# LEASE AGREEMENT WITH EMERALD CITY CARGO

This lease agreement (the "Lease") is made by and between the City of Corpus Christi ("City"), acting by and through its City Manager or his designee ("City Manager"), and Emerald City Cargo, LLC ("Lessee"), a Kansas limited liability company (collectively, the "Parties").

**WHEREAS**, the City owns the Corpus Christi International Airport ("**Airport**"), and the Airport is managed by the Director of Aviation ("**Director**") on behalf of the City;

**WHEREAS**, the parties desire to enter into this Lease for land and improvements for the purpose of facilitating Lessee's aeronautical services, to include use of office and cargo storage space in a cargo dock area adjacent to the Airport terminal; and,

**NOW, THEREFORE**, in consideration of the terms, conditions, and mutual covenants made by the parties as stated in this Lease, the Parties agree as follows:

**SECTION 1. Premises.** City leases to the Lessee the real property and existing improvements as depicted in the attached **Exhibits A** and **B** (collectively, the "**Premises**"), such exhibits being incorporated into this Lease by reference as if fully stated in their entireties. The Premises is physically located at 1000 International Drive, Corpus Christi, Nueces County, Texas, and is located inside a building attached and adjacent to the Airport terminal building. The Premises, entrances to which are not accessible through the terminal, is generally described as follows: approximately 1,192 square feet of combined office and storage space inside a cargo dock area of the Airport terminal; has controlled access entry via a security card reader device; and shares common walkway and/or hallway ingress and egress space with other tenants/users. The Premises is designated and known, for the sole purpose of locating, identifying, and referencing the leased area granted by this Lease, as the "Emerald City Cargo Area." Any separate reference to being "on," "in," "at," or "upon" the Premises is inclusive of all of the foregoing as such may pertain, in context, to the Emerald City Cargo Area and the shared controlled access doors, common walkways, and hallways.

**SECTION 2.** Term. The term of this Lease is 12 months ("Term") and commences September 1, 2021 ("Effective Date"), subject to execution of this instrument by the City Manager. The term may be renewed by mutual consent of the Parties for up to five additional 12-month periods (individually, a "Renewal Term") on the same terms and conditions; provided, however, that rent during each Renewal Term shall be in the amount determined pursuant to Section 3. Each Renewal Term must be exercised in writing by representatives of the Parties not less than 60 days prior to the annual anniversary date of the Effective Date and state the applicable rent amount due for the then-applicable Renewal Term.

## SECTION 3. Rent; Payments; Rent Adjustments.

- **A.** So long as Lessee continually uses the entire Premises solely for Lessee's aeronautical use, the rent is the amount shown in Exhibit B, with the initial monthly payment being due on the third business day following the Effective Date of this Lease and subsequent monthly rent payments of 1/12th the annual amount due on or before the first day of each month following the expiration of the initial month of the Lease.
- **B.** Payment of rent, and of any other fee or charge assessed or due pursuant to this Agreement, shall be made by Lessee without notice or demand from City on or before the date due in legal tender of the United States of America at the City's administrative office at the Airport, or at such other place as the

City's Director of Finance & Business Analysis may at any time designate in writing. A late fee of \$100 is applicable to the payment of rent when the same is not timely received by the City. Any amount payable to the City which is not, or has not been, paid by Lessee when due shall bear interest at the rate of 10% per annum, and accrued interest shall be remitted by Lessee at the same time such overdue amounts are paid plus any applicable late fees as may be specified in this Agreement. Payments due from Lessee will be received by the City only on standard business days Monday through Friday and during standard business hours 8 a.m. to 5 p.m. Payments will not be considered late if the date due falls on a weekend or City holiday, provided, payment is received on the next business day. Payment by Lessee and acceptance by the City of an overdue payment, a late fee, accrued interest, or any of the foregoing, shall not be construed as a waiver or forfeiture of any other rights and remedies of City contained elsewhere in this Agreement or as provided by law. For the purposes of this Agreement, the date payments are received by the City shall be the U.S. Postal Service cancellation date on the envelope transmitting the payment, or the date such payment is received in the administrative office of the Airport by a City employee if the payment is hand delivered. The Director is authorized to act as the City's agent to receive all rents and monthly/annual reports, if any, due from Lessee pursuant to this Lease.

- **C.** Notwithstanding the rent amount stated in Exhibit B, Lessee agrees the rent amount is subject to adjustment under subsections C, D, and E of this section, as may be applicable. Rental rates for all Airport properties are adjusted on a five-year cycle and based on a fair market appraisal conducted by or on behalf of the City. The next appraisal is scheduled to be completed on or about November 23, 2023. The City reserves the right to adjust the rental rate in accordance with appraised conditions, adopted policy, provisions of this Lease, or Federal Aviation Administration ("FAA") requirements.
- **D.** For purposes of determining the fair market value by appraisal, the values determined by the appraiser and included in the appraisal report are final. Adjusted rental rates are effective beginning on the 61st day following written notice to Lessee of the completion of a final appraisal report. Lessee shall have the right to terminate this Lease within 30 days of the date of written notice of a rental rate increase should the increase be more than 20% of the then-current rental rate, according to the rates shown in the final appraisal report.
- **E.** Each Renewal Term is subject to a 3% increase notwithstanding the rental rate that may be established by the appraisal report.

SECTION 4. Acceptance of Premises Disclaimer.

LESSEE ACKNOWLEDGES THAT IT IS LEASING THE PREMISES "AS IS" WITH ALL FAULTS INCLUDING, BUT NOT LIMITED TO, ANY AND ALL POLLUTANTS, **STORAGE** TANKS, AND ANY ASBESTOS. UNDERGROUND HAZARDOUS MATERIALS AS MAY EXIST ON THE PREMISES AND THAT NEITHER CITY NOR ANY EMPLOYEE OR AGENT OF CITY HAS MADE ANY REPRESENTATIONS OR WARRANTIES AS TO THE CONDITION OF SUCH LESSEE ACKNOWLEDGES AND AGREES THAT LESSEE HAS BEEN PROVIDED, TO ITS SATISFACTION, THE OPPORTUNITY TO INSPECT THE PREMISES FOR ANY DEFECTS AS TO THE SUITABILITY OF SUCH PROPERTY FOR THE PURPOSE TO WHICH LESSEE INTENDS TO PUT THE PREMISES AND IS RELYING ON ITS OWN INSPECTION. THIS LEASE IS SUBJECT TO ALL COVENANTS, EASEMENTS, RESERVATIONS, RESTRICTIONS, AND OTHER MATTERS OF RECORD AND NOT OF RECORD APPLICABLE TO THE PREMISES.

#### SECTION 5. Use of Premises.

- **A.** Lessee shall have the right to use and occupy the Premises solely for the operation of Lessee's aeronautical services and shall use the Premises for no other purpose without the express written consent of the Director.
- **B.** Lessee may not use or occupy, permit the Premises to be used or occupied, nor do or permit anything to be done in, on, or at the Premises in a manner that would, in any way, void or make voidable any insurance then in force with respect to the Premises or operations at the same or that would make it impossible to obtain the insurance required to be furnished by Lessee under this Lease.
- **C.** Lessee may not make any unlawful use of the Premises nor permit any unlawful use thereof and will not commit, nor permit anyone else to commit, any act which is a nuisance or annoyance to the Airport, other Airport tenants, adjacent property owners or tenants, or which might, in the Director's sole judgment, appreciably damage the City's operations at the Airport, the City's or Airport's goodwill or reputation, or tend to injure or depreciate the value of the Premises and/or any improve-ments located on, in, or at the same.
- **D.** Lessee acknowledges that the City reserves the right to temporarily use the Premises, at no cost to the City, as a pre- or post-emergency evacuation, storage, or operations facility if deemed necessary under emergency management conditions due to a natural or man-made disaster or occurrence.
- **E.** The City is not required to make any expenditure nor incur any obligation or liability of any kind whatsoever in connection with the Lessee's leasehold financing or any construction, maintenance, or repair of the Premises.
- **F.** If the Premises is partially damaged due to an act of God, fire, or other casualty to the extent that Lessee cannot use that portion of the Premises for its intended purpose, then, at Lessee's option, this Lease may be suspended or terminated until the damage is repaired. If the Lease is suspended, Lessee and City will mutually agree on a time period for Lessee to repair the damage to the Premises. If the Lease is terminated, the rent will be abated from the date of the casualty, provided, however, that Lessee must use its insurance proceeds to repair or replace the damaged Premises to its condition at the time of execution of this Lease. Any remaining insurance proceeds after all repair costs have been expended and the Premises restored will be paid to Lessee. The City Manager is the sole judge of the extent of damage to any City facilities, including the Premises.
- **SECTION 6. Parking.** Non-exclusive use of parking spaces for passenger motor vehicles of Lessee's employees, suppliers, and invitees is available in a very limited number adjacent to the Premises. Lessee acknowledges that use of the parking spaces shall fully comply with all City laws and Airport rules and regulations governing parking and vehicle usage at the Airport, and Lessee shall require Lessee's employees, suppliers, invitees, customers, and guests to so comply as well. The Director of Aviation reserves the right to cancel the use of the parking spaces or to redirect the parking of passenger vehicles and the use of parking spaces at any time as may be deemed necessary, either temporarily or permanently, for the safe and efficient operation of the Airport.
- **SECTION 7. Signs.** Lessee may install City ordinance compliant signs on the Premises at its sole cost; provided, however, that the Lessee has obtained the Director's prior written consent as to the size, type, design, number, and location of the sign(s) or other company/corporate identification, which consent shall not be unreasonably withheld or delayed.
- **SECTION 8. Right to Amend.** If the FAA or its successor agency requires modifications or amendments to this Lease as a condition precedent to the granting of funds to the City for Airport improvements, Lessee agrees to consent to the modifications or amendments to the Lease as may be reasonably required, provided, however, Lessee will not be required to pay any increased rent, change

the use of the Premises, or accept a relocation or reduction in size of the Premises until Lessee and the City have fully executed an amendment to this Lease that is mutually satisfactory to both Parties regarding any terms or conditions of this Lease affected by the actions of the FAA.

**SECTION 9.** Subordination to U.S./FAA Requirements. This Lease is subordinate to the provisions of any existing or future agreement between the City, acting through the Airport, and the United States of America relating to the operation or maintenance of the Airport, where the execution of said agreement(s) is required as a condition to the expenditure of federal funds for the development of the Airport. If the effect of said agreement(s) with the United States, either under this Section 9 or under Section 8 above, is to remove any or all of the Premises from the control of the Airport or to substantially destroy the value of the Premises, then, this Lease shall terminate immediately without any further obligation on the part of the City to Lessee nor any recourse by Lessee against the City. Lessee fully understands, acknowledges, and accepts the subordination requirement associated with this Lease and the Premises.

#### **SECTION 10. Development of Improvements.**

- **A.** Lessee shall not construct any structural or other improvements ("Improvements") on the Premises without the prior written approval of the Director and the City's Director of Engineering Services. Where required by law, approval of the City is subject to the concurrence of the FAA. Any Improvements must substantially conform to the plans, specifications, and requirements approved by the City and FAA, if applicable.
- B. ANY APPROVALS BY THE CITY UNDER THIS SECTION INCLUDING, BUT NOT LIMITED TO, APPROVALS OF DESIGNS, PLANS AND SPECIFICATIONS; AND INSPECTION OF WORK, DESIGN, OR CONSTRUCTION, ARE NOT TO BE CONSTRUED AS A REPRESENTATION, WARRANTY, OR STATEMENT AS TO THE QUALITY, SOUNDNESS, FITNESS FOR A PARTICULAR PURPOSE, OR SAFETY OF THE DESIGN AND CONSTRUCTION METHOD OF ANY IMPROVEMENT(S) INCLUDING, WITHOUT LIMITATION, THE EXISTING IMPROVEMENTS, OR FACILITIES RELATED TO THE SAME.
- **C.** When required by the City, Lessee shall furnish the City with two sets of complete plans and specifications for Improvements proposed to be placed or constructed on the Premises and complete as-built plans following completion of construction. No work may be performed by Lessee, its contractors, or subcontractors without the prior written approval of such plans by the City, acting through its Director and its Director of Engineering Services.
- **D.** Upon termination of this Lease, Lessee agrees that ownership of any Improvements constructed by Lessee on the Premises during this Lease automatically reverts to the City free and clear of all liens, claims, and other encumbrances or adverse interests in the Premises or the Improvements located thereon.

## **SECTION 11.** Lessee's Repair and Maintenance Obligations.

**A. Premises.** Lessee, at its own expense, shall maintain the Premises and Improvements in good appearance and in a safe condition. Lessee shall maintain all pre-existing improvements and leasehold Improvements on the Premises (including, without limitation, parking lots, sidewalks, roofs, walls, partitions, floors, ceilings, windows, doors, and glass, and all furnishings, fixtures, and equipment therein). Lessee shall provide janitorial service and maintenance to keep the interior and exterior of the Premises and Improvements in a clean, attractive, and sanitary condition at all times. Any landscaping must be well-maintained and kept in a neat and tidy condition by the Lessee. Lessee shall repair any and all damage caused to real and personal property of the City occurring at the Premises as a result of the willful or negligent acts or omissions of Lessee, its officers, employees, agents, invitees, or guests.

- B. Quality of Maintenance. It is the intent of the City and Lessee that the Premises, existing improvements, and leasehold Improvements be repaired and maintained in a manner that shall keep the Improvements intact, in good repair, and in a condition so that the Improvements will be usable at the end of the Lease. Lessee must comply with the maintenance obligations, as stated in this Agreement and any applicable governmental laws, rules, or regulations. The Director is the sole judge of the quality of Lessee's maintenance, which must be reasonable and consistent with other Airport properties. The Director may at any time, during City's normal business hours, upon prior notice unless an emergency exists, enter upon the Premises to determine if the maintenance requirements of this Lease are being complied with by Lessee. The Director must notify Lessee in writing of any default observed regarding maintenance or repair. If the required maintenance or repair described in the Director's notice to Lessee is not commenced within 10 days following the date of such written notice, or is not diligently prosecuted to completion, the Director may, but is not obligated to, enter upon the Premises and perform the subject maintenance or repair. Lessee agrees to reimburse the Airport for its incurred cost in performing such maintenance or repair plus a 15% administrative fee within 30 days after the Director's written demand, together with copies of all paid receipts for such repairs and/or maintenance. Lessee will develop, within 30 days of execution of this Lease, a preventative maintenance plan regarding the existing improvements and provide a copy to the Director.
- **C. Correct Hazards.** Lessee must immediately correct or cause to be corrected any hazardous or potentially hazardous condition on the Premises upon knowledge thereof or following receipt of notice from the Director, whichever occurs first in time. At the Director's reasonable discretion, the operations of Lessee in the Premises, or affected portion(s) of the Premises, may be restrained or stopped until the hazardous or potentially hazardous condition is removed or remedied.
- SECTION 12. Security. Lessee, its officers, employees, agents, contractors, invitees, and guests must comply with all applicable federal, State, and local security and/or safety regulations, as the same may be amended. To the extent allowed by law, Lessee covenants to indemnify and hold harmless the City, its officers, officials, employees, and agents from any and all charges, fines, or penalties that may be assessed or levied by the FAA or Transportation Security Administration by reason of the negligent or intentional failure of Lessee or any of its officers, employees, agents, contractors, invitees, or guests to comply with security and/or safety regulations, regardless of whether the fine, charge, or penalty is assessed or levied against the City or the Lessee.
- **SECTION 13. CFR Part 77 Requirements.** Lessee covenants to comply with the notification and review requirements set out in Part 77 of the FAA Regulations pursuant to 14 CFR Part 77, as amended, if Lessee plans to construct or modify any structure, antenna, or building located on the Premises or to be constructed on the Premises as an Improvement.
- **SECTION 14. Control of Structures.** Lessee shall not erect nor permit the erection of any structure, antenna, building, or object, nor permit the growth of any tree on the Premises, which has its highest point above a mean sea level elevation established by FAA and the City as a height limitation on said structure, antenna, building, or object. Lessee acknowledges and agrees that the City may enter the Premises and remove the encroaching structure, antenna, building, or object without notice and at Lessee's expense plus an additional administrative charge of 15%.
- **SECTION 15.** Aerial Approaches. The Director may take any action necessary to protect the Airport's aerial approaches against obstruction, including the right to prevent Lessee from erecting or permitting to be erected any building, structure, or object on or adjacent to the Airport which, in the Director's opinion, would limit the usefulness of the Airport or constitute a hazard to aircraft.

#### **SECTION 16. Hazardous Substances and Materials.**

- **A.** For the purposes of this Lease, "hazardous substance or material" means and refers to one or more of the following:
  - 1) Asbestos;
  - 2) Any substance, material, or waste defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act (42 U.S.C. Section 6901, et. seq.);
  - 3) Any substance, material, or waste defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601, et. seq.);
  - 4) Any substance, material, or waste defined as a "regulated substance" pursuant to Subchapter IX of the Solid Waste Disposal Act (42 U.S.C. Section 6991, et. seq.); and
  - 5) Any substance, material, or waste which is reasonably considered by the City to pose an actual or potential threat to persons or property on or around the Premises.
- **B.** Lessee shall comply with all environmental laws, rules, regulations, orders, and permits applicable to the use of the Premises and Improvements including, but not limited to, required National Pollutant Discharge Elimination System Permits and all applicable laws relating to the use, storage, generation, treatment, transportation, or disposal of hazardous or regulated substances. Except for the hazardous substances governed by and transported in full compliance with the transportation laws of the State of Texas or federal government, Lessee must not knowingly use, store, generate, treat, transport, or dispose of any hazardous or regulated substances, materials, or waste on or near the Premises without the Director's prior written approval and without first obtaining all required permits and approvals from all authorities having jurisdiction over the operations conducted on the Premises. No fuel storage tanks shall be located or permitted on the Premises.
- **C.** If Lessee determines that a threat to the environment including, but not limited to, a release, discharge, spill or deposit of a hazardous substance or regulated substance has occurred or is occurring which affects or threatens to affect the Premises or the persons, structures, equipment, or other property upon the Premises or the Airport, Lessee must immediately notify by oral report in person or by telephone, to be promptly confirmed in writing, the Director as required by law or regulation. Lessee must cooperate fully with the Director in promptly responding to, reporting, and remedying a threat to the environment including, without limitation, a release or threat of release of a hazardous or regulated substance into the drainage system, soil, ground or surface water, waters, or atmosphere in accordance with applicable law or as authorized or approved by any federal, state, or local agency having authority over environmental matters.
- **D.** Lessee shall keep a readily accessible file of Materials Safety Data Sheets ("MSDS") for each hazardous material or substance on the Premises or transported, in accordance with federal and state transportation laws, which file must be posted and immediately available to any Airport employee who responds to a report of a discharge of a hazardous substance or material at, in, or upon the Premises. Lessee will require any operator of any activities or facilities on the Premises to use best efforts to determine which hazardous substance or material was accidentally discharged and ensure that the MSDS sheet is available for the first responders to the Premises.
- **E.** Lessee will cause prompt remediation and the payment of all costs associated with any action or inaction of Lessee that directly or indirectly prevents the City, acting through the Airport, from materially conforming to all then applicable environmental laws, rules, regulations, orders, or permits relating to the Premises. The rights and obligations set forth in this section shall survive the expiration or earlier

termination of this Lease.

**F.** Lessee shall furnish to the Director, within five days of receipt by Lessee, copies of any and all notices or correspondence directed to Lessee or any other party at the Premises from any governmental entity, other entity, or person indicating a violation or possible violation of any laws, rules, or regulations including, without limitation, any law, rule, or regulation regarding hazardous materials or substances (as such term is defined in this Lease).

#### SECTION 17. Nondiscrimination/Affirmative Action.

- A. Nondiscrimination—General. Lessee for itself, and as a requirement for any sublessee, their personal representatives, successors in interest, and assigns, as a part of the consideration hereof covenants that: (1) no person on the grounds of race, creed, color, religion, sex, age, national origin, handicap, or political belief or affiliation will be excluded from participation in, denied the benefits of or otherwise be subjected to discrimination in the use of the Premises; (2) in the construction of any improvements on, over, or under the Premises and the furnishing of services thereon, no person on the grounds of race, color, religion, sex, age, national origin, handicap, or political belief or affiliation will be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; (3) Lessee will cause to the best of its ability the Premises and Improvements to be in compliance with all other requirements imposed by or pursuant to 14 CFR Part 152, Subpart E Non Discrimination in Aid Program and Title VI of the Civil Rights Act of 1964 and 49 CFR, Subtitle A, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Title and Regulations may be amended, and with other applicable state or federal laws or regulations, as amended.
- **B.** Nondiscrimination—Business Owner. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The concessionaire or contractor (Lessee) agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23. The concessionaire or contractor (Lessee) agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23 that it enters and causes those businesses to similarly include the statements in further agreements.
- **C.** Remedy for Breach. If the Lessee is found by a final verdict of a court of competent jurisdiction to have deliberately breached a non-discrimination covenant, or to have permitted any sublessee to deliberately breach a non-discrimination covenant, the City may immediately enforce the remedies directed by the Court's decision, which may include the City's right to reenter the Premises, retake possession thereof, and terminate the Lease. This provision is not effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are completed, including exercise of any rights to appeal.
- **D.** Affirmative Action. The Lessee will undertake any affirmative action program if required by 14 CFR Part 152, Subpart E, to ensure that the Lessee will not exclude any person from participating in any employment activity covered by 14 CFR Part 152, Subpart E, on the grounds of race, creed, color, national origin, sex, age, or disability. The Lessee will not exclude any person on these grounds from participation in or the receipt of the service or benefit of any program or activity covered by the subpart. The Lessee further understands that it will require its covered sub organizations, if any, to provide assurances to the City that they will also undertake any required affirmative action programs, if required, and require assurances from their sub-organizations, if required pursuant to 14 CFR Part 152, Subpart E. Lessee, at no expense to the City, shall comply with any applicable requirements of the Americans with Disabilities (ADA), as it may be amended, with respect to the Premises and its improvements.

### **SECTION 18. Compliance with Laws.**

- **A. General.** Lessee covenants to promptly observe, comply with and execute, and shall cause any sublessee to promptly observe, comply with and execute, the provisions of any and all present and future governmental laws, ordinances, rules, regulations, requirements, orders and directions applicable to the use and occupancy of the Premises. A material breach of this covenant, which is not remedied within any permitted cure period, may be cause for City's exercising its rights under the Lease. During any period of Lessee's good faith challenge to any such laws, ordinances, rules, regulations, requirements, orders and directions in a court of competent jurisdiction, Lessee's inaction shall not be deemed a breach of this Lease.
- **B.** Federal. Lessee shall comply and shall require any sublessee to comply with all applicable federal laws, rules, and regulations including, without limitation, the Drug Free Workplace Act, the Violence in the Workplace Act, the Americans with Disabilities Act, and any other acts the U.S. Congress passes that apply to the uses and operations at the Premises.
- C. State. Lessee shall comply with all applicable laws, rules, and regulations of the State of Texas.
- **D.** Local. Lessee shall comply with all applicable City ordinances, and rules and regulations promulgated by the Director.
- **SECTION 19. Fiscal Year Appropriation.** By execution of this Lease, Lessee acknowledges and understands that the continuation of any contract after the close of any fiscal year of the City, which fiscal year ends on September 30 annually, is subject to budget approval and sufficient appropriations by the City Council for such contract item as an expenditure in the next fiscal budget. The City does not represent nor warrant to Lessee that a budget item providing for this Lease in any future fiscal budget will be adopted, as that determination is within the sole discretion of the City Council at the time of adoption of each fiscal budget.

#### SECTION 20. City's Obligations.

- **A.** City agrees to operate the Corpus Christi International Airport as a public airport during the term of this Lease, subject to the assurances given by the City to the United States Government.
- **B.** In exchange for Lessee's promise to maintain the Premises, the City agrees to make standard electrical services available to the Premises on the same basis as may be made available to other tenant businesses operating within the terminal building and cargo facility at the Airport. Lessee agrees that Lessee must procure and pay for any and all other services and utility usage, such as gas, water, wastewater, cable, Internet, and telephone charges, that may be secured by Lessee and supplied to the Premises during this Lease as the charges become due and payable. IN NO EVENT WILL THE CITY BE LIABLE FOR ANY INTERRUPTION OR FAILURE IN THE SUPPLYING OF ANY SERVICES AND/OR UTILITIES TO THE PREMISES, INCLUDING THOSE, IF ANY, WHICH THE CITY HAS AGREED TO FURNISH.
- **C.** The City shall provide reasonable notice if ingress and egress to the Premises will be interrupted due to maintenance at the Airport. If the City causes Lessee's ingress or egress to be interrupted at the Premises for more than 24 hours, the Director may consider a reasonable rent reduction request made by Lessee for each full 24-hours of non-use by Lessee due to the interruption.
- **SECTION 21. Insurance.** Lessee must provide insurance in the amounts and types of coverages required by the City's Risk Manager or the Risk Manager's designee ("Risk Manager") as are set out in the attached **Exhibit C**, the content of which is incorporated into this Lease as if set out here in its entirety. Lessee must deliver, or cause to be delivered, certificate(s) of insurance to the Director and Risk Manager by the Effective Date of this Lease and on a continuing basis not less than 30 days prior

to the annual anniversary date of the Effective Date of this Lease. The Risk Manager may annually assess the level and types of insurance required by the Lessee. The Risk Manager may increase or decrease the level or types of insurance by giving Lessee notice not less than 60 days prior to the annual anniversary date of the Effective Date of the Lease.

#### SECTION 22. Indemnification.

- A. LESSEE SHALL INDEMNIFY, HOLD HARMLESS, AND DEFEND THE CITY OF CORPUS CHRISTI AND ITS OFFICERS, OFFICIALS, EMPLOYEES. REPRESENTATIVES, AND AGENTS (COLLECTIVELY, "INDEMNITEES") FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, CLAIMS, DEMANDS, LIENS, JUDGMENTS, FINES, PENALTIES, AWARDS, LAWSUITS, CAUSES OF ACTION, AND EXPENSES OF ANY NATURE WHATSOEVER INCLUDING, BUT NOT LIMITED TO, STRICT LIABILITY CLAIMS AND ALL EXPENSES OF LITIGATION (INCLUDING MEDIATION AND ARBITRATION), COURT COSTS, REASONABLE ATTORNEYS' FEES, AND EXPERT WITNESS FEES. ON ACCOUNT OF PERSONAL INJURIES (INCLUDING WORKERS' COMPENSATION AND DEATH CLAIMS). PROPERTY LOSS OR DAMAGE, OR ANY OTHER KIND DAMAGES, WHICH ARISE OR ARE CLAIMED TO ARISE OUT OF OR IN CONNECTION WITH THIS LEASE OR THE PERFORMANCE OF THIS LEASE. REGARDLESS OF WHETHER THE INJURIES, DEATH, OR DAMAGES ARE CAUSED OR ARE CLAIMED TO BE CAUSED BY THE CONCURRENT OR CONTRIBUTORY NEGLIGENCE OF INDEMNITEES. BUT NOT IF BY THE SOLE NEGLIGENCE OF INDEMNITEES UNMIXED WITH THE FAULT OF ANY OTHER PERSON OR PARTY. LESSEE MUST. AT ITS OWN EXPENSE, INVESTIGATE ALL CLAIMS AND DEMANDS, ATTEND TO THEIR SETTLEMENT OR OTHER DISPOSITION. DEFEND ALL ACTIONS BASED THEREON WITH COUNSEL SATISFACTORY TO INDEMNITEES, AND PAY ALL CHARGES OF ATTORNEYS AND ALL OTHER COSTS AND EXPENSES OF ANY KIND ARISING FROM OR OUT OF ANY OF SAID LIABILITY, LOSS, CLAIMS, DEMANDS, SUITS, CAUSES OF ACTION. OR DAMAGES. THE INDEMNIFICATION OBLIGATIONS OF LESSEE UNDER THIS SECTION SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.
- **B.** Notice of Claim or Action. Notwithstanding the above indemnifications, Lessee must give the Director and Risk Manager written notice of any accident or other matter covered under this section involving, directly or indirectly, the Premises and forward to the Director and Risk Manager copies of every notice, demand, claim, summons, or other process communication received by Lessee within 10 days of Lessee's receipt of the same.

#### SECTION 23. Assignment and Sublease.

**A.** Lessee shall not assign this Lease or sublease the Premises or any part thereof or mortgage, pledge, or hypothecate its leasehold interest, or grant any concession or license within the Premises without the express prior written consent of the City, such consent being within the sole discretion of the City, and any attempt to do any of the foregoing shall be void and of no effect. In the event of any such unapproved assignment or sublease, attempted assignment or sublease, or should Lessee, in any other nature of transaction, allow or attempt to allow anyone to occupy the Premises or any portion thereof. City shall upon such occurrence have the right and option to terminate and cancel this Lease

effective upon 10 days' written notice to Lessee given by City at any time thereafter, and City may terminate and cancel either as to the entire Premises or as to only the portion thereof which Lessee without approval assigned, subleased, attempted to assign or sublease, or otherwise allowed some other party's occupancy. Additionally, Lessee shall be liable for payment of the fair market value of rents for the portion of the Premises used without consent of the City, such fair market value to be determined by resort to and review of the Airport's then-current property appraisal report. In the event the City elects to terminate this Lease as to the aforesaid portion of the Premises, then, the rent as to the remainder of the Premises may thereafter be reduced as appropriate and as determined by the City. This prohibition against assigning, subletting, attempting to assign or sublet, and allowing or attempting to allow occupancy by another without the City's advance written consent is to be construed to include a prohibition against any assignment, subletting, or occupancy by operation of law.

**B.** In any case where the City consents to a sublease of the Premises, Lessee shall remain liable for the performance of all terms, conditions, covenants, duties, and obligations of this Lease including, without limitation, the obligation to pay any and all sums required by this Lease to be paid and the faithful adherence and performance of all indemnity provisions provided in this Lease.

#### **SECTION 24. Termination.**

- **A.** Termination by Lessee. Without limiting any other rights and remedies to which Lessee may be entitled by common law, statutory law, or as elsewhere provided in this Lease, this Lease may be terminated by Lessee at any time upon the occurrence of one or more of the following events:
  - 1) The City's permanent abandonment of the Airport;
  - 2) The lawful assumption by the U. S. Government, or any authorized agency thereof, of the operation, control, or use of the Airport, or of any substantial part or parts thereof, which substantially restricts the Lessee from operating at the Premises for a minimum of 180 calendar days;
  - 3) The issuance by any court of competent jurisdiction of an injunction that prevents or restrains the use of the Airport or the Premises that continues for at least 180 days; or
  - 4) The default by the City in the performance of any covenant or obligation to be performed by the City and such failure to remedy the default continues for a period in excess of 60 days after receipt from Lessee of written notice to remedy the same.
- **B.** Termination by City. Without limiting any other rights and remedies to which City may be entitled at common law, statutory law, or as elsewhere provided in this Lease, this Lease may be terminated by the City if Lessee:
  - 1) Is in arrears in paying the rent, fees, or other charges due under the Lease for 10 days or more;
  - 2) Becomes insolvent; takes the benefit of any present or future insolvency statute; makes a general assignment for the benefit of creditors; files a voluntary petition in bankruptcy or a petition or answer seeking a 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 consents to the appointment of a receiver, trustee, or liquidator of all or substantially all of its property;
  - 3) Has a petition filed under any part of the federal bankruptcy laws, or an action sought under any present or future insolvency law or statute, against Lessee and which petition is not dismissed within 30 days after the filing date;

- 4) Assigns or subleases the Premises (or any portion thereof), or attempts to affect such an assignment or sublease of the Premises, or violates any other provision in Section 23;
- 5) Abandons the Premises ["abandon" shall mean failing to use the Premises for aeronautical activities and services as defined in current FAA Order 5190.6B *FAA Airport Compliance Manual*] for a period in excess of 60 days; or
- 6) Defaults in the performance of any other material covenant or obligation of this Lease and continues the default in excess of 60 days, or such other time as may be specifically provided in this Lease, following receipt of written notice from the Director of the default and notice to cure. If the default cannot reasonably be cured within a 60-day period, or within such other time as may be set out in the notice of default, Lessee shall not be deemed in default if Lessee commences the remedy process within the applicable period and thereafter diligently prosecutes the same to completion within a reasonable time period as agreed to by the Director; otherwise, Lessee will be determined to be in default.
- C. City's Right to Entry upon Termination. In the event of termination of this Lease, the Director may enter the Premises to remove any and all persons and personal property from the Premises and place such property in temporary storage for the account of and at the expense of Lessee. Excluding personal property provided at the Premises by the City, if any, which forms part of the granted use under this Lease, all personal property on the Premises is hereby subject to a contractual landlord's lien to secure payment of delinquent rent and other sums due and unpaid under this Lease, any and all exemption laws are hereby expressly waived in favor of said landlord's lien; and it is agreed that said landlord's lien is not a waiver of any statutory or other lien given, or which may be given, to City but is in addition thereto. In the case of termination by either party, if Lessee fails to remove all of its furniture, fixtures, equipment, or other removable personal property from the Premises following the termination date of this Lease, the Director may, at his/her option, take title to said personal property, remove the same, and sell the property found on the Premises at a public or private sale with proceeds of the sale applied first to the cost of the sale, then, to the cost of storage of the property, if any, and, then, to the indebtedness of Lessee, with the surplus, if any, to be mailed to Lessee at the address designated in the notice section of this Lease. To the extent allowed by law, Lessee further agrees to hold harmless and indemnify City, its officers, officials, employees, and agents from and against any loss, damage, or claim arising out of the City's action in collecting monies owed to it under this paragraph, excluding any loss, damage, or claim caused by the gross negligence or willful misconduct of City.
- **D. Notice of Termination.** If an event a material default occurs and after due written notice identifying the default the defaulting party has failed to cure or to commence to cure, the complaining party may at any time after the expiration of any such cure period terminate this Lease by providing written notice of termination to the defaulting party. The Lease will be terminated on the date specified in the notice but not sooner than 10 days following the postmarked date of the notice.
- **E.** Improvements Revert to City. Except for the right of Lessee to remove personal property at the earlier termination or expiration of this Lease, ownership of all Improvements placed or constructed on the Premises by Lessee revert to the City upon the termination or expiration of this Lease.
- **SECTION 25.** Re-delivery of Premises. Upon the earlier termination or expiration of this Lease, Lessee shall deliver the Premises to the City peaceably, quietly, and in as good condition as the same now are, or may hereafter be, improved by Lessee or the City, normal use and wear excepted.

**SECTION 26.** Holdover. Any holding over by Lessee of the Premises after the expiration of this Lease will be on a month-to-month tenancy at sufferance not to exceed six months with rent due at 125% of the then-current monthly rent applicable to the Premises. Any holding over by Lessee beyond the expiration of the term of this Agreement may be terminated by either party upon 30 days' prior written notice to the other party.

#### SECTION 27. Notices.

**A.** With the exception of immediate notices to the City required under Section 16 (hazardous materials/substances provision) and Section 22 (indemnification provision) of this Lease, all notices required to be sent under this Lease are deemed sufficient if (i) in writing and (ii) sent by certified mail, return receipt requested, postage prepaid, or by overnight delivery service with proof of delivery, or delivered in person, and (iii) as properly addressed below:

If to City: Attn: Director of Aviation

Corpus Christi International Airport

1000 International Drive Corpus Christi, TX 78406

If to Lessee: Attn: President

Emerald City Cargo, LLC

1935 S. Air Cargo Rd., Suite 500

Wichita, KS 67209

- **B.** Notice is deemed received on the day hand-delivered if delivered in person, or on the second day following placement with an overnight delivery service, or on the third day following deposit with the U.S. Postal Service if sent by certified mail.
- **C.** Either party may change the address to which notice must be directed under this section by informing the other party in the same manner set out in subsection A above. Notice of a change of address must be received within 10 days of the effective date of the change.

#### SECTION 28. Disclosure of Interest: Conflicts of Interest.

- **A.** The City's Code of Ordinances, Section 2-349, as amended, requires all persons seeking to do business with the City to complete and provide a "Disclosure of Interest" form of the type attached to this Lease as **Exhibit D**. The content of the completed Exhibit D by Lessee is incorporated into this Lease by reference as if fully set out in this section. Lessee is obligated to provide an updated Disclosure of Interest should any information submitted in Exhibit D and incorporated into this Lease by reference change during the pendency of this Lease for approval by the City Council and prior to the City's execution of the same.
- **B.** Additionally, Lessee agrees, in compliance with Texas statutory requirements, to electronically complete and file Form 1295 "Certificate of Interested Parties" on the Texas Ethics Commission's website and to provide the certified, executed, and notarized form to the City as a condition of this Lease.

#### SECTION 29. General Provisions.

**A. Mineral Rights.** The City expressly reserves all water, gas, oil, and mineral rights in and under the soil beneath the Premises in which the City holds an interest and further reserves the right to conduct or to provide for testing and removal of any such City-owned water, gas, oil, or minerals from the Premises.

- **B.** No Waiver of Forfeiture. Any failure or neglect of the City or Lessee to declare a forfeiture of this Lease for any breach or default whatsoever at any time does not waive the City's or Lessee's right thereafter to declare a forfeiture of the same or of any other or succeeding breach or default.
- **C.** Force Majeure. Neither City nor Lessee will be deemed to be in breach of this Lease if either is prevented from performing any of its obligations by reason of force majeure. "Force Majeure," for the purposes of this Lease, means any prevention, delay, or stoppage of the party obligated to perform due to a cause beyond their reasonable control including strikes, lockouts, fire or other casualty, acts of God such as severe inclement weather and sustained periods of rain or snow, epidemics, pandemics, common carrier, civil commotion, public enemy or terrorist acts, riots, interference by civil or military authorities, and other cause. All of the foregoing events excuse and extend the performance by either party until the exigency giving rise to a claim of Force Majeure has been removed, provided however, that written notice by the obligated party of any event of Force Majeure is provided to the other party within three business days of the event's occurrence or else this right as a defense to delay or failure to perform under this Lease is waived. In the event of a delay in either party's performance of its obligations hereunder for more than 60 days due to Force Majeure, either party may, at any time thereafter, terminate this Lease.
- **D. Rules and Regulations.** The Airport, acting through the Director, has adopted minimum operational standards ("Minimum Standards") and rules and regulations ("Rules and Regulations"), which shall govern Lessee in the use of the Premises and all common facilities, a copy of each of which has been furnished to the Lessee and are incorporated in this Lease by reference as if fully set out here in their entireties. Lessee agrees to comply fully at all times with the content of these governing documents. The Airport shall have the right to amend, modify, and alter the Minimum Standards and Rules and Regulations from time to time in a reasonable manner and may introduce other regulations as deemed necessary for the purpose of assuring the safety, welfare, convenience, and protection of property of the City, Lessee, and all other tenants and customers of the Airport; provided, however, that the Director shall give Lessee reasonable advance notice of any such amendments, modifications, or alternations of the Minimum Standards and Rules and Regulations before the same are made effective.
- **E.** Venue. Venue for any action brought under this Lease lies in Nueces County, Texas, where the Lease was entered into and will be performed.
- **F. No Third-Party Benefit.** No provision of this Lease creates a third-party claim against the City or the Lessee beyond that which may legally exist in the absence of any such provision.
- **G. Permits, Licenses, and Taxes.** Lessee shall procure all permits and licenses, pay all charges, fees, and taxes including, but not limited to, all payroll taxes, Medicare taxes, FICA taxes, unemployment taxes, and other related taxes in accordance with the Internal Revenue Service's Circular E "Employer's Tax Guide," Publication 15, as it may be amended; as well as all taxes upon Lessee's operations and personal property; and give all notices and respond to all communications that are necessary and incident to the due and lawful conduct of business at and occupancy of the Premises by Lessee. Lessee must provide proof of payment of any federal, state, or local tax within 10 days following the City Manager's written request for the same.
- **H.** Trash and Refuse. Lessee must dispose of all trash and other refuse resulting from operations on the Premises; must provide and use suitable, sealed fireproof receptacles for all trash and other refuse generated; must prohibit the piling of boxes, barrels, or other similar items in or within view from a public area; and may make use of the dumpster located directly outside the Premises for the disposal of all such trash and other refuse at no cost to Lessee as part of the Lease of the Premises.

**I. Publication.** Lessee shall pay all newspaper publication costs, if any, associated with this Lease as required by the City's City Charter.

## **ATTACHED AND INCORPORATED BY REFERENCE:**

Exhibit A - Aerial Depiction of Premises (one page)

Exhibit B - Layout of the Premises and Lease Rate (one page)

Exhibit C - Insurance Requirements (three pages)

Exhibit D - Disclosure of Interests, completed form (three pages)

(EXECUTION PAGE FOLLOWS)

## **EXECUTED IN DUPLICATE ORIGINALS** by the parties on the dates shown below:

CITY OF CORPUS CHRISTI			ATTEST:		
Neiman Young, Assistant City Manager	Date		Rebecca Huerta	a, City Secretary	
EMERALD CITY CARGO, LLC					
Signature 10	<b>R5</b>   <b>21</b> Date				
Anthony Tenbrink Printed Name					
President Title					
State of Kansas  County of Sedgwick	999				
This instrument was acknowledged before r					
Branch Manager (title of of of the company.	ficer) of Emera	ald City Cargo	, LLC, a Kansas	limited liability com	pany, on behalf
Motary Public's Signature					
<i>I</i>			A	NOTARY PL	JBLIC



Terminal Cargo Dock (1001) – 1000 International Drive EMERALD CITY CARGO SITE LOCATION PLAN

7-16-2021

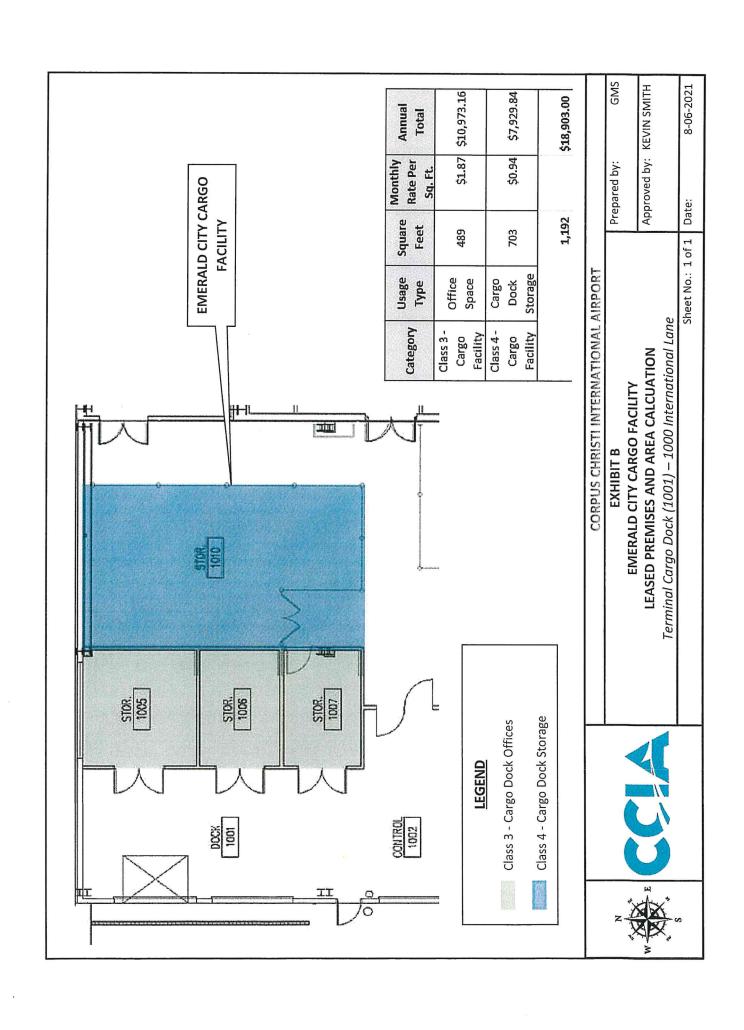
Date:

Sheet No.: 1 of 1

**KEVIN SMITH** 

Approved by: Prepared by:





#### **EXHIBIT C**

## **INSURANCE REQUIREMENTS (Form 4-B)**

## I. <u>LESSEE'S LIABILITY INSURANCE</u>

- A. Lessee must not commence work under this agreement until all insurance required has been obtained and such insurance has been approved by the City. Lessee must not allow any subcontractor Agency to commence work until all similar insurance required of any subcontractor Agency has been obtained.
- B. Lessee must furnish to the City's Risk Manager and Contract Administer one (1) copy of Certificates of Insurance (COI) with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. The City must be listed as an additional insured on the General liability and Auto Liability policies by endorsement, and a waiver of subrogation is required on all applicable policies. Endorsements must be provided with COI. Project name and or number must be listed in Description Box of COI.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE				
Commercial General Liability Including:  1. Commercial Broad Form  2. Premises – Operations  3. Products/ Completed Operations  4. Contractual Liability  5. Independent Contractors  6. Personal Injury- Advertising Injury	\$1,000,000 Per Occurrence				
AUTO LIABILITY (including) 1. Owned 2. Hired and Non-Owned 3. Rented/Leased	\$500,000 Combined Single Limit				
WORKERS' COMPENSATION	Statutory				
EMPLOYER'S LIABILITY	\$500,000 /\$500,000 /\$500,000				
PERSONAL PROPERTY INSURANCE (if applicable)	Lessee, at their own expense, shall be responsible for insuring all owned, leased or rented personal property.				

C. In the event of accidents of any kind related to this agreement, Lessee must furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

## II. ADDITIONAL REQUIREMENTS

- A. Applicable for paid employees, Lessee must obtain workers' compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers' compensation coverage provided must be in an amount sufficient to assure that all workers' compensation obligations incurred by the Lessee will be promptly met.
- B. Lessee shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Lessee's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of no less than A-VII.
- C. Lessee shall be required to submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Lessee shall pay any costs incurred resulting from said changes. All notices under this Article shall be given to City at the following address:

City of Corpus Christi Attn: Risk Manager P.O. Box 9277 Corpus Christi, TX 78469-9277

- D. Lessee agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:
  - List the City and its officers, officials, employees, volunteers, and elected representatives as additional
    insured by endorsement, as respects operations, completed operation and activities of, or on behalf of, the
    named insured performed under contract with the City, with the exception of the workers' compensation
    policy;
  - Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
  - Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
  - Provide 30 calendar days advance written notice directly to City of any, cancellation, non-renewal, material change or termination in coverage and not less than 10 calendar days advance written notice for nonpayment of premium.
- E. Within 5 calendar days of a cancellation, non-renewal, material change or termination of coverage, Lessee shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Lessee's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
- F. In addition to any other remedies the City may have upon Lessee's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Lessee to remove the exhibit hereunder, and/or withhold any payment(s) if any, which become due to Lessee hereunder until Lessee demonstrates compliance with the requirements hereof.

- G. Nothing herein contained shall be construed as limiting in any way the extent to which Lessee may be held responsible for payments of damages to persons or property resulting from Lessee's or its subcontractor's performance of the work covered under this agreement.
- H. It is agreed that Lessee's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this agreement.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this agreement.

2021 Insurance Requirements
Ins. Req. Exhibit C (Form 4-B)
Contracts for General Services – Services Performed Onsite
As of 05/10/2021 Risk Management – Legal Dept.



## **EXHIBIT D**

## CITY OF CORPUS CHRISTI

# **DISCLOSURE OF INTEREST**

Corpus Christi Code § 2-349, as amended, requires all persons or firms seeking to do business with the City to provide the following information. Every question must be answered. If the question is not applicable, answer with "NA". See next page for Filing Requirements, Certification and Definitions.

COM	PANY I	NAN	IE:							
	STREET ADDRESS: P.O. BOX:									
									ZIP:	
FIRM	IS:	1. 4.	Corporation Association			Partnership Other		]	3. Sole Owner	
If addi	itional sp	ace	is necessary	, please use	the	reverse side	of	this pag	ge or attach sepa	rate sheet.
1. 8	State the	nar	mes of each	"employee" f the owners	of hip	the City of C in the above	orp nar	us Chri ned "firr	sti having an "ov n."	vnership interest"
	Name						Jo	ob Title	and City Departn	nent (if known)
2.	State th	ne na	ames of eac 3% or more o	h "official" c	of th		orpu e na	us Chris imed "fir	sti having an "ov rm."	vnership interest"
	Name						T	itle		
						-				
3.	State the	e nar	mes of each "	board memb	oer"		na	rpus Ch med "fir	risti having an "o	wnership interest"
	worked	on a	any matter r	elated to th	e s	fficer of a "couplect of this in the above	s C	ontract	and has an "ow	orpus Christi who nership interest"
	Name						С	onsultar	nt	
			5.00				-			
			4				-			

#### FILING REQUIREMENTS

If a person who requests official action on a matter knows that the requested action will confer an economic benefit on any City official or employee that is distinguishable from the effect that the action will have on members of the public in general or a substantial segment thereof, you shall disclose that fact in a signed writing to the City official, employee or body that has been requested to act in the matter, unless the interest of the City official or employee in the matter is apparent. The disclosure shall also be made in a signed writing filed with the City Secretary. [Ethics Ordinance Section 2-349 (d)].

#### CERTIFICATION

I certify that all information provided is true and correct as of the date of this statement, that I have not knowingly withheld disclosure of any information requested, and that supplemental statements will be promptly submitted to the City of Corpus Christi, Texas, as changes occur.

Certifying Person:	Title:
Signature of Certifying Person:	Date:

#### **DEFINITIONS**

- a. "Board member." A member of any board, commission, or committee of the city, including the board of any corporation created by the city.
- b. "Economic benefit". An action that is likely to affect an economic interest if it is likely to have an effect on that interest that is distinguishable from its effect on members of the public in general or a substantial segment thereof.
- c. "Employee." Any person employed by the city, whether under civil service or not, including part-time employees and employees of any corporation created by the city.
- d. "Firm." Any entity operated for economic gain, whether professional, industrial or commercial, and whether established to produce or deal with a product or service, including but not limited to, entities operated in the form of sole proprietorship, as self-employed person, partnership, corporation, joint stock company, joint venture, receivership or trust, and entities which for purposes of taxation are treated as non-profit organizations.
- e. "Official." The Mayor, members of the City Council, City Manager, Deputy City Manager, Assistant City Managers, Department and Division Heads, and Municipal Court Judges of the City of Corpus Christi, Texas.
- f. "Ownership Interest." Legal or equitable interest, whether actually or constructively held, in a firm, including when such interest is held through an agent, trust, estate, or holding entity. "Constructively held" refers to holdings or control established through voting trusts, proxies, or special terms of venture or partnership agreements.
- g. "Consultant." Any person or firm, such as engineers and architects, hired by the City of Corpus Christi for the purpose of professional consultation and recommendation.