,465**	**$2,375,895**	**$2,496,115**	**$2,622,418**	**$28,563,203**
Operating Expenses																	
Cost of Goods	33.1%	$445,586	$461,614	$483,012	$506,862	$533,635	$558,858	$584,790	$614,380	$645,468	$678,128	$712,442	$748,491	$786,365	$826,155	$867,958	**$9,453,742**
Labor	28.6%	$384,852	$398,695	$417,177	$437,776	$460,900	$482,685	$505,082	$530,639	$557,490	$585,699	$615,335	$646,471	$679,182	$713,549	$749,655	**$8,165,188**
Space Rent	**$40.00**	$49,800	$52,290	$54,905	$57,650	$60,532	$63,559	$66,737	$70,074	$73,577	$77,256	$81,119	$85,175	$89,434	$93,905	$98,601	**$1,074,612**
Percentage Rent	**10.0%**	$84,828	$87,180	$91,031	$95,492	$100,698	$105,293	$109,950	$115,553	$121,442	$127,631	$134,136	$140,972	$148,156	$155,706	$163,641	**$1,781,708**
Other Direct Expenses	6.8%	$91,051	$94,326	$98,699	$103,572	$109,043	$114,197	$119,496	$125,543	$131,895	$138,569	$145,580	$152,947	$160,686	$168,817	$177,359	**$1,931,780**
G&A	5.8%	$78,084	$80,893	$84,643	$88,822	$93,514	$97,934	$102,478	$107,663	$113,111	$118,835	$124,848	$131,165	$137,802	$144,775	$152,100	**$1,656,666**
Royalties	4.2%	$56,530	$58,563	$61,278	$64,303	$67,700	$70,900	$74,190	$77,944	$81,888	$86,031	$90,385	$94,958	$99,763	$104,811	$110,114	**$1,199,358**
Utilities	0.5%	$6,940	$7,190	$7,523	$7,894	$8,311	$8,704	$9,108	$9,569	$10,053	$10,562	$11,096	$11,658	$12,248	$12,867	$13,519	**$147,243**
Marketing	0.0%	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	**$0**
Annual Refurbishment	0.0%	$0	$0	$0	$7,297	$7,657	$8,062	$8,443	$8,834	$9,281	$9,751	$10,244	$10,763	$11,307	$11,879	$12,481	**$115,999**
Total Operating Expenses	**89.4%**	**$1,197,672**	**$1,240,751**	**$1,298,266**	**$1,369,668**	**$1,441,991**	**$1,510,192**	**$1,580,273**	**$1,660,199**	**$1,744,205**	**$1,832,462**	**$1,925,185**	**$2,022,599**	**$2,124,942**	**$2,232,465**	**$2,345,427**	**$25,526,296**
EBITDA	**10.6%**	$148,607	$153,952	$161,089	$161,746	$170,315	$178,323	$186,590	$196,067	$205,988	$216,411	$227,361	$238,866	$250,952	$263,650	$276,991	**$3,036,907**
Amortization/Depreciation	3.5%	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	-$66,903	**-$1,003,541**
Interest & Taxes (24%)	24.0%	-$35,666	-$36,949	-$38,661	-$38,819	-$40,876	-$42,797	-$44,782	-$47,056	-$49,437	-$51,939	-$54,567	-$57,328	-$60,229	-$63,276	-$66,478	**-$728,858**
NET PROFIT	**4.6%**	**$46,039**	**$50,101**	**$55,525**	**$56,024**	**$62,537**	**$68,622**	**$74,906**	**$82,108**	**$89,648**	**$97,569**	**$105,892**	**$114,635**	**$123,821**	**$133,472**	**$143,611**	**$1,304,509**

Sales assumptions
- Based on existing Hudson News landside performance, estimation for coffee service capacity and an synergy sales uplift for the hybrid Retail + F&B location
- Resulting SPE (spend per enplanement) applied to the provided PAX forecast

NB: Depreciation formula corrected to 1/15th of CAPEX per year (was 1/12th in the template)

Proposer's Name HG Fresno Concessionaires JV
(Submit with Proposal)

FORM 13: ANTICIPATED MINIMUM CAPITAL INVESTMENT PROPOSAL (Continued)

FOOD & BEVERAGE CONCESSIONS AND NEWS & GIFT CONCESSIONS AT FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL FOR CITY OF FRESNO, AIRPORTS DEPARTMENT

REQUEST FOR PROPOSALS NO. 12300507

SCHEDULE 2: PROPOSAL SHEET FOR INITIAL CAPITAL INVESTMENT PER NEWS & GIFT CONCESSION UNIT

SCHEDULE NO. 2 – FAT: Initial Capital Investment (Dollar Amount) per News & Gift Concession Unit. (Be Advised, there is also a Mid-Term Refurbishment Requirement for Each News & Gift Concession Unit. The Refurbishment Requirement (not less than ½ of 1% of each Unit's Total Gross Sales) will begin at the start of Year 4 (2026) for those Units located in the Terminal Building and Concourse A and at the start of Year 5 (2027) for those Units located in Concourse B, and continue through each subsequent year, including Option Years.)

Concession Location (Concourse, Space #, Sq.Ft.)*	**Merchandising Plan**	**Minimum Opening Year**	**Initial Capital Investment (Dollar Amount)**
Terminal (Pre-Security); Space T-105 (1,245sq.ft.)	Combination News & Convenience and National Branded Coffee	2023	$ 1,003,541
Concourse A; Space C-135 (1,008sq.ft.)	News & Convenience	2023	$ 826,135
Concourse A; Space POD (1,470sq.ft.) N&C ONLY	News & Convenience	2023	$ 976,568
Total Initial Capital Investment (Dollar Amount) For All News & Convenience Units			$ 2,806,244

FAT Total Schedule No. 2 is $ two million eigth hundred and six thousand two hundred forty four **dollars and** -- **cents.**

The Proposer shall submit proposals on Schedule 1 or Schedule 2, or may bid on both schedules.

The City reserves the right to award a contract for the Schedule 1 or 2 or both, as listed in the order shown in the bid proposal, subject to available funds at the time of award, whichever the City deems to be in its own best interest.

Completion of Bid Proposal Form to be Eligible for Award. Proposers must bid all items within the schedules. The Proposer is non-responsive and ineligible for award in the event Proposer fails to initial this paragraph on the line provided and completely fill in the Proposal Form including, without limitation, all dollar amounts, and information called for on this Proposal Form. By Proposer's initials to the right hereof, Proposer represents he/she has read and understands the consequences of not completely filling in this Proposal Form.

Initial

The City reserves the right to reject any and all proposals.

FRESNO YOSEMITE INTERNATIONAL AIRPORT TERMINAL

FOOD & BEVERAGE CONCESSIONS
AND NEWS & CONVENIENCE CONCESSIONS

PROPOSED CAPITAL INVESTMENT
SOURCE(S) OF FUNDS

HG Fresno Concessionaires JV, a Joint Venture ("JV") between Hudson (HG) Retail, LLC with 87% ownership and Martinez-Niebla, LLC with 13% ownership will invest approximately $2.8 million. $100,000 of that investment will be funded from internal cash flows from the JV partners, proportional to ownership percentage. The remaining portion of the capital investment will be financed by the JV. If 3rd party financing is unavailable for whatever reason, Hudson shall act as lender of last resort

EXHIBIT L

FAA
Airports

ASSURANCES

AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

   The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

   The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

   Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and

assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

a. 49 U.S.C. subtitle VII, as amended.
b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.[1]
c. Federal Fair Labor Standards Act – 29 U.S.C. § 201, et seq.
d. Hatch Act – 5 U.S.C. § 1501, et seq.[2]
e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.[1, 2]
f. National Historic Preservation Act of 1966 – Section 106 – 54 U.S.C. § 306108.[1]
g. Archeological and Historic Preservation Act of 1974 – 54 U.S.C. § 312501, et seq.[1]
h. Native Americans Grave Repatriation Act – 25 U.S.C. § 3001, et seq.
i. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. § 7401, et seq.
j. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. § 1451, et seq.
k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.[1]
l. 49 U.S.C. § 303, (formerly known as Section 4(f)).
m. Rehabilitation Act of 1973 – 29 U.S.C. § 794.
n. 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).
o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
p. Age Discrimination Act of 1975 – 42 U.S.C. § 6101, et seq.
q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
r. Architectural Barriers Act of 1968, as amended – 42 U.S.C. § 4151, et seq.[1]
s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 – 42 U.S.C. § 8373.[1]
t. Contract Work Hours and Safety Standards Act – 40 U.S.C. § 3701, et seq.[1]
u. Copeland Anti-kickback Act – 18 U.S.C. § 874.[1]

v. National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, et seq.[1]

w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.

x. Single Audit Act of 1984 – 31 U.S.C. § 7501, et seq.[2]

y. Drug-Free Workplace Act of 1988 – 41 U.S.C. §§ 8101 through 8105.

z. The Federal Funding Accountability and Transparency Act of 2006, as amended (P.L. 109-282, as amended by section 6202 of P.L. 110-252).

aa. Civil Rights Restoration Act of 1987, P.L. 100-259.

bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

a. Executive Order 11246 – Equal Employment Opportunity[1]

b. Executive Order 11990 – Protection of Wetlands

c. Executive Order 11998 – Flood Plain Management

d. Executive Order 12372 – Intergovernmental Review of Federal Programs

e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction[1]

f. Executive Order 12898 – Environmental Justice

g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency

h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

i. Executive Order 13988 – Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation

j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America's Workers

k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).

b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [4, 5]

c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.

d. 14 CFR Part 13 – Investigative and Enforcement Procedures.

e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.

f. 14 CFR Part 150 – Airport Noise Compatibility Planning.

g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.

h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.

i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.[1]

j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.[1]

k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).[1]

l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).[1]

m. 49 CFR Part 20 – New Restrictions on Lobbying.

n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.

o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.

p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.[1, 2]

q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.

r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.[1]

s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.

t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.

u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).

v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).

w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.

x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

[1] These laws do not apply to airport planning sponsors.

[2] These laws do not apply to private sponsors.

[3] 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall

apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

[4] Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

[5] Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere

with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.

d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.

e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.

f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.

g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance-Management.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The

accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.

b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of $2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.

b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.

c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.

e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.

g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.

h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:

   1. Operating the airport's aeronautical facilities whenever required;

   2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and

   3. Promptly notifying pilots of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or

facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.

b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:

   1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and

   2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.

d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.

e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable

classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.

f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.

g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and

b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for

which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:

   1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

   2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor’s acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.

   3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.

b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of 49 U.S.C. § 47107.

26. Reports and Inspections.

It will:

a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the

public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;

b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;

c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and

d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:

   1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and

   2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or

b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:

1. boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;

2. the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;

3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and

4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:

1. eliminate such adverse effect in a manner approved by the Secretary; or

2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.

b. Applicability

   1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.

   2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.

   3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

   The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

   1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or

   2. So long as the sponsor retains ownership or possession of the property.

d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

   "The (**[Selection Criteria: Sponsor Name]**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 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, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] 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."

e. Required Contract Provisions.

   1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.

2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.

3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.

4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:

    a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and

    b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.

f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

    1. Reinvestment in an approved noise compatibility project;

    2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);

    3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;

    4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or

    5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

    If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development

project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:

    1. Reinvestment in an approved noise compatibility project;
    2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
    3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117;
    4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport; or
    5. Payment to the Secretary for deposit in the Airport and Airway Trust Fund.

c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by

the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under an Airport Improvement Program Grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf) for AIP projects as of [Selection Criteria: Project Application Date].

35. Relocation and Real Property Acquisition.

a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.

b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.

c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, or sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:

   1. Describes the requests;
   2. Provides an explanation as to why the requests could not be accommodated; and
   3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.

b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.