

**REQUEST FOR QUALIFICATIONS/PROPOSALS
MANAGEMENT AND OPERATION SERVICES FOR THE HARRISBURG
INTERNATIONAL AIRPORT PARKING FACILITIES**



**SUSQUEHANNA AREA REGIONAL AIRPORT AUTHORITY
HARRISBURG INTERNATIONAL AIRPORT
ONE TERMINAL DRIVE, SUITE 300
MIDDLETOWN, PA 17057**

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SECTION 1.00 - INVITATION

REQUEST FOR QUALIFICATIONS AND REQUEST FOR PROPOSALS

AIRPORT PARKING MANAGEMENT AND OPERATION SERVICES

The Susquehanna Area Regional Airport Authority (SARAA), owner and operator of the Harrisburg International Airport, is seeking Statements of Qualifications from qualified firms wishing to provide parking management and operation services at the airport commencing on July 1, 2017.

Interested parties may download the documents from the HIA website: www.flyhia.com under “Business and Advertising Opportunities, Airport Projects/RFQ/RFP.”

Sealed responses must be submitted to Deputy Executive Director, SARAA, One Terminal Drive, Suite 300, Middletown, PA 17057 by **4:00 pm EST on Wednesday, March 22, 2017** labeled “**PROPOSALS FOR AIRPORT PARKING MANAGEMENT AND OPERATION SERVICES**”. SARAA reserves the right to accept, reject and or make requests for new proposals at its sole discretion.

SECTION 2.00 - GENERAL INFORMATION

2.01 DEFINITIONS. The following terms and definitions will apply throughout this Request for Qualifications/Proposals.

"Airport"	means Harrisburg International Airport located in Middletown, PA
“Agreement”	refers to the document allowing the Company to exclusively provide Parking Management and Operation Services to the Authority
"Authority"	for the purposes of this document, Authority refers the Susquehanna Area Regional Airport Authority which owns and operates the Airport
“Company”	means the successful company
“Director”	refers to the Executive Director who has responsibility for the overall day-to-day management and administration of the Airport
“Proposal”	document submitted by Respondent (s) to be considered for the Agreement; Proposals shall be submitted solely by Respondents on the Short List and shall, at a minimum, consist of a response to Exhibit 8.
“Respondent(s)”	any company or organization submitting a Statement for the services
“RFP”	means Request for Proposals
“RFQ”	means Request for Qualifications
“Short List”	means a list of Respondents developed by SARAA that will provide a Proposal and be further considered for an Agreement. The exact number of Respondents that are included on the Short List will be determined by SARAA during the review of the Statements.
“Statement”	document submitted by Respondent (s) to be considered for the Short List; the overall proposal shall include Respondents’ statement of qualifications and separate sealed envelope for the management price and investment plans/cost. The Proposal will include completed Exhibits 7 and 8.

2.02 INTRODUCTION. The Susquehanna Area Regional Airport Authority, owner and operator of the Harrisburg International Airport in Middletown, Pennsylvania, requests

Statements of Qualification from firms wishing to provide management services related to the operation and administration of the Airport parking facilities. The Authority intends to select one (1) Company to provide management and operation services for the parking operation. The Authority intends to enter into a five (5) year Operating Agreement with up to five (5) one-year options subject to mutual agreement.

- 2.03 DETERMINATION OF RESPONDENTS.** Only those Statements received in a timely manner and in proper form (including completed Exhibit 7) from Respondents who can provide evidence that they are fully competent, have the necessary experience, organizational and financial capacity to fulfill the requirements for management and operation of the Airport's parking facilities will be considered. Based on those Statements, and other information derived from and about the Respondents, the Authority intends to develop a Short List of Respondents to provide Proposals. After considering the Statement, Proposals, and interviews (if necessary), the Authority will enter into negotiations with one (1) Company with respect to finalizing the following: the proposed Operating Agreement; organization; staffing and personnel schedules; fees and fee schedules; hours of operation; and any additional features of the proposed Agreement.

In the event that such negotiation does not produce a satisfactory Agreement, a second Respondent shall be invited to enter into negotiations. Should the second Respondent and the Authority fail to negotiate an Agreement acceptable to the Authority, the third firm shall be invited to enter negotiations, and so on until an Agreement satisfactory to the Authority is concluded.

Some of the scope described in this document may not be required. Firms should be aware that there is no guarantee that any work will result from this selection process and that if the assignment is undertaken, in whole or in part, there is no assurance of, nor should firms expect to receive further work or assignments.

SECTION 3.00 – INSTRUCTIONS TO RESPONDENTS

- 3.01 RESPONSIBILITY FOR STATEMENT.** Each Respondent is responsible for carefully examining the terms and conditions set forth in this RFQ/RFP, for making an inspection of the Airport and its facilities, and for otherwise judging for itself all the circumstances and conditions affecting the Respondent's Statement. Submission of a Statement shall be conclusive evidence that the Respondent has made such examinations and investigations.

Failure on the part of the Respondent to make such examination and to investigate fully and thoroughly shall not be grounds for any declaration that the Respondent did not understand the conditions of the RFQ/RFP.

- 3.02 STATEMENT SUBMITTAL.** Respondents shall abide by all the procedures set forth in the RFQ/RFP in the preparation and submission of their Statement. Each Respondent must include five copies, and a digital version on a USB drive of the Statement to:

Marshall Stevens
Deputy Executive Director
Susquehanna Area Regional Airport Authority
One Terminal Drive, Suite 300
Middletown, PA 17057

- 3.03 STATEMENT DEADLINE.** Statements must be received at the address provided in Section 3.02 herein no later than Wednesday, March 22, 2017 by 4:00 pm EST.
- 3.04 PRE-SUBMISSION MEETING.** The pre-submission meeting is scheduled on Thursday, March 9, 2017 at 10:00 am in the McIntosh Board Room at Harrisburg International Airport. Interested Respondents are encouraged attend the meeting; however, attendance is not mandatory and will not disqualify any Respondent from this RFQ/RFP process.
- 3.05 STATEMENT STRUCTURE.** Respondents shall submit a Statement, including the information requested in Exhibits 7, providing sufficient detail and information in a clear and explicit manner. Each Statement shall consist of the following:
1. An executive summary outlining important features of the Statement (maximum 3 pages).
 2. Qualifications, management plans, customer service summary, and financial ability (maximum 30 pages).
 3. Supporting documents including certificates, audited financial statements, references and other supplemental information required in this RFQ/RFP.
- 3.06 MINIMUM QUALIFICATIONS.** In order to be considered by the Authority, Respondents are required to submit a Statement detailing Respondent's background and must meet the following qualifications (in no particular order):
1. Minimum of ten (10) years of continuous experience of managing and operating airport parking facilities
 2. Satisfactory financial responsibility by submitting audited financial statements for the most recent three years.
 3. Detailed management plan with the incorporation of Authority's existing operation without any major disruptions to passengers and/or users of the Airport during transition
 4. Respondent's experience and/or knowledge of Authority's existing revenue control system or a similar system
 5. Experienced management team and a submittal of an organizational chart

- 3.07 AGREEMENT TERM.** The Agreement term will be for an initial five (5) year period, with up to five (1) year renewal options subject to mutual agreement.
- 3.08 SBE/DBE –** The Authority is committed to promoting of development of small business enterprises (SBE) and disadvantaged business enterprises (DBE) in this area. All SBE and DBEs are encouraged to participate in this RFP process and the Authority agrees to comply with all applicable federal, state and local laws, including the Civil Rights Act of 1964 as amended.
- 3.09 AUTHORITY CONTACT.** Inquiries on all matters pertaining to this RFP or the process should be directed to:

Marshall Stevens
 Deputy Executive Director
 Susquehanna Area Regional Airport Authority
 One Terminal Drive, Suite 300
 Middletown, PA 17057
 Email: marshalls@saraa.org

Inquiries shall be limited to this RFQ/RFP package, or questions related to clarification of the contents of this package. All inquiries must be in writing and must be submitted by 4 pm EST on Monday, March 13, 2017. All clarifications will be supplied to known Respondents and posted on HIA’s website, www.flyhia.com, “Business and Advertising Opportunities, Airport Projects/RFQ/RFP.”

SECTION 4.00 - BACKGROUND INFORMATION

- 4.01 AIRPORT INFORMATION.** The following profile of the Airport is included for reference:

Owner:	Susquehanna Area Regional Airport Authority (SARAA)
Location:	Township of Lower Swatara and Borough of Middletown, Dauphin County, Pennsylvania
Identifier:	MDT
Operator:	SARAA, an independent Airport Authority created under the Pennsylvania Municipal Authorities Act of 1945
Classification:	Small Hub – Air Carrier
Runway:	13/31, 10,000 feet X 200 feet

2016 Airport Activity:

Enplanements	607,342
Deplanements	598,118
Airline Operations	29,741
Total Aircraft Operations	50,430

See Exhibit 1 for historical passenger information.

Airlines: Air Canada, Allegiant, American, Delta, United, and their affiliated partners

Non-stop destinations:

Atlanta, Boston, Charlotte, Chicago, Detroit, Myrtle Beach (seasonal), Orlando-Sanford, Philadelphia, Punta Gorda, (FL), St. Petersburg (FL), Toronto (Canada), and Washington, DC (Dulles).

4.02 FLIGHT SCHEDULE. Attached Exhibit 2 is a flight schedule that describes typical airline arrivals and departures throughout a 24-hour period.

SECTION 5.00 – STRUCTURE OF PARKING OPERATION

5.01 OPERATION OVERVIEW. The Authority owns all facilities, operational equipment and revenue control system currently used by the existing operator. The Authority considers the parking operation as an important component of the overall airport operation.

5.02 PARKING FACILITIES. The parking facilities include the following parking lots structured as follows and delineated in Exhibit 3.

- 1) **Multi Modal Transportation Facility (MMTF)** – Three - story parking garage totaling approximately 2,504 parking spaces. The bottom floor is dedicated to public transportation companies (other than TNCs), a lobby and a toll plaza with a parking administration office.
- 2) **Long Term Economy Lot** – 2,258 parking spaces
- 3) **Employee Lot** – proximity card access, approximately 400 parking spaces (currently closed for hotel and overhead light construction).
- 4) **Administrative Lot** – proximity card access, 65 parking spaces

5.03 PARKING EQUIPMENT. The Authority owns the equipment related to the parking operation as shown in attached Exhibit 4. The Company shall operate the parking facilities utilizing the existing equipment. The Company shall maintain and repair the existing equipment as operating expenses as approved by the Authority.

5.04 PARKING RATES. For purposes of Statement submission and negotiation, Respondents shall plan on the following rates, unless notified otherwise:

1. Multi Modal Transportation Facility (MMTF)

\$2.20 per ½ hour for first hour, then \$2.20 per hour; \$20 daily maximum
(rates include a 10% school district tax)

2. Long Term Economy Lot

\$9.50 per day
(rates include a 10% school district tax)

3. Employee Lot

\$10 refundable fee

4. Administration Lot

By permit only – access by proximity cards issued by Authority

5.05 PARKING TRANSACTIONS. Exhibit 5 summarizes ticket sales for calendar years 2012-2016.

5.06 PARKING REVENUE. Attached Exhibit 6 summarizes historical parking revenue for 2012-2016.

5.07 SHUTTLE BUS OPERATION. The Company shall provide drivers necessary to support a shuttle bus operation as specified by the Authority and shall operate the buses between the various parking facilities and the Airport terminal on a schedule determined by the Authority. The Authority shall furnish the buses as necessary, but the Company shall lease the buses and will be responsible for insurance. Repairs to the buses caused to the actions of the drivers shall be the financial responsibility of the Company. The Authority may direct a change or addition to the type or types of vehicles used, as required to support the operation.

The Company will be responsible for the complete operation and maintenance of the buses as operating expenses as approved by the Authority. The vehicles shall be properly licensed, inspected, maintained and be kept clean and damage-free. The appearance and habitability of the vehicles shall at all times be subject to the inspection and approval of the Authority. The Company shall furnish drivers who shall be fully qualified, licensed and insured. Drivers shall be uniformed, neat in appearance, courteous and shall be subject to inspection by the Authority at any time. At the Authority's discretion, the Company shall replace an objectionable operator or operators. The vehicles shall be designated as non-smoking areas and shall be appropriately placarded.

The hours of service shall be based upon a schedule to be determined in negotiations but shall support the airline schedule at the airport, even if the schedule differs from the current schedule.

5.08 CURRENT REVENUE CONTROL SYSTEM. The Parking and Revenue Control System (PRCS) is a customized revenue control system installed in 2012 by Richard N. Best Associates, Inc and manufactured by Federal APD (then a division of Federal Signal Corporation). The PRCS controls 36 gate units throughout the parking and ground transportation facilities. The revenue-controlled entrance gates dispense tickets to patrons entering the parking facility which are collected upon exit to calculate the appropriate fee. The system allows for cash, credit card, and “credit card in/out” transactions. In addition to credit card in/out, MDT currently has two Pay on Foot (POF) terminals for patrons to pay their fee before exiting the parking facility to ensure a quick exit. Exit and entry gates are also equipped with proximity card readers that allow access to parking facilities for specified non-revenue cardholders.

The PRCS has an occupancy counting system linked to the numerous gates throughout the facility. The PRCS logs revenue and non-revenue activity in a real-time manner enabling management to monitor activity via a workstation in the parking office. The activity is logged on the unit at the gate/cashier terminal and on the PRCS allowing for reconciliation of daily transactions.

The PRCS also controls ground transportation (GT) activity. Most GT companies are issued a transponder (AVI tag) which allows them access to the areas designated for commercial pick-ups. The accounts are funded on a pre-pay basis. Taxis and Transportation Network Companies do not use pre-paid AVI tags. The taxi provider is selected by a bid, utilize AVI cards for access to the pick-up area, and pay a fee based on monthly deplanements. Transportation Network Company drivers take a ticket, pick-up their passenger on the third floor of the garage, and they exit through the exit lanes of the garage.

5.09 LUGGAGE CARTS. Currently, luggage carts are provided and maintained by the Parking Management contractor. The contractor receives all revenue, is responsible for all maintenance, and there is no cost to SARAA. The current carts are in need of repair/replacement, but no plan has been developed. During the Agreement negotiation, SARAA and the selected Respondent will identify options to update the carts.

SECTION 6.00 - SCOPE OF SERVICES

6.01 GENERAL. The selected Company will provide resources to operate and manage the Airport parking facilities for the benefit of the Authority twenty-four (24) hours per day, seven (7) days a week with sufficient number of personnel to assure an effective, efficient, courteous and convenient operation. More specifically, the Company will ensure all parking lots (and any additional parking facilities developed) are available for the general public using the Airport and will charge and collect fees for use of the parking spaces in conformity with schedules prescribed from time to time by the Authority. The Company will provide parking lot attendants and supervision in sufficient numbers for prompt and efficient service to the general public. Automated lanes may be used as long as sufficient staff are available to respond personally to customer questions.

Parking facilities will be maintained in good condition and repair, subject to ordinary wear and tear. The Company will be responsible for the repair of equipment to ensure the parking facilities are maintained at full operating capacity. The Company will maintain the cleanliness of the parking facilities and will ensure snow and ice are plowed and removed. The Company will keep the pedestrian footways and vehicular areas free of trash, debris, snow and ice. Exhibit 9 provides a sample agreement for parking management. This agreement does not represent the final agreement but will be used as a baseline for discussions between the Company and the Authority.

6.02 OPERATIONAL REQUIREMENTS. The Company will be expected to perform services under the Agreement for the Authority, including but not limited to the following:

1. The Company shall be provided vehicles necessary to support a shuttle bus operation whose numbers and frequency shall be approved by the Authority, and which shall be operated between the various parking facilities and the Airport terminal or at other events (e.g., emergency drills, National Night Out). The company shall lease the vehicles from the Authority and shall operate, insure, and maintain these vehicles. Damage caused by the carelessness of the Company's employees shall not be a reimbursable expense under the Agreement.
2. The Company shall supervise and control the handling of all money received in the operation of the parking facilities and provide bookkeeping and accounting services with respect thereto. An adequate system of internal controls satisfactory to the Authority shall be established by the Company to cover the receipt and expenditure of funds.
3. The Company shall prepare all operating reports, financial statements and other reports as required by the Authority.
4. The Company shall remove improperly parked or abandoned vehicles from all parking facilities.

5. The Company shall perform nightly license plate inventory of all vehicles parked in Airport parking facilities as requested by the Authority.
6. The Company shall perform snow and ice removal from the parking facilities.
7. The Company shall perform maintenance of equipment, grounds and facilities associated with the parking operation.
8. The Company shall plan and execute marketing strategies in conjunction with and complementary to the Authority's marketing efforts. The Company shall analyze parking data and trends and provide this data along with recommendations to the Authority on a regular basis.

6.03 SUPPLEMENTAL PROMOTIONAL PROGRAMS. In addition to basic operating requirements set forth in this RFQ/RFP, the Authority is seeking a commitment from the respondent to propose supplemental incentive and marketing programs resulting in the improvement of the operations/management of the facilities and the overall parking experience and customer service for users of the Airport. Such programs shall include parking incentive programs, valet parking, marketing programs, or other ideas. The respondent shall describe marketing plans for the parking services available at the airport, as well as incentive programs that can enhance the use of the airport's parking lot and garage.

As a partner with the Authority, the Company will be expected to monitor trends in parking at the airport, offsite parking, and other trends in ground transportation. The Company will report this information regularly to the Authority along with recommendations on ways to increase parking in the long-term lot and garage or recommendations to meet customer needs.

SECTION 7.00 – POST SUBMITTAL EVENTS

7.01 EVALUATION OF STATEMENTS - The Authority will use evaluation criteria it judges most appropriate to the review process and the relative importance of this criteria will be determined at the sole discretion of the Authority (see Section 7.03, Selection Criteria). No Company shall have any cause of action against the Authority arising out of a failure to secure an Agreement with the Authority, failure by Authority to consider a Respondent's Statement or the methods by which the Authority evaluated Statements. The selection of the prospective Company and the decision to engage in negotiations with that Company shall be at the sole discretion of the Authority.

The Authority intends to enter into an Agreement with the selected Company whose Statement and Proposal, in the sole judgment of Authority, are most advantageous to Authority and users of the Airport. The Authority reserves the right 1) to accept the Company it deems most suitable and beneficial, 2) to reject any or all Statements for any reason, and 3) to waive any of the requirements of the Statement procedures explained in

this document. The Authority reserves the right to retain all copies of Statements submitted by prospective Respondents.

7.02 STATEMENT SELECTION - The Authority intends to select at least one Company for the Short List based on the Statements but reserves the right to accept none of the Statements, to negotiate for modification of any Statement or Proposal with the mutual consent of the Company, to accept the Statement or Proposal which, in the judgment of the Authority, shall be deemed the most advantageous to the Authority and the users of the Airport, and/or to proceed in any other manner deemed to be in the Authority's best interest.

Initial review and selection for the Short List shall occur within approximately two (2) weeks of Statement due date. The Authority will review all Statements received by the deadline, ranking each Statement in accordance with the applicable selection criteria.

Upon the review of Statements and development of the Short List, the Authority will request Proposals meeting the criteria in Exhibit 8 from the Companies on the Short List. The Authority may also select one or more Respondents for an interview, which may be conducted via telephone/web at Authority's discretion. The Authority will notify the selected Respondents of their selection for interview. If interviews are conducted, the Authority will rank the Respondents based on the combination of the Statement, the Proposal and the interview.

The Authority will enter into negotiations with one (1) Company with respect to finalizing a proposed Agreement including, but not limited to, the following: organization; staffing and personnel schedules; fees; hours of operation; fee schedules; level of service; and any other features or provisions of mutual concern in the proposed Operating Agreement.

In the event that such negotiation does not produce a satisfactory Agreement, a second Respondent shall be invited to enter into negotiations. Should the second Respondent and the Authority fail to negotiate an Agreement acceptable to the Authority, the third firm shall be invited to enter negotiations, and so on until an Agreement satisfactory to the Authority is concluded.

7.03 SELECTION CRITERIA - Although not intended to be an inclusive list of factors to consider, the following items will be considered when selecting a Company, in no particular order:

- a. Background and Experience of Company (airport parking facilities managed, size of facilities, years of experience)
- b. Specific experience with comparable airport parking management contracts
- c. Financial responsibility
- d. Management and Operating Plans
- e. Evaluation of on-site supervisor(s)

- f. Background and experience of principal officials and/or manager with direct operating responsibilities for the proposed operation
- g. Availability to perform effective July 1, 2017
- h. Interest, ability and willingness to enter into the proposed Operating Agreement
- i. Evidence of defaults, litigation, contract terminations, etc.
- j. Understanding of Harrisburg International Airport and proposed projects
- k. Strength of proposed organization and limitations due to lack of proximity or access
- l. Proposed management fees (after Short List is selected)
- m. Supplemental promotional programs

7.04 NOTICE OF ACCEPTANCE OF STATEMENT - Upon the Authority's selection of the Short List, the selected Company(ies) will be notified around April 3, 2017 of the selection and will be requested to provide Proposals by April 10, 2017. The Authority will review the Proposal and the results of the interview (if applicable) and select one Company to commence negotiations of an Agreement to provide management and operation services of the airport parking facilities. Should the selected Company fail or refuse to so perform, the Authority reserves the right and shall be free to revoke such selection and to select another Company. The selected Company will negotiate and enter into an Agreement with the Authority. Written notices to the other Respondents not on the Short List will be sent after the selection of the Short List.

7.05 AUTHORITY'S RIGHT TO AMEND/CANCEL RFQ/RFP – The Authority reserves the right, in its sole discretion, to terminate, suspend, modify or cancel this RFQ/RFP at any time prior to executing an Agreement with a selected Company. In the event of such termination, suspension, modification or cancellation, the Authority shall have no obligation or liability to any person or entity as a result, including but not limited to those participating in the RFQ/RFP process.

7.06 REPRESENTATION OF RESPONDENTS – By submitted a Statement, the respondent understands and agrees that the Authority is not incorporating the public bidding process into the solicitation; that the Authority has full and complete discretion to reject or accept any Statement or Proposal; and that nothing in this RFQ/RFP shall create any contractual rights or obligations by and between the Authority and any person or entity responding hereto.

SECTION 8.00 - SCHEDULE

8.01 APPROXIMATE SCHEDULE OF EVENTS

RFQ/RFP advertised	February 22, 2017
Pre-submission meeting	March 9, 2017
Deadline for written inquiries regarding RFQ/RFP	March 13, 2017
Responses to inquiries published	March 17, 2017
Statements due	March 22, 2017
Short List published and written Proposals requested	April 3, 2017
Proposals due	April 10, 2017
Interviews (if necessary)	April 11, 2017
Notify selected Respondent	April 17, 2017
Agreement execution	May 1, 2017
Operating Agreement effective date	July 1, 2017

EXHIBIT 1
PASSENGER DATA
(for informational purposes only)

	2016	2015	2014	2013	2012
Enplaned	607,324	590,262	649,543	657,944	658,034
Deplaned	598,118	583,676	639,944	652,985	651,164
Airline Operations	29,741	29,305	31,370	35,984	38,994
Total Operations	50,430	47,289	50,331	55,591	58,299

EXHIBIT 2 TYPICAL FLIGHT SCHEDULE

Arrivals and Departures

ARRIVALS					DEPARTURES				
Origin	Sys. Car.	Aircraft	Seats	Arr. Time	Dep. Time	Dest	Sys. Car.	Aircraft	Seats
6:00 AM	Number of Flights 0		0		6:00 AM	Number of Flights 5			396
					6:00 AM	DTW	DL	717	110
					6:15 AM	PHL	AA	ER4	50
					6:45 AM	CLT	AA	CR9	76
					6:48 AM	IAD	UA	ERJ	50
					6:55 AM	ATL	DL	717	110
7:00 AM	Number of Flights 0		0		7:00 AM	Number of Flights 4			238
					7:00 AM	ORD	UA	319	120
					7:00 AM	YYZ	AC	BEH	18
					7:15 AM	PHL	AA	ER4	50
					7:40 AM	ORD	AA	ER4	50
8:00 AM	Number of Flights 1		10		8:00 AM	Number of Flights 2			60
PIT	9X	CNC	10	8:25 AM					
					8:45 AM	PHL	AA	ER4	50
					8:55 AM	PIT	9X	CNC	10
9:00 AM	Number of Flights 3		162		9:00 AM	Number of Flights 1			124
					9:00 AM	CLT	AA	319	124
IAD	UA	DH2	37	9:23 AM					
ORD	UA	E7W	75	9:49 AM					
PHL	AA	ER4	50	9:58 AM					
10:00 AM	Number of Flights 1		177		10:00 AM	Number of Flights 4			339
PGD	G4	320	177	10:11 AM					
					10:30 AM	IAD	UA	DH2	37
					10:30 AM	ORD	UA	E7W	75
					10:30 AM	PHL	AA	ER4	50
					10:56 AM	PGD	G4	320	177
11:00 AM	Number of Flights 4		392		11:00 AM	Number of Flights 3			282
ORD	AA	ER4	50	11:02 AM					
SFB	G4	M80	162	11:03 AM					
DTW	DL	CR7	70	11:23 AM					
ATL	DL	717	110	11:25 AM					
					11:36 AM	ORD	AA	ER4	50

EXHIBIT 2 TYPICAL FLIGHT SCHEDULE

					11:48 AM	SFB	G4	M80	162
					11:50 AM	DTW	DL	CR7	70
12:00 PM	Number of Flights 1		42		12:00 PM	Number of Flights 2			152
PHL	AA	DH8	42	12:03 PM					
					12:10 PM	ATL	DL	717	110
					12:30 PM	PHL	AA	DH8	42
1:00 PM	Number of Flights 3		176		1:00 PM	Number of Flights 2			126
					1:05 PM	DTW	DL	CRJ	50
CLT	AA	CR9	76	1:11 PM					
DTW	DL	CRJ	50	1:32 PM					
IAD	UA	ERJ	50	1:35 PM					
					1:42 PM	CLT	AA	CR9	76
2:00 PM	Number of Flights 3		176		2:00 PM	Number of Flights 2			60
FKL	9X	CNC	10	2:10 PM					
PHL	AA	DH8	42	2:37 PM					
					2:45 PM	IAD	UA	ERJ	50
CLT	AA	319	124	2:49 PM					
					2:55 PM	FKL	9X	CNC	10
3:00 PM	Number of Flights 1		18		3:00 PM	Number of Flights 2			166
					3:02 PM	PHL	AA	DH8	42
					3:29 PM	CLT	AA	319	124
YYZ	AC	BEH	18	3:52 PM					
4:00 PM	Number of Flights 2		190		4:00 PM	Number of Flights 1			18
					4:15 PM	YYZ	AC	BEH	18
ORD	UA	319	120	4:33 PM					
DTW	DL	CR7	70	4:51 PM					
5:00 PM	Number of Flights 3		210		5:00 PM	Number of Flights 4			350
PHL	AA	ER4	50	5:12 PM					
ATL	DL	717	110	5:14 PM					
					5:15 PM	DTW	DL	CR7	70
					5:15 PM	ORD	UA	319	120
					5:40 PM	BOS	AA	ER4	50
ORD	AA	ER4	50	5:43 PM					
					5:55 PM	ATL	DL	717	110
6:00 PM	Number of Flights 2		47		6:00 PM	Number of Flights 2			60
					6:10 PM	ORD	AA	ER4	50

EXHIBIT 2 TYPICAL FLIGHT SCHEDULE

PIT	9X	CNC	10	6:25 PM					
IAD	UA	DH2	37	6:34 PM					
					6:55 PM	PIT	9X	CNC	10
7:00 PM	Number of Flights 2		126		7:00 PM	Number of Flights 1			37
					7:10 PM	IAD	UA	DH2	37
PHL	AA	ER4	50	7:13 PM					
CLT	AA	CR9	76	7:25 PM					
8:00 PM	Number of Flights 0		0		8:00 PM	Number of Flights 1			76
					8:01 PM	CLT	AA	CR9	76
9:00 PM	Number of Flights 5		292		9:00 PM	Number of Flights 0			0
BOS	AA	ER4	50	9:30 PM					
CLT	AA	319	124	9:48 PM					
ORD	AA	ER4	50	9:54 PM					
PHL	AA	ER4	50	9:54 PM					
YYZ	AC	BEH	18	9:57 PM					
10:00 PM	Number of Flights 3		280		10:00 PM	Number of Flights 0			0
ORD	UA	319	120	10:07 PM					
ATL	DL	717	110	10:47 PM					
IAD	UA	ERJ	50	10:59 PM					
11:00 PM	Number of Flights 2		186		11:00 PM	Number of Flights 0			0
DTW	DL	717	110	11:16 PM					
CLT	AA	CR9	76	11:56 PM					
Destinations 12		Number of Flights 36		Seats 2,484	Destinations 12		Number of Flights 36		Seats 2,484

EXHIBIT 3 PARKING FACILITIES



Source: Google, Landsat / Copernicus

EMPLOYEE LOT

MMTF

**ADMINISTRATIVE
LOT**

ECONOMY LOT

EXHIBIT 4

PARKING EQUIPMENT LIST (OWNED BY SARAA)

1	1994	Chevrolet ¾ ton Truck
2	2003	Chevrolet ¾ ton Truck
3	2003	John Deere X595 Tractor and Attachments
4	2011	Champion Challenger 15 Passenger Bus
5	2011	Champion Challenger 15 Passenger Bus
6	2012	Champion Challenger 15 Passenger Bus
7	2014	Champion Defender 22 Passenger Bus
8	2015	Champion Defender 22 Passenger Bus
9	2016	Champion Defender 22 Passenger Bus

EXHIBIT 5
PARKING TRANSACTIONS
(for informational purposes only)

	2016	2015	2014	2013	2012
TOTALS	221,931	219,938	251,358	257,885	264,829

EXHIBIT 6
PARKING REVENUE
(for informational purposes only)

	2016	2015	2014	2013	2012
TOTALS	\$7,450,207	\$7,577,132	\$7,629,540	\$7,620,199	\$7,547,213

Exhibit 7 – Qualifications Questionnaire

All information requested in this Questionnaire **MUST** be furnished by the Respondent and **MUST** be submitted as part of the RFQ. Responses must be complete and accurate. Omissions, incompleteness, inaccuracy, or misstatements may be cause for rejection of a Proposal. **Additional Sheets may be inserted and/or attached as necessary to complete this Questionnaire.**

All Statements shall become the property of the Authority. Those parts of a Statement which are defined by a Respondent as business or trade secrets, and are reasonably marked “Trade Secrets”, or “Confidential”, or “Proprietary” shall only be disclosed to the public if such disclosure is required or permitted under the laws of the State of Pennsylvania or the Authority’s policies, rules or regulations. All requested financial information and/or statement will be kept confidential by the Authority and returned to Respondent, if so requested by Respondent, upon completion of the selection process.

By submission of the Statement, Respondent acknowledges and agrees that the Authority has the right to make any inquiry or investigation it deems appropriate to substantiate or supplement information contained in this questionnaire, and authorizes the release to the Authority of any and all information sought in such inquiry or investigation.

Respondent (Print Name)

By _____

By _____
Signatures

Exhibit 7 – Qualifications Questionnaire

COMPANY NAME AND ADDRESS

1. Name of Respondent exactly as it appears on the Statement and as it would appear on the Operating Agreement for management services of the Authority parking facilities.

2. Address of Respondent for the purposes of notice or other communication relating to the Proposal:

3. Telephone Number of Company: (____) _____
FAX: (____) _____

Contact Person: _____

4. Respondent intends to operate the business with which this Statement is concerned as one of the following: a Sole Proprietor (); Partnership (); Corporation (); Joint Venture (); or other, please explain:

Exhibit 7 – Qualifications Questionnaire

FINANCIAL DATA

THREE YEAR FINANCIAL STATEMENTS

Attach a complete report, prepared in accordance with generally accepted accounting practices, reflecting your financial condition for the most recent three years. The report must include a balance sheet and income statement. Be prepared to substantiate all information shown. All requested financial information will be kept confidential by the Authority and returned to Respondent, if so requested by company, upon completion of the selection process.

SURETY INFORMATION

Has any surety or bonding company ever been required to perform upon your default?

Yes () No ()

If yes, attach a statement naming the surety or bonding company, date, amount of bond, and the circumstances surrounding such default and performance.

BANKRUPTCY INFORMATION

Have you ever declared bankruptcy? Yes () No ()

If yes, state date, court jurisdiction, amount of liabilities, and amount of assets.

Exhibit 7 – Qualifications Questionnaire

BUSINESS REFERENCES

Last four (4) persons or firms with whom you have conducted business transactions during the past three (3) years. At least two (2) of the references named are to have knowledge of your debt payment history.

REFERENCE NO.1

Name: _____

Firm: _____

Title: _____

Address: _____

Telephone: _____

Nature and magnitude of purchase, sale, loan, business association, etc.:

REFERENCE NO.2

Name: _____

Firm: _____

Title: _____

Address: _____

Telephone: _____

Nature and magnitude of purchase, sale, loan, business association, etc.:

Exhibit 7 – Qualifications Questionnaire

REFERENCE NO.3

Name: _____

Firm: _____

Title: _____

Address: _____

Telephone: _____

Nature and magnitude of purchase, sale, loan, business association, etc.:

REFERENCE NO.4

Name: _____

Firm: _____

Title: _____

Address: _____

Telephone: _____

Nature and magnitude of purchase, sale, loan, business association, etc.:

Exhibit 7 – Qualifications Questionnaire

BACKGROUND AND EXPERIENCE:

History of the Company – Describe in detail on this page (or on a separate sheet of paper) the history of the Respondent. Include the year organized, growth in sales, growth of employees, the number of parking facilities managed since inception and a description of the continuity in ownership and/or management.

Exhibit 7 – Qualifications Questionnaire

MANAGEMENT PLAN:

Describe in detail in this section of the Statement (or on separate sheets of paper) the management plan proposed by the Respondent. Include the following elements in the submittal:

- Proposed Organization – Describe the proposed method of internal Respondent organization to support the parking operations at the airport, including the organization chart, roles, responsibilities qualifications and resumes of key staff (off-site) and local (on-site) personnel, and training programs to be utilized for staff.
- Operation Management – Describe the proposed operations, including shuttle bus operation.
- Revenue Control and Record Keeping – Described the proposed methods for revenue and record control, including report preparation, cash management, ticket stock management, and familiarity with the Authority’s existing system.
- Customer service activities, including complaint response

Exhibit 7 – Qualifications Questionnaire

MISCELLANEOUS

1. Provide any other information which you feel will be helpful in evaluating your ability to successfully manage the airport parking facilities.

2. What do you offer that your competition does not?

3. Describe the quality assurance program for the company.

4. Describe your knowledge of the parking market in the Harrisburg Area.

5. Describe any marketing/incentive/loyalty programs that your company uses that may be beneficial at Harrisburg International Airport.

Exhibit 8 – Proposal

PROPOSAL
MANAGEMENT & OPERATION SERVICES
FOR THE AIRPORT PARKING FACILITIES

HARRISBURG INTERNATIONAL AIRPORT

COMPANY

Name:

Address:

Contact Person:

Title:

Telephone #:

Fax:

The undersigned submits this Proposal to the Susquehanna Area Regional Airport Authority as an offer to provide MANAGEMENT SERVICES AND OPERATION OF THE AIRPORT PARKING FACILITIES at Harrisburg International Airport based on the terms and conditions set forth in the Request for Qualifications/Proposals document.

Exhibit 8 – Proposal

BUDGET

Companies should submit a general operating budget. This budget should clearly identify both Company and Authority expenses. The budget should also contain information detailing costs associated with the shuttle bus operation. Respondent must propose the pay scales for each and every position to be deployed. While this proposal may not be graded or judged on the lowest amount proposed, Authority expects that the pay scales proposed will be fair and equitable, and will be so judged.

FEES

Describe in detail the management and operation fee proposed for services described in the RFP document. Delineate the components of the fee proposed.

SUPPLEMENTAL PROMOTIONAL PROGRAMS

Describe in detail strategies and proposed funding mechanisms that the Company would use to assist the Authority in meeting the supplemental objectives illustrated in section 6.03 of the RFQ/RFP. The response shall include a detailed Return on Investment (ROI) plan outlining the method and terms for recovering any capital investments.

Exhibit 8 – Proposal

THIS SHEET MUST BE INCLUDED WITH THE PROPOSAL SUBMISSION

Respondent understands, agrees, and warrants that:

1. Respondent has carefully read and fully understands all requirements of the form of RFP.
2. Respondent has full knowledge of the parking facilities as detailed in the Request for Proposal.
3. Respondent has the capability to successfully undertake and complete the responsibilities and obligations of the services as stated in the RFP.
4. Airport reserves the right to reject any and all proposals, to waive information in any proposal received, and to accept that proposal which will, in its opinion, best serve the public interest.

Company (Please Print)

By (Signature – Note: Signature must be notarized)

Title

Dated _____, 2017



Harrisburg International Airport

Parking Facility Statistics

December 2016	December 2015	% Change	YTD 1/01/16-12/31/16	YTD 1/01/15-12/31/15	% Change
---------------	---------------	----------	----------------------	----------------------	----------

OF TRANSACTIONS

GARAGE	13,168	11,457	15%	150,913	146,444	3%
LONG TERM	4,662	4,472	4%	71,018	73,494	-3%
TOTAL	17,830	15,929	11.93%	221,931	219,938	0.91%

MONEY COLLECTED(TAXES NOT INCLUDED)

GARAGE	\$307,163.26	268,049.28	15%	\$4,277,397.16	4,271,592.64	0%
LONG TERM	205,433.61	200,133.78	3%	3,161,616.91	3,266,553.20	-3%
AIRCREW	1,110.00	2,490.91	-55%	15,630.91	38,230.92	-59%
PROX DEPOSIT	10.00	10.00	0%	820.00	730.00	12%
GT	170.00	270.00	-37%	4,160.00	8,655.00	-52%
OTHER	-7,481.97	-222.83	3258%	-9,418.20	-8,630.73	9%
TOTAL	506,404.90	470,731.14	7.58%	7,450,206.78	7,577,131.03	-1.68%

AVERAGE # OF OVERNIGHT CARS(4:00AM)

GARAGE	453	379	20%	582	514	13%
LONG TERM	699	680	3%	890	908	-2%
TOTAL	1,152	1,059	8.78%	1,472	1,422	3.52%

AVERAGE TICKET PRICE

GARAGE	\$23.33	\$23.40	0%	\$28.34	\$29.17	-3%
LONG TERM	\$44.07	\$44.75	-2%	\$44.52	\$44.45	0%
TOTAL	\$28.75	\$29.39	-2.19%	\$33.52	\$34.27	-2.20%

**HARRISBURG INTERNATIONAL AIRPORT (MDT)
PARKING FACILITIES
PROJECTED REVENUES
FISCAL YEAR 2017**

Jan-17	\$	600,527
Feb-17		602,631
Mar-17		735,297
Apr-17		731,363
May-17		704,367
Jun-17		618,958
Jul-17		578,999
Aug-17		601,495
Sep-17		605,059
Oct-17		671,734
Nov-17		611,491
Dec-17		506,058
	\$	<u>7,567,979</u>

**HARRISBURG INTERNATIONAL AIRPORT
PARKING FACILITY
2017 PARKING BUDGET**

**2017
BUDGET**

PAYROLL EXPENSES

Payroll	\$1,462,500
Payroll Taxes	\$150,784
Workers' Compensation	\$129,724
Group Insurance	\$175,000
Retirement	\$36,556

TOTAL PAYROLL/BENEFITS

\$1,954,564

OPERATING EXPENSES

Uniforms & Laundry	\$19,000
Professional Fees	\$2,496
Recruiting Expenses	\$6,000
Armored Car Service	\$9,420
Snow Removal	\$45,000
Utilities - Natural Gas	\$6,150
Telephone Expenses	\$1,680
General Supplies	\$1,200
Liability Insurance	\$130,970
Auto Mileage	\$3,600
Miscellaneous Expenses	\$300
Bank Service Fees	\$1,740
Office Supplies	\$300
Power Sweeper Rental	\$6,000
Repairs & Maintenance - Trucks/Mowers	\$250
Repairs & Maintenance - Shuttle Buses	\$1,000

TOTAL OPERATING EXPENSES

\$235,106

SUBTOTAL PAYROLL/ OPERATING EXPENSES

\$2,189,670

MANAGEMENT FEE

\$60,000

TOTAL PARKING OPERATOR EXPENSES

\$2,249,670

NOTES: Projected numbers reflect parking contractor invoices only.

Harrisburg International Airport
Parking Pay Scale by Job Classification

	Pay Rate
Manager	\$ 36.78
Assistant Manager	\$ 18.28
Money Counter/Payroll Clerk	\$ 14.87
Supervisors	\$ 13.93
Inventory	\$ 13.70
Maintenance	\$ 13.00
Cashiers	\$ 9.91
Drivers	\$ 13.26

Parking Schedule

	MON	TUES	WED	THUR	FRI	SAT	SUN
GARAGE CASHIERS							
12:01am-8:00am							
7:45am-3:45pm							
8:45am-4:45pm							
3:30pm-11:30pm							
4:15pm-12:15am							
	9pm-1am	9pm-1am	9pm-1am				
5:00pm-1:00am							
INVENTORY							
10:30pm-6:30am							
10:30pm-6:30am							
LONG TERM CASHIERS							
7:00am-3:00pm							
2:45pm-10:45pm							
4:30pm-12:30am							
11:00pm-7:00am							
	MON	TUES	WED	THUR	FRI	SAT	SUN
DRIVERS							
4:00am-12:00pm							
12:00pm-8:00pm							
8:00pm-6:00am							
5:00am-1:00pm							
1:00pm-9:00pm							
9:00pm-5:00am							
6:00am- 2:00pm							
2:00pm- 6:00pm							
6:00pm- 2:00am							
7:45am- 10:45am							
5:00pm- 1:00am							
	MON	TUES	WED	THUR	FRI	SAT	SUN
SUPERVISORS							
4:00am-12:00pm							
6:00am-2:00pm							
12:00pm-8:00pm							
2:00pm-10:00pm							
8:00pm-4:00am							
10:00pm-6:00am							
MAINTENANCE							
8:00am- 4:00pm							
8:00am- 4:00pm							
8:00am- 4:00pm							
8:00am-12pm							
2:00pm-10:00pm							
4:00pm-12:00am							
Money counter/Payroll							
6am-10am							
10:00am- 3pm							

EXHIBIT 9

SAMPLE PARKING MANAGEMENT

AND OPERATING AGREEMENT

BETWEEN

SUSQUEHANNA AREA REGIONAL AIRPORT AUTHORITY

AND

AGREEMENT NO: _____

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PARKING FACILITIES MANAGEMENT AGREEMENT

THIS PARKING MANAGEMENT AND OPERATING AGREEMENT (the “Agreement”), is made and entered into this _____ day of _____, 2017 (the “Effective Date”), by and between the **SUSQUEHANNA AREA REGIONAL AIRPORT AUTHORITY**, a joint municipal authority duly created under the Pennsylvania Municipality Authorities Act of 1945, having an address at One Terminal Drive, Suite 300, Harrisburg International Airport, Middletown, PA 17057 (the “AUTHORITY”) and (the “OPERATOR”).

WITNESSETH:

WHEREAS, the Authority owns and operates the Harrisburg International Airport which is located partially in the Borough of Middletown, the Borough of Highspire and Lower Swatara Township, Dauphin County, Pennsylvania (the “Airport”); and

WHEREAS, the Operator is engaged in the business of operating and managing parking facilities; and

WHEREAS, the Authority issued requests for proposals for the parking operation and management services for its parking facilities, and;

WHEREAS, the Authority has selected the Operator to operate and manage the airport Parking Facilities for the benefit of the Authority;

NOW THEREFORE, in consideration of the mutual covenants and considerations herein contained, AUTHORITY and OPERATOR agree to the following:

ARTICLE 1 DEFINITIONS

Section 1.01. Definitions. For purposes of this Agreement, the following terms shall be defined as follows:

“Account” means a depository account designated by Authority for the deposit of Gross Revenues by Operator.

“Administrative Parking Lot” means the area identified in Exhibit “A” hereto as the “Administrative Parking Lot” and consisting sixty five (65) parking spaces.

“Affiliate” means, with respect to any Person; (i) any Person who controls, is controlled by or is under common control with such Person; (ii) any Person who is a manager, director or officer of, partner in, trustee of, or blood or legal relative living in the same household, guardian or representative of, the specified Person, or any Person who acts or serves in a similar capacity with respect to the specified Person; (iii) any Person of which or whom the specified Person is a

manager, director, officer, partner, trustee, blood or legal relative living in the same household, guardian or representative, or with respect to which or whom the specified Person acts or serves in a similar capacity; (iv) any Person, who, directly or indirectly, is the legal or beneficial owner of or controls ten percent (10%) or more of the equity ownership interests of the specified Person; and (v) any Person who is an Affiliate as defined in the preceding clauses (i), (ii), (iii) or (iv) of an Affiliate of the specified Person.

“Airport” means the airfield operating area, the Terminal, all common and public areas at the Harrisburg International Airport, Middletown, PA.

“Airport Security Plan” means a program developed by Authority for the maintenance of the safety and security of the Airport and Persons using the Terminal or any other portion of the Airport, as it may be amended, modified or revised by Authority from time to time.

“Applicable Laws” means all present and future applicable laws, ordinances, orders, directives, rules, codes and regulations of all Governmental Authorities and all present and future grant assurances provided by Authority to any Governmental Authority with jurisdiction connection with Authority’s ownership or operation of the Airport, as the same may be amended, modified or updated from time to time, applicable decisional law (including judicial or administrative interpretations, orders and judgments) and the Rules and Regulations.

“Budget” has the meaning assigned thereto in Section 8.2 hereof.

“Cash Receipts” means all gross revenues excluding credit card sales

“Commencement Date” means the earlier of (i) the earliest date that is not less than thirty (30) days after the date on which Authority provides written notice to Operator to commence operation and management of the Parking Facilities under the terms of this Agreement or (ii) _____.

“Economy Parking Lot” means the area identified in Exhibit “A” hereto as the “Economy Parking Lot” and consisting of approximately two thousand eight hundred and thirty five (2,835) surface parking spaces.

“Employee Parking Facilities” means the Employee Parking Lot and the Administrative Lot, collectively.

“Employee Parking Lot” means the area identified in Exhibit “A” hereto as the “Employee Parking Lot” and consisting of approximately two hundred and sixty (260) surface parking spaces and controlled by proximity card access.

“Environmental Laws” means all Applicable Laws now or hereafter in effect, as the same may be amended from time to time, which govern any Hazardous Materials or relate to the protection of human health, safety or the environment, and shall include, without limitation, the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. § 136, *et seq.*; the Safe Drinking Water Act, 42 U.S.C. § 300f, *et seq.*; the Oil Pollution Act of 1990, 33 U.S.C. § 2701, *et seq.*; the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. § 9601, *et seq.*; the Superfund Amendments and Reauthorization Act of 1986, Pub. Law No. 99-

499, 100 Stat. 1613; the Toxic Substances Control Act, 15 U.S.C. § 2601, *et seq.*; the Clean Air Act, 42 U.S.C. § 7401, *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C., § 1251, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. § 5101, *et seq.*; and the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, *et seq.*, all as amended from time to time.

“EPA” means the United States Environmental Protection Agency, and any successor agency, office or department thereto.

“FAA” means the United States Federal Aviation Administration, and any successor agency, office or department thereto.

“Federal Aviation Act” means the Federal Aviation Act of 1958, as amended.

“Governmental Authority” means each federal, state and municipal government, authority and agency and its respective agencies, departments, authorities and commissions. “Governmental Authority” shall specifically include, without limitation, Authority, The Government of Middletown and Dauphin County, the Commonwealth of Pennsylvania, the United States Department of Transportation, the FAA and the TSA.

“Gross Receipts” means Gross Revenues and taxes collected from customers. Particularly, it includes Parking Tax imposed by the Middletown Area School District. Any other receipts collected shall be included e.g. credit card sales of the Authority and ground transportation revenues collected. Specifically it does not include receipts from Luggage Carts.

“Gross Revenues” means all proceeds from sales for parking in the Public Parking Facilities, whether for cash or credit and regardless of collection, provided, however, that Gross Revenues shall not include the amount of federal, state or municipal sales or other similar taxes separately stated and collected from customers and patrons using such Public Parking Facilities as now or hereafter levied or imposed. Excluded from Gross Revenues shall be monies paid directly to Authority for employee parking spaces and areas. Additionally excluded is the value of all discounted, reserved, validated and free parking granted by Authority for vehicles in and on the Parking Facilities at all times and locations.

“Ground Transportation Facilities” means Airport areas that are dedicated for approved commercial ground transportation vehicles to pick-up passengers via an Authority issued transponder.

“Hazardous Materials” means and includes any and all substances, materials, wastes, pollutants, oils or governmentally regulated substances or contaminants defined or designated as hazardous, toxic, radioactive, dangerous or any other similar term in or under any of the Environmental Laws, including asbestos and asbestos-containing materials, petroleum products (such as crude oil or any fraction thereof, gasoline, aviation fuel, jet fuel, diesel fuel, lubricating oils and solvents), urea formaldehyde, flammable explosives, PCBs, radioactive materials or waste, and any other substance that, because of its quantity, concentration or physical, chemical or infectious characteristics, may cause or threaten a present or potential hazard to human health or the environment when improperly generated, used, stored, handled, treated, discharged, distributed, disposed or released.

“Indemnified Parties” means Authority and its Board, officers, directors, employees, agents, servants, representatives, operators, subcontractors, Affiliates, subsidiaries, successors and assigns.

“Insurance Coverages” has the meaning assigned thereto in Article 11 hereof.

“Lost Ticket” means lost tickets by customers, accounted by the Operator

“Management Fee” means the total dollar amount to be paid by Authority to Operator for each year of the Term, computed and paid on a monthly basis, for the management, operation, and administration costs, excluding Reimbursable Expenses.

“Manual” means the operational policy and procedure manual reflecting the operation of the Parking Facilities proposed by Operator and approved by Authority, which shall include, without limitation, the following: general operating and management policies, customer service policies, cash control procedures, accounting and audit procedures, lost ticket procedures, a job description for each job title, employee training guide by job title, employee master schedule, emergency procedures, the office, home, pager and cellular phone numbers of the Parking Manager, the office, home, pager and cellular phone numbers of the Supervisors, and Operator’s personnel policies.

“Minimum Rating” means a rating (if A.M. Best Company is the Rating Service) of A- (Financial Size: X) based upon the criteria for financial strength and financial size ratings utilized by A.M. Best Company on the date of this Agreement, or such equivalent rating (if A.M. Best Company is not the Rating Service or if A.M. Best Company subsequently revises its criteria for financial strength and financial size ratings) as determined in the sole discretion of the Chief Financial Officer of Authority.

“Motorist Assistance Services” means public emergency services provided by Operator free of charge to users of the Parking Facilities and within fifteen (15) minutes after notification to Operator of the need thereof, including jump-starting of vehicles, inflation of tires, car-search assistance within the Parking Facilities, and way-finding in the vicinity of the Airport.

“Multi Modal Transportation Facility” means the area identified in Exhibit “A” hereto as the “MMTF”. MMTF is a three story parking garage consisting of approximately two thousand five hundred and four parking spaces, which the bottom floor dedicated to public transportation companies, a lobby and a toll plaza with a parking administration office

“Net Operating Income” means, in any specified period, Gross Revenues for such period less (i) the Management Fee due for such period and (ii) the Reimbursable Expenses incurred for such period.

“Non-revenue Ticket” means a ticket with an exit time within the complimentary period, or a complimentary parking pass issued or authorized by Authority.

“Parking Facilities” means any one of the public parking facilities or Employee Parking Facilities, individually, currently existing or that may be constructed or designated as such at any time solely at Authority’s discretion.

“Parking Manager” means the individual employed by Operator as the Person in complete charge of Operator’s operations at Airport and vested with full power and authority with respect to the conduct of Operator’s operations hereunder. At all times, the Parking Manager shall be a qualified and experienced manager with documented experience in a public parking facility supervisory position.

“Person” shall mean any natural person, corporation, partnership, limited liability company, trust, association, firm, entity or Governmental Authority.

“Proposal” means the document(s) requested by Authority and submitted by Operator in response to the RFP.

“Reimbursable Expenses” means the actual direct operating expenses incurred by Operator in the operation of the Parking Facilities at the exact cost thereof (without mark-up or administrative fee of any kind) as set forth in the applicable Budget or otherwise approved by Authority prior to the time at which they were incurred, as provided in Section 8.3 hereof. The Management Fee does not include the amount of any Reimbursable Expenses.

“Renewal Term” has the meaning assigned thereto in Section 4.1 hereof.

“Revenue Control System” means the mechanical, electronic and/or computerized equipment provided and owned by Authority to control and record entrances and exits from the Parking Facilities and Ground Transportation Facilities, including but not limited to loop detectors, gate arms, ticket dispensers, fee computers, fee indicators, control lights, computerized data management systems and other management systems existing or to be established related thereto.

“RFP” means Authority’s Request for Proposals for Operation of the Parking Facilities at Harrisburg International Airport, Middletown, PA, dated January 15, 2010, as amended from time to time.

“Rules and Regulations” means those rules, procedures and regulations promulgated by Authority from time to time for the orderly use of the Airport, as the same may be amended, modified or supplemented from time to time.

“Supervisor” means an individual employed by Operator as a Person with supervisory authority in Operator’s operations at Airport and vested with full power and authority with respect to the conduct of Operator’s operations hereunder.

“Term” means the period commencing on the Commencement Date and continuing for as long as this Agreement remains in effect, as provided in Section 4.1 hereof.

“Terminal” means the main passenger terminal complex at the Airport.

“TSA” means the United States Transportation Security Administration, the United States Department of Homeland Security and any other agency, office or department of the federal government of the United States that is responsible for airport security matters.

**ARTICLE 2
INCORPORATION OF PROPOSAL AND RFP**

Section 2.01. Proposal and RFP. The Proposal and the RFP are attached to this Agreement as Exhibit “B” hereto and are incorporated and made a part hereof by reference. Operator shall be obligated to meet all specifications described in this Agreement, the RFP and the Proposal and any written clarification thereto accepted by Authority; provided, however, that in the event an express provision of this Agreement is in conflict with any provision of the RFP and/or the Proposal, this Agreement shall govern and control unless Authority deems that the provision in the RFP and/or the Proposal offers a higher level of service than indicated in the conflicting provision of this Agreement, in which case such provisions in the RFP and/or the Proposal shall govern and control.

**ARTICLE 3
SCOPE OF SERVICES**

Section 3.01. Engagement of Operator. Authority hereby hires and engages Operator to operate and manage the Parking Facilities in accordance with the terms and conditions of this Agreement, and Operator hereby accepts such engagement. Authority reserves the right, from time to time, to increase or decrease the total number of parking spaces included in the Parking Facilities, to add or delete the number of areas comprising the Parking Facilities, and to relocate all or part of the Parking Facilities, and any such additions, deletions or relocations shall not affect the amount of the Management Fee hereunder.

Section 3.02. Conduct of Operations. Operator shall be required to operate and maintain the Parking Facilities twenty-four (24) hours per day, seven (7) days a week, with a sufficient number of personnel to ensure the effective, efficient, courteous and convenient operation thereof. The management, operation, maintenance and control of the Parking Facilities shall be conducted at all times in a manner acceptable to Authority. The services that Operator shall provide hereunder include, without limitation, the collection and deposit of parking fees and charges; operation of shuttle buses from remote parking facilities; the preparation and maintenance of accurate books and records with daily report sheets; the removal of improperly parked or abandoned vehicles from all Parking Facilities; the performance of a nightly license plate inventory of all vehicles parked in the Parking Facilities; the Motorist Assistance Services; and maintenance of a system acceptable to Authority for the receipt and reporting of all complaints and all claims made for losses or damage on the Parking Facilities.

**ARTICLE 4
TERM**

Section 4.01. Term. This Agreement shall commence upon the Effective Date of this Agreement and shall continue until 11:59 P.M., prevailing local time, on the day that immediately precedes the fifth (5th) anniversary of the Commencement Date, unless extended or sooner terminated as provided herein; provided, however, that the Term of this Agreement shall

commence on the Commencement Date. Authority shall have and is hereby given five (5) separate options to renew and extend the Term hereof, on the terms and conditions as herein provided, for successive periods of one (1) year each (individually, a “Renewal Term”). Authority may exercise each such option successively by giving written notice to Operator not less than six (6) months prior to the expiration of the then-existing Term.

ARTICLE 5 OBLIGATIONS OF AUTHORITY

Section 5.01. Repair and Maintenance. Authority shall be responsible for the general maintenance of the interior, exterior, structural and mechanical components of the Parking Facilities, including all parking surfaces, markings, signs and landscaping. Authority hereby reserves the right to require that Operator, upon request by Authority and after Authority’s prior approval of all estimates, quotes and/or bids obtained by Operator, perform any such maintenance, repair or improvement on behalf of Authority, and, to the extent Operator performs such maintenance, repair or improvement, Authority shall reimburse to Operator the amount paid by Operator for such maintenance, repair or improvement. Upon the discovery of any breakdown or malfunction of, or any condition on any part of, the Parking Facilities that may present a safety hazard to the general public or any Person or property, Operator shall immediately notify Authority, shall prohibit passage thereon to the extent possible and shall place warning signage thereon, which shall not be removed until necessary repairs have been completed.

Section 5.02. Revenue Control System. Authority shall furnish the computerized revenue control system for the Parking Facilities. Operator shall make adjustments to the system as specified in Section 6.3 hereof. In no event shall Operator perform any work on the revenue control equipment other than as specifically requested by Authority. The rate structures for the Parking Facilities shall be established or approved by Authority and shall be subject to change by Authority upon five (5) days’ notice to Operator. The Authority is responsible to reconcile cash and credit card deposits in the Authority’s account and report any discrepancies to the Operator within 40 days. Operator will not be responsible to investigate any discrepancies that are not communicated in a timely fashion by the Authority.

Section 5.03. Utilities. Authority shall be responsible for the cost of utilities (electric, gas, water and sewer, telephone, internet).

ARTICLE 6 OBLIGATIONS OF OPERATOR

Section 6.01. Manner of Operation. Operator shall operate the Parking Facilities in a first class manner at all times during the Term. Operator shall furnish all labor, supervision, uniforms, materials and supplies (unless provided by Authority) as necessary to operate the Parking Facilities and to ensure that prompt, courteous and efficient service is provided to all users of the Parking Facilities. Operator shall operate the Parking Facilities in accordance with the Budget, as set forth in Section 8.2 hereof, and shall pay from Operator’s own operating

funds, subject to the Budget, any and all Reimbursable Expenses and all other expenses incurred in the operation of the Parking Facilities.

Operator shall be responsible for monitoring and managing the traffic within the Parking Facilities. Traffic control includes, but is not limited to, directing traffic to available spaces when certain areas are full, setting up and taking down cones or barricades, and placement of parking signs to manage the flow of traffic.

Operator shall also provide Motorist Assistance Services and the following additional services free of charge to Airport patrons: maintain a list of local twenty-four (24) hour auto repair, towing and locksmith services and provide information to Airport patrons regarding handicapped parking spaces.

Operator shall use reasonable care to avoid damaging existing facilities, equipment and vegetation on the Airport. Operator shall replace or repair any damages it may cause at no expense to Authority. Operator is responsible for any damage caused by spillage or improper use of a product or equipment by their employees or agents. If Operator fails or refuses to make such repairs or replacements, Authority may deduct the cost thereof from any current or future invoices to Authority from Operator.

Quarterly or at Authority's request, Operator shall meet with a representative of Authority to review any complaints or concerns and to promptly correct any deficiencies regarding operations under this Agreement. The Authority's determination as to quality of operations or services shall be conclusive and curative measures shall be implemented by Operator as expeditiously as possible.

Section 6.02. Payment Transactions. Operator shall operate the Parking Facilities so as to provide a high level of service, twenty-four (24) hours a day, seven (7) days per week, every day of the calendar year, for users of the Parking Facilities. Acceptable forms of payment for parking fees from the users of the Parking Facilities shall be cash and Authority-approved credit and debit cards. Ninety-five percent (95%) of all payment transactions arising from the operation of the Parking Facilities for each twenty-four (24) hour period shall require no more than three (3) minutes from the moment a parking customer enters a line at a booth of the Parking Facilities until the time the gate arm elevates indicating the transaction has been completed. In addition, within the three (3) minute requirement above, ninety-five percent (95%) of all cash transactions for each twenty-four (24) hour period shall require no more than thirty (30) seconds and ninety-five percent (95%) of all cashier-assisted credit and debit card transactions for each twenty-four (24) hour period shall require no more than forty-five (45) seconds from the moment a parking customer hands the cashier his or her ticket until the time that the gate arm elevates indicating the transaction has been completed.

Section 6.03. Operation of Revenue Control System. Operator shall operate the computerized revenue control system provided by Authority for the Parking Facilities and shall adjust and load tickets into the ticket dispensers, adjust the gate arms, clear ticket jams and correct minor problems to ensure the continuous and efficient operation of the computerized revenue control system. Authority shall provide parking ticket stock for such ticket dispensers, as needed. Operator shall not make any other adjustments to the computerized revenue control system except with the prior specific approval of Authority. All adjustments shall be appropriately documented by Authority and Operator.

As part of the Revenue Control System, the Operator shall issue Airport employee proximity cards for gated employee lots. A deposit shall be collected upon issuance and refunded upon termination. Rules of the Authority shall be followed regarding Airport employee access control.

Operator shall respond within ten (10) minutes to any malfunction of equipment. Any damage to equipment caused by Operator will be repaired at Operator's expense.

Authority shall review the need for additional equipment which may be requested from time to time by Operator. Purchase of such requested equipment shall be at the sole discretion of Authority.

Section 6.04. Motorist Assistance Services. Operator shall provide the Motorist Assistance Services, as defined in Section 1.1 above. In connection with such services, Operator shall provide a portable jump start unit.

Section 6.05. Luggage Carts. Operator shall be responsible for obtaining and maintaining luggage carts for the Airport. Operator shall keep all proceeds. Fee structure for the carts shall be approved by the Authority.

Section 6.06. Cleanliness of Parking Facilities; Inspection. Operator shall be responsible for the cleanliness of Parking Facilities and shall ensure that the Parking Facilities are free from all trash, debris, rubbish, extraneous matter or waste of any kind or character and shall not allow the same to lie about or accumulate upon the Parking Facilities. Specifically, Operator shall inspect and clean the Parking Facilities as conditions demand and as often as Authority may require, but not less than once per day, to ensure that the Parking Facilities are clean and well-maintained. Written reports of such inspections shall be completed and submitted to Authority in a form and detail specified by Authority. Such reports shall include the condition of lighting, general appearance, potential safety hazards, graffiti and any other pertinent information. Operator shall notify Authority upon discovery of any items that require immediate attention. Operator shall provide for the adequate sanitary handling and removal of all trash, garbage and other refuse from the Parking Facilities and shall deposit the same in an area designated by Authority. If Authority determines that the Parking Facilities are not being cleaned as required by this Section 6.5, Operator shall take immediate action to correct any deficiencies as Authority may require.

Section 6.07. Snow Removal. Operator shall, pursuant to an operations plan submitted to and approved by Authority, provide for the removal of snow and ice from the Parking Facilities and all sidewalks and walkways within or immediately adjoining the Parking Facilities on a timely basis and in a thorough manner, through the use of plowing, chemicals or other materials as directed by Authority, to ensure the continuous availability and suitability of the Parking Facilities to the users. In the event that Operator's removal of snow and ice from the Parking Facilities does not meet the standards specified in the plan approved by Authority, Operator shall immediately correct any deficiencies. The Authority agrees that Operator's snow removal services may be subcontracted and the cost of such subcontract shall be deemed a Reimbursable Expense. Any such subcontractor would be required to provide its own vehicles and attachments for the performance of snow and ice removal. Operator shall be responsible for securing performance by such subcontractor conforming to the requirements set forth in this Agreement.

Section 6.08. Operator's Property. If applicable, Operator shall at all times maintain its fixtures, equipment and all other property in a clean, first-class operating condition and appearance, as determined by Authority, and shall make all necessary repairs and replacements as required by Authority. Operator shall maintain all equipment according to manufacturers' specifications and shall keep a log of routine and non-routine repairs and maintenance. Authority shall be the sole judge of the quality of maintenance, repairs or replacements made by Operator and, if determined to be unsatisfactory by Authority, Operator shall correct any deficiencies within ten (10) days after receipt of notice from Authority thereof.

Section 6.09. Relocation and Removal of Vehicles. Operator, with approval from Authority, shall have responsibility for the relocation or removal of vehicles within the Parking Facilities that are not parked in authorized areas or must be relocated for security purposes, other operational needs or maintenance and construction. Costs associated with the relocation of vehicles not parked in authorized areas shall be the responsibility of the owners thereof and the collection of those costs shall be the responsibility of Operator. Costs associated with relocation of vehicles for security purposes, operational needs or maintenance or construction shall be the responsibility of Authority. After a vehicle has been on the Parking Facilities for longer than thirty (30) consecutive days, Operator shall promptly identify and notify the Authority's police department and cooperate with actions directed by the police. Operator shall not be entitled to any revenues or fees collected for the disposition or sale of any abandoned vehicles.

Section 6.10. Inventory of Vehicles. During the hours of midnight until 5:00 a.m. daily, Operator shall conduct a physical inventory of all vehicles parked within the Public Parking Facilities. Each physical inventory shall record the date, the general area where each vehicle is located within the Parking Facilities and the license number and issuing state for each vehicle parked within the Parking Facilities.

Section 6.11. Complimentary Passes. Authority at its discretion may issue complimentary parking passes or sign-off on Parking Facility tickets of designees of Authority in connection with official government or Airport business. Authority shall provide complimentary parking procedures. No special arrangement of any type shall be made for the parking, storing, or servicing of any vehicle or for the grant or provision of any such service on any special or particular basis without the prior written approval of Authority.

Section 6.12. Procedures and Recommendations. Operator shall operate the Parking Facilities and all equipment associated therewith in accordance with the Manual prepared by Operator and approved by Authority, and all such procedures shall be subject to change at any time and from time to time as determined by Authority. During the Term, Operator shall submit, at Authority's request, written recommendations regarding service enhancements, such as ticketless transactions, prepaid accounts and one or more frequent user programs. Operator shall identify the advantages and disadvantages and the anticipated impact of such service enhancements. Operator also may submit service enhancement recommendations to the Authority at any time during the Term; provided, however, that Authority is under no obligation to accept any recommendations(s) made by Operator. Operator agrees to cooperate with and implement all service enhancements requested by Authority.

Section 6.13. Compliance with Applicable Laws. Operator, and its employees, agents and subcontractors, if any, shall comply with any and all Applicable Laws in providing services and performing obligations under this Agreement. In addition, Operator shall at its expense

obtain and maintain in effect during the Term all such licenses, certificates and other such authorizations as may be required under Applicable Laws to perform under this Agreement.

Section 6.14. No Interference with Airport. Operator shall operate the Parking Facilities so as not to endanger, unreasonably interfere with or delay the operation of the Airport or the activities of Authority, the general public or any other authorized users of the Airport. Operator shall be responsible for inputting and operating, as necessary, the Airport's signs indicating the operation and capacity of the Parking Facilities to the public. In addition to electronic signage, Operator shall be responsible for the placement of temporary signage as deemed necessary and approved by Authority for holiday and/or abnormal activity. Operator shall not post, erect, install, display or maintain any sign, picture, poster, drawing or other graphic display of any kind whatsoever without the prior approval of Authority. Any such item posted, erected, installed, displayed or maintained without Authority's prior approval, or in violation of the provisions of any such approval, may be removed by Authority at Operator's expense.

Section 6.15. Analysis of Parking Rates. From time to time throughout the Term, and upon the request of Authority, Operator shall provide an analysis (including economic data) to Authority of the parking rates for the Parking Facilities at comparable parking facilities at other comparable airports in the Airport's region, along with any appropriate recommendations. After reviewing Operator's analysis, the economic data provided by Operator and any other information Operator desires to disclose, Authority shall determine if a rate adjustment is necessary and appropriate. Authority shall notify Operator as to its decision regarding each such analysis and recommendation.

Section 6.16. No Right to Trademarks, etc. Operator shall have no right to use the trademarks, symbols, trade names or name of Authority or the Airport, either directly or indirectly, in connection with any production, promotion service or publication without the prior consent of Authority.

Section 6.17. Airport Damage by Operator. Operator shall promptly repair, replace or rebuild all or any part of Parking Facilities, any Airport facilities and any part of Authority's fixtures, equipment or other property located upon or within Parking Facilities or the Airport that may be damaged or destroyed by the acts or omissions of Operator or any of its officers, operators, subcontractors, agents, representatives or employees; provided, however, that, in lieu thereof, at Authority's election, Operator shall pay to Authority the cost of the aforesaid repairs, replacement or rebuilding.

Section 6.18. Lost and Found. Operator shall report lost and found items to Authority's Police Department for safety and security checks. After such an item has been cleared by Authority's Police Department, Operator shall deliver the item to the Airport offices to be logged into the list of lost and found items maintained there.

Section 6.19. Customer Service. A measure of success is Operator's prompt response to complaints, that similar complaints are not repeated; and customer survey results improve from survey to survey. Operator shall promptly investigate and resolve all complaints regarding the management and operation of the Parking Facilities. Operator shall provide Authority documentation summarizing any complaint or claim received by Contactor within three (3) days after Operator's receipt of such complaint. Operator shall also supply Authority documentation

of its investigation of the complaint or claim and its written response to the Airport patron. Operator shall make good faith attempt to explain, resolve or rectify the cause of the complaint. Refunds due to customer complaints shall be submitted by Operator to the Authority for approval.

The level of customer service will be measured by the number and severity of customer complaints and complements, as well as by an Operator-conducted semiannual customer survey each year. Authority shall approve the form, methods and content of each survey in advance. Authority reserves the right to audit the methods, data and results of each survey. Operator shall report to Authority the results of each survey by the tenth (10th) of succeeding month as part of Operator's Monthly Report.

Operator shall continually monitor all functions and operations and shall direct its staff to provide the highest level of service. Authority shall oversee the level of such service and may inspect the Parking Facilities at any time.

Section 6.20 Shuttle Service. Operator shall provide or cause to be provided personnel for operation of shuttle service to the public, between points at the Parking Facilities (excluding the MMTF and Employee Parking Facilities) and the Terminal and at times designated by the Authority so as to provide prompt and efficient service to the public.

Authority hereby leases to Operator the six (6) shuttle buses currently owned by Authority. The Authority may change the number or type of vehicles that are leased to Operator under this Agreement, from time to time, as determined by Authority. The six (6) shuttle buses that are initially leased to the Operator and any buses or van-type vehicles that Authority may substitute for those currently leased to Operator shall be capable of accommodating luggage in addition to passengers and shall provide ADA compliant access. The rent paid by Operator to Authority for the shuttle buses (and any vehicles subsequently substituted for the initial shuttle buses) shall be \$1.00 per year per vehicle, with the first rent payment made on the Commencement Date and each additional annual rent payment made on each anniversary of the Commencement Date during the Term (including any Renewal Terms) of this Agreement.

The Operator will be responsible for the complete operation and maintenance of the vehicles, and shall insure the vehicles under Operator's vehicle policy under Section 11.03. The vehicles will be properly licensed and inspected and maintained. The appearance and habitability of the vehicles shall at all times be subject to the inspection and approval of the Authority. The Operator shall furnish drivers who shall be fully qualified, licensed and insured. The Operator shall be uniformed and be of neat appearance, courteous and shall be subject to inspection by the Authority at any time. Should the Authority so require, the Operator will replace a driver or drivers. The vehicles shall be designated as non-smoking.

The Authority may cancel the agreement to provide this service at any time for cause or convenience of the Authority without cause with sixty (60) days written notice to Operator by Authority.

The hours of service shall be as required. The vehicle or vehicles shall shuttle back and forth from any designated lot, the Authority supplied/approved bus/shuttle stop, on or off the Airport that the Authority so specifies, to the Terminal.

Expenses related to the shuttle shall be paid in accordance with Operator expenses as stated in Section 8.03 of this Agreement.

Section 6.21. Shuttle Operators. Operator shall not permit the shuttle vehicles to be driven by any person who is not the holder of a valid Pennsylvania Commercial Driver's License (i.e. CDL) when required by law. Operator shall present evidence of such licensing satisfactory to Authority.

Section 6.22. Other. Operator shall use the Authority's street sweepers to periodically sweep the Parking Facilities.

ARTICLE 7 PERSONNEL

Section 7.01. Maintenance of Adequate Personnel. Operator shall furnish sufficiently trained personnel, including qualified, competent and experienced supervisory personnel, cashiers and other employees, necessary to operate the Parking Facilities in compliance with scheduling requirements that may fluctuate based upon airline schedules and delays due to weather conditions, holidays and other occurrences. Operator shall take such actions to assure waiting time at the exit toll booths should be no longer than three (3) minutes. Notwithstanding the foregoing, although the intent of the Agreement is to provide a high level of service, Operator shall make every reasonable effort to schedule employees to minimize the payment of overtime.

Personnel must be able to communicate in English and shall be capable of passing an English skills test administered at the discretion of Authority. Operator shall add or reduce Operator's personnel as required by Authority, and Authority shall endeavor to provide reasonable prior notice to Operator of all such staffing and/or schedule fluctuations and/or changes.

Operator shall keep on file and furnish upon request to Authority written records that shows assigned positions for each employee by name, including employment date, wage and benefits paid, background checks, training received, performance reviews, customer complaints/compliments and any disciplinary actions. All employees of Operator are employees of Operator only and no employment guarantee or obligation to continue employment of any of Operator's employees shall be the responsibility of Authority.

Section 7.02. Conduct of Employees, etc. Operator shall propose and Authority shall approve to the extent permitted by law, measurable performance standards for the Operator's employees in line with industry standards and the needs of the Parking Facilities. The performance standards shall be used to evaluate, award, discipline and terminate the employees of Operator as needed. Operator shall not allow its agents, servants, Operators or employees to conduct business in a loud, noisy, boisterous, offensive or objectionable manner and shall confine its business at the Airport to the operation of the Parking Facilities, unless otherwise approved by Authority. After receipt of notice from Authority, Operator shall immediately remove any employee or other representative of Operator from the Parking Facilities who participates in improper or illegal acts at the Airport, who violates Applicable Laws or any provision of this Agreement, or whose continued presence at the Airport is, in the opinion of Authority, deemed not to be in the best interest of Authority.

Section 7.03. Employee Training. Operator shall train each of its employees before such employee shall be allowed to perform services hereunder. At all times on and after the Commencement Date, Operator shall maintain on file with Authority an employee training program for the Parking Facilities for which Authority has granted its approval, and shall, upon the request of Authority, furnish documentation detailing the time and date that each of Operator's employees attended each training session and the subject topics included within Operator's training program. Operator shall conduct training and maintain appropriate files pertaining to systems changes and refresher courses provided to existing employees. Operator shall provide on an annual basis, customer service training to its employees. Operator shall provide evidence documenting all employees received customer service training annually

Section 7.04. Uniforms and Badges. Operator shall provide all of its employees with identification badges and/or woven identification insignia of a type and style subject to the prior approval of Authority. Attire must consist of both pants and shirts or blouses for both male and female employees. Smocks shall not be permitted. Operator's employees shall wear such Authority-approved attire and identification badges and/or insignia at all times while on the Parking Facilities. Managerial and supervisory personnel also shall wear distinctive clothing consisting of shoes, trousers, and shirt subject to the prior approval of Authority. Operator agrees that its employees will present a neat, clean and orderly appearance at all times. Operator also shall ensure that its employees wear proper, safe and neat footwear while working on the Parking Facilities. Sandals, open-toe shoes, *etc.*, shall not be permitted.

Section 7.05. Maintenance of Manual. At all times on and after the Commencement Date, Operator shall maintain the Manual on file with Authority. Modifications to the Manual requested by Authority shall be promptly prepared. The Manual shall be modified, subject to prior approval of Authority, as the operation of the Parking Facilities or Operator's employment practices change. Operator is responsible for the maintenance of the Manual to ensure that all data is current at all times. At the end of the Term or early termination thereof, the Manual shall be promptly surrendered to Authority by Operator.

Section 7.06. Parking Manager and Supervisors. Operator shall select and employ the Parking Manager and such supervisory personnel as are necessary to operate the Parking Facilities and whose only responsibility shall be management of the Parking Facilities Operator's Parking Manager and Supervisors shall be responsible only for the business of the Airport and shall not in any way be involved in any other business of Operator regardless of the location of such other business.

The Parking Manager shall be on duty during regular business hours and shall be available on an on-call basis 24 hours per day. At all times during his or her absence from the Parking Facilities, his or her designated representative or a Supervisor shall be in charge and available to the Authority. Each Supervisor shall be qualified and experienced and capable of acting as the Parking Manager during the absence of the Parking Manager. Each Supervisor shall be trained by the Parking Manager and Operator so that he or she will become proficient in handling all duties of the Parking Manager. The Supervisors shall be scheduled so that, to the extent possible, the Parking Manager or a Supervisor is on duty at all times of significant activity.

If Authority is dissatisfied with the performance of the Parking Manager and/or any Supervisor at any time during the Term, Authority shall provide notice of its complaints to

Operator, and Operator shall, within twenty (20) days after receipt of any such notice, respond in writing detailing the corrective action proposed by Operator to resolve Authority's concerns. Operator shall comply with any such demand but only after obtaining the services of a replacement Parking Manager or Supervisor, as the case may be, who has received the prior approval of Authority. In no event shall more than thirty (30) days elapse from the time Operator receives notice of Authority's demand to re-assign the Parking Manager or a Supervisor and the time a new Parking Manager or Supervisor, as the case may be, is performing under this Agreement.

If during the Term Operator desires to terminate or re-assign the Parking Manager or a Supervisor, it may do so only after providing notice of such proposed termination or re-assignment (including the name and business, home, pager and cellular telephone numbers and business address of the new Parking Manager or Supervisor, as the case may be, and the effective date of his or her placement) to Authority.

Section 7.07. Parking Lot Cashiers. Operator shall provide, in numbers sufficient for prompt and efficient service to the public, parking lot cashiers at Airport twenty-four (24) hours per day, each and every day throughout the term of this Agreement, on duty at parking lots, and at times, designated by Authority.

Section 7.08. Employee Screening. Prospective employees of Operator to provide services on the Parking Facilities must consent to a driver's license verification and criminal history background check prior to employment. A prospective employee who has been convicted of theft, burglary, or a similar crime, shall not be permitted by Operator to perform work on the Parking Facilities under this Agreement. Operator shall conduct drug screening on current employees in the event of an on-the-job injury or accident, in a manner and format acceptable to Authority.

ARTICLE 8 FEES, CHARGES AND ACCOUNTABILITY

Section 8.01. Management Fee. Authority agrees to pay to Operator, and Operator agrees to accept from Authority, as full and complete payment for successful performance of Operator under the terms and conditions of this Agreement, the following annual Management Fee, which shall be payable in equal monthly installments:

<u>Year of the Term</u>	<u>Annual Management Fee</u>
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Section 8.02. Budget. Ninety (90) prior to the beginning of the Authority's fiscal year, Operator shall prepare and submit to Authority for its approval an annual operating budget for the next succeeding year of the Term that conforms to the standards required under this Agreement. The budget may be revised by Authority prior to approval and shall be subject to further review by the parties from time to time at the request of either Operator or Authority.

Such annual operating budget, together with all revisions of the Budget approved by Authority, is referred to collectively as the “Budget”. Any revision to the Budget by the Authority shall be set forth in a notice to Operator and shall thereafter be binding upon Operator. The Budget shall include all direct costs and expenses to be paid by Operator at the exact cost thereof (without mark-up or administrative fee of any kind) in the operation of the Parking Facilities in such detail as Authority may direct, including the following:

(a) salaries and wages of the Airport parking staff for the time that they are physically present at the Airport and engaged in the operation of the Parking Facilities (including Social Security, workers’ compensation, unemployment insurance, health insurance and pension costs). Operator acknowledges all costs, including wages, salaries and benefits are subject to review and approval by Authority as a part of the annual operating budgeting process. Any overtime reimbursement requested from the Operator shall be within the overtime allowance established in the Operator’s approved Budget and, upon request of the Authority, the reimbursement request may be required to be accompanied by an explanation of the need for such overtime;

(b) fees paid by Operator for adjustments to the revenue control equipment, gate arm replacements and other revenue control equipment repair costs;

(c) identification badges and uniforms (if requested and agreed to by Authority) used by employees of Operator directly in the operation of the Parking Facilities;

(d) materials and supplies required for such operation, including the cost of, office supplies and forms, Motorist Assistance Services materials, sand and salt applied to the lots and walkways, and other expendable supply items used directly in the operation of Parking Facilities;

(e) contracted services such as snow plowing and removal; and

(f) costs of purchasing and maintaining all Insurance Coverages as specified in Section 11.

(g) bus repairs

(h) armored car service.

Authority reserves the right to directly provide or otherwise supply any reimbursable goods or services. If the item is supplied by Authority, it will be removed from the Budget.

Authority shall reimburse Operator for all approved operating expenses incurred as specified in Section 8.3 below.

The approved Budget **shall specifically not include the following** (all of which shall be paid for by Operator and shall not constitute Reimbursable Expenses): salaries and employee benefit costs of executive personnel of Operator; legal and accounting costs and fees; off-site administrative and bookkeeping costs and fees; travel expenses; moving and relocation

expenses; insurance deductibles, losses, costs, damages, penalties, fines, settlements, liabilities and expenses (including attorneys' fees, court costs and litigation expenses) paid or payable by Operator with respect to suits, claims, demands or other proceedings; and the cost of all licenses and permits obtained pursuant to Applicable Laws. The approved Budget may be revised by Authority from time to time to permit the inclusion of unforeseen expenses as approved Reimbursable Expenses, but only if and to the extent that Authority determines, in its reasonable discretion, that such revisions necessary and appropriate.

Notwithstanding the provisions of this Section 8.2, no expense qualifies as a Reimbursable Expense if such expense (i) is not included within a category of expenses for which the Budget provides, unless the expense incurred was reasonably necessary in addressing an emergency situation where personal injury or property damage is reasonably anticipated and prompt action is required, or if there is a TSA stated security emergency; or the expense incurred was approved by the Authority, (ii) exceeds the amount allocated within the Budget for such category of expenses, unless the excess amount incurred was reasonably necessary in addressing an emergency situation as outlined above or unless the excess amount incurred was approved by the Authority, (iii) has not been paid by Operator prior to applying for reimbursement from Authority, or (iv) constitutes a late charge pertaining to delinquent payment of vendor invoices. Operator agrees to use competitive pricing for all budgeted purchases.

Section 8.03. Reimbursable Expenses. Operator's Airport biweekly payroll will be reimbursed on their regular biweekly pay date or the first business day following if it falls on a national holiday. Operator shall pay all Reimbursable Expenses incurred in the operation of the Parking Facilities when due and shall invoice Authority, on or before the tenth (10th) day of each month, and include an itemized certified statement of all Reimbursable Expenses paid during the immediately preceding calendar month. Each such statement shall be supported by documentary proof such as copies of invoices, receipts, payroll records (including timecards), record of payment, and other such evidence for all disbursements. This evidence shall be available within two (2) business days after requested. The monthly invoice and itemized certified statement shall be in a format approved by Authority. Reimbursement of Reimbursable Expenses shall be made by Authority within approximately thirty (30) days after receipt from Operator of each such itemized statement; provided, however, that all appropriate supporting documents requested by Authority are included with such statement and received by the due date. Any undocumented expenses shall be excluded from the reimbursement. Authority may notify Operator of its objection to any item or items of expense so submitted. Any such notice shall set forth the nature of Authority's objection and shall be accompanied by Authority's payment of the undisputed portion of such Reimbursable Expense, if any. Any such dispute shall then be promptly resolved and settled by mutual agreement of the parties. Operator also shall submit to Authority such additional periodic financial reports at such times and in such form as Authority may from time to time reasonably require. Operator shall not purchase supplies or services from any Affiliate without the prior approval of Authority.

Section 8.04. Funds Collected. All Gross Receipts collected by the Operator shall be deposited in the designated Authority bank account. All Cash Receipts derived from the operation of the Parking Facilities are funds of Authority and shall be deposited in the name of Authority at least as often as the armored car service is available into an account designated by Authority. Until they are deposited, funds shall be held in trust by Operator for the benefit of

Authority while such funds are in its custody and control. Failure to make timely deposits in excess of two (2) occurrences per month may be cause for automatic termination by Authority of this Agreement. Operator shall on weekends, holidays or nights, deposit Cash Receipts in a designated night deposit vault, unless otherwise authorized in writing by Authority. It shall be considered that Authority has come into possession of the Cash Receipts only when Authority has received verification of the deposit. Failure by Operator to deposit Cash Receipts as outlined above shall result in a Fine as outlined in Exhibit "C" attached hereto.

If any such monies are lost, stolen or otherwise unlawfully removed from the custody and control of Operator, Operator shall notify Authority within twenty-four (24) hours of any such discovery of loss, theft or fraud. Operator shall continue to be responsible therefore and shall deposit in the Account an equal sum of monies within forty-eight (48) hours after discovery of any such loss, theft or unlawful removal. For the purposes of this Agreement, theft shall include but not be limited to fraudulently removing parking tickets from ticket dispenser, intentionally failing to turn in all tickets at the end of a shift, filing a false lost ticket claim, taking of receipts, intentional mischarging customers and any and all other actions which may compromise the integrity of the revenue control process, taking a patron's vehicle or any part thereof, or taking an article left in or on a patron's vehicle. If such loss, theft or unlawful removal is insured or otherwise secured by Operator, any payments subsequently made to Authority by the insurance company, bonding company or other surety, when paid to Authority, shall be reimbursed to Operator to the extent of such deposit.

For use of the Parking Facilities, Operator shall accept as payment cash, Visa, Master Card, and American Express credit cards or any other form of payment specified by Authority. In the event that a customer disputes credit card charges by Operator, it shall be the responsibility of Operator to research such dispute and respond to the credit card issuer within the time required by such issuer, but in no event more than ten (10) days after the date of notice of dispute. Operator shall only permit complimentary parking in the Public Parking Facilities to the extent that Authority may from time to time allow or require.

Operator shall establish a cash change fund sufficient to operate efficiently which shall be the responsibility of the Operator to maintain throughout the Term of this Agreement. Operator's cash change fund shall be provided by the Authority and shall be independent from Gross Revenues and Authority's bank account.

Operator shall be responsible for all cashier shortages, which shall be paid to Authority at Operator's sole cost and expense. Cashier overages may not be used to offset cashier shortages.

Section 8.05. Overcharges and Undercharges. If Operator charges any customer a price in excess of the established schedule of rates, the amount by which the actual charge exceeds the established rate shall constitute an overcharge, which shall, upon demand of the customer or Authority, be promptly refunded to the customer. The amount of any such refund shall constitute a Reimbursable Expense provided that Operator provides evidence of such refund acceptable to Authority and the amount of such overcharge was previously included in Gross Revenues and deposited by Operator in the Account. If Operator charges any customer a price that is less than the established schedule of rates, the amount by which the actual charge is less than the established rate schedule shall constitute an undercharge and the amount thereof shall, without demand by Authority, be paid by Operator as part of the Gross Revenues into the Account.

Section 8.06. Books and Records. Operator shall at all times during the Term maintain complete and accurate books and records of its operations at the Airport in a form consistent with good accounting practices. Such books and records shall contain an itemized record, in such detail as Authority may request, of (i) Gross Receipts, (ii) all other revenue and/or receipts, if any, derived by Operator from its operations at the Airport, and (iii) all Reimbursable Expenses and all other expenses paid by Operator in performing its obligations hereunder.

All printed records produced by recording and counting devices of the Revenue Control System and related equipment shall be the sole property of Authority, and Operator shall have no access to the printed records console to make repairs, alterations or adjustments except in the presence of a representative of Authority designated by Authority for such purpose. All such books and records shall be kept on a cash basis and shall be available for inspection by Authority and its duly authorized representatives at any time during reasonable business hours for a period of no less than four (4) years of the Term after the twelve (12) month period to which such books, records and equipment pertain. The Operator shall not destroy any records pertaining to the operation of the Parking Facilities without the express written permission of Authority.

Authority shall further have the right, upon reasonable notice to Operator, to cause an audit to be made of the books and records of Operator that relate to its operations at the Airport from time to time throughout the Term or any Renewal Term. All required books and records shall be made available so that the audit can be conducted at the offices of Authority. If, as a result of such audit, it is established that Operator is liable to Authority for the payment of any sum, Operator shall forthwith, upon demand from Authority, pay such sum to Authority, together with interest thereon at eighteen percent (18%) per annum from the day such sum should have been paid. Further, if such audit establishes that Operator has overstated its Reimbursable Expenses or understated the amount of Gross Revenues collected by it from the Parking Facilities for any twelve (12) month period by three percent (3%) or more, then the entire expense of such audit shall be borne by Operator. Authority's rights under this Section 8.6 shall survive the expiration or earlier termination of this Agreement.

Section 8.07. Activity Reports. Operator shall submit a daily activity report for each day of the Term, in a format acceptable to Authority, not later than 5:00 p.m. on the following business day for Authority, unless otherwise approved by Authority. Along with the daily activity report, Operator shall provide Authority access to all processed tickets representing that daily activity report. In addition, Operator shall prepare and provide to Authority, not later than the tenth (10th) day of each month of the Term, a monthly activity report for the preceding month in a format acceptable to Authority

The daily and monthly activity reports required under this Section 8.7 shall include such information as Authority may reasonably request, including the following: (i) a daily cash summary reconciling total Gross Receipts to the daily deposit and a bank deposit slip (ii) the number of tickets issued at each entrance gate to the Parking Facilities; (iii) the number of tickets and amount of revenue collected at each booth; (iv) the receipt deposits, shortages and overages at each booth; (v) the amount of Gross Receipts collected, in total and separately by Parking Facility; (vi) the number of vehicles entering and exiting the Parking Facilities, in total and separately by Parking Facility; (vii) the number and related revenue of all lost tickets, in total and

separately by Parking Facility; (viii) the number and related revenue of all mail-in payments, in total and separately by Parking Facility; (ix) the number of non-revenue tickets processed, in total and separately by Parking Facility together with the access to return of the non-revenue tickets to Authority; and (x) the unaccounted for ticket ratio (number of tickets short as a percentage of total tickets issued), in total and separately by Parking Facility.

The monthly report shall additionally show the operating expenses by type and the calculated monthly management fee, and shall also include the lot logs for that month. This report shall serve as the monthly invoice to Authority for the monthly management fee and reimbursable operating expenses due to Operator from Authority.

Section 8.08. Lost Tickets. Tickets lost by customers shall be accounted for by a "lost ticket" form provided by the Operator and approved by Authority. Each customer who has lost a ticket shall complete the form. Rate shall then be calculated by the cashier terminal based on the License Plate Inventory (LPI) system. For those plates not listed in LPI, the cashier terminal will charge a lost ticket minimum fee which will be the maximum daily rate unless patron provides proof of entry with an airline flight itinerary proving approximated entry time.

Section 8.09. Other Reports. Operator shall prepare such other financial or statistical reports relating to its operations at the Airport as Authority may from time to time request.

Section 8.10. Authority Administrative Cost. If Authority has paid any sum or sums or has incurred any obligation or expense for which Operator agreed to pay or reimburse Authority, or if Authority is required or elects to pay any sum or sums or incurs any obligation or expense because of the failure, neglect or refusal of Operator to perform or fulfill any of the terms or conditions of this Agreement, Operator shall, immediately upon demand by Authority, reimburse Authority for the cost thereof, plus an amount equal to fifteen percent (15%) of such cost to compensate Authority for the administrative cost of addressing such failure, neglect or refusal.

Section 8.11. Tax Obligations. Authority shall pay, on or before their respective due dates to the appropriate collecting authority, all federal, state, and local taxes and fees which are now or may hereafter be levied upon the operation of the Parking Facilities, including the Middletown School District Parking Tax; provided that Authority shall not be liable for any taxes levied upon the Management Fee or other receipts or revenues of Operator. Operator shall maintain, in current status, all federal, state and local licenses and permits required for the operation of the Parking Facilities and any other activity conducted by Operator.

ARTICLE 9 INSPECTION AND ENTRY BY AUTHORITY

Section 9.01. Inspection and Entry by Authority. Authority shall have the right at all times to enter upon the Parking Facilities for the purpose of inspecting the same, observing the performance of Operator of its obligations under this Agreement, and doing any act or thing which Authority may be obligated or have the right to do under this Agreement or otherwise. Without limiting the generality of the foregoing, Authority shall have the right, but not the obligation, to enter upon the Parking Facilities to maintain existing and future utility systems or

portions thereof on the Parking Facilities at all times and to make repairs, replacements, additions or alterations as may, in the opinion of Authority, be necessary or advisable.

**ARTICLE 10
ASSIGNMENT AND SUBCONTRACTING**

Section 10.01. Assignment and Subcontracting. Operator shall have no right to assign, delegate or subcontract any of its rights or duties pursuant to this Agreement without the prior written consent of Authority. Any assignment or delegation so permitted shall be subject to all the terms, conditions and other provisions of this Agreement. Further, notwithstanding any assignment or delegation, Operator shall remain obligated and liable to Authority for the performance of all terms, conditions and other provisions of this Agreement to the same extent that it would be obligated and liable if no assignment, delegation or subcontract had been made. Any attempted assignment, delegation or subcontract in violation of this Section 10.1 shall be void and of no force or effect whatsoever.

**ARTICLE 11
INSURANCE, INDEMNIFICATION AND SURETY BOND**

Operator shall maintain the following insurance coverages throughout the Term, including any Renewal Terms, of this Agreement.

Section 11.01. Workers' Compensation and Employers Liability:

a) Workers' Compensation Coverage: Statutory Requirements

b) Employers Liability Limits not less than:

Bodily Injury by Accident:	\$100,000 Each Accident
Bodily Injury by Disease:	\$100,000 Each Employee
Bodily Injury by Disease:	\$500,000 Policy Limit

c) Including Waiver of Right to Recover from Others Endorsement (WC 00 0313) where permitted by state law, naming the Authority and any Affiliates and amended to apply to contracts under which the Operator is not performing work.

Section 11.02. Commercial General Liability: (including Parking Facilities - Operations, Independent Contractors, Products/Completed Operations, Personal Injury and Broad Form Property Damage.

a) Occurrence Form with the following limits:

- 1) General Aggregate: \$2,000,000
- 2) Products/Completed Operations

Aggregate:	\$1,000,000
3) Each Occurrence:	\$1,000,000
4) Personal and Advertising Injury:	\$1,000,000
5) Damage to Parking Facilities Rented: (Fire Legal Liability)	\$1,000,000

- b) The General Aggregate Limit must apply on a Per Location basis.
- c) Contractual Liability (including Liability for Employee Injury assumed under a Contract) provided by the Standard ISO Policy Form CG 00 01. Policy does NOT include the restrictive Endorsement CG 24 26 (Amendment of Insured Contract Definition) or any other provision excluding coverage for Authority's Sole Negligence which has been assumed by Contract.

Section 11.03. Automobile Liability:

- a) Coverage to include:
 - 1) All Owned, Hired and Non-Owned Vehicles (Any Auto)
 - 2) Contractual Liability Coverage (including Liability for Employee Injury assumed under a Contract),
- b) Per Accident Combined Single Limit \$1,000,000

Section 11.04. Garage Keepers Legal Liability: (can be included as part of the Automobile Liability Policy):

- a) Coverage to include:
 - 1) Fire & Explosion
 - 2) Theft of an entire car; and
 - 3) Riot, civil commotion and malicious mischief and vandalism

Limits of insurance shall be equal to the limits for the capacity of the Parking Facilities.

Section 11.05. Commercial Umbrella Liability:

- 1) Occurrence Limit: \$5,000,000
- 2) Aggregate Limit (where applicable): \$5,000,000
- 3) Policy to apply excess of the Commercial General Liability (following form Per Location Aggregate Limit), Commercial Automobile Liability and Employers Liability Coverages.

Section 11.06. Property Insurance: Operator shall bring or keep property upon the Parking Facilities solely at its own risk and Operator, at its sole cost and expense, will keep all personal property, stock, and leasehold improvements now and hereafter located on the Parking Facilities insured against “All Risk” of loss with an insurer in an amount at least equal to the replacement value.

Section 11.07. Pollution Legal Liability Coverage (if applicable, indicated by an “x”): Operator shall maintain insurance covering losses caused by Pollution arising out of Operator’s use or occupancy of the Parking Facilities.

- a) Per Claim/Aggregate Limit: \$1,000,000/\$1,000,000
- b) If coverage is written on a Claims-made basis, the Operator warrants that any retroactive date applicable to coverage under the policy precedes the effective date of this Agreement and that continuous coverage will be maintained or an Extended Discovery Period will be purchased for a period of [two (2)] years beginning when Operator’s occupancy of the Parking Facilities ceases.

Section 11.08. Commercial Crime Coverage:

- a) Coverage to include:
 - 1) Employee Dishonesty, Forgery or Alteration, Computer Fraud
 - 2) Loss Inside/Outside Parking Facilities-Theft of Money & Securities
 - 3) Loss Inside the Parking Facilities Coverage-Robbery or Safe Burglary of “other Property”
 - 4) Coverage for Theft to Client’s Property Committed by an Employee of the Insured (3rd Party Coverage)
- b) Per Occurrence Limit: \$500,000

Section 11.09. Self Insured Retentions / Deductibles: None of the policies of insurance required of the Operator by this Agreement shall contain self insured retentions, deductibles or any other type of retention in excess of \$10,000, unless agreed to in writing by Authority.

Section 11.10. Financial Rating and Admitted Status of Insurance Companies:

- a) A.M. Best Rating: A- (Excellent) or Higher
- b) A.M. Best Financial Size Category: Class VII or Higher

- c) Insurance companies lawfully authorized to do business on an admitted basis in the jurisdiction in which the Parking Facilities is located

Section 11.11. General Requirements:

- a) Authority (including its agents, employees, representatives, officers, directors, members and managers) shall be added/included as ADDITIONAL INSUREDS on all liability policies, even for claims regarding their sole negligence. The coverage offered to the ADDITIONAL INSUREDS on Operator's liability policies shall be primary coverage to any other coverage maintained by the ADDITIONAL INSUREDS and shall not permit or require such other coverage to contribute to the payment of any loss.
- b) It is agreed the Operator's insurance will be not be canceled, materially changed or non-renewed without at least thirty (30) days advance written notice to Property Manager, Susquehanna Area Regional Airport Authority, One Terminal Drive, Suite 300, Harrisburg International Airport (MDT), Middletown, PA 17057, by Certified Mail - Return Receipt Requested".
- c) Any type of insurance or any increase in limits of liability not described above which the Operator requires for its own protection or on account of statute shall be its own responsibility and at its own expense.
- d) Waiver of Recovery/Subrogation: The Operator waives all rights of recovery and shall cause its Insurers to waive their rights of subrogation against and any of their agents and employees for loss or damage covered by any of the insurance maintained by the Operator pursuant to this Agreement.
- e) The amount of insurance provided in the aforementioned insurance coverages, shall not be construed to be a limitation of the liability on the part of the Operator. The carrying of insurance described shall in no way be interpreted as relieving the Operator of any responsibility or liability under the Agreement.
- f) Prior to occupying the Parking Facilities, the Operator shall file a Certificate of Insurance with the Authority. Such Certificate of Insurance should be mailed within five days of receipt of these insurance requirements to Property Manager, Susquehanna Area Regional Airport Authority, One Terminal Drive, Suite 300, Harrisburg International Airport (MDT), Middletown, PA 17057, regardless of when Operator's occupancy will begin. Parking Facilities' address must be shown on the Certificate of Insurance. Operator's obligation to provide the insurance set forth herein shall not be waived by any failure to provide a Certificate of Insurance, Authority's acceptance of a Certificate of Insurance showing coverage

varying from these requirements or by Authority's permission to commence occupying the Parking Facilities.

- g) In the event of a failure of Operator to furnish and maintain said insurance and to furnish satisfactory evidence thereof, Authority shall have the right (but not the obligation) to take out and maintain such insurance as specified above as will protect the Authority. Operator agrees to furnish all necessary information therefore and to pay the cost thereof to Authority immediately upon presentation of an invoice.
- h) Operator agrees that prior to commencing any construction or renovation work on or to the Parking Facilities, Operator shall receive written approval from Authority and shall require all contractors and subcontractors doing said work to maintain all Insurance Requirements and indemnify the Indemnified Parties in the same manner required of Operator as outlined herein. In addition, Operator shall require such contractors and subcontractors to file Certificates of Insurance with Authority which shall be subject to Authority's approval of adequacy of protection.

Section 11.12. Indemnification: To the fullest extent permitted by law, Operator agrees to indemnify, hold harmless and defend Authority and its agents, employees, representatives, officers, directors, members, managers and Affiliates (the "Indemnified Parties") from and against any and all liability for loss, damage or expense for which the Indemnified Parties may be held liable by reason of injury (including death) to any person (including Operator's employees) or damage to any property of whatsoever kind or nature arising out of or in any manner connected with the Parking Facilities (including, but not limited to, Operator's use or occupancy of the Parking Facilities, Ingress or Egress to the Parking Facilities, access or use of parking lots, walkways or common areas and any alterations or work done in or about the Parking Facilities by the Operator or on the Operator's behalf) even for, and if caused in whole or in part by, any act, omission, negligence, or strict liability of the Indemnified Parties. It is expressly understood and agreed that the indemnity contained in this paragraph covers claims by Operator's employees and that Operator expressly waives any defense to this indemnification obligation which may arise under the Workers' Compensation Act of any State.

The obligations of the Operator to maintain Insurance and provide Indemnification shall survive any termination of this Agreement it being agreed that such rights and obligations are and shall be of a continuing nature and effect.

ARTICLE 12 TERMINATION BY OPERATOR

Section 12.01. Termination by Operator. This Agreement shall be subject to termination by Operator in the event Authority breaches any material term, covenant or condition of this Agreement to be kept, performed and observed by Authority and such breach shall continue uncured for a period of sixty (60) days after receipt of written notice from Operator of the existence of such breach; provided, however, that, if such breach is such that it cannot be cured or remedied within such sixty (60) day period, then such sixty (60) period shall be

extended for such period as is reasonably necessary to cure such breach if corrective action is instituted by Authority within such sixty (60) day period and diligently pursued until such breach is cured or remedied.

ARTICLE 13 EVENTS OF DEFAULT

Section 13.01. Events of Default. The occurrence of any of the events described in this Section 13.1 shall be defined as and shall constitute an “Event of Default” under this Agreement:

(a) Any type of strike, boycott, picketing, work stoppage, slow-down or other labor activity shall be directed against Operator at the Airport or against any of its operations under this Agreement, whether or not the same is due to the fault of Operator, and continues for a period of at least twenty-four (24) hours, including the period of any suspension of the operations of Operator pursuant to the provisions hereof;

(b) Operator shall cease, abandon, stop or discontinue its services upon or within the Parking Facilities for any reason whatsoever and regardless of the fault of Operator;

(c) Operator shall become insolvent, or take the benefit of any present or future insolvency law, or make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement for its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any state thereof, or shall consent to the appointment of a receiver, trustee or liquidator of all or substantially all of its property;

(d) By order or decree of a court, Operator shall be adjudged bankrupt or an order shall be made approving a petition filed by any of the creditors or equity owners of Operator seeking its reorganization or the readjustment of its indebtedness under the federal bankruptcy laws or under any other law or statute of the United States or of any state thereof;

(e) A petition or action under any part of the federal bankruptcy laws or under any other law or statute of the United States or of any state thereof shall be filed against Operator and such petition or action against Operator shall not be dismissed within sixty (60) days after the filing thereof;

(f) By or pursuant to or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator shall take possession or control of all or substantially all of the property of Operator and such possession or control shall continue in effect for a period of fifteen (15) days;

(g) Any materialman, construction, mechanic or other voluntary lien, judgment, attachment or encumbrance shall be filed against the Parking Facilities or any portion thereof as a result of any act or omission of Operator and is not removed within fifteen (15) days after Operator’s receipt of notice of the filing thereof;

(h) Operator shall assign, transfer or encumber this Agreement or any interest herein, without the prior written consent of Authority;

(i) Operator shall fail duly and punctually to make any payment required hereunder when due to Authority;

(j) Operator shall fail to comply with the requirement to maintain the Insurance Coverages;

(k) Operator shall fail to maintain operations hereunder in the manner required under this Agreement, as determined in the reasonable discretion of Authority, and such failure shall continue for a period of ten (10) days after Operator's receipt of written notice from Authority to Operator of such failure;

(l) Operator shall conduct business activities at the Airport, other than those allowed under this Agreement, that have not been approved by Authority;

(m) Authority shall determine that there was a material misstatement or omission made by Operator in its Proposal upon which Authority relied in awarding this Agreement; or

(n) Operator shall fail to comply with each and every promise, covenant, condition and agreement set forth in this Agreement on its part to be kept, performed or observed (other than the promises, covenants, conditions and agreements otherwise addressed by specific provisions of this Section 13.1), and such noncompliance continues for a period of ten (10) days after Operator's receipt of written notice from Authority to Operator of such noncompliance.

Section 13.02. Remedies. Upon the occurrence of an Event of Default, Authority may exercise any and all rights and remedies permitted under law or equity and may terminate this Agreement by giving not less than twenty-four (24) hours' notice to Operator, effective at the date and time specified in such notice. The exercise by Authority of any of such rights and remedies shall be without prejudice to any and all other rights and remedies. In the event Authority exercises its right to terminate this Agreement, then it is understood that such exercise by Authority of its right of termination shall not be, or deemed to be, an exercise by Authority of an election of remedies so as to preclude Authority from any right to money damages it may have suffered for the period from the effective date of termination through the original expiration date of the Term, and this provision shall survive the termination of this Agreement as aforesaid. Upon notice of such termination, Operator shall immediately cease or cause to be ceased all services or work, and Operator shall invoice and be paid for only those services rendered or work performed through the date of termination that are reasonably satisfactory to Authority. Further, Operator shall forfeit to Authority, as liquidated damages, the Surety Bond because the parties mutually agree that such termination will substantially damage Authority but the extent of such damage is not ascertainable. Notwithstanding the foregoing provisions of this Section 14.2, Operator shall not be relieved of any liability to Authority for damages sustained by Authority.

Section 13.03. Authority Right to Terminate at Any Time. In addition to all other

rights or revocation or termination hereunder, and notwithstanding any other terms or provisions of this Agreement to the contrary, Authority shall have the right at any time and without cause to terminate this Agreement upon sixty (60) days prior notice to Operator, effective upon the date and time specified in such notice.

Section 13.04. Set-off. In the event this Agreement is terminated, any payment due to Operator shall be due and payable within sixty (60) days after the effective date of termination; provided, however, that if Authority has one (1) or more claims against Operator, there are amounts in dispute at the time of such termination or Authority sustains damages as a result of such termination, Authority may set-off any such amounts, claims or damages against Operator's invoice, and Operator hereby expressly grants such right of such set-off to Authority. Payment by Authority shall not, however, be deemed a waiver by Authority of any rights or remedies it may have under this Agreement or otherwise.

ARTICLE 14 SECURITY

Section 14.01. Security. Employees, agents and representatives of Operator and its subcontractors shall comply with the Rules and Regulations, including the Airport Security Plan, and all other airport security regulations as adopted or required by TSA or other Governmental Authorities from time to time. If a breach of the Airport Security Plan or such other airport security regulation occurs as a result of the acts or omissions of an employee, agent, representative or subcontractor of Operator in any manner or form at any time after the Effective Date, Operator immediately shall remedy such breach or assist TSA or other Governmental Authorities in remedying such breach, regardless of the circumstances. Operator shall maintain the integrity of the controlled access security system of the Airport for the Term.

Operator acknowledges and accepts full responsibility for the security and protection of the revenue control equipment, and booths, all inventory, equipment and facilities now existing or hereafter assigned to Operator, and for the prevention of unauthorized access to the Parking Facilities. Operator fully understands that the police security protection provided by Authority is limited and expressly acknowledges that any special security measures deemed necessary or desirable by Operator shall be the sole responsibility of Operator and shall involve no cost to Authority.

Section 14.02. Operator Liable for Fines and Compliance. In the event Authority determines that any fine or penalty has been imposed upon Authority as a result of the failure of Operator or any of its contractors or subcontractors to comply with Applicable Laws, Operator shall pay such fine or penalty or reimburse Authority therefore upon demand by Authority. Operator shall monitor compliance by its subcontractors with the requirements for identification badges and security clearances and the screening of goods, products, equipment, materials and supplies of such contractors and subcontractors.

ARTICLE 15 ATTORNEYS' FEES

Section 15.01. Attorneys' Fees. In the event Authority brings any action under this Agreement and prevails in such action, then Authority shall be entitled to recover from Operator Authority's reasonable attorneys' fees and expenses incurred as a result of such action, including expert witness' fees, court reporters' fees, and court costs.

ARTICLE 16 AMENDMENT

Section 16.01. Amendment. This Agreement constitutes the entire Agreement between the parties. No amendment, modification or alteration of the terms of this Agreement shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto; provided, however, that Exhibit "A" hereto shall be deemed to be amended and modified in accordance with any modification, relocation or supplementation of a Parking Facilities by Authority upon Authority's providing to Operator a copy of a revised Exhibit A reflecting such modification, relocation or supplementation and without the execution of a written amendment or modification of this Agreement by the parties.

ARTICLE 17 AUTHORITY APPROVALS

Section 17.01. Authority Approval, Consent, etc. Whenever any provision of this Agreement requires the consent or approval of Authority or provides to Authority the right to make a determination or judgment, Authority shall have the absolute and unconditional right to withhold its consent or approval, in its sole discretion, and to make such determination or judgment in its sole discretion on the basis of such factors and considerations as it shall deem relevant (including self-interest), except for those circumstances, if any, where this Agreement expressly provides that such consent or approval will not be unreasonably withheld or Authority will make such determination or judgment reasonably.

ARTICLE 18 ENVIRONMENTAL PROTECTION

Section 18.01. Environmental Protection. Operator hereby agrees to comply with the Environmental Laws. Further, any fines or penalties that may be levied against Authority by the EPA or any other Governmental Authority arising from or relating to Operator's failure to comply with any of the Environmental Laws shall be reimbursed to Authority by Operator immediately after notice of the amount of such liquidated damages or penalties from Authority. Upon the expiration or earlier termination of the Term, Operator shall, at Operator's sole expense, remove or permanently clean all Hazardous Materials that Operator, or anyone for whom Operator is responsible, caused to be situated on, at, in or under any Airport premises. This shall be done in compliance with all Applicable Laws and shall include the performance of

any necessary clean-up or remedial action. Operator shall provide Authority with copies of all records related to any Hazardous Materials that are required to be maintained by any Applicable Laws.

ARTICLE 19 END OF TERM

Section 19.01. Rights and Obligations of Operator. Upon the expiration or earlier termination of this Agreement, Operator shall promptly vacate the Parking Facilities and leave the same in the condition existing as of the commencement of this Agreement, normal wear and tear excepted. Operator shall, at its own cost and expense, remove all of its property from the Parking Facilities on or before the termination or expiration of this Agreement. Any damage to the property owned or used by Authority or in which Authority has an interest resulting from such removal shall be paid by Operator. If Operator's property is not removed as herein provided, Authority may, at its option, as agent for Operator and at Operator's risk and expense, remove such property to a public warehouse for deposit or retain such property in Authority's possession and, after the expiration of thirty (30) days, sell the same, with or without notice, at a public or private sale, in accordance with Applicable Laws, the proceeds of such sale to be applied first to the expenses of the sale and next to any sum owed by Operator to Authority, and any balance remaining shall be remitted to Operator.

Section 19.02. Surrender. Operator agrees to peacefully surrender the Parking Facilities upon the termination or expiration of the Agreement. Operator agrees to cooperate in the transition to a new operator. All revenue control equipment keys, operating manuals and maintenance manuals shall be returned to Authority.

Section 19.03. Holdover. Operator shall be obligated to holdover, at the sole discretion of Authority in the event that a succeeding agreement shall not be in place as of the termination date of the Term of this Agreement or any renewal periods provided for herein. At the direction of Authority, Operator shall continue on a month-to-month basis for a period not to exceed twelve (12) months at the terms and conditions contained in the Agreement in place for the most recent Agreement year.

ARTICLE 20 LIQUIDATED DAMAGES

Section 20.01. Liquidated damages. Operator acknowledges its obligation to provide the public and air travelers with the level and quality of service as described herein and its desire to comply with its obligations under this Agreement. Operator further acknowledges that Authority will suffer damages if Operator fails to comply with said obligations and further acknowledges that such damages would be difficult to calculate. Therefore, the parties agree that Operator shall pay Authority the liquidated damages set forth in Exhibit "C" hereto. The parties agree that the liquidated damages set forth herein are reasonable, and Operator agrees to pay Authority such liquidated damages in accordance with this Section 20.1 at the rates or in the specified amounts upon the occurrence of the violations indicated upon the demand of Authority.

Operator further acknowledges and agrees that the assessment and demand by Authority, and payment by Operator, of any such liquidated damages do not waive, limit or otherwise affect any rights or remedies of Authority as set forth in this Agreement. If Authority incurs any fines and/or penalties imposed, or any expense, under Applicable Laws for the protection and preservation of the environment as a result of the acts or omissions of Operator, Operator agrees to pay and/or reimburse all such fines, penalties, costs and expenses. Operator shall not submit any assessed liquidated damage or fine as a Reimbursable Expense to Authority. Operator shall pay any liquidated damages directly to Authority within forty-eight (48) hours after such liquidated damage is assessed.

ARTICLE 21 GENERAL PROVISIONS

Section 21.01. Attempts or Payments to Influence. Operator certifies to the best of its knowledge and belief that:

(a) No federally or state-appropriated funds have been paid or will be paid by or on behalf of Operator to any person for influencing or attempting to influence an officer or employee of any agency of the United States government or a member, officer or employee of the United States Congress, or an employee of a member of the United States Congress, in connection with the awarding of any federal contract, the making of any federal grant or loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement;

(b) If Operator has compensated or does compensate any person for influencing or attempting to influence an officer or employee of any agency of the United States government, a member, officer or employee of the United States Congress, or any employee of a member of the United States Congress, in connection with any contract, grant, loan or cooperative agreement, then Operator shall complete and submit to Authority, in accordance with its instructions, Standard Form LLL, "Disclosure of Lobbying Activities"; and

(c) Operator shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants and contracts under grants, loans and cooperative agreements) and that all sub-recipients shall certify and make disclosures in accordance with this Section 21.1.

Section 21.02. No Discrimination. Operator hereby agrees as follows:

(a) Operator will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, handicap or creed, and Operator will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, handicap or creed, including action relating to employment; upgrading, demotion or transfer; recruitment or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeships;

(b) Operator will post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this Section 21.2;

(c) Operator will, in all solicitations or advertisements for employees placed by or on behalf of Operator, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, handicap or creed;

(d) Operator will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice to be provided advising such labor unions or workers' representatives of Operator's commitments under this Section 21.2 and will post copies of the notice in conspicuous places available to employees and applicants for employment;

(e) Operator will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the United States Secretary of Labor;

(f) Operator will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the United States Secretary of Labor, or pursuant thereto, and will permit access to its books, records and accounts by the administering agency and the United States Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders;

(g) In the event of Operator's noncompliance with the nondiscrimination requirements of this Agreement, this Agreement may be immediately canceled, terminated or suspended, in whole or in part, by Authority by providing notice of termination to Operator, and Operator may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the United States Secretary of Labor, or as otherwise provided by law; and

(h) Operator will include the provisions of this Section 21.2 in each agreement establishing a Person's ability to conduct operations under this Agreement and in each of its subcontracts or purchase orders unless exempted by rules, regulations or orders of the United States Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each such Person, subcontractor or vendor. Operator will take such action with respect to any other agreement establishing a Person's ability to conduct operations pursuant to this Agreement, subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event Operator becomes involved in or is threatened with litigation by such Person, subcontractor or vendor as a result of such direction by the administering agency, Operator may request the United States to enter into such litigation to protect the interests of the United States.

Section 21.03. No Exclusive Right. Nothing herein contained shall be deemed to grant Operator any exclusive right or privilege within the Federal Aviation Act, or the conduct of any activity at the Airport, except that, subject to the terms and provisions hereof, Operator shall have the right to operate the Parking Facilities under the provisions of this Agreement.

Section 21.04. Subordination to Other Agreements. This Agreement is subject and subordinate to the provisions of any agreement heretofore or hereafter made between Authority and any other Governmental Authority relative to the operation or maintenance of the Airport, the execution of which has been required as a condition precedent to the transfer of federal rights or property to Authority for Airport purposes, or the expenditure of federal funds for the improvement or development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the Federal Aviation Act.

Section 21.05. Subordination to Authority Encumbrances. This Agreement and all rights of Operator hereunder shall be subject and subordinate to any deed of trust or mortgage lien or security interest encumbering Authority's interest in all or any part of the Airport and to any renewal, extension, modification or consolidation of such deed of trust or mortgage or security agreement granting such security interest.

Operator agrees, at any time, and from time to time, upon not less than ten (10) days prior notice by Authority, to execute, acknowledge and deliver to Authority a statement in writing certifying that this Agreement is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications), and the dates to which amounts due hereunder have been paid, and stating whether, to the best knowledge of Operator, Authority is or is not in default in the performance of any covenant, agreement, provision or condition contained in this Agreement and, if so, specifying each such default of which Operator may have knowledge.

Authority and Operator intend that any such statement delivered pursuant hereto may be relied upon by any prospective lender or mortgagee of Authority and any purchaser or tenant of any portion of the Airport premises or the Terminal and such purchaser's or tenant's lender or mortgagee or prospective lender or mortgagee, and by any prospective assignee and its lender or mortgagee or prospective lender or mortgagee.

Operator also agrees to execute and deliver from time to time, upon not less than ten (10) days prior notice by Authority, such similar estoppel certificates as a lender to Authority may require with respect to this Agreement. If Operator fails or refuses to furnish such certificate within the time provided, it will be conclusively presumed that this Agreement is in full force and effect in accordance with its terms and Authority is not in default hereunder.

Section 21.06. No Waiver. No waiver of default by either party of any of the terms, covenants or conditions herein to be performed, kept and observed by the other party shall be construed as, or shall operate as, a waiver of any subsequent default of any of the terms, covenants or conditions herein contained, to be performed, kept and observed by the other party.

Section 21.07. Notices, Approvals, Consents, etc. All notices, approvals, consents, demands, requests and other communications required or permitted by this Agreement must be in writing to be effective (except where verbal action is expressly permitted by the applicable

provision of this Agreement) and personally delivered or sent by certified United States Mail, postage prepaid, or by a recognized delivery service that provides registered and verifiable shipment or air-bill tracking and delivery record, with costs prepaid, to the addresses set forth below:

To Authority: Susquehanna Area Regional Airport Authority
One Terminal Drive, Suite 300
Middletown, PA 17057
Attn: Executive Director

To Operator: _____
Attn: _____

With Copy to: _____

Attn: _____

The Person and place to which notices, approvals, consents, demands, requests and other communications are to be sent may be changed by a party hereto upon written notice to the other. A notice, approval, consent, demand, request or other communication required or permitted hereunder shall be deemed received and effective (i) on the date that is three (3) days after the date on which it is deposited in the United States Mail if sent by certified mail, or (ii) on the date it is received by the recipient if sent by personal delivery, or (iii) on the date on which the signature receipt is recorded by the recognized delivery service if it is sent by a recognized delivery service.

Section 21.08. Headings. The headings of the several articles and sections of this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provisions of this Agreement and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

Section 21.09. Severability. If one or more clauses, sections or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, the parties hereto agree that the material rights of either party hereto shall not be affected thereby except to the extent of such holding, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted herefrom.

Section 21.10. Waiver of Anticipated Profits. Operator hereby waives any claim against Authority and its Board, officers, directors, employees, agents, servants, representatives, Operators, subcontractors, affiliates, successors and assigns for loss of anticipated profits caused by any suit or proceedings directly or indirectly attacking the validity of this Agreement or any part hereof, or by any judgment or award in any suit or proceeding declaring this Agreement null, void or voidable, or delaying the exercise of any rights under this Agreement.

Section 21.11. Right of Authority to Develop Airport. The parties hereto further covenant and agree that Authority reserves the right to further develop, improve, rehabilitate, repair, reconstruct, alter and expand the Airport, the Airport Parking Facilities, roadways, parking areas, Terminal and other facilities as it may see fit, regardless of the desires or views of Operator, without interference or hindrance and without liability to Operator for loss of business or damages of any nature whatsoever to Operator occasioned during any such improvements, repairs, alternations, reconstructions and additions to the Airport.

Section 21.12. Incorporation of Legally Required Provisions. The parties incorporate herein by reference all provisions legally required to be contained herein by any Governmental Authority.

Section 21.13. Limitation of Authority's Liability. Neither Authority nor any Board member, director, employee, officer or agent thereof shall have (i) any personal liability with respect to any of the provisions of this Agreement, or (ii) any liability for any consequential damages resulting from a default by Authority hereunder or from the exercise by Authority of any of its remedies hereunder upon the occurrence of an Event of Default. Operator further agrees not to initiate or participate in any involuntary bankruptcy, reorganization, receivership or insolvency proceeding against Authority.

Section 21.14. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Authority and its successors and assigns and Operator and its successors and permitted assigns.

Section 21.15. Required Modifications. In the event that a Governmental Authority requires modifications or changes to this Agreement as a condition precedent to the granting of funds for the improvement of the Airport, or otherwise, Operator shall make or agree to such amendments, modifications, revisions, supplements or deletions of any of the terms, conditions, or requirements of this Agreement as may be reasonably required and any expenses resulting from such amendments, modifications, revisions, supplements or deletions shall be paid by Authority.

Section 21.16. Time is of the Essence. Time is of the essence in the performance of the terms and conditions of this Agreement.

Section 21.17. Construction of Agreement. Words of any gender used in this Agreement shall be deemed to include any other gender, and words in the singular number shall be deemed to include the plural, unless the context otherwise requires.

Section 21.18. Understanding of Agreement. The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto, and have sought and received such competent advice and counsel as was necessary for them to form a full and complete understanding of all rights and obligations herein.

Section 21.19. Legal Interest and Other Charges. Any payment of any amount due and payable hereunder that is not paid on the date it is due shall bear interest until paid at the maximum lawful rate of interest permitted by Applicable Laws. Notwithstanding any provision of this Agreement to the contrary, it is the intent of Authority and Operator that Authority shall not be entitled to receive, collect, reserve or apply, as interest, any amount in excess of the maximum amount of interest permitted to be charged by Applicable Laws.

In the event this Agreement requires a payment of interest that exceeds the maximum amount of interest permitted to be charged under Applicable Laws, such interest shall not be received, collected, charged or reserved until such time as that interest, together with all other interest then payable, falls within the maximum amount of interest permitted to be charged under Applicable Laws. In the event Authority receives any such interest in excess of the maximum amount of interest permitted to be charged under Applicable Laws, the amount that would be excessive interest shall be deemed a partial prepayment hereunder and treated under this Agreement as such, or, if this Agreement has been terminated, any remaining excess funds shall be paid to Operator within sixty (60) days.

Section 21.20. No Estate in Land. This Agreement sets forth the terms and conditions for the operation of the Parking Facilities by Operator; provided, however, that this Agreement does not grant or convey any leasehold or other estate in land to Operator.

Section 21.21. Governing Law. This Agreement shall be governed by and constructed in accordance with the laws of the Commonwealth of Pennsylvania. Any litigation arising out of this Agreement shall be brought in courts sitting in Dauphin County, Pennsylvania.

Section 21.22. Avigation Easement. Authority hereby reserves as to the Parking Facilities, for the use and benefit of itself and its successors and assigns, and the operators, owners and users of Aircraft of all types and for the public in general, a perpetual easement and right-of-way for the free and unobstructed flight and passage of Aircraft (“Aircraft” being defined for the purposes of this Agreement as any contrivance now known or hereafter invented, used or designed for navigation of or flight in or through the air) by whomsoever owned or operated, in and through the airspace above, over and across the surface of the Parking Facilities, together with the right to cause in such airspace such noise, vibration, odors, vapors, particulates, smoke, dust and other effects as may be inherent in the operation of Aircraft for navigation of or flight or passage in and through such airspace, and for the use of such airspace by Aircraft for approaching, landing upon, taking off from, maneuvering about or operating at the Airport. This easement is reserved upon and subject to the following terms and conditions:

(i) Operator shall not hereafter use, cause or permit to be used, or suffer use of, the Parking Facilities so as: (i) to cause electrical, electronic or other interference with radio, radar, microwave or other similar means of communications between the Airport and any Aircraft; (ii) to adversely affect or impair the ability of operators of Aircraft to distinguish between regularly installed air navigation lights and visual aids and other lights serving the Airport; or (iii) to cause glare in the eyes of operators of Aircraft approaching or departing the Airport, or to impair visibility in the vicinity of the Airport, or to otherwise endanger the approaching, landing upon, taking off from, maneuvering about or operating of Aircraft on, above and about the Airport; and

(j) Operator, for itself and its assigns, subcontractors and legal representatives (collectively, the “Releasing Parties”), hereby expressly releases and forever discharges Authority and its Board, legal representatives, officers, directors, assigns, associates, employees, agents and all others acting in concert with Authority, from any and all claims, debts, liabilities, obligations, costs, expenses, actions or demands, vested or contingent, known or unknown, whether in tort, contract or otherwise, that the Releasing Parties may now own or hold, or have any time heretofore owned or held, or may at any other time own or hold, by reason of noises, vibration, odors, vapors, particulates, smoke, dust or other effects as may be inherent in the

operation of Aircraft and caused or created by the flight or passage of Aircraft in or through the airspace subject to the easement and right-of-way herein reserved; provided, however, that such operation or use is in compliance with Applicable Laws.

Section 21.23. Airport Procedures and Regulations. Operator agrees to observe and abide by all procedure, rules and regulations promulgated from time to time by the federal, state and city governments, Authority or Authority staff concerning security matters, parking, ingress and egress, and any other operational matters related to the operation of the Airport. This shall include but not be limited to the Operator precluding its employees or agents, or its customers, invites or licensees while on Airport property for the benefit of Contactor from entering upon any restricted area of the Airport as noted in procedures, rules or regulations or as noted in 49 CFR 1540 and 1542 of the Federal Aviation Regulations.

Section 21.24. Adverse Business Practices. Operator may operate off-Airport parking facilities; provided, however, that Operator agrees that it will not engage in any competitively adverse business practices which would, directly or indirectly, lure potential parking customers away from parking at any of the Public Parking Facilities.

Section 21.25. Periodic Meetings. Operator (and its subcontractors on an as-needed basis) shall attend meetings requested by Authority after the Effective Date. Such meetings shall be held at least quarterly or upon request of Authority or Operator. Authority shall identify which officers and employees of Operator (and such subcontractors) are requested to attend each meeting and those officers and employees shall use their best efforts to attend.

Section 21.26. Non-Exclusivity. Authority can reassign existing work described herein at its sole discretion, may award any additional work for similar services to additional Operators, or may have Authority employees perform this work. If such a decision is made, the compensation portion of the Agreement may require appropriate adjustment.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives on the day and date first written above.

WITNESS:

By: _____

AUTHORITY:

**SUSQUEHANNA AREA REGIONAL
AIRPORT AUTHORITY**

By: _____
Timothy J. Edwards, A.A.A.E
Executive Director

OPERATOR:

By: _____

Printed Name: _____

Title: _____

SAMPLE

Exhibit A

Parking Facilities

SAMPLE

Exhibit B

RFP and Proposal

SAMPLE

Exhibit C

Fines

<u>Violation</u>	<u>Fine</u>
Violation of Operator's obligations under <u>Articles 6, 7 or 9</u> of the Agreement	\$500.00 for the first violation, \$750.00 for the second violation, and \$1,000.00 for third violation and each violation thereafter (measured on a daily basis).
Failure to deposit Cash Receipts each day before the time specified by Authority as required in <u>Section 8.4</u>	Ten percent (10%) of Cash Receipts for the applicable day, with an equal fine for each additional day thereafter during which Cash Receipts are not deposited as specified by Authority.
Violation of <u>Sections 8.2, 8.3, 8.5 through 8.11</u>	\$500.00 for the first violation, \$750.00 for the second violation, and \$1,000.00 for third violation and each violation thereafter (measured on a daily basis).