

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT FOR PROFESSIONAL SERVICES (“**Agreement**”) is made and entered into as of the date stated on the City’s signature page below (the “**Effective Date**”) by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado acting on behalf of its Department of Aviation (the “**City**”), and **COVENANT AVIATION SECURITY, LLC**, an Illinois limited liability company authorized to do business in the State of Colorado (“**Contractor**”) (collectively the “**Parties**”).

WITNESSETH:

WHEREAS, the City owns, operates, and maintains Denver International Airport (“**DEN**”); and

WHEREAS, the City desires to obtain professional regulatory security services, which include, but are not limited to, vehicle and perimeter gate entry, vendor delivery inspections, personal property searches, door alarm response, security incident resolution, employee screening, foot and vehicle patrols, credential verification, and person vetting; and

WHEREAS, the City has undertaken a competitive process to solicit and receive proposals for such services, and has selected the proposal submitted by Contractor; and

WHEREAS, Contractor’s proposal was selected for award of the DEN Security Services - Regulatory Services (the “**Project**”); and

WHEREAS, Contractor is qualified, willing, and able to perform the services, as set forth in this Agreement in a timely, efficient, and economical manner; and

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the Parties agree as follows:

1. LINE OF AUTHORITY:

The Chief Executive Officer of the Department of Aviation or their designee or successor in function (the “**CEO**”), authorizes and directs all work performed under this Agreement. Until otherwise notified in writing by the CEO, the CEO has delegated the authority granted herein to the Senior Vice President of Airport Operations. The relevant Senior Vice President (the “**SVP**”), or their designee – Director of Airport Security (the “**Director**”) – will designate a Contract Security Manager (“**CSM**”) to coordinate professional services under this Agreement. Reports, memoranda, correspondence, and other submittals required of Contractor hereunder shall be processed in accordance with the CSM’s directions.

2. SCOPE OF WORK AND CONTRACTOR RESPONSIBILITIES:

A. Scope of Services. Contractor shall provide professional services and deliverables for the City as designated by the CEO, from time to time and as described in the attached ***Exhibit A*** (“**Scope of Work**”), in accordance with the schedules and budgets set by the City. Without requiring amendment to this Agreement, the City may, through an authorization or similar form

issued by the CEO and signed by Contractor, make minor changes, additions, or deletions to the Scope of Work without change to the Maximum Contract Amount.

B. Special Projects. Contractor may be asked to supply supplemental personnel to assist with special projects occurring at DEN. These special projects include, but are not limited to, airfield construction, planned events and temporary posts to meet federal guidelines or mandates. The duration of special projects will vary depending upon their nature. Personnel provided under this Section will receive specific training by DEN Airport Security, relative to the special project. Special projects billing shall be done in accordance with Section 5(F)(iv).

C. Standard of Performance. Contractor shall faithfully perform the work required under this Agreement in accordance with the standard of care, skill, efficiency, knowledge, training, and judgment provided by highly competent professionals who perform work of a similar nature to the work described in this Agreement.

D. Time is of the Essence. Contractor acknowledges that time is of the essence in its performance of all work and obligations under this Agreement. Contractor shall perform all work under this Agreement in a timely and diligent manner.

E. Subcontractors.

i. In order to retain, hire, and/or contract with an outside subcontractor that is not identified in this Agreement for work under this Agreement, Contractor must obtain the prior written consent of the CEO or their designee. Contractor shall request the approval in writing and shall include a description of the nature and extent of the services to be provided; the name, address and professional experience of the proposed subcontractor; and any other information requested by the City.

ii. The CEO or their designee shall have the right to reject any proposed outside subcontractor deemed to be unqualified or unsuitable for any reason to perform the proposed services. The CEO or designee shall have the right to limit the number of outside subcontractors and/or to limit the percentage of work to be performed by them.

iii. Any final agreement or contract with an approved subcontractor must contain a valid and binding provision whereby the subcontractor waives any and all rights to make any claim of payment against the City or to file or claim any lien or encumbrance against any City property arising out of the performance or non-performance of this Agreement and/or the subcontract.

iv. Contractor is subject to Denver Revised Municipal Code (“**D.R.M.C.**”) § 20-112, wherein Contractor shall pay its subcontractors in a timely fashion. A payment is timely if it is mailed to the subcontractor no later than seven (7) days after receipt of any payment from the City. Any late payments are subject to a late payment penalty as provided in the Denver Prompt Payment Ordinance (D.R.M.C. §§ 20-107 through 20-118).

v. This Section, or any other provision of this Agreement, shall not create any contractual relationship between the City and any subcontractor. The City's approval of a subcontractor shall not create in that subcontractor a right to any subcontract. The City's approval of a subcontractor does not relieve Contractor of its responsibilities under this Agreement, including the work to be performed by the subcontractor.

F. Personnel Assignments.

i. Contractor or its subcontractor(s) shall assign all key personnel identified in this Agreement to perform work under this Agreement ("**Key Personnel**"). Key Personnel shall perform work under this Agreement, unless otherwise approved in writing by the CSM or their authorized representative. In the event that replacement of Key Personnel is necessary, the City in its sole discretion shall approve or reject the replacement, if any, or shall determine that no replacement is necessary.

ii. It is the intent of the Parties that all Key Personnel perform their specialty for all such services required by this Agreement. Contractor and its subcontractor(s) shall retain Key Personnel for the entire Term of this Agreement to the extent practicable and to the extent that such services maximize the quality of work performed.

iii. Contractor shall be aware and comply with the policies as outlined in the Executive Order No. 136 "Non-displacement of Qualified Workers under City Service Contracts" and the Worker Retention Ordinance, D.R.M.C. §§ 58-31 through 58-34, attached hereto as *Exhibit E*.

iv. If, during the Term of this Agreement, the Project Manager determines that the performance of any Key Personnel or other personnel, whether of Contractor or its subcontractor(s), is not acceptable or that any such personnel is no longer needed for performance of any work under this Agreement, the Project Manager shall notify Contractor and may give Contractor notice of the period of time which the Project Manager considers reasonable to correct such performance or remove the personnel, as applicable.

v. If Contractor fails to correct such performance, then the City may revoke its approval of the Key Personnel or other personnel in question and notify Contractor that such Key Personnel or other personnel will not be retained on this Project. Within ten (10) days of receiving this notice, Contractor shall use its best efforts to obtain adequate substitute personnel who must be approved in writing by the Project Manager. Contractor's failure to obtain the Project Manager's approval shall be grounds for Termination for Cause in accordance with this Agreement.

G. Non-displacement of Qualified Workers.

i. Consistent with the efficient performance of this Agreement, Contractor and its subcontractors shall, except as otherwise provided herein, in good faith offer those employees (other than managerial and supervisory employees) employed

under the predecessor contract whose employment will be terminated as a result of award of this Agreement or the expiration of the contract under which the employees were hired, a right of first refusal of employment under this Agreement in positions for which employees are qualified. Contractor and its subcontractors shall determine the number of employees necessary for efficient performance of the work. Except as provided in this Article II, Section (F)(2), there shall be no employment opening under this Agreement, and Contractor and any subcontractors shall not offer employment under this Agreement, to any person prior to having complied fully with this obligation. Contractor and its subcontractors shall make an express offer of employment to each employee as provided herein and shall state the time within which the employee must accept such offer, but in no case shall the period within which the employee must accept the offer of employment be less than ten (10) days.

ii. Contractor shall retain, for ninety (90) day transition employment period, qualified employees who have exercised their right to accept employment with Contractor as provided in Section (F)(1) of this Article. During the ninety (90) day transition employment period, Contractor shall not discharge without cause an employee retained pursuant to this section. For purposes of this section, the term “cause” shall include, but not be limited to, the employee’s conduct while employed under the predecessor contract that may have contributed to any decision to terminate the predecessor contract. At the end of ninety (90) day transition employment period, Contractor shall perform a written performance evaluation for each service employee retained pursuant to this section. If the employee’s performance during such ninety (90) day period is satisfactory, Contractor shall offer the employee continued employment under the terms and conditions established by Contractor or as required by law; provided, however, nothing in this section shall be construed to create any right or entitlement to continued employment by Contractor for any particular period of time in excess of the ninety (90) day transition employment period.

iii. Notwithstanding the obligation under Section (F)(1), above, Contractor and any subcontractors (1) may employ under this Agreement any employee who has worked for Contractor or subcontractor for at least three (3) months immediately preceding the commencement of this Agreement and who would otherwise face lay-off or discharge, (2) are not required to offer a right of first refusal to any employee(s) of the predecessor Contractor who are not service employees within the meaning of Section 3 of Executive Order No. 136, and (3) are not required to offer a right of first refusal to any employee(s) of the predecessor contractor whom Contractor or any of its subcontractors reasonably believes, based on the particular employee’s past performance, has failed to perform suitably on the job.

iv. Contractor shall, not less than ten (10) days before completion of this Agreement, furnish the contract administrator a certified list of the names of all service employees working under this Agreement and its subcontracts during the last month of contract performance. The list shall also contain anniversary dates of employment of each service employee under this Agreement and its predecessor

contracts either with the current or predecessor Contractors or their subcontractors. The contract administrator will provide the list to the successor Contractor, and the list shall be provided on request to employees or their representatives.

v. If it is determined that Contractor or its subcontractors are not in compliance with the requirements of this clause, appropriate sanctions may be imposed and remedies invoked against Contractor or its subcontractors, as provided in this Agreement.

vi. In every subcontract entered into in order to perform services under this Agreement, Contractor will include provisions that ensure that each subcontractor will honor the requirements of Sections (F)(1) through (F)(2) with respect to the employees of a predecessor subcontractor or subcontractors working under this Agreement, as well as of predecessor contractor and its subcontractors. The subcontract shall also include provisions to ensure that the subcontractor will provide Contractor with the information about the employees of the subcontractor needed by Contractor to comply with Section (F)(3), above. Contractor will take such action with respect to any such subcontract as may be directed by the contract administrator as a means of enforcing such provisions, including the imposition of sanctions for non-compliance; provided, however, that if Contractor, as a result of such direction, becomes involved in litigation with subcontractor, or is threatened with such involvement, Contractor may request that the City enter into such litigation to protect the interest of the City.

H. Estimated Quantities. The appropriate service and personnel needs outlines herein are estimated as closely as possible. However, the City neither states nor implies any guarantee that actual service and/or personnel utilization will equal the estimate. It is the intent of this Agreement that the City will be supplied with more or less of the services outlines herein according to actual needs.

3. OWNERSHIP AND DELIVERABLES:

Upon payment to Contractor, all records, data, deliverables, and any other work product prepared by Contractor or any custom development work performed by Contractor for the purpose of performing this Agreement on or before the day of the payment, whether a periodic or final payment, shall become the sole property of the City. Upon request by the City, or based on any schedule agreed to by Contractor and the City, Contractor shall provide the City with copies of the data/files that have been uploaded to any database maintained by or on behalf of Contractor or otherwise saved or maintained by Contractor as part of the services provided to the City under this Agreement. All such data/files shall be provided to the City electronically in a format agreed to by the Parties. Contractor also agrees to allow the City to review any of the procedures Contractor uses in performing any work or other obligations under this Agreement, and to make available for inspection any and all notes, documents, materials, and devices used in the preparation for or performance of any of the scope of work, for up to three (3) years after termination of this Agreement. Upon written request from the City, Contractor shall deliver any information requested pursuant to this Section within ten (10) business days in the event a schedule or otherwise agreed-upon timeframe does not exist.

4. **TERM AND TERMINATION:**

A. Term.

i. Term. The Term of this Agreement shall expire three (3) years from the Effective Date, unless terminated in accordance with the terms stated herein (the “**Expiration Date**”). The Term of this Agreement may be extended for two (2) additional, one-year periods, on the same terms and conditions, upon mutual agreement between Contractor and the City, as signed by the CEO. However, no extension of the Term shall increase the Maximum Contract Amount stated below.

ii. If the Term expires prior to Contractor completing the work under this Agreement, subject to the prior written approval of the CEO, this Agreement shall remain in full force and effect until the completion of any services commenced prior to the Expiration Date. Contractor has no right to compensation for services performed after the Expiration Date without such express approval from the CEO.

B. Suspension and Termination.

i. Suspension. The City may suspend performance of this Agreement at any time with or without cause. Upon receipt of notice from the SVP, Contractor shall, as directed in the notice, stop work and submit an invoice for any work performed but not yet billed. Any milestones or other deadlines shall be extended by the period of suspension unless otherwise agreed to by the City and Contractor. The Expiration Date shall not be extended as a result of a suspension.

ii. Termination for Convenience. The City may terminate this Agreement at any time without cause upon at least thirty (30) days written notice to Contractor.

iii. Termination for Cause. In the event Contractor fails to perform any provision of this Agreement, the City may either:

- a. Terminate this Agreement for cause with thirty (30) days prior written notice to Contractor; or
- b. Provide Contractor with written notice of the breach and allow Contractor an Opportunity to Cure.

iv. Opportunity to Cure. Upon receiving the City’s notice of breach pursuant to Section 4(C)(iii)(b), Contractor shall have fourteen (14) days to commence remedying its defective performance. If Contractor diligently cures its defective performance to the City’s satisfaction within a reasonable time as determined by the City, then this Agreement shall not terminate and shall remain in full force and effect. If Contractor fails to cure the breach to the City’s satisfaction, then the City may terminate this Agreement pursuant to Section 4(B)(iii)(a).

v. Compensation for Services Performed Prior to Suspension or Termination Notice. If this Agreement is suspended or terminated, the City shall pay Contractor

the reasonable cost of only those services performed to the satisfaction of the CEO prior to the notice of suspension or termination. Contractor shall submit a final invoice for these costs within thirty (30) days of the date of the notice. Contractor has no right to compensation for services performed after the notice unless directed to perform those services by the City as part of the suspension or termination process or as provided in Section 4(B)(vi) below.

vi. Reimbursement for Cost of Orderly Termination. In the event of Termination for Convenience of this Agreement pursuant to Section 4(B)(ii), Contractor may request reimbursement from the City of the reasonable costs of orderly termination associated with the Termination for Convenience as part of its submittal of costs pursuant to Section 4(B)(v). In no event shall the total sums paid by the City pursuant to this Agreement, including Sections 4(B)(v) and 4(B)(vi), exceed the Maximum Contract Amount.

vii. No Claims. Upon termination of this Agreement, Contractor shall have no claim of any kind against the City by reason of such termination or by reason of any act incidental thereto. Contractor shall not be entitled to loss of anticipated profits or any other consequential damages as a result of termination.

C. Remedies. In the event Contractor breaches this Agreement, Contractor shall be liable to the City for all costs of correcting the work without additional compensation, including but not limited to additional costs incurred by the City, its tenants, or its other contractors arising out of Contractor's defective work. These remedies are in addition to, and do not limit, the remedies available to the City in law or in equity. These remedies do not amend or limit the requirements of Section 8 and Section 9 otherwise provided for in this Agreement.

5. COMPENSATION AND PAYMENT:

A. Maximum Contract Amount. Notwithstanding any other provision of this Agreement, the City shall not be liable under any theory for payment for services rendered and expenses incurred by Contractor under the terms of this Agreement for any amount in excess of the sum of **One Hundred Forty-Five Million Five Hundred Forty-Eight Thousand Four Hundred Fourteen Dollars and Twenty-Eight Cents (\$145,548,414.49)** ("**Maximum Contract Amount**"). Contractor shall perform the services and be paid for those services as provided for in this Agreement up to the Maximum Contract Amount.

B. Limited Obligation of City. The obligations of the City under this Agreement shall extend only to monies appropriated and encumbered for the purposes of this Agreement. Contractor acknowledges and understands the City does not by this Agreement irrevocably pledge present cash reserves for payments in future fiscal years, and this Agreement is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City. The City is not under any obligation to make any future encumbrances or appropriations for this Agreement nor is the City under any obligation to amend this Agreement to increase the Maximum Contract Amount above.

C. Payment Source. For payments required under this Agreement, the City shall make payments to Contractor solely from funds of the Airport System Fund and from no other fund or source. The City has no obligation to make payments from any other source.

D. Basis for Contractor's Fee. Contractor's fee is based on the time required by its professionals to complete the services under this Agreement. Individual hourly rates are set forth in *Exhibit B* ("Rates").

E. Payment Schedule. Subject to the Maximum Contract Amount, for payments required under this Agreement, the City shall pay Contractor's fees and expenses in accordance with this Agreement. Unless otherwise agreed to in writing, Contractor shall invoice the City on a regular basis in arrears and the City shall pay each invoice in accordance with Denver's Prompt Payment Ordinance, D.R.M.C. § 20-107, *et seq.*, subject to the Maximum Contract Amount.

F. Invoices.

i. Contractor shall submit invoices to the City as outlined in *Exhibit A*. Invoices containing reimbursable costs and receipts for professional services rendered under this Agreement shall be audited and approved by the City ("Invoice"). Each Invoice shall provide the basis for payments to Contractor under this Agreement. In submitting an Invoice, Contractor shall comply with all requirements of this Agreement and:

- a. Include an executive summary and status report(s) that describe the progress of the services and summarize the work performed during the period covered by the Invoice;
- b. Include a statement of recorded hours that are billed at an hourly rate;
- c. Include the relevant purchase order ("PO") number related to the Invoice;
- d. Ensure that amounts shown on the Invoices comply with and clearly reference the relevant services, indicate the hourly rate and multiplier where applicable, and identify the allowable reimbursable expenses;
- e. For only those reimbursable costs incurred in the billing period, as outlined in *Exhibit A*, submit itemized business expense logs and, where billing is based upon receipts, include copies of receipts for all allowable reimbursable expenses;
- f. Include the signature of an authorized officer of Contractor, along with such officer's certification they have examined the Invoice and found it to be correct; and

g. Submit each Invoice via email to ContractAdminInvoices@flydenver.com.

ii. Late Fees. Contractor understands and agrees interest and late fees shall be payable by the City only to the extent authorized and provided for in the City's Prompt Payment Ordinance.

iii. Travel Expenses. Travel and any other expenses are not reimbursable unless such expenses are related to and in furtherance of the purposes of Contractor's engagement, are in accordance with this Agreement, and Contractor receives prior written approval of the SVP or their authorized representative.

iv. Special Projects. Billing for special projects will be sent directly to the responsible party (Construction Contractor, Event Staff, etc.) for payment, with a copy being sent to the CSM. Billing rates for special projects will be agreed upon prior to the commencement of the special projects and must be approved, in writing, by the City. The CSM may pre-approve special project billing to be forwarded directly to the Construction Contractor from the Contractor.

G. Disputed Invoices. The City reserves the right to reject and not pay any Invoice or part thereof, including any final Invoice resulting from a termination of this Agreement, where the SVP or their authorized representative determines the amount invoiced exceeds the amount owed based upon the work satisfactorily performed. The City shall pay any undisputed items contained in an Invoice. Disputes concerning payments under this provision shall be resolved in accordance with procedures set forth in Section 10.

H. Carry Over. If Contractor's total fees for any of the services provided under this Agreement are less than the amount budgeted for, the amount remaining in the budget may be used for additional and related services rendered by Contractor if the CEO determines such fees are reasonable and appropriate and provides written approval of the expenditure.

6. MWBE, WAGES AND PROMPT PAYMENT:

A. Minority/Women Business Enterprise.

i. This Agreement is subject to D.R.M.C. Article III, Divisions 1 and 3 of Chapter 28, designated as §§ 28-31 to 28-40 and 28-51 to 28-90 (the "**MWBE Ordinance**") and any Rules or Regulations promulgated pursuant thereto. The contract goal for MWBE participation established for this Agreement by the Division of Small Business Opportunity ("**DSBO**") is five percent (5%).

ii. Under D.R.M.C. § 28-68, Contractor has an ongoing, affirmative obligation to maintain for the duration of this Agreement, at a minimum, compliance with its originally achieved level of MWBE participation upon which this Agreement was awarded, unless the City initiates a material alteration to the scope of work affecting MWBEs performing on this Agreement through contract amendment, or other agreement modifications, or as otherwise described in D.R.M.C. § 28-70. Contractor acknowledges that:

- a. If required by DSBO, Contractor shall develop and comply with a Utilization Plan in accordance with D.R.M.C. § 28-63. Along with the Utilization Plan requirements, Contractor must establish and maintain records and submit regular reports, as directed by DSBO, which will allow the City to assess progress in complying with the Utilization Plan and achieving the MWBE participation goal. The Utilization Plan is subject to modification by DSBO.
 - b. If Agreement modifications are issued under the Agreement, Contractor shall have a continuing obligation to immediately inform DSBO in writing of any agreed upon increase or decrease in the scope of work of such agreement, upon any of the bases discussed in D.R.M.C. § 28-70, regardless of whether such increase or decrease in scope of work has been reduced to writing at the time of notification.
 - c. If amendments or other agreement modifications are issued under the Agreement that include an increase in the scope of work of this Agreement, which increases the dollar value of the Agreement, whether or not such change is within the scope of work designated for performance by an MWBE at the time of contract award, such amendments or modifications shall be immediately submitted to DSBO for notification purposes.
 - d. Those amendments or other modifications that involve a changed scope of work that cannot be performed by existing project subconsultants are subject to the original goal. Contractor shall satisfy the goal with respect to such changed scope of work by soliciting new MWBEs in accordance with D.R.M.C. § 28-70. Contractor must also satisfy the requirements under D.R.M.C. §§ 28-64 and 28-73 with regard to changes in scope or participation. Contractor shall supply to the DSBO Director all required documentation described in D.R.M.C. §§ 28-64, 25-70, and 28-73, with respect to the modified dollar value or work under the Agreement.
 - e. Failure to comply with these provisions may subject Contractor to sanctions set forth in D.R.M.C. § 28-76 of the MWBE Ordinance.
 - f. Should any questions arise regarding DSBO requirements, Contractor should consult the MWBE Ordinance or may contact the Project's designated DSBO representative at (720) 913-1999.
- iii. In addition to, or instead of, the Utilization Plan discussed above, Contractor shall develop, receive approval from the City, and comply with an Equity, Diversity and Inclusiveness Plan (“**EDI Plan**”) as provided in the Request for Proposals. The approved EDI Plan is attached as ***Exhibit F***.

B. Prompt Pay of MWBE Subcontractors. For agreements of one million dollars (\$1,000,000.00) and over to which D.R.M.C. § 28-135 applies, Contractor is required to comply with the Prompt Payment provisions under D.R.M.C. § 28-135, with regard to payments by Contractor to MWBE subcontractors. If D.R.M.C. § 28-135 applies, Contractor shall make payment by no later than thirty-five (35) days from receipt by Contractor of the subcontractor's invoice.

C. Prevailing Wage.

i. To the extent required by law, Contractor shall comply with, and agrees to be bound by, all requirements, conditions and City determinations regarding the Payment of Prevailing Wages Ordinance, D.R.M.C. §§ 20-76 through 20-79, including, but not limited to, the requirement that every covered worker working on a City owned or leased building or on City-owned land shall be paid no less than the prevailing wages and fringe benefits in effect on the Effective Date of this Agreement.

ii. Prevailing wage and fringe rates will adjust on, and only on, the anniversary of the Effective Date of this Agreement. Unless expressly provided for in this Agreement, Contractor will receive no additional compensation for increases in prevailing wages or fringe benefits.

iii. Contractor shall provide the Auditor with a list of all subcontractors providing any services under the Agreement.

iv. Contractor shall provide the Auditor with electronically-certified payroll records for all covered workers employed under this Agreement.

v. Contractor shall prominently post at the work site the current prevailing wage and fringe benefit rates. The posting must inform workers that any complaints regarding the payment of prevailing wages or fringe benefits may be submitted to the Denver Auditor by calling 720-913-5000 or emailing auditor@denvergov.org.

vi. If Contractor fails to pay workers as required by the Prevailing Wage Ordinance, Contractor will not be paid until documentation of payment satisfactory to the Auditor has been provided. The City may, by written notice, suspend or terminate work if Contractor fails to pay required wages and fringe benefits.

D. City Minimum Wage. To the extent required by law, Contractor shall comply with and agrees to be bound by all requirements, conditions, and the City determinations regarding the City's Minimum Wage Ordinance, D.R.M.C. §§ 20-82 through 20-84, including, but not limited to, the requirement that every covered worker shall be paid no less than the City Minimum Wage in accordance with the City's Minimum Wage Ordinance. By executing this Agreement, Contractor expressly acknowledges that Contractor is aware of the requirements of the City's Minimum Wage Ordinance and that any failure by Contractor, or any other individual or entity acting subject to this Agreement, to strictly comply with the foregoing D.R.M.C. Sections shall result in the penalties and other remedies authorized therein.

E. City Prompt Pay.

i. The City will make monthly progress payments to Contractor for all services performed under this Agreement based upon Contractor's monthly invoices or shall make payments as otherwise provided in this Agreement. The City's Prompt Payment Ordinance, D.R.M.C. §§ 20-107 to 20-118 applies to invoicing and payment under this Agreement.

ii. Final Payment to Contractor shall not be made until after the Project is accepted, and all certificates of completion, record drawings, reproducible copies, and other deliverables are delivered to the City, and the Agreement is otherwise fully performed by Contractor. The City may, at the discretion of the SVP, withhold reasonable amounts from billing and the entirety of the final payment until all such requirements are performed to the satisfaction of the SVP.

7. INSURANCE REQUIREMENTS:

A. Contractor shall obtain and keep in force all of the minimum insurance coverage forms and amounts set forth in *Exhibit C* ("**Insurance Requirements**") during the entire Term of this Agreement, including any extensions of the Agreement or other extended period stipulations stated in *Exhibit C*. All certificates of insurance and any required endorsements must be received and approved by DEN Risk Management before any airport access or work commences.

B. Contractor shall ensure and document that all subcontractors performing services or providing goods hereunder procure and maintain insurance coverage that is appropriate to the primary business risks for their respective scopes of performance. At minimum, such insurance must conform to all applicable requirements of DEN Rules and Regulations Part 230 and all other applicable laws and regulations.

C. The City in no way warrants or represents the minimum limits contained herein are sufficient to protect Contractor from liabilities arising out of the performance of the terms and conditions of this Agreement by Contractor, its agents, representatives, employees, or subcontractors. Contractor shall assess its own risks and maintain higher limits and/or broader coverage as it deems appropriate and/or prudent. Contractor is not relieved of any liability or other obligations assumed or undertaken pursuant to this Agreement by reason of its failure to obtain or maintain insurance in sufficient amounts, duration, or types.

D. In no event shall the City be liable for any of the following: (i) business interruption or other consequential damages sustained by Contractor; (ii) damage, theft, or destruction of Contractor's inventory, or property of any kind; or (iii) damage, theft, or destruction of an automobile, whether or not insured.

E. The Parties understand and agree that the City, its elected and appointed officials, employees, agents and volunteers are relying on, and do not waive or intend to waive by any provisions of this Agreement, the monetary limitations and any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 to 120, or otherwise available to the City, its elected and appointed officials, employees, agents and volunteers.

8. DEFENSE AND INDEMNIFICATION:

A. Contractor hereby agrees to defend, indemnify, reimburse and hold harmless the City, its appointed and elected officials, agents and employees for, from and against all liabilities, claims, judgments, suits or demands for damages to persons or property arising out of, resulting from, or relating to the work performed under this Agreement (“**Claims**”), unless such Claims have been specifically determined by the trier of fact to be the sole negligence or willful misconduct of the City. This indemnity shall be interpreted in the broadest possible manner to indemnify the City for any acts or omissions of Contractor or its subcontractors either passive or active, irrespective of fault, including the City’s concurrent negligence whether active or passive, except for the sole negligence or willful misconduct of the City.

B. Contractor’s duty to defend and indemnify the City shall arise at the time written notice of the Claim is first provided to the City regardless of whether Claimant has filed suit on the Claim. Contractor’s duty to defend and indemnify the City shall arise even if the City is the only party sued by claimant and/or claimant alleges that the City’s negligence or willful misconduct was the sole cause of claimant’s damages.

C. Contractor will defend any and all Claims which may be brought or threatened against the City and will pay on behalf of the City any expenses incurred by reason of such Claims including, but not limited to, court costs and attorney fees incurred in defending and investigating such Claims or seeking to enforce this indemnity obligation, including but not limited to time expended by the City Attorney Staff, whose costs shall be computed at the rate of two hundred dollars and no cents (\$200.00) per hour of City Attorney time. Such payments on behalf of the City shall be in addition to any other legal remedies available to the City and shall not be considered the City’s exclusive remedy.

D. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of Contractor under the terms of this indemnification obligation. Contractor shall obtain, at its own expense, any additional insurance that it deems necessary for the City’s protection.

E. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

9. PAYMENT AND PERFORMANCE BOND:

A. A Performance Bond satisfactory to the City and County of Denver on the form required by the City, in an amount not less than One Million Five Hundred Thousand Dollars (\$1,500,000.00) is required of Contractor to guarantee that it will perform the work in strict accordance with this Agreement and shall pay all debts incurred under this Agreement. The Surety named in the Bond must be authorized to do business in the State of Colorado.

B. This Bond must be either renewed annually by the Surety named in the Bond or replaced with an identical Bond covering the subsequent year of the Agreement issued by another Surety which has been approved in advance by the CEO. If the CEO does not receive written notice from the Surety in the manner provided in the Bond at least one-hundred and twenty (120) days before it expires or does not receive a substitute Bond in the form required

by the City from an approved Surety at least one-hundred and twenty days (120) before the Bond expires, then Contractor shall be in default of this Agreement and the CEO may immediately terminate this Agreement by giving Contractor written notice of such default. If the City elects to extend the Agreement for additional periods at the same prices, terms and conditions pursuant to this Agreement, Contractor shall obtain and submit either an extension of the existing Performance Bond or an identical Bond from another Surety that is acceptable to the City.

C. Under no circumstances shall the City be liable to Contractor for any costs incurred or payments made by Contractor to obtain an extension of an existing Bond or a new Bond.

D. The only acceptable alternative to a Performance Bond is an Irrevocable Unconditional Letter of Credit from a local financial institution acceptable to the City in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000.00). Renewal of said Irrevocable Unconditional Letter of Credit during the term and one-year extensions, if any, of the Agreement shall be as set out above with respect to the Performance, Payment, and Guarantee Bond.

E. The City's forms of Performance Bond or Irrevocable Unconditional Letter of Credit must be used. Those forms are attached to this Agreement and incorporated herein as *Exhibit D*. Attorneys-in-Fact who sign a Performance Bond must file with such Bond a certified copy of their Power-of-Attorney to sign such Bond that is certified to include the date of the Bond.

10. DISPUTES:

All disputes arising under or related to this Agreement shall be resolved by administrative hearing under the procedures described in D.R.M.C. § 5-17 and all related rules and procedures. The determination resulting from said administrative hearing shall be final, subject only to the right to appeal the determination under Colorado Rule of Civil Procedure, Rule 106.

11. GENERAL TERMS AND CONDITIONS:

A. Status of Contractor. Parties agree that the status of Contractor shall be an independent contractor retained on a contractual basis to perform professional or technical services for limited periods of time as described in § 9.1.1(E)(x) of the Charter of the City and County of Denver (the “**City Charter**”). It is not intended, nor shall it be construed, that Contractor or its personnel are employees or officers of the City under D.R.M.C. Chapter 18 for any purpose whatsoever.

B. Assignment. Contractor shall not assign, pledge or transfer its duties, obligations, and rights under this Agreement, in whole or in part, without first obtaining the written consent of the CEO. Any attempt by Contractor to assign or transfer its rights hereunder without such prior written consent shall, at the option of the CEO, automatically terminate this Agreement and all rights of Contractor hereunder.

C. Compliance with all Laws and Regulations. Contractor and its subcontractor(s) shall perform all work under this Agreement in compliance with all existing and future applicable

laws, rules, regulations, and codes of the United States, and the State of Colorado and with the City Charter, ordinances, Executive Orders, and rules and regulations of the City.

D. Compliance with Patent, Trademark and Copyright Laws.

i. Contractor agrees that all work performed under this Agreement shall comply with all applicable patent, trademark and copyright laws, rules, regulations and codes of the United States, as they may be amended from time to time. Contractor will not utilize any protected patent, trademark or copyright in performance of its work unless it has obtained proper permission, all releases, and other necessary documents. If Contractor prepares any documents which specify any material, equipment, process or procedure which is protected, Contractor shall disclose such patents, trademarks and copyrights in such documents.

ii. Pursuant to Section 8, Contractor shall indemnify and defend the City from any and all claims, damages, suits, costs, expenses, liabilities, actions or proceedings resulting from, or arising out of, directly or indirectly, the performance of work under this Agreement which infringes upon any patent, trademark or copyright protected by law.

E. Notices.

i. Notices of Termination. Notices concerning termination of this Agreement, shall be made as follows:

by Contractor to:

Chief Executive Officer
Denver International Airport
Airport Office Building
8500 Peña Boulevard, 9th Floor
Denver, Colorado 80249-6340

And by the City to:

Covenant Aviation Security, LLC
1112 W. Boughton Rd., Suite 355
Bolingbrook, IL 60440
Attn: Christine Mueller
Phone: 630-771-1133
Email: chris.mueller@covenantsecurity.com

ii. Delivery of Formal Notices. Formal notices of the termination of this Agreement shall be delivered personally during normal business hours to the appropriate office above or by prepaid U.S. certified mail, return receipt requested; express mail (Fed Ex, UPS, or similar service) or package shipping or courier service; or by electronic delivery directed to the person identified above and copied to the Project Manager through the electronic or software system used at the City's

direction for any other official communications and document transmittals. Mailed notices shall be deemed effective upon deposit with the U.S. Postal Service and electronically transmitted notices by pressing “send” or the equivalent on the email or other transmittal method sufficient to irretrievably transmit the document. Either party may from time to time designate substitute addresses or persons where and to whom such notices are to be mailed, delivered or emailed, but such substitutions shall not be effective until actual receipt of written or electronic notification thereof through the method contained in Subsection (E)(ii).

iii. Other Correspondence. Other notices and day-to-day correspondence between the Parties may be done via email directed to the Project Manager or through the electronic or software system used for work-related communications and transmittals at the City’s direction.

F. Rights and Remedies Not Waived. In no event shall any payment by the City hereunder constitute or be construed to be a waiver by the City of any breach of covenant or default which may then exist on the part of Contractor. The City making any such payment when any breach or default exists shall not impair or prejudice any right or remedy available to the City with respect to such breach or default. The City’s assent, expressed or implied, to any breach of any one or more covenants, provisions or conditions of this Agreement shall not be deemed or taken to be a waiver of any other breach.

G. No Third-Party Beneficiaries. The Parties agree that enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement shall be strictly reserved to the City and Contractor, and nothing contained in this Agreement shall give or allow any such claim or right of action by any third party. It is the express intention of the Parties that any person or entity other than the City or Contractor receiving services or benefits under this Agreement shall be deemed an incidental beneficiary and shall not have any interest or rights under this Agreement.

H. Governing Law. This Agreement is made under and shall be governed by the laws of the State of Colorado. Each and every term, provision and condition herein is subject to the provisions of Colorado law, the City Charter, and the ordinances and regulations enacted pursuant thereto, as may be amended from time to time.

I. Bond Ordinances. This Agreement is in all respects subject and subordinate to any and all the City bond ordinances applicable to the Airport System and to any other bond ordinances which amend, supplement, or replace such bond ordinances.

J. Venue. Venue for any action arising hereunder shall be in the City and County of Denver, Colorado.

K. Cooperation with Other Contractors.

i. The City may award other contracts for additional work, and Contractor shall fully cooperate with such other contractors. The City, in its sole discretion, may direct Contractor to coordinate its work under this Agreement with one or more such contractors.

ii. Contractor shall have no claim against the City for additional payment due to delays or other conditions created by the operation of other contractors. The City will decide the respective rights of the various contractors in order to secure the completion of the work.

L. Inurement. The rights and obligations of the Parties herein set forth shall inure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns permitted under this Agreement.

M. Force Majeure. The Parties shall not be liable for any failure to perform any of its obligations hereunder due to or caused by, in whole or in part, fire, strikes, lockouts, unusual delay by common carriers, unavoidable casualties, war, riots, acts of terrorism, acts of civil or military authority, acts of God, judicial action, or any other causes beyond the control of the Parties. The Parties shall have the duty to take reasonable actions to mitigate or prevent further delays or losses resulting from such causes.

N. Labor Activity. If a strike, boycott, picketing, work stoppage, slowdown, or other labor activity is directed against Contractor, resulting in the curtailment or discontinuation of services performed hereunder, the City shall have the right to employ any means legally permissible to ensure continuation of services. This shall include the use of Contractor's equipment necessary to perform the said services. The CSM shall determine, in their sole discretion, the reasonable value of said equipment for purposes of reimbursement to Contractor.

O. Coordination and Liaison. Contractor agrees that during the term of this Agreement it shall fully coordinate all services that it has been directed to proceed upon and shall make every reasonable effort to fully coordinate all such services as directed by the SVP or their authorized representative, along with any City agency, or any person or firm under contract with the City doing work which affects Contractor's work.

P. No Authority to Bind City to Contracts. Contractor has no authority to bind the City on any contractual matters. Final approval of all contractual matters which obligate the City must be by the City as required by the City Charter and ordinances.

Q. Information Furnished by the City. The City will furnish to Contractor information concerning matters that may be necessary or useful in connection with the work to be performed by Contractor under this Agreement. The Parties shall make good faith efforts to ensure the accuracy of information provided to the other Party; however, Contractor understands and acknowledges that the information provided by the City to Contractor may contain unintended inaccuracies. Contractor shall be responsible for the verification of the information provided to Contractor.

R. Severability. In case any one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

S. Taxes and Costs. Contractor shall promptly pay, when due, all taxes, bills, debts and obligations it incurs performing work under this Agreement and shall allow no lien, mortgage, judgment or execution to be filed against land, facilities or improvements owned by the City.

T. Environmental Requirements. Contractor, in conducting its activities under this Agreement, shall comply with all existing and future applicable local, state and federal environmental rules, regulations, statutes, laws and orders (collectively “Environmental Requirements”), including but not limited to Environmental Requirements regarding the storage, use and disposal of Hazardous or Special Materials and Wastes, Clean Water Act legislation, Centralized Waste Treatment Regulations, and DEN Rules and Regulations.

i. For purposes of this Agreement the terms “Hazardous Materials” shall refer to those materials, including without limitation asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), per – and polyfluoroalkyl substances (PFAS), oil or any other petroleum products, natural gas, source material, pesticide, and any hazardous waste, toxic substance or related material, including any substance defined or treated as a “hazardous substance,” “hazardous waste” or “toxic substance” (or comparable term) in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sec. 9601 et seq. (1990)), the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et seq. (1990)), and any rules and regulations promulgated pursuant to such statutes or any other applicable federal or state statute.

ii. Contractor shall acquire all necessary federal, state and local environmental permits and comply with all applicable federal, state and local environmental permit requirements.

iii. Contractor agrees to ensure that its activities under this Agreement are conducted in a manner that minimizes environmental impact through appropriate preventive measures. Contractor agrees to evaluate methods to reduce the generation and disposal of waste materials.

iv. In the case of a release, spill or leak as a result of Contractor’s activities under this Agreement, Contractor shall immediately control and remediate the contaminated media to applicable federal, state and local standards. Contractor shall reimburse the City for any penalties and all costs and expenses, including without limitation attorney’s fees, incurred by the City as a result of the release or disposal by Contractor of any pollutant or hazardous material.

12. RECORD RETENTION AND OTHER STANDARD CITY PROVISIONS:

A. Diversity and Inclusiveness. The City encourages the use of qualified small businesses doing business within the metropolitan area that are owned and controlled by economically or socially disadvantaged individuals. Contractor is encouraged, with respect to the goods or services to be provided under this Agreement, to use a process that includes small businesses when considering and selecting any subcontractors or suppliers.

B. No Discrimination in Employment. In connection with the performance of work under the Agreement, Contractor may not refuse to hire, discharge, promote, demote, or discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, sexual orientation, gender identity, gender expression, marital status, source of income, military status, protective hairstyle, or disability. Contractor shall insert the foregoing provision in all subcontracts.

C. Advertising and Public Disclosures. Contractor shall not include any reference to this Agreement or to work performed hereunder in any of its advertising or public relations materials without first obtaining the written approval of the SVP or their authorized representative. Any oral presentation or written materials related to DEN shall include only presentation materials, work product, and technical data which have been accepted by the City, and designs and renderings, if any, which have been accepted by the City. Contractor shall notify the SVP in advance of the date and time of any such presentations. Nothing herein, however, shall preclude Contractor's transmittal of any information to officials of the City, including without limitation, the Mayor, the CEO, any member or members of Denver City Council, and the Auditor.

D. Colorado Open Records Act.

i. Contractor acknowledges that the City is subject to the provisions of the Colorado Open Records Act (“**CORA**”), C.R.S. §§ 24-72-201 et seq., and Contractor agrees that it will fully cooperate with the City in the event of a request or lawsuit arising under such act for the disclosure of any materials or information which Contractor asserts is confidential or otherwise exempt from disclosure. Any other provision of this Agreement notwithstanding, all materials, records, and information provided by Contractor to the City shall be considered confidential by the City only to the extent provided in CORA, and Contractor agrees that any disclosure of information by the City consistent with the provisions of CORA shall result in no liability of the City.

ii. In the event of a request to the City for disclosure of such information, time and circumstances permitting, the City will make a good faith effort to advise Contractor of such request in order to give Contractor the opportunity to object to the disclosure of any material Contractor may consider confidential, proprietary, or otherwise exempt from disclosure. In the event Contractor objects to disclosure, the City, in its sole and absolute discretion, may file an application to the Denver District Court for a determination of whether disclosure is required or exempted. In the event a lawsuit to compel disclosure is filed, the City may tender all such material to the court for judicial determination of the issue of disclosure. In both situations, Contractor agrees it will either waive any claim of privilege or confidentiality or intervene in such legal process to protect materials Contractor does not wish disclosed. Contractor agrees to defend, indemnify, and hold harmless the City, its officers, agents, and employees from any claim, damages, expense, loss, or costs arising out of Contractor's objection to disclosure, including prompt reimbursement to the City of all reasonable attorney's fees, costs, and damages the City may incur directly or may be ordered to pay by such court, including but not

limited to time expended by the City Attorney Staff, whose costs shall be computed at the rate of two hundred dollars and no cents (\$200.00) per hour of City Attorney time.

E. Examination of Records and Audits.

i. Any authorized agent of the City, including the City Auditor or his or her representative, has the right to access, and the right to examine, copy and retain copies, at City's election in paper or electronic form, any pertinent books, documents, papers and records related to Contractor's performance pursuant to this Agreement, provision of any goods or services to the City, and any other transactions related to this Agreement. Contractor shall cooperate with City representatives and City representatives shall be granted access to the foregoing documents and information during reasonable business hours and until the latter of three (3) years after the final payment under the Agreement or expiration of the applicable statute of limitations. When conducting an audit of this Agreement, the City Auditor shall be subject to government auditing standards issued by the United States Government Accountability Office by the Comptroller General of the United States, including with respect to disclosure of information acquired during the course of an audit. No examination of records and audits pursuant to this paragraph shall require Contractor to make disclosures in violation of state or federal privacy laws. Contractor shall at all times comply with D.R.M.C. §20-276.

ii. Additionally, Contractor agrees until the expiration of three (3) years after the final payment under the Agreement, any duly authorized representative of the City, including the CEO, the Department of Homeland Security (DHS), the Federal Aviation Administration (FAA), and Transportation Security Administration (TSA) shall have the right to examine any pertinent books, documents, papers and records of Contractor related to Contractor's performance of this Agreement, including communications or correspondence related to Contractor's performance, without regard to whether the work was paid for in whole or in part with federal funds or was otherwise related to a federal grant program.

iii. In the event the City receives federal funds to be used toward the services performed under this Agreement, the Federal Aviation Administration ("FAA"), the Comptroller General of the United States and any other duly authorized representatives shall have access to any books, documents, papers and records of Contractor which are directly pertinent to a specific grant program for the purpose of making audit, examination, excerpts and transcriptions. Contractor further agrees that such records will contain information concerning the hours and specific services performed along with the applicable federal project number.

F. Use, Possession or Sale of Alcohol or Drugs. Contractor shall cooperate and comply with the provisions of Denver Executive Order 94 and Attachment A thereto concerning the use, possession or sale of alcohol or drugs. Violation of these provisions or refusal to cooperate with implementation of the policy can result in the City barring Contractor from City facilities or participating in City operations and as further outlined in *Exhibit A*.

G. City Smoking Policy. Contractor and its officers, agents and employees shall cooperate and comply with the provisions of Denver Executive Order No. 99 and the Colorado Indoor Clean Air Act, prohibiting smoking in all City buildings and facilities as further outlined in *Exhibit A*.

H. Conflict of Interest.

i. Contractor and its subsidiaries, affiliates, subcontractors, principals, or employees shall not engage in any transaction, work, activity or conduct which would result in a conflict of interest. A conflict of interest occurs when, for example, because of the relationship between two individuals, organizations or one organization (including its subsidiaries or related organizations) performing or proposing for multiple scopes of work for the City, there is or could be in the future a lack of impartiality, impaired objectivity, an unfair advantage over one or more firms competing for the work, or a financial or other interest in other scopes of work.

ii. Contractor represents that, in its Response or Proposal, as applicable, it disclosed any and all current or potential conflicts of interest of which it is aware, including transactions, work, activities, or conduct that might affect the judgment, actions, or work of Contractor or which might give Contractor an unfair advantage in this or a future procurement. If the Parties identified a conflict of interest and agreed to a plan to mitigate such conflict, Contractor agrees it will comply with that mitigation plan.

iii. The City, in its sole discretion, shall determine the existence of a conflict of interest and may terminate this Agreement if such a conflict exists, after it has given Contractor written notice which describes such conflict. If, during the course of the Agreement, the City determines that a potential conflict of interest exists or may exist, Contractor shall have thirty (30) days after the notice is received in which to eliminate or cure the conflict of interest in a manner which is acceptable to the City.

iv. Contractor has a continuing duty to disclose, in writing, any actual or potential conflicts of interest including work Contractor is performing or anticipates performing for other entities on the same or interrelated project or tasks. Contractor must disclose, in writing, any corporate transactions involving other companies that Contractor knows or should know also are performing or anticipate performing work at DEN on the same or interrelated projects or tasks. In the event that Contractor fails to disclose in writing actual or potential conflicts, the CEO in their sole discretion, may terminate the Agreement for cause or for its convenience.

I. Worker Without Authorization.

i. This Agreement is subject to Division 5 of Article IV of Chapter 20 of the Denver Revised Municipal Code, and any amendments (the “**Certification Ordinance**”).

ii. Contractor certifies that:

- a. At the time of its execution of this Agreement, it does not knowingly employ or contract with a worker without authorization who will perform work under this Agreement, nor will it knowingly employ or contract with a worker without authorization to perform work under this Agreement in the future.
 - b. It will participate in the E-Verify Program, as defined in § 817.5-101(3.7), C.R.S., and confirm the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement.
 - c. It will not enter into a contract with a subconsultant or subcontractor that fails to certify to Contractor that it shall not knowingly employ or contract with a worker without authorization to perform work under this Agreement.
 - d. It is prohibited from using the E-Verify Program procedures to undertake pre-employment screening of job applicants while performing its obligations under this Agreement, and it is required to comply with any and all federal requirements related to use of the E-Verify Program including, by way of example, all program requirements related to employee notification and preservation of employee rights.
 - e. If it obtains actual knowledge that a subconsultant or subcontractor performing work under this Agreement knowingly employs or contracts with a worker without authorization, it will notify such subconsultant or subcontractor and the City within three (3) days. Contractor shall also terminate such subconsultant or subcontractor if within three (3) days after such notice the subconsultant or subcontractor does not stop employing or contracting with the worker without authorization, unless during the three-day period the subconsultant or subcontractor provides information to establish that the subconsultant or subcontractor has not knowingly employed or contracted with a worker without authorization.
 - f. It will comply with a reasonable request made in the course of an investigation by the Colorado Department of Labor and Employment under authority of § 8-17.5-102(5), C.R.S., or the City Auditor, under authority of D.R.M.C. 20-90.3.
- iii. Contractor is liable for any violations as provided in the Certification Ordinance. If Contractor violates any provision of this section or the Certification Ordinance, the City may terminate this Agreement for a breach of the Agreement. If this Agreement is so terminated, Contractor shall be liable for actual and consequential damages to the City. Any termination of a contract due to a violation of this section or the Certification Ordinance may also, at the discretion of the City,

constitute grounds for disqualifying Contractor from submitting bids or proposals for future contracts with the City.

13. SENSITIVE SECURITY INFORMATION:

Contractor acknowledges that, in the course of performing its work under this Agreement, Contractor may be given access to Sensitive Security Information (“SSI”), as material is described in the Code of Federal Regulations, 49 C.F.R. Part 1520. Contractor specifically agrees to comply with all requirements of the applicable federal regulations, including but not limited to, 49 C.F.R. Parts 15 and 1520. Contractor understands any questions it may have regarding its obligations with respect to SSI must be referred to DEN’s Security Office.

14. DEN SECURITY:

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

B. Contractor is responsible for compliance with Airport Security regulations and 49 C.F.R. Parts 1542 (Airport Security) and 14 C.F.R. Parts 139 (Airport Certification and Operations). Any and all violations pertaining to Parts 1542 and 139 resulting in a fine will be passed on to and borne by Contractor. The fee/fine will be deducted from the invoice at time of billing.

C. Prior to assignment to DEN, all personnel must have undergone a fingerprint based Criminal History Records Check. Without limitation, any individuals charged with the offenses listed below, are hereby rejected by the City as being unfit to carry out the requirements of any position or post that might exist under the Agreement.

- i. Any Felony identified in 49 C.F.R. Section 1542.209(s) as amended, any additional felonies outlined on the DEN Badge Application; or
- ii. Any Misdemeanor, the description of which indicates that it is substantially the same offense as the one identified in 49 C.F.R. Section 1542.209(d) as amended; or
- iii. Any Felony or Misdemeanor involving violence, dishonesty, theft, arson, sexual misconduct, use of threat or use of force.

15. FEDERAL RIGHTS:

This Agreement is subject and subordinate to the terms, reservations, restrictions and conditions of any existing or future agreements between the City and the United States, the execution of which has been or may be required as a condition precedent to the transfer of federal rights or property to the City for airport purposes and the expenditure of federal funds for the extension, expansion or development of the Airport System. As applicable, Contractor shall comply with the Standard Federal Assurances identified in *Appendix 1*.

16. CONTRACT DOCUMENTS; ORDER OF PRECEDENCE:

A. Attachments. This Agreement consists of Section 1 through 16 which precede the signature page, and the following attachments which are incorporated herein and made a part hereof by reference:

Appendix 1: Standard Federal Assurances
 Exhibit A: Scope of Work
 Exhibit B: Rates
 Exhibit C: Insurance Requirements
 Exhibit D: Performance Bond
 Exhibit E: Worker Retention
 Exhibit F: EDI Plan

B. Order of Precedence. In the event of an irreconcilable conflict between a provision of Section 1 through 16 and any of the listed attachments or between provisions of any attachments, such that it is impossible to give effect to both, the order of precedence to determine which document shall control to resolve such conflict, is as follows, in descending order:

Appendix 1
 Section 1 through 16 hereof
 Exhibit A
 Exhibit B
 Exhibit F
 Exhibit E
 Exhibit C
 Exhibit D

17. CITY EXECUTION OF AGREEMENT:

A. City Execution. This Agreement is expressly subject to, and shall become effective upon, the execution of all signatories of the City and, if required, the approval of Denver City Council. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same.

B. Electronic Signatures and Electronic Records. The Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City and/or Contractor in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of the Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a

paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

[SIGNATURE PAGES FOLLOW]

APPENDIX 1

Standard Federal Assurances and Nondiscrimination Non-Federal Contract Provision

A5 CIVIL RIGHTS - GENERAL

The Contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

A6 CIVIL RIGHTS – TITLE VI ASSURANCE

Title VI Solicitation Notice:

The (**Name of Sponsor**), in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 USC §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that any contract entered into pursuant to this advertisement, [select disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

Compliance with Nondiscrimination Requirements:

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

1. **Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will

permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. **Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:
 - a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of the Airport Improvement Program grant assurances.

NOW, THEREFORE, the Federal Aviation Administration as authorized by law and upon the condition that the (*Title of Sponsor*) will accept title to the lands and maintain the project constructed thereon in accordance with (*Name of Appropriate Legislative Authority*), for the (**Airport Improvement Program or other program for which land is transferred**), and the policies and procedures prescribed by the Federal Aviation Administration of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 USC § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the (*Title of Sponsor*) all the right, title and interest of the U.S. Department of Transportation/Federal Aviation Administration in and to said lands

described in (*Exhibit A attached hereto or other exhibit describing the transferred property*) and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto (*Title of Sponsor*) and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the (*Title of Sponsor*), its successors and assigns.

The (*Title of Sponsor*), in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]* (2) that the (*Title of Sponsor*) will use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended[, and (3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said land, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the Federal Aviation Administration and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

**CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED
UNDER THE AIRPORT IMPROVEMENT PROGRAM**

The following clauses will be included in (deeds, licenses, leases, permits, or similar instruments) entered into by the (*Title of Sponsor*) pursuant to the provisions of the Airport Improvement Program grant assurances.

- A. The (grantee, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add “as a covenant running with the land”] that:
 1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services

in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

- B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Nondiscrimination covenants, (*Title of Sponsor*) will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*
- C. With respect to a deed, in the event of breach of any of the above Nondiscrimination covenants, the (*Title of Sponsor*) will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the (*Title of Sponsor*) and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM

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

- A. The (grantee, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, “as a covenant running with the land”) that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities.
- B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above nondiscrimination covenants, (*Title of Sponsor*) will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*

- C. With respect to deeds, in the event of breach of any of the above nondiscrimination covenants, (*Title of Sponsor*) will there upon revert to and vest in and become the absolute property of (*Title of Sponsor*) and its assigns. *

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

Title VI List of Pertinent Nondiscrimination Acts and Authorities

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

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with

disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).

A17 FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part-time workers.

The [**Contractor / Consultant**] has full responsibility to monitor compliance to the referenced statute or regulation. The [**Contractor / Consultant**] must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

A20 OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. The employer must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The employer retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). The employer must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

Contract Control Number: PLANE-202159447-00
Contractor Name: COVENANT AVIATION SECURITY LLC

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at
Denver, Colorado as of:

SEAL **CITY AND COUNTY OF DENVER:**

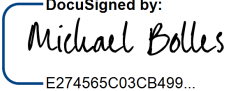
ATTEST: By: _____

APPROVED AS TO FORM: **REGISTERED AND COUNTERSIGNED:**
Attorney for the City and County of Denver
By: _____ By: _____

By: _____

Contract Control Number:
Contractor Name:

PLANE-202159447-00
COVENANT AVIATION SECURITY LLC

By:  E274565C03CB499...

Name: Michael Bolles
(please print)
Title: President, Covenant Aviation Security
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)

EXHIBIT A

SECTION A: SCOPE OF WORK AND TECHNICAL REQUIREMENTS

A.1 GLOSSARY OF TERMS

- 1.) DEN or Airport: Denver International Airport.
- 2.) Part 1542: Code of Federal Regulations (C.F.R.) 49, Parts 1500 through 1562
- 3.) The City: The City and County of Denver
- 4.) SVP: Senior Vice President
- 5.) CEO: Chief Executive Officer of DEN
- 6.) CSM: Airport Security Contract Security Manager
- 7.) TSA: Transportation Security Administration
- 8.) FAA: Federal Aviation Administration
- 9.) D.R.M.C.: Denver Revised Municipal Code
- 10.) DEN Rules and Regs: Denver International Airport Rules and Regulations
- 11.) Airport Security: Division of DEN Airport Operations

A.2 SECURITY EXPECTATION

The City is the “airport operator” of DEN and is regulated under the relevant portions of 49 C.F.R. Parts 1500 through 1562. Due to the unique nature and scope of the security objectives at DEN, it is essential that the personnel provided pursuant to this Agreement be professional, well trained, highly motivated, with minimal turnover, and directed by an engaged effective management team that strives towards continual improvement and best practices.

Contractor’s Site Director will report directly to the designated Airport Security CSM. DEN has been deemed a Category X airport with annual passenger enplanements of five (5) million or more and international passenger enplanements of one (1) million or more.

A.3 EMERGENCY 24 HOUR SERVICES

Emergency twenty-four (24) hour service is to be provided by Contractor at no additional cost, except as provided herein for supplemental personnel. The names, titles and phone numbers of the individual(s) to contact for emergency services must be kept current and made available to the CSM and other necessary personnel at all times. Individuals with these titles may be changed by Contractor with written notice to, and with approval from, the CSM.

A.4 GENERAL CONTRACTOR DUTIES, CONDUCT, EXPECTATIONS, AND QUALIFICATIONS

A.4.a. General Duties

Security Officers are responsible for federal regulatory compliance (in particular, Part 1542). Specific duties and post orders will vary based on the unique needs of the assignment, post, and location. It is the City's expectation that Contractor will consult and work with the City to formulate optimal post orders; however, for some locations, the post orders will be provided to Contractor. In all cases, the City will have final approval over all post orders prior to implementation. In general, duties may include, but are not limited to, the following:

1. Walking and/or driving security tours/patrols of premises and reporting suspicious behavior, activity, concerns or damage.
 - a. Conduct and log specified activity or interval checks of facility doors, gates, access readers, bag belts, key controlled entry points, elevators, etc.
 - b. Conduct inspections and log maintenance issues of the perimeter fence and any other location posing a security concern.
 - c. Respond to access control alarms as directed by City dispatchers.
2. Permitting only authorized persons to enter restricted areas.
3. Performing personal property searches at designated locations at DEN in compliance with all applicable DEN Rules and Regulations, federal security regulations and all other applicable rules and regulations.
4. Screening and performing searches of individuals – and their property – entering designated areas to deter, detect, and prevent the introduction of unauthorized weapons, explosives, and incendiaries into a regulated area. This may include their person, items of clothing and accessible property.
5. Enforcing the DEN Rules and Regulations and issuing Violation Notices as appropriate per the City direction. Provide Part 20 (DEN Rules and Regulations) enforcement assistance to Airport Operations.
6. Providing general information to the public (directions to Terminal, gates, concessions, etc.)
7. Protecting City property against fire, theft, pilferage, destruction and vandalism by reporting any and all occurrences immediately.
8. Performing additional duties as required/requested.

- a. Other duties may include but are not limited to special orders, additional tours of duty, additional personnel requirements, etc. Instructions may change at any time; however, the City will provide a 24-hour notice of any such change.

A.4.b. Conduct and Expectations of Security Officers

1. Maintain continual high standards of professional conduct while on duty:
 - a. Be courteous, polite, and professional in their duties, especially when dealing with the general public.
2. No visitors or guests are permitted to loiter on the job site at any time.
3. Remain available and in continuous contact with a supervisor and the City dispatchers by radio or telephone, throughout their shift.
4. Be alert and awake at all times.
 - a. Contractor shall agree not to assign any person who has worked in any capacity in excess of twelve (12) hours per a 24-hour period, or sixty (60) hours per week, to perform security services hereunder, with the exception of emergency situations as stipulated by the City.
 - b. Each Security Officer must have a minimum of twenty-four (24) consecutive hours off each week.
 - c. Sleeping during shift(s) is prohibited.
5. Be able to perform the duties of their position, with or without reasonable accommodation.
6. Remain on the property while on duty, or until properly relieved by another Security Officer or a Supervisor.
7. No food, coffee, soft drinks, etc. are permitted around electronic screening or monitoring equipment unless approved by the CSM. Reading material, cooking appliances, hobby craft materials, or any other non-essential materials shall not be allowed on the site unless specifically authorized by the City.
8. Remain on active patrol, or in an approved location throughout their shift.
9. Must use any electronic device supplied by Contractor to properly document and track regulatory requirements.
10. Be able to utilize software equipment to fulfill their job duties and are expected to learn technology solutions specific to their role.

11. Must follow the City policy for logging-in and maintaining passwords for the City electronic equipment.
12. Must respond appropriately, with both firmness and politeness, utilizing de-escalation techniques in the case of aggressive or belligerent behavior by any other person. If such action does not result in neutralization of the situation, calmly refer the occupant or visitor to a supervisor for assistance. In the event of menacing or threats, contact the City dispatch or call 303-342-4211.
13. Shall not use physical force against any person, except for the use of reasonable force only to protect oneself, or another person, and then only as a last resort.
14. Prior to assignment, Security Officers must learn the building/facility layout, equipment at their assignment or post, locations of access control devices and other emergency equipment.
15. Must be familiar with all emergency routes, elevator locations, stairwells, and fire exits.
16. Sign in and out in the of Contractor's time keeping system.
17. Notations are to be made in the designated log as to the disposition of any keys, locking systems, clocks, post orders, etc., required for use at their post.
18. Courtesy.
 - a. Some facility locations are accessible to the traveling public. Although not employees of the City, the perception of the public at large is that Contractor's employees are representatives of the City, therefore, Contractor's interactions with the public should reflect well upon the City.
 - b. In event of lack of courtesy or responsiveness, the City may require a corrective action for the employee(s) in question and at the City's discretion may require removal of the employee(s) from assignment.
19. Appearance.
 - a. No Security Officers may enter duty until they have received a complete set of approved uniforms and accessories.
 - b. Security Officers are to be well groomed and display a professional appearance through cleanliness and alertness. Security Officers are expected to wear an approved identifiable uniform, which will be maintained in a clean and pressed condition. Hair is to be pulled back/away from one's face. Facial hair will be neatly trimmed.

- c. Clothing must be appropriately sized and worn as designed.
- d. Security Officers and other required personnel shall display their DEN Airport ID badge at all times.
- e. Leather footgear shall be clean and in good condition.
- f. Employees reporting for duty who do not meet these standards shall be sent home by Contractor. Should the City notify Contractor that an employee is unacceptable because of personal hygiene, abusive behavior, or reasonable suspicion of substance abuse, the employee must be immediately removed from the job site. Contractor has two (2) hours to provide a replacement for the vacated post, backfilling with trainers, supervisors or management in the interim.

20. Soliciting.

No soliciting for any purpose is allowed on Airport premises by Contractor personnel. Contractor shall inform its employees of this requirement prior to the time each such employee shall begin work for Contractor at DEN.

21. Gratuities.

Neither Contractor nor its employees, officers and agents shall solicit or accept gratuities for any reason whatsoever from any employee of the City or the general public.

22. Smoking.

Contractor and its officers, agents and employees shall cooperate and comply with Executive Order No. 99 and the Colorado Indoor Clean Air Act, the City and DEN Rules and Regulations, prohibiting smoking in all indoor buildings and facilities including all methods and materials used for smoking. Smoking is permitted only in designated areas. Smoking is prohibited while a Security Officer is actively on-duty, working a post, or in a vehicle provided by Contractor.

23. Use or possession of alcohol or drugs.

- a. Pursuant to the provisions of Executive Order No. 94, all City Contractors and their employees are required to prohibit the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance or illegal drug in City facilities or when performing City business. Contractor shall also prohibit its employees or agents from consuming alcohol, being impaired by alcohol, or being under the influence of alcohol while performing City business.

- b. Contractor shall require employees to submit to blood, urine or other screening for alcohol or drugs when there is reasonable suspicion of use and/or the employee's being under the influence of or impaired by alcohol or drugs. Drug or alcohol screening may also be justified when, even though the employee does not exhibit observable symptoms of being under the influence, a workplace accident has occurred and there is reasonable suspicion that the accident may have been caused by human error which could be related to drug or alcohol use. The cost of such testing shall be borne by Contractor.
- c. Contractor personnel in or near the City premises shall not consume alcohol during lunch breaks and/or immediately before/during shift(s).
- d. These policy provisions are applicable to Contractor personnel and violation of these provisions, or refusal to cooperate with implementation of the City's policy, may result in the City's barring Contractor from the City facilities or participating in the City operations.

24. Security Requirements.

- a. All personnel assigned by Contractor, or its subcontractor(s), to provide the above services must successfully complete, initially and continually, the background investigation, training and testing required to receive a DEN Airport ID Badge with appropriate privileges as required by 49 C.F.R. 1542 and DEN rules, policies and procedures pertaining to security. All personnel must have their company ID card and approved DEN Airport ID Badge at all times. DEN may impose, increase and/or upgrade security requirements at any time to address changing security conditions and/or new governmental regulations.
- b. The current fee shall be charged to Contractor for any unreturned badges.

25. Rejection of Unfit Personnel.

- a. The City may reject, at the City's discretion, the use of individual personnel if it deems that the individual is not fit to carry out the requirements of the position or post to which Contractor has assigned said personnel.
- b. Contractor shall remove from the Airport work site any employee, for non-discriminatory reasons, when the CSM notifies Contractor in writing that such person is unacceptable to the City for any lawful reason. Such person shall not be reassigned to Airport work by Contractor, except with the expressed written consent of the CSM.

A.4.c. Qualifications of Contractor Personnel

1. As defined in D.R.M.C. Article 5, Chapter 42, any person acting as a Security Officer must obtain a Security Guard License (SGL) prior to assignment at DEN.
2. Contractor personnel assigned to the City shall be at least 21 years of age, possess a valid State of Colorado driver's license or State issued ID, and possess a valid SGL issued by the City. Each employee must have in their possession the required license or permit prior to being assigned to the City service.
 - a. Proof of such licensure should be available from upon request by the City any time throughout the life of this Agreement.
3. Physical Qualifications. Contractor personnel shall be:
 - a. Physically, mentally and emotionally capable of performing all duties required for their assigned post/duties.
 - b. Be fully capable of performing normal or emergency duties requiring moderate to arduous physical exertion, such as standing or walking/ patrolling for entire shift(s), climbing stairs, running and self-defense.
 - c. Capable of lifting a 25 lb. fire extinguisher, lifting and carrying a small child, and assisting in the lifting of handicapped persons during a building evacuation.
 - d. Be able to perform the duties of their position, with or without reasonable accommodation.
4. Citizenship.
 - a. All badged personnel working under this Agreement shall be citizens of the United States of America, U.S. Nationals and/or Lawful Permanent Residents. Contractor is required to produce evidence of such eligibility. Acceptable evidence shall consist of a state issued birth certificate, United States Passport or Permanent Resident Card (Green Card).
 - b. Contractor is to take all necessary steps to verify that the qualifying documents are genuine, and the identity of the worker is legally eligible for employment. Contractor shall hold the City harmless for any fines, assessments, or judgments as a result of such violation.
5. Background Checks.

- a. Contractor personnel must be able to obtain a DEN Airport ID badge and clear requisite Criminal History Records Checks (CHRC) and a Security Threat Assessment (STA) as required by the TSA. The City reserves the right to hold Contractor's employees to a higher standard for criminal background checks and may disqualify an applicant based on a pattern or number of crimes, including misdemeanor violations.

6. Literacy.

- a. Contractor personnel should be proficient in English. They must have ability to read, comprehend and demonstrate understanding (through actions and behavior) of printed regulations, written orders and instructions, and ability to draft reports, which convey complete information.
- b. Contractor personnel should speak English.
 - i. Active bilingual capability is a "plus" when dealing with and assisting the public and is encouraged.

7. Job Knowledge/Cognition.

- a. Contractor personnel must acquire a good working knowledge of all the duty requirements within the terms of this Agreement. Prior to assignment, Contractor personnel shall be trained to perform their duties related to the facility they are being assigned. Cross training for multiple posts is acceptable and encouraged.

A.5 COMMUNICATIONS REQUIREMENTS

1. Contractor must conduct quarterly meetings, preferably on-site in coordination with Airport Security, allowing two (2) hours per meeting. The City shall pay the straight time, hourly rate for employees to attend.
2. Contractor must conduct a daily Security Officer briefing prior to each shift. Contractor shall not require, and the City shall not provide, additional remuneration to Contractor for continuing education and Security Officer briefings.

A.6 CSM AUTHORITY

1. The day-to-day administration of this Agreement is vested in the CSM. The CSM and/or designee(s) is to have free access to Contractor's work areas at the Airport. The CSM shall decide any and all questions which may arise regarding the quality and acceptability of uniforms, supplies, equipment furnished and work performed, and the manner of performance and rate of progress of the work.

2. The CSM may, from time-to-time, issue written procedures, which shall provide detailed standards for the performance of specific aspects of Contractor's work hereunder. The procedures shall not materially change the specifications or the scope of work herein, but instead give guidance to Contractor. The CSM may amend or rescind any procedure with a written notice to Contractor.
3. In addition to issuing, amending or rescinding procedures, the CSM may make changes in the specifications of work performed by Contractor. When changes are made, particularly with short notice (i.e., less than forty-eight (48) hours), instruction will be given verbally and in writing.

A.7 PROPERTY AND EQUIPMENT

1. City-provided property. The City shall provide the following:
 - a. *Office Space*
 - i. Provided on a "as available" basis. The City can, at any time, request that Contractor relocate in the event that it leases the current space. Contractor shall contract with the City for all telephone and/or data. The City does not provide furniture or equipment for offices. The City shall not reimburse Contractor for any upgrades made to the office space in the event of a re-location, except, should Contractor be asked to relinquish its offices, any telephone and/or data lines installed and paid for by Contractor shall be relocated to a new office space or the cost of moving such lines reimbursed by the City. Contractor shall supply all office support equipment. Contractor shall maintain its office and other work areas completely clean, businesslike, and orderly at all times. Office furniture and equipment must be presentable and businesslike. Broken, defaced or unnecessary items shall be promptly removed and, if appropriate, replaced. Contractor shall avoid rubbish or trash accumulation in employees' work areas. Contractor shall not be reimbursed for any cleaning costs enumerated above.
 - b. *Parking spaces*
 - i. Provided at the City's discretion and may be provided on the ramp, located as close to Contractor's Management offices as practical. Parking will be provided on a "as available" basis. A reasonable alternative location may be sought should parking spaces need to be moved.
 - c. *Detection equipment and other technology*

- i.If requested by DEN, explosives detection technology, security equipment, or diagnostic imaging technology to screen individuals and their accessible property, or evaluate merchandise and consumables. DEN and Contractor shall partner on implementation of policies and procedures pertaining to the screening process, training, and certification. If Contractor is required to purchase any equipment in the future, it must meet and follow all federal regulations, safety requirements, and be operational at all times. If the equipment cannot be operational or use is affected by its maintenance, Contractor shall maintain compliance with all federal regulations, DEN Rules and Regulations, and the Airport Security Program. All costs associated with the equipment to include but not limited to maintenance, licensing, and calibration, etc. must be negotiated.
- d. *Other equipment* – Handheld radios, and other equipment to include but not be limited to license plate readers, batteries, chargers and accessories:
 - i. The City shall supply Contractor with an initial number of radios, handheld devices, batteries, and chargers to sufficiently conduct business. Any equipment upgrades shall be provided by the City.
 - ii. Contractor shall supply microphones and earpieces and any additional equipment.
 - iii. Any damage to the City-provided equipment requiring replacement or repair shall be paid for by Contractor, without remuneration to the City.
 - iv. Regular audits of the equipment inventory are required, and Contractor must note the quantity, condition, and summary of maintenance received.
 - v. Contractor shall maintain all equipment in proper working order and in good condition.
- e. *Security Keys*
 - i. The City shall supply all security keys issued to Contractor personnel, as required, meeting Airport Security procedures. In the event keys are lost or misplaced, Contractor shall bear all expenses incurred in the re-keying of all locks associated with the lost or misplaced key(s). Lost or misplaced keys must be immediately reported to Airport Security in order to

prevent unauthorized access to the airfield and any associated structures.

- ii. Contractor shall conduct preventative maintenance of keys as specified by the City.
- iii. Contractor shall maintain at all times a current log or master list identifying each of its employees who have been issued a key. Contractor shall be responsible for keys issued to its employees.
- iv. Regular audits of the equipment inventory are required, noting the key type, series designation, and assignment.

2. Property Accountability.

- a. All property furnished by the City under this Agreement shall remain the property of the City. Upon termination of the Agreement, Contractor is to promptly return all such property to the City. Contractor and the City shall inventory all property upon assignment of the subsequent contract.
- b. This account may be reviewed periodically/yearly or when new or additional equipment is added. Upon termination of this Agreement, both parties shall review and coordinate the allocation of property.
- c. Any City-owned equipment which is lost or damaged by Contractor's personnel is to be reported within twenty-four (24) hours and replaced at Contractor's expense within three (3) business days of the loss or damage. If lost or damaged equipment is not replaced within four (4) calendar days, deductions from unpaid balances may be made for the replacement value of the lost or damaged equipment.
- d. Additional specific security equipment may be required during the course of the Agreement. If Contractor is asked to provide additional security equipment, Contractor shall provide the same and may be reimbursed through the billing process. If a reimbursement is made, the equipment shall become the property of the City and shall be returned to the City at the conclusion of the Agreement. Contractor shall be responsible for the care, repair and maintenance of said equipment and may be reimbursed through the billing process. No equipment purchased shall be made without the expressed, written approval of the CSM.

3. Contractor-provided property. Contractor shall provide the following:

- a. *Cellular Telephones*

- b. Provided to each manager, shift supervisor and shift trainer at no additional remuneration by the City. All cellular telephone numbers shall be made available to the CSM and the Airport Operations Communications Center (Comm Center) upon issuance of said cellular telephones. In the event a cellular telephone required by this Agreement fails to be in operational condition, Contractor shall provide an alternate cellular telephone within two (2) hours and the alternate cellular telephone number shall be forwarded to the CSM and the Comm Center.

- c. *Operational and Activity Reporting Device* - Contractor shall provide, at its expense, an electronic tracking and reporting system through mobile and handheld devices issued to all on-duty personnel. These systems and devices will enable Contractor to:
 - i. Track employees in real time for accurate response.
 - ii. Produce "breadcrumb" trail reports for patrol accountability.
 - iii. Provide real time security incident reports, daily activity reports, and maintenance requests with the ability to attach images for inclusion with reports to be shared electronically on a daily basis.
 - iv. Organize post orders, schedules, and logs.
 - v. Provide daily roll call briefing, pass-ons, and daily training topics.
 - vi. Give real time updates regarding updating security regulations and practices.
 - vii. Store Sensitive Security Information (SSI) in a secure and encrypted way that follows all Part 1520 requirements and time-sensitive material (i.e. Be On the Lookout (BOLO), electronic Stoplist report).
 - viii. Provide instant access to post orders and recent changes to post orders or daily duties.
 - ix. Customize data, reporting and other information to meet changing regulatory or operational needs.
 - x. Collect and analyze real time data, trends and metric capabilities for inclusion into DEN's metric tracking system.

- d. *Vehicles* - A minimum of twenty-four (24) vehicles are required, which must remain operational throughout the term of the

Agreement, with no more than 150,000 miles or be no more than five (5) years old. At least four (4) of these vehicles shall be powered by Compressed Natural Gas (CNG). Except for the four (4) CNG powered vehicles, all vehicles shall be all-wheel drive or four-wheel-drive. Vehicles must be in good condition without visible wear and tear or body damage. Contractor shall adhere to the minimum vehicle requirements. (NOTE: the City shall not be responsible for policy changes that adversely affect fleet utilization). Vehicle access to baggage and train access tunnels shall require the use of a CNG vehicle. Ten (10) of the vehicles supplied shall be pickup trucks capable of hauling a variety of cargo and equipment. Vehicles must be capable of responding over varying terrain and during all weather conditions. The CSM reserves the right to change the vehicle requirements at any time. Contractor must adhere to all vehicle requirements.

- i. Contractor must comply with the insurance requirements as outlined in *Exhibit C* of this Agreement.
- ii. DEN shall perform emission tests on Contractor's applicable vehicles with said tests occurring annually (NOTE: This testing is performed by the City for CNG vehicles used in the tunnels and is not for Motor Vehicle licensing purposes). This test shall be provided annually at the DEN Testing Facility at no charge to Contractor. Should the testing facility find the vehicle to be defective, it shall be Contractor's responsibility to make the necessary repairs prior to the vehicle being returned to service at DEN.
- iii. Vehicles shall be appropriately marked with Contractor's logo on both front doors in letters at least four (4) inches high and with a yellow or amber beacon light attached to the roof. Alley lights in a light bar is required for vehicles performing perimeter fence inspections. All vehicles must have working air conditioning and heat. A log of vehicular patrols and any other vehicular activities relating to this Agreement shall be maintained and presented to the CSM on a quarterly basis.
- iv. Contractor shall be required to submit any vehicle provided under this Agreement to a vehicle inspection at the request of the CSM. In the event a vehicle is unable to pass said inspection, the vehicle shall be removed from Airport property and replaced by Contractor within forty-eight (48) hours.

e. *Vehicle Permits*

- i. Each vehicle provided by Contractor shall be required to be identified with a DEN Vehicle Permit or other such designation as required by DEN. The permit or device must be renewed annually or as required by Part 130 of DEN Rules and Regulations. The vehicle permits shall be issued by DEN, at no additional cost upon meeting specified requirements.

f. *Automatic Vehicle Identification (AVI) Tags*

- i. AVI tags provide access to various areas at DEN, including Level 5 of the Main Terminal (Ground Transportation level), and parking lots within the DEN Revenue Parking System. Contractor shall follow all necessary DEN procedures to acquire, replace and/or renew AVI tags or other required vehicle devices or permits. Contractor is responsible for all applicable fees and charges and shall not be reimbursed by DEN for these costs due to loss, theft or renewals.

g. *Mileage Reimbursement*

- i. The cost per mile driven on each Contractor's vehicle needed to fulfill services for this Agreement shall be directly reimbursed on the bi-weekly invoice as a separate line item. The City will pay the first year cost at \$0.83/mile. The Mileage rate shall be renegotiated annually for the following year in February of each year, starting in February 2023. The mileage rate shall consist of the prior period fuel rates calculated from Feb 1 to Jan 31. Contractor shall provide the following in their justification: prior fuel rates, current fuel rates, and any rate adjustments. The agreed-upon mileage rate will go into effect the following fiscal year in January. The market fuel prices will influence the cost per mile rate and shall be approved by the CSM or designee. If Contractor switches to electric vehicles as approved by the CSM at any time during the term of the Agreement, a new mileage rate must be submitted and approved.

4. Vehicle Requirements by Quantity, Hours & Days.

VEHICLE REQUIREMENTS	NUMBER	HRS/DAY	DAYS/YR.
CNG	4	24	365
All-Wheel-Drive/4WD	20	24	365

Total All Vehicles	24	24	365
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5. Uniform Requirements.

- a. Contractor must provide sample uniforms to be approved of by the CSM.
- b. Uniforms must be consistent among all personnel or consistent to specific roles that may be assigned as Special Projects, as defined in the Agreement.
- c. The color and design of the uniform shall be approved by the CSM to be easily recognizable, but not conflicting with uniforms worn by Airport tenants and airline personnel. Further, the CSM may require Contractor to wear a DEN selected uniform brand and style, however the cost of uniforms shall be borne by Contractor.
- d. Uniforms are to consist of the DEN Airport ID badge, slacks, uniform shirt and a winter coat, if applicable. Contractor's company logo and shield is authorized to be shown on the uniform.
 - i. The City shall not directly reimburse Contractor for uniform costs. All uniform costs (purchase, alterations, cleaning, etc.) are the responsibility of Contractor and are to be included in Contractor's billing rate.
 - ii. Contractor is to furnish and maintain in good working condition, at no cost to the employees or the City, all items of uniform and equipment necessary to perform work required by this Agreement. Contractor must supply its employees with an appropriate quantity of uniforms sufficient for their duties and schedule.
 - iii. Contractor must maintain a replacement program for worn, damaged and faded items, ensuring the personnel have a professional look while representing the City.

6. Uniform Colors and Quantities.

- a. Shoes are to be either a black boot or black professional footwear. Athletic shoes are not acceptable.
- b. Matching dark color socks will be worn with the shoes.
- c. At a minimum, uniforms shall consist of:
 - i. Long and/or short sleeve shirts

- ii. Trouser pant
- iii. Winter coat for personnel required to work outdoor posts or respond outdoors.
- iv. Winter stocking cap for personnel required to work outdoor posts or respond outdoors.
- d. NOTE: It is not required that personnel wear neckties. Employees may wear a white tee shirt or a contrasting color turtleneck under their uniform.

A.8 MANDATORY ONSITE POSITIONS

1. The City requires, at minimum, the following onsite personnel unless otherwise approved by the CSM:
 - a. One (1) - ***Site Director*** who will report directly to the CSM. The Site Director shall have overall, operational responsibility for all security officers and shall be based at DEN on a full-time, eight (8) hours per day, on a Monday - Friday basis, but available 24/7/365 for incidents/emergencies. The Site Director furnished under this Agreement must have a Bachelor's Degree in Aviation Management, Security Management, or a closely related field. Additionally, they must have, at a minimum, five (5) years of experience in aviation/security management, including three (3) years of experience at a Part 1542 regulated airport and a thorough understanding of the operational requirements of each post that will be serviced under the requirements of this Agreement. Seven (7) years of aviation/security management experience may be substituted for a bachelor's degree. A master's degree is preferable. The Site Director must obtain an American Association of Airport Executives (AAAE) Airport Certified Employee (ACE) designation for security within one (1) year of their date of employment. The AAAE Certified Member (CM) designation is optional, but preferred. The Site Director will provide administrative direction for all phases of the security operation at DEN including Part 1542 compliance. The CSM must pre-approve the Site Director.
 - b. Two (2) - ***Assistant Director*** overseeing all day-to-day operational issues. The Assistant Director shall possess a Bachelor's Degree in Aviation Management, Security Management, or a closely related field. They must have, at a minimum, three (3) years of experience in the security or management field including two (2) years of experience at a Part 1542 regulated airport, and a thorough understanding of the operational requirements of each post that will be serviced under the requirements of this Agreement. The Assistant

Director must obtain an AAAE ACE for Security within two (2) years of their date of employment. The AAAE CM designation is optional, but preferred. Six (6) years of aviation/security management experience may be substituted for a bachelor's degree. The Assistant Director will administer all phases of the security operation related to the airport as directed by the CSM. The Assistant Director shall be based at DEN on a full-time basis and be pre-approved by the CSM.

- c. Four (4) - ***Operations Manager***. The Operations Manager shall possess a Bachelor's Degree in Aviation Management, Security Management, or a closely related field and must have, at a minimum, three (3) years of experience in an aviation or security related field including one (1) year of experience at a Part 1542 regulated airport, and a thorough understanding of the operations requirements of each post that will be serviced under the requirements of this Agreement. Five (5) years of aviation/security management experience may be substituted for a bachelor's degree. The AAAE ACE designation for Security is optional but preferred. The Operations Manager will administer all phases of the security operation related to the Airport as directed by the CSM. The Operations Manager shall be based at DEN on a full-time basis and be pre-approved by the CSM.
- d. One (1) - ***Human Resource (HR) Manager***. The HR Manager shall possess a Bachelor's Degree in Human Resources, or a related field. Five (5) years of experience in a security administrative capacity may be substituted for a bachelor's degree. The HR Manager will administer all phases of personnel support for Contractor's operation at DEN and provide paraprofessional and technical assistance to professionals in such areas as personnel, training, finance, or record keeping. The HR Manager shall be based at DEN on a full-time basis.
- e. Two (2) - ***HR Associates***. The HR Associate shall possess a bachelor's degree, preferably in human resources or a related field. Five (5) years of experience in an assistant in human resources or security administrative capacity may be substituted for a bachelor's degree. The HR Associate shall assist the HR Manager in all phases of personnel support for Contractor's operation at DEN and provide paraprofessional and technical assistance to professionals in such areas as personnel, training, finance, or record keeping. This position will also assist the HR Manager in fulfillment of the essential duties provided for in this Agreement. The HR Associate shall be based at DEN on a full-time basis.

- f. One (1) - ***QA/Compliance Specialist***. The Compliance Specialist shall possess a high school diploma and must have a minimum of three (3) years of experience in security, loss prevention, or closely related field. Additional appropriate education may be substituted for one (1) year of the minimum experience requirement. The Compliance Specialist will be permanently assigned to DEN, forty (40) hours per week, and their sole duty shall be to provide on-site testing, observations and necessary training to audit and improve the Security Officers' knowledge, skills and abilities with respect to the assigned post, post orders duties and contingencies. They must have one (1) year of experience at a Part 1542 regulated airport.
- g. ***Supervisors***. The Supervisors shall possess a high school diploma and two (2) years of experience in regulated security environments, or two (2) years of supervisor experience in an airport environment regulated under Part 1542 or as approved by the CSM. A Bachelor's Degree in Aviation Management, Security Management, or a closely related field is preferable. Prior management and/or supervisory experience may be substituted for the required experience at the discretion of the CSM. Security related education may be substituted for one (1) year of the minimum experience requirement as approved by the CSM.
 - i. A minimum of six (6) supervisors working sixteen (16) hours per day, seven (7) days per week for day and swing shifts are required. Midnight shifts require a minimum of four (4) supervisors working eight (8) hours per day, seven (7) days per week.
 - ii. Supervisors shall be assigned to DEN on a full-time basis. Supervisors at all levels must be individuals of integrity who display a mature attitude and exercise good judgment. Supervisors should set the example for Security Officers and should foster an environment in which Security Officers feel valued, respected and part of an effective and important team. Each Supervisor is to have a minimum of two (2) years of successful experience in professional security environment, or a Part 1542 regulated airport or as approved by the CSM.
- h. One (1) - ***Training Supervisor***. The Training Supervisor shall possess a high school diploma, and one (1) year of site-specific experience at DEN, a Part 1542 regulated airport or as approved by the CSM in security or loss prevention. A Bachelor's Degree in Aviation Management, Security Management, or a closely related field is preferable. Prior management and/or supervisory experience may be substituted for the required experience at the discretion of the

CSM. Security related education may be substituted for one (1) year of the minimum experience requirement as approved by the CSM. This Training Supervisor will be permanently assigned to DEN, as their sole duty, shall provide planning, coordination and supervision of the training department and training personnel assigned at DEN.

- i. ***Trainers.*** The Trainers shall possess a high school diploma and must have had a minimum of one (1) year of DEN site-specific experience, at a Part 1542 regulated airport or as approved by the CSM in security or loss prevention. Trainers will be assigned to DEN on a full-time basis and be responsible for implementing Security Officer training. A staffing minimum of one (1) Trainer per fifty (50) Security Officers is required. Trainers shall be assigned to a variety of shifts as needed for Security Officer training.
- j. Two (2) – ***Schedulers.*** The Schedulers shall possess a high school diploma. The Schedulers shall be assigned to DEN. The Scheduler will, on a full-time basis, provide support for the Director, Operations and HR Managers.
- k. ***Security Officers.*** Security Officers shall possess a high school diploma or a General Education Development certificate. Security Officers must be able to read, write legibly and speak the English language.
- l. ***Screeners.*** Contractor shall provide, at their expense, a minimum of sixteen (16) hours of training for Screeners prior to their assignment to DEN. Screeners must be trained in the use of explosives detection technology, security equipment, and/or diagnostic imaging technology, how to screen individuals and their accessible property, and/or screen merchandise and consumables. The purpose of this training is to deter, detect, and prevent the introduction of unauthorized weapons, explosives, and incendiaries into a regulated area.
 - i. The training provided shall be sufficiently comprehensive to assure that the personnel can perform their duties effectively and efficiently prior to being assigned to a Screener position. In the event that a screener does not pass a random security screening test by Airport Security or the TSA, they will be removed from the position and immediately replaced with another screener at Contractor's expense.
- m. ***Fingerprint Agent.*** The Fingerprint Agent must be trained and supervised by Airport Security. Forty (40) hours of on-the-job training will be required prior to being assigned to this position. Basic data entry skills are essential. A Fingerprint Agent will be

scheduled Monday through Friday during normal business hours, or as needed. Personnel in this position should possess all of the minimum qualifications listed in A.4.c Qualifications of Contractor's Personnel.

- i. Contractor shall provide the CSM with copies of training plans and all training materials, (e.g., manuals, films) for approval. Contractor shall update screener training as new equipment and procedures are mandated by the TSA and is responsible for all training records. The CSM may review the records upon request.
- ii. Contractor may suggest additional onsite positions and expected compensation.

A.9 INVOICING AND LIQUIDATED DAMAGES

1. Invoices shall be submitted electronically, every two (2) weeks to the Airport Security office. The invoice should detail:
 - a. Job Titles
 - b. Hours worked
 - c. Hourly bill rate
 - d. Total billable by job title and aggregate
 - e. Contract reference I.D. Number
 - f. Invoice number and date
 - g. Start and end dates of billing cycle
 - h. Requesting department name and 'ship to' address
 - i. Payment terms
 - j. Unit price extended and totaled
 - k. Invoice breakdown documentation
 - l. Employee hours, beginning and end
 - m. Employees exceeding forty (40) hours a week
 - n. Unit hours by location and date
 - o. Employee name and hourly wage

2. Detail sheets for each shift, grouped by post, with hours and billables are required. Detail sheets are also requested for vehicle mileage, broken out by vehicle.
3. The City may refuse to pay an invoice if delivered more than two (2) weeks after the service period end date.
4. The City shall pay only for hours actually worked.
5. Overtime hours shall not be compensated to Contractor.

A.9.a. Liquidated Damages – Deductions for Non-performance or Substandard Performance:

1. In the event Contractor, or any subcontractor(s), fails performing the work as set forth within the Agreement, after Contractor has reached agreed upon staffing levels and due allowance for any extensions of time granted by the CSM, Contractor shall be liable to the City, as liquidated damages and not as a penalty, the amounts noted below for each and every failure in performance. The City shall have the right to make deductions from any amount due or that may become due or collect such liquidated damages from Contractor or the performance bond. The CSM shall have the authority to impose or waive fees. The CSM may require process changes or other items in lieu of administering fees. Instances where deductions from unpaid billings may occur and the specific deductions for it shall include but are not limited to:

INCIDENT	SPECIFIC DEDUCTION
Insufficient number of personnel to fill all posts or Insufficient vehicles	\$500.00 per incident, per shift, per day
Regulatory failure by a Security Officer	\$500.00 per occurrence
Failure to disclose non-compliance or regulatory failure	\$500.00 per occurrence

A.9.b. Value Engineering

Contractor is encouraged to propose Value Engineering Change Proposals (VECP) where Contractor identifies methods for performing the work under this Agreement more economically. If approved by DEN, Contractor shall share in the resulting savings. Project scope, equipment costs and distribution of profit will be negotiated prior to implementation.

A.10 INCENTIVE PROGRAM

A.10.a. Program

The Incentive Program shall be administered quarterly and applied to areas including, but not limited to, on-site management performance, employee performance, equipment, projects and customer service. Each area shall be mutually identified and agreed upon between Contractor and the City and may be altered periodically to reflect the dynamic nature of the airport environment and changing regulatory responsibilities. Some category matrixes may require statistical measurements, while others may require observational reports or written recaps. The categories and matrices to be used during a particular quarterly period shall be mutually determined and agreed upon prior to the start of that period. In the absence of mutual agreement following good-faith discussions, the City shall designate categories and matrices. Further, any awards associated with the Incentive Program shall be approved by the City.

A.10.b. Scoring

Contractor and the City shall collect statistics and documentation relating to the measured categories. At the conclusion of each quarter, Contractor's on-site management group and the CSM must compile the information and schedule a meeting to finalize the scores for that period. The meeting must be conducted within thirty (30) days of the end of the quarter being measured. Prior to the meeting, the Parties shall exchange documentation each has compiled for review. The documentation shall be sent to the Incentive Program Review Board (Review Board) who will perform a preliminary scoring of each category.

A.10.c. Review Board

1. The Review Board will be comprised of the following individuals:
 - a. Site Director or individual of higher standing/position within the company.
 - b. CSM or designee.
 - c. Additional City/Stakeholder (of the CSM's choosing.)
2. Any substitution of the above Review Board must be pre-approved by the CSM. Additional employees of either Party may participate in the Incentive Program Review meeting, but only the three (3) Review Board members' scores will be applied to the final Incentive Program calculation. During this meeting, the preliminary scores must be discussed and a final score determined. The CSM will prepare the necessary documentation to allow Contractor to submit an invoice for the Incentive Program Award that quarter.

A.10.d. Incentive Program Quarterly Award

1. Maximum amount of the quarterly incentive will be one and five tenths (1.5%) percent of the applicable quarter's billing invoice amounts verified by the CSM. Should the billing cycle not coincide with the quarterly review period, the CSM may delay preparing the approval letter sent to Contractor until the entire quarter's invoicing is complete. Exceptions to the quarterly incentive calculation include:
 - a. Any Incentive Program Award from the previous quarter.
 - b. Any Letter of Investigation (LOI) or corrective action by TSA or FAA.
 - c. Deductions due to a Civil Penalty will be scored for the quarter the LOI was received.
 - d. Deductions for repair or replacement of the City provided equipment.
 - e. Any specific security equipment purchased by Contractor as requested by the City and reimbursed through the billing process.
 - f. Deductions for "non-performance or substandard performance".

A.11 BENEFITS-REQUIRED MINIMUMS

The following minimum benefits are to be provided by Contractor:

A.11.a. Employee Parking required

1. Contractor agrees to provide its employees with parking. To qualify, employees must be located at DEN pursuant to this Agreement (Eligible Employees). Contractor shall pay the current rate. Rates are subject to change at any time. Contractor shall bear all parking expenses.
 - a. For Eligible Employees that wish to take public transportation, Contractor shall provide bus passes. Bus passes shall be purchased in accordance with an approved transit plan provided by the Regional Transportation District (RTD).
 - b. Contractor shall be responsible for administering its transit plan with RTD for negotiated reduced rates and agrees to comply with all terms and conditions of the transit plan.
 - c. The City shall reimburse Contractor 100% of the negotiated reduced rate bus pass cost for each Eligible Employee.

- d. Contractor agrees to provide the City with the following information attached to the final invoice that needs to be received by December 15 of the current year:
 - i. A copy of the contract relating to the negotiated reduced rate transit plan between Contractor and RTD,
 - ii. A monthly report of all Eligible Employees who have and have not accepted the bus pass, and
 - iii. A detailed invoice with the cost of the transit plan, which must be clearly identifiable.
- e. Contractor agrees that any duly authorized representative of the City shall have the right to audit its books, documents, papers and records, involving the transit plan within the record retention period generally established in the Agreement.
- f. Any Eligible Employee who accepts a bus pass under this program cannot also receive an employee parking permit in the DEN Employee Parking Lot.

A.12 BENEFITS, VACATION PAY AND SICK LEAVE

A.12.a. Health And Dental Benefits

- 1. In addition to the required minimum hourly cash wages, all employees of Contractor shall be offered a comprehensive medical and dental benefit package.
- 2. 1. The employee's share of health care dental insurance premium payments must be reasonable/affordable for each of Contractor's employees.
- 3. 2. The City may require verification/evidence of the employee portion of health and dental insurance premium payments to be paid by Contractor's employees at any time.
- 4. 3. Contractor shall notify the CSM in writing within ten (10) business days of any substantive change in the medical and dental benefit package.
- 5. 4. Failure to adhere to these requirements is a substantial breach of this Agreement.

A.12.b. Paid Time Off (PTO) Pay

- 1. Minimum PTO. At a minimum, Contractor's employees hired or assigned to work at the Airport shall have the following PTO Accrual Rates:

1 Year - 48 Hours
 2 Years - 56 Hours
 3 Years - 64 Hours
 4 Years - 72 Hours
 5+ Years - 80 Hours

2. Incumbent Employees. Contractor's full-time employees working under the predecessor Agreement at DEN will continue to accrue PTO on the anniversary of their hire date. These employees will build upon PTO paid time off amounts already earned (i.e. an employee currently earning forty eight (48) hours of paid time off will earn fifty-six (56) hours on the next anniversary, etc.).
3. Contractor's New Employees. PTO hours will be accrued from the date of employment.
4. The maximum amount of PTO hours that can be accrued annually by any employee, irrespective of continuous years of service, is eighty (80) hours.
5. The use of part-time employees to avoid these benefits is prohibited, and is a substantial breach of this Agreement.

A.12.c. Holiday Pay

Holiday pay shall be compensated at a rate of time and one/half. The standard Observable holidays are: New Year's Day (January 1), Washington's Birthday (Presidents' Day) (Third Monday in February); Memorial Day (Last Monday in May); Independence Day (July 4); Labor Day (First Monday in September); Veteran's Day (November 11); Thanksgiving Day (Fourth Thursday in November); Christmas Day (December 25); and Martin Luther King Day (Third Monday in January).

A.12.d. Overtime

1. All personnel shall be paid time and one half for any hours exceeding forty (40) hours per week. As with holiday pay, the City shall not compensate Contractor for overtime expenses.

A.12.e. Public Health Emergency Leave (PHEL)

1. PHEL, as defined in the Healthy Families and Workplaces Act (HFWA), C.R.S. § 8-13.3-401, shall be paid by Contractor to the employee and may be directly reimbursed by the City at the employees' hourly rate. PHEL shall be in effect until the expiration period determined by HFWA. Contractor shall comply with all of the PHEL obligations under the law and be subject to the requirement below:

2. PHEL leave must be identified on an invoice line item for the applicable billing period and billed at the employees' rate of pay, only for the actual hours taken.

A.13 TRAINING:

A.13.a. Training Requirements (General)

1. Contractor shall provide the CSM with copies of training plans and all training materials, (e.g., manuals, films) for approval. Contractor is required to update training material when new equipment, post orders or procedures change. Contractor is responsible for all training records. The CSM may review the records upon request.
 - a. Contractor may suggest additional onsite positions and expected compensation.
2. Contractor must have established a training program in which all personnel have participated. The trainer group must provide the standardized material and documentation of completion, including results, for each employee.
3. Contractor shall be responsible for training each guard in the following fields either prior to, or immediately upon assignment to a post. Additionally, a Security Guard training checklist must be completed. Contractor is required to submit a training plan, a breakdown of hours for each field of instruction, as requested by the CSM.
4. Contractor shall provide, at its own expense, a minimum of thirty-two (32) hours of training for employees (both Security Officers and Supervisors) prior to their post assignment. The training must be comprehensive in order to ensure personnel will perform their duties effectively and must include a minimum of sixteen (16) hours of orientation training specific to DEN and an additional sixteen (16) hours of instruction specific to the post(s) the employee will be assigned to. Contractor must ensure that the training is sufficiently comprehensive so that personnel may effectively and efficiently perform their duties.
5. Additionally, Contractor must provide ongoing, on-the-job training in response to personnel needs and changing conditions to ensure its personnel are performing to the satisfaction of the City and meeting all regulatory requirements. All training provided for personnel servicing DEN shall be at Contractor's expense and Contractor shall not request additional remuneration for training.
6. Security Officer training shall include, but not be limited to, the following:
 - a. *Operational Orientation* - DEN/TSA/City policies, post orders, procedures, rules and regulations.

- b. *Legal Restrictions* - Problem solving exercises and policies related to confrontational situations and self-defense.
- c. *Patrols* - Methods of patrolling (offices, main terminal area, terminal drives, concourses, ramp areas, outlying buildings, parking areas, perimeter fence lines, tunnels, etc.) and the safe conduct of patrol rounds with guidance on notification of unsafe and security related issues.
- d. *Report Writing* - How to prepare, draft, review, and submit relevant information for the City personnel along with insurance, investigative, or litigation purposes.
- e. *Radio Communications* - Radio operations in routine and emergency situations, as well as specific training on terminology and protocol to be used with the Comm Center.
- f. Operation and use of handheld and electronic devices.
- g. *Evacuation Procedures* - Actual walk-through of emergency evacuation for all facilities. Evacuation of handicapped persons training and activation of evacuation systems, emergency communications systems, etc.
- h. Applicable Occupational Safety and Health Act requirements specific to the security services industry.
- i. Public relations, including, but not limited to, interactions with the public in compliance with laws prohibiting discrimination on the basis of race, national origin, religion or disability. These laws include the Federal Americans with Disabilities Act, the Federal Civil Rights Act of 1964, the Colorado Civil Rights Act, and Colorado laws requiring the admission of service animals into public facilities.
- j. *First Responder/First Aid* - Certified Red Cross instruction including Cardiopulmonary resuscitation (CPR).
- k. *Alarm System Orientation* - Identification and discussion of various alarm devices found on the City property.
- l. Responding to and dealing with security access alarms and the various types of alarms (to include procedures for securing the event).
- m. *Screening and Inspection* - Discussion and procedure for screening or inspection of persons, their accessible property, merchandise and consumables. May include use of explosives detection technology

and/or diagnostic imaging technology to perform screening. Purpose of training shall be to deter, detect, and prevent the introduction of unauthorized weapons, explosives, and incendiaries into a regulated area.

- n. *Guard Gate* - Discussion and procedure review to include all aspects of the access control system, escort program, emergency response plans, vehicle inspection program, person vetting through DEN's Identity Management System, etc.
- o. *Perimeter Patrol* - All aspects of perimeter inspection and appropriate reporting of security issues, haul route processes, GPS unit training, use of security keys, etc.
- p. Completion of the Defensive Driving Course (if applicable).
- q. Training is to include appearance, courtesy, and customer service to the public. New Security Officer: training shall also include training specific to the duties required at specific City facilities. Security Officers and supervisors shall be familiar with site location details and provide accurate directions to the public.
- r. *Post Certification* - Posts that require additional training and determined as critical to the operation.
- s. *Annual Recertification* - Performed with all personnel on all eligible posts prior to commencement of work and includes all items required by the CSM.
- t. *Leadership Growth and Development Classes* - A minimum of sixteen (16) hours required for supervisors, trainers and management. Includes topics and training on leadership, team building, retention, work/life balance, communication and/or any other relevant leadership topics.
- u. *Leadership Development Program* - A must be in place at the time of contract initiation or within one (1) year of the Agreement initiation date.
- v. *Security Officers* - Annual, in the positions or posts in which they are staffed.
- w. All personnel training documents and forms must be kept electronically, reviewed and updated annually, and be available upon request.
- x. New Post assignments due to operational need.

A.14 CONTRACT IMPLEMENTATION REQUIREMENTS

1. Contractor is responsible for securing all licenses and permits required by the laws of the State of Colorado and the City for their personnel- including supervisory, managerial and other employees directly engaged in providing protection and preserving the peace in compliance with D.R.M.C. §§ 42-131 through 167.
2. Thirty (30) days prior to September 14, 2022, Contractor must provide the following:
 - a. Lists of current Security Officers, Supervisors, Trainers, etc. under this Agreement and include copies of their valid Security Guard License(s), Driver's Licenses or State issued ID's, copies of all written candidate background investigation reports and evidence of CPR and First Aid training.
 - b. Samples of the Security Officers' uniform and equipment for the City's approval.
 - c. New Post Assignments: Existing Security Officers assigned to new posts shall be required to be oriented and instructed in the areas outlined in the training requirements prior to commencing their tour of duty with a minimum of sixteen (16) hours instruction specific to the post.
 - d. DEN-approved annual airfield driving course for each driver. Contractor shall work with DEN Driver Training to establish a driver training program within thirty (30) days of being awarded this Agreement. Copies of each employee's driver training record shall be kept on file and reviewed upon request.
 - e. DEN-approved defensive driving course for each driver. The CSM shall receive copies of the training manuals and materials. The guidelines of this Course should be comparable to those used by a certified defensive driving training school. The copies of each employee's training record shall be kept on file and reviewed upon request. Contractor shall not request, and the City shall not provide, additional remuneration for defensive driving courses.
3. The City shall provide Contractor with a minimum staffing plan for transition by August 15, 2022.
4. Contractor shall be required to staff to the minimum levels established. The City will waive all fees and fines associated to unstaffed positions outside of the minimum staffing plan for the first eight (8) weeks from the effective date of the Agreement.

Covenant Pricing						
Description	Hours/Period (Bi-Weekly)	Year 1	Year 2	Year 3	Year 4	Year 5
Site Director	80	\$ 93.15	\$ 95.72	\$ 98.37	\$ 101.10	\$ 103.92
Assistant Director	160	\$ 63.63	\$ 65.46	\$ 67.35	\$ 69.31	\$ 71.33
Operations Manager	320	\$ 54.89	\$ 56.50	\$ 58.17	\$ 59.90	\$ 61.68
HR Manager	80	\$ 57.81	\$ 59.49	\$ 61.23	\$ 63.03	\$ 64.90
HR Associate	160	\$ 35.53	\$ 36.49	\$ 37.47	\$ 38.50	\$ 39.55
Scheduler	160	\$ 34.43	\$ 35.45	\$ 36.50	\$ 37.58	\$ 38.71
QA Compliance Specialist	80	\$ 35.38	\$ 36.33	\$ 37.32	\$ 38.33	\$ 39.38
Training Supervisor	80	\$ 35.38	\$ 36.33	\$ 37.32	\$ 38.33	\$ 39.38
Trainer	560	\$ 29.02	\$ 29.81	\$ 30.64	\$ 31.48	\$ 32.36
Guard Supervisor	1,792	\$ 31.81	\$ 32.66	\$ 33.55	\$ 34.47	\$ 35.41
Management Fee		\$ 4.90	\$ 4.73	\$ 4.87	\$ 5.02	\$ 5.17
Fingerprint Agent	80	\$ 26.71	\$ 27.44	\$ 28.20	\$ 28.98	\$ 29.79
Vehicle Mileage		\$0.83	\$0.85	\$0.90	\$0.95	\$0.99
Guards	24,308	\$ 28.17	\$ 28.23	\$ 29.13	\$ 30.07	\$ 31.04

EXHIBIT C

CITY AND COUNTY OF DENVER INSURANCE REQUIREMENTS FOR DEPARTMENT OF AVIATION PROFESSIONAL SERVICES AGREEMENT

A. Certificate Holder and Submission Instructions

Contractor must provide a Certificate of Insurance as follows:

Certificate Holder: CITY AND COUNTY OF DENVER
Denver International Airport
8500 Peña Boulevard
Denver CO 80249
Attn/Submit to: [insert specific DEN email address for the given contract]

- ACORD Form (or equivalent) certificate is required.
- Contractor must be evidenced as a Named Insured party.
- Electronic submission only, hard copy documents will not be accepted.
- Reference on the certificate must include the City-assigned Contract Number, if applicable.

The City may at any time modify submission requirements, including the use of third-party software and/or services, which may include an additional fee to the Contractor.

B. Defined Terms

1. "Agreement" as used in this exhibit refers to the contractual agreement to which this exhibit is attached.
2. "Contractor" as used in this exhibit refers to the party contracting with the City and County of Denver pursuant to the attached Agreement.

C. Coverages and Limits

1. Commercial General Liability:
Contractor shall maintain insurance coverage including bodily injury, property damage, personal injury, advertising injury, independent contractors, and products and completed operations in minimum limits of \$10,000,000 each occurrence, \$10,000,000 products and completed operations aggregate; if policy contains a general aggregate, a minimum limit of \$10,000,000 annual per location aggregate must be maintained.
 - a. Coverage shall include Contractual Liability covering liability assumed under this Agreement (including defense costs assumed under contract) within the scope of coverages provided.
 - b. Coverage shall include Mobile Equipment Liability, if used to perform services under this Agreement.
2. Business Automobile Liability:
Contractor shall maintain a minimum limit of \$1,000,000 combined single limit each occurrence for bodily injury and property damage for all owned, leased, hired and/or non-owned vehicles used in performing services under this Agreement.
 - a. If operating vehicles unescorted airside at DEN, a \$10,000,000 combined single limit each occurrence for bodily injury and property damage is required.
 - b. If Contractor does not have blanket coverage on all owned and operated vehicles and will require unescorted airside driving privileges, then a schedule of insured vehicles (including year, make, model and VIN number) must be submitted with the Certificate of Insurance.
 - c. The policy must not contain an exclusion related to operations on airport premises.

- d. If transporting waste, hazardous material, or regulated substances, Contractor shall carry a Broadened Pollution Endorsement and an MCS 90 endorsement on its policy.
 - e. If Contractor does not own any fleet vehicles and Contractor's owners, officers, directors, and/or employees use their personal vehicles to perform services under this Agreement, Contractor shall ensure that Personal Automobile Liability including a Business Use Endorsement is maintained by the vehicle owner, and if appropriate, Non-Owned Auto Liability by the Contractor. This provision does not apply to persons solely commuting to and from the airport.
 - f. If Contractor will be completing all services to DEN under this Agreement remotely, this requirement will be waived.
3. Workers' Compensation and Employer's Liability Insurance:
Contractor shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits no less than \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.
- a. Colorado Workers' Compensation Act allows for certain, limited exemptions from Worker's Compensation insurance coverage requirements. It is the sole responsibility of the Contractor to determine their eligibility for providing this coverage, executing all required documentation with the State of Colorado, and obtaining all necessary approvals. Verification document(s) evidencing exemption status must be submitted with the Certificate of Insurance.
4. Builder's Risk Insurance or Installation Floater:
During the duration of any tenant buildout activity, Contractor shall provide, coverage on a Completed Value Replacement Cost Basis, including value of subsequent modifications, change orders, and cost of material supplied or installed by others, comprising total value of the entire project at the site. Such insurance shall:
- a. apply from the time any covered property becomes the responsibility of the Contractor, and continue without interruption during construction, renovation, or installation, including any time during which the covered property is being transported to the construction installation site, or awaiting installation, whether on or off site;
 - b. be maintained until formal acceptance of the project by DEN or the placement of permanent property insurance coverage, whichever is later;
 - c. include interests of the City and if applicable, affiliated, or associate entities, the General Contractor, subcontractors, and sub-tier contractors in the project;
 - d. be written on a Special Completed Value Covered Cause of Loss form and shall include theft, vandalism, malicious mischief, collapse, false-work, temporary buildings, transit, debris removal, demolition, increased cost of construction, flood (including water damage), earthquake, and if applicable, all below and above ground structures, piping, foundations including underground water and sewer mains, pilings including the ground on which the structure rests and excavation, backfilling, filling and grading;
 - e. include a Beneficial Occupancy Clause and shall specifically permit occupancy of the building during construction. Contractor shall take reasonable steps to obtain consent of the insurance company and delete any provisions with regard to restrictions within any Occupancy Clauses within the Builder's Risk Policy;
 - f. include Equipment Breakdown Coverage (a.k.a. Boiler & Machinery), if appropriate, which shall specifically cover insured equipment during installation and testing (including cold and hot testing).
5. Commercial Crime including Client Coverage:
Contractor shall maintain a minimum limit of \$1,000,000 per occurrence including theft of City's monies, securities or valuable property by Contractor's employees, including any extended definition of employee. The City and County of Denver shall be named as Loss Payee as its interests may appear.

6. **Professional Liability (Errors and Omissions) Insurance:**
Contractor shall maintain a minimum limit of \$5,000,000 each claim and annual aggregate, providing coverage for all applicable professional services outlined in this Agreement.
7. **Property Insurance**
Contractor is solely responsible for any loss or damage to its real or business personal property located on DEN premises including, but not limited to, materials, tools, equipment, vehicles, furnishings, structures and personal property of its employees and subcontractors unless caused by the sole negligence of the City. If Contractor carries property insurance on its property located on DEN premises, a waiver of subrogation as outlined in Section F will be required from its insurer.
8. **Property Insurance – Contractor Improvements and Betterments**
Contractor shall maintain All-Risk Form Property Insurance on a replacement cost basis. If leased property is located in a flood or quake zone (including land subsidence), flood or quake insurance shall be provided separately or within the property policy. City shall be included as Loss Payee, as its interests may appear.
 - a. The City and County of Denver shall maintain All-Risk Form Property Insurance coverage for the real property occupied by Contractor.
9. **Technology Errors and Omissions, Network Security, and Privacy Liability (Cyber):**
Contractor shall maintain a minimum limit of \$5,000,000 per occurrence and \$5,000,000 annual policy aggregate including cyber liability, network security, privacy liability and product failure coverage.
 - a. Coverage shall include, but not be limited to, liability arising from theft, dissemination and/or use of personal, private, confidential, information subject to a non-disclosure agreement, including information stored or transmitted, privacy or cyber laws, damage to or destruction of information, intentional and/or unintentional release of private information, alteration of information, extortion and network security, introduction of a computer virus into, or otherwise causing damage to, a customer's or third person's computer, computer system, network or similar computer related property and the data, software, and programs thereon, advertising injury, personal injury (including invasion of privacy) and intellectual property offenses related to internet.
10. **Excess/Umbrella Liability:**
Combination of primary and excess coverage may be used to achieve minimum required coverage limits. Excess/Umbrella policy(ies) must follow form of the primary policies with which they are related to provide the minimum limits and be verified as such on any submitted Certificate of Insurance.

D. Reference to Project and/or Contract

The City Project Name, Title of Agreement and/or Contract Number and description shall be noted on the Certificate of Insurance, if applicable.

E. Additional Insured

For all coverages required under this Agreement (excluding Workers' Compensation, Employer's Liability and Professional Liability, if applicable), Contractor's insurer(s) shall include the City and County of Denver, its elected and appointed officials, agents, employees and volunteers as Additional Insureds by policy endorsement.

F. Waiver of Subrogation

For all coverages required under this Agreement (excluding Professional Liability, if applicable), Contractor's insurer(s) shall waive subrogation rights against the City and County of Denver, its elected and appointed officials, agents, employees and volunteers by policy endorsement.

If Contractor will be completing all services to the City under this Agreement remotely and not be traveling to locations under direction of the City to perform services, this requirement will be waived specific to Workers' Compensation coverage.

G. Notice of Material Change, Cancellation or Nonrenewal

Each certificate and related policy shall contain a valid provision requiring notification to the Certificate Holder in the event any of the required policies be canceled or non-renewed or reduction in required coverage before the expiration date thereof.

1. Such notice shall reference the DEN assigned contract number related to this Agreement.
2. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal or reduction in required coverage unless due to non-payment of premiums for which notice shall be sent ten (10) days prior.
3. If such written notice is unavailable from the insurer or afforded as outlined above, Contractor shall provide written notice of cancellation, non-renewal and any reduction in required coverage to the Certificate Holder within three (3) business days of receiving such notice by its insurer(s) and include documentation of the formal notice received from its insurer's as verification.

H. Additional Provisions

1. Deductibles, Self-Insured Retentions, or any other type of retention are the sole responsibility of the Contractor.
2. Defense costs shall be in addition to the limits of liability. If this provision is unavailable that limitation must be evidenced on the Certificate of Insurance.
3. Coverage required may not contain an exclusion related to operations on airport premises.
4. A severability of interests or separation of insureds provision (no insured vs. insured exclusion) is included under all policies where Additional Insured status is required.
5. A provision that coverage is primary and non-contributory with other coverage or self-insurance maintained by the City under all policies where Additional Insured status is required.
6. If the Contractor procures or maintains insurance policies with coverages or limits beyond those stated herein, such greater policies will apply to their full effect and not be reduced or limited by the minimum requirements stated herein.
7. All policies shall be written on an occurrence form. If an occurrence form is unavailable or not industry norm for a given policy type, claims-made coverage will be accepted by the City provided the retroactive date is on or before the Agreement Effective Date or the first date when any goods or services were provided to the City, whichever is earlier, and continuous coverage will be maintained or an extended reporting period placed for three years (eight years for construction-related agreements) beginning at the time work under this Agreement is completed or the Agreement is terminated, whichever is later.
8. Contractor shall advise the City in the event any general aggregate or other aggregate limits are reduced below the required minimum per occurrence limits. At their own expense, and where such general aggregate or other aggregate limits have been reduced below the required minimum per occurrence limit, the Contractor will procure such per occurrence limits and furnish a new certificate of insurance showing such coverage remains in force.
9. Certificates of Insurance must specify the issuing companies, policy numbers and policy periods for each required form of coverage. The certificates for each insurance policy are to be signed by an authorized representative and must be submitted to the City at the time Contractor signed this Agreement.
10. The insurance shall be underwritten by an insurer licensed or authorized to do business in the State of Colorado and rated by A.M. Best Company as A- VIII or better.
11. Certificate of Insurance and Related Endorsements: The City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement shall not act as a waiver of Contractor's breach of this Agreement or of any of the City's rights or remedies under this Agreement. . All coverage requirements specified in the certificate shall be enforced unless waived or otherwise modified in writing by DEN Risk Management. Contractor is solely responsible for ensuring all formal policy endorsements are issued by their insurers to support the requirements herein.
12. The City shall have the right to verify, at any time, all coverage, information, or representations, and the insured and its insurance representatives shall promptly and fully cooperate in any such audit the City may elect to undertake including provision of copies of insurance policies upon request. In the case of such audit, the City may be subject to a non-disclosure agreement and/or redactions of policy information unrelated to the required coverage.

13. No material changes, modifications or interlineations to insurance coverage required under this Agreement shall be allowed without the review and written approval of DEN Risk Management.
14. Contractor shall be responsible for ensuring the City is provided updated Certificate(s) of Insurance ten (10) days prior to each policy renewal.
15. Contractor's failure to maintain the insurance required by this Agreement shall be the basis for immediate suspension and cause for termination of this Agreement, at the City's sole discretion and without penalty to the City.

EXHIBIT D

PERFORMANCE BOND

Bond No. PB10471600228

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned Covenant Aviation Security, LLC, a corporation organized under the laws of the State of Illinois, hereinafter referred to as the "Contractor" and Philadelphia Indemnity Insurance Company a corporation organized under the laws of the State of Pennsylvania and authorized to transact business in the State of Colorado, hereinafter referred to as Surety, are held and firmly bound unto the CITY AND COUNTY OF DENVER, a municipal corporation of the State of Colorado, hereinafter referred to as the "CITY", in the penal sum of One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00), lawful money of the United States of America, for the payment of which sum the Contractor and Surety bind themselves and their heirs, executors, administrators, successors and assigns, jointly and severally by these presents.

WHEREAS, the above Contractor has, as of the date of execution listed on the contract signature page, entered into a written contract with the City for furnishing all labor, materials, equipment, tools, superintendence, and other facilities and accessories for the construction of Contract No. 202159447, Den Security Services-Regulatory Services, Denver International Airport, in accordance with the Technical Specifications, Contract Drawings and all other Contract Documents therefor which are incorporated herein by reference and made a part hereof, and are herein referred to as the Contract.

NOW, THEREFORE, the condition of this performance bond is such that if the Contractor:

1. Promptly and faithfully observes, abides by and performs each and every covenant, condition and part of said Contract, including, but not limited to, its warranty provisions, in the time and manner prescribed in the Contract, and
2. Pays the City all losses, damages (liquidated or actual, including, but not limited to, damages caused by delays in the performance of the Contract), expenses, costs and attorneys' fees, that the City sustains resulting from any breach or default by the Contractor under the Contract, then this bond is void; otherwise, it shall remain in full force and effect.
3. This bond is for the term beginning October 1, 2022 and ending October 1, 2023. The bond shall be extended for additional terms at the option of the surety, by continuation certificate executed by the Surety in accordance with the Contract No. 202159447, Den Security Services-Regulatory Services.

IN ADDITION, if said Contractor fails to duly pay for any labor, materials, team hire, sustenance, provisions, provender, or any other supplies used or consumed by said Contractor or its subcontractors in its performance of the work contracted to be done or fails to pay any person who supplies rental machinery, tools, or equipment, all amounts due as the result of the use of such machinery, tools, or equipment in the prosecution of the work, the Surety shall pay the same in an amount not exceeding the amount of this obligation, together with interest as provided by law.

PROVIDED FURTHER, that the said Surety, for value received, hereby stipulates and agrees that any and all changes in the Contract or compliance or noncompliance with the formalities in the Contract for making

such changes shall not affect the Surety's obligations under this bond and the Surety hereby waives notice of any such changes.

(End of Page)

IN WITNESS WHEREOF, said Contractor and said Surety have executed these presents as of this 2nd day of June, 2022.

Covenant Aviation Security, LLC
CONTRACTOR

By: Michael Bolles
President

Philadelphia Indemnity Insurance Company
SURETY

By: James Moore
James Moore, Attorney-in-Fact

(Accompany this bond with Attorney-in-Fact's authority from the Surety to execute bond, certified to include the date of the bond.)

CITY AND COUNTY OF DENVER

By: _____
MAYOR

By: _____
Chief Executive Officer
Denver International Airport

APPROVED AS TO FORM:

KRISTIN M. BRONSON, Attorney for the
City and County of Denver

By: _____
Assistant City Attorney

PAYMENT BOND**Bond No. PB10471600228**

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned Covenant Aviation Security, LLC, a corporation organized under the laws of the State of Illinois hereinafter referred to as the "Contractor" and Philadelphia Indemnity Insurance Company, a corporation organized under the laws of the State of Pennsylvania, and authorized to transact business in the State of Colorado, hereinafter referred to as Surety, are held and firmly bound unto the CITY AND COUNTY OF DENVER, a municipal corporation of the State of Colorado, hereinafter referred to as the "CITY", in the penal sum of One Million Five Hundred Thousand and 00/100 [Proposal amount text] Dollars (\$1,500,000.00), lawful money of the United States of America, for the payment of which sum the Contractor and Surety bind themselves and their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the above Contractor has entered into a written contract with the City for furnishing all labor, materials, tools, superintendence, and other facilities and accessories for the construction of Contract No. 202159447 Denver International Airport, in accordance with the Technical Specifications, Contract Drawings and all other Contract Documents therefor which are incorporated herein by reference and made a part hereof, and are herein referred to as the Contract.

NOW, THEREFORE, the condition of this payment bond obligation is such that if the Contractor shall at all times promptly make payments of all amounts lawfully due to all persons supplying or furnishing it or its subcontractors with labor and materials, rental machinery, tools, or equipment, used or performed in the prosecution of work provided for in the above Contract and shall indemnify and save harmless the City to the extent of any and all payments in connection with the carrying out of such Contract which the City may be required to make under the law, then this obligation shall be null and void, otherwise, it shall remain in full force and effect;

PROVIDED FURTHER, that the said Surety, for value received, hereby stipulates and agrees that any and all changes in the Contract, or compliance or noncompliance with the formalities in the Contract for making such changes shall not affect the Surety's obligations under this bond and the Surety hereby waives notice of any such changes.

PROVIDED HOWEVER, this bond is for the term beginning October 1, 2022 and ending October 1, 2023. The bond shall be extended for additional terms at the option of the surety, by continuation certificate executed by the Surety in accordance with the Contract No. 202159447, Den Security Services-Regulatory Services.

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IN WITNESS WHEREOF, said Contractor and said Surety have executed these presents as of this 2nd day of June, 2022.

Covenant Aviation Security, LLC
CONTRACTOR

By: Michael Bolles
President

Philadelphia Indemnity Insurance Company
SURETY

By: James Moore
James Moore, Attorney-in-Fact



(Accompany this bond with Attorney-in-Fact's authority from the Surety to execute bond, certified to include the date of the bond.)

CITY AND COUNTY OF DENVER

By: _____
MAYOR

By: _____
**Chief Executive Officer
Denver International Airport**

APPROVED AS TO FORM:

**KRISTIN M. BRONSON, Attorney for the
City and County of Denver**

By: _____
Assistant City Attorney

PHILADELPHIA INDEMNITY INSURANCE COMPANY
One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004-0950

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS: That PHILADELPHIA INDEMNITY INSURANCE COMPANY (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint Stephen Kazmer, James Moore and Melissa Schmidt of Hub International Midwest Limited, its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$50,000,000.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY on the 14th of November, 2016.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 27TH DAY OF OCTOBER, 2017.

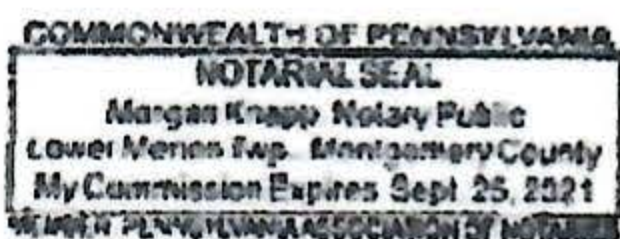
(Seal)



Robert D. O'Leary Jr.

Robert D. O'Leary Jr., President & CEO
Philadelphia Indemnity Insurance Company

On this 27th day of October, 2017, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the PHILADELPHIA INDEMNITY INSURANCE COMPANY; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.



(Notary Seal)

Notary Public:

Morgan Knapp

residing at:

Bala Cynwyd, PA

My commission expires:

September 25, 2021

I, Edward Sayago, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and the Power of Attorney issued pursuant thereto on the 27th day of October, 2017 are true and correct and are still in full force and effect. I do further certify that Robert D. O'Leary Jr., who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 2nd day of June, 2022



Edward Sayago

Edward Sayago, Corporate Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

State of Illinois }
 } ss.

County of DuPage }

On June 2, 2022, before me, a Notary Public in and for said County and State, residing therein, duly commissioned and sworn, personally appeared James Moore known to me to be Attorney-in-Fact of Philadelphia Indemnity Insurance Company the corporation described in and that executed the within and foregoing instrument, and known to me to be the person who executed the said instrument in behalf of the said corporation, and he duly acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year stated in this certificate above.

My Commission Expires 05/14/2024

Melissa Schmidt

Melissa Schmidt, Notary Public



Exhibit E**EXECUTIVE ORDER NO. 136****TO: All Departments and Agencies Under the Mayor****FROM: John W. Hickenlooper, Mayor****DATE: May 21, 2009****SUBJECT: Non-displacement of Qualified Workers under City Service Contracts**

Purpose: When a city service contract expires, and a follow-on contract is awarded for the same service, at the same location, the successor contractor or its subcontractors often hires the majority of the predecessor's employees. On some occasions, however, a successor contractor or its subcontractors hires a new work force, thus displacing the predecessor's employees.

The City and County of Denver's procurement interests in economy and efficiency are served when the successor contractor hires the predecessor's employees. A carryover work force reduces disruption to the delivery of services during the period of transition between contractors and provides the City and County of Denver benefits of an experienced and trained work force that is familiar with the city's personnel, facilities and requirements.

- 0.0 **Applicable Authority.** The applicable authority relevant to the provisions and requirements of this Executive Order is found in § 2.2.10 (A) and (C) of the Charter of the City and County of Denver, as well as in the Mayor's authority to make and enforce contracts on behalf of the City and County of Denver as set forth in §§ 2.2.3 and 2.2.4 of the Charter.
- 1.0 **Policy.** It is the policy of the City and County of Denver that city service contracts and solicitations for such contracts shall include a clause that requires the contractor, and its subcontractors, under a contract that succeeds a contract for performance of the same or similar services at the same location, to offer those employees (other than managerial and supervisory employees) employed under the predecessor contract whose employment will be terminated as a result of the award of the successor contract, a right of first refusal of employment under the contract in positions for which they are qualified. There shall be no employment openings under the contract until such right of first refusal has been provided. Nothing in this order shall be construed to permit a contractor or subcontractor to fail to comply with any provision of any other Executive Order or other applicable laws and policies.

2.0 **Applicability.** As used in this Executive Order, the term “city services contract” shall mean a contract entered into directly by the City and County of Denver with a private contractor to provide maintenance or operational services to a city building or facility, and to which either the city’s Living Wage Ordinance (Sec. 20-80, D.R.M.C.) or the city’s Prevailing Wage Ordinance (Sec. 20-76) otherwise applies; to wit, this Executive Order shall apply to contracts for the performance of work by the following types of service employees only:

- A. Parking lot attendant.
- B. Security guard.
- C. Child care worker at any public building or public parking facility owned by the city.
- D. Clerical support worker.
- E. Janitors or custodian, including window washers and other similar janitorial or custodial work.

3.0 **Authority to Exempt Contracts.** If the head of any department or agency finds that the application of any of the requirements of any requirement of this Executive Order would not serve the purposes of this order or would impair the ability of the City and County of Denver to procure services on an economical and efficient basis, the head of such department or agency may exempt its department or agency from the requirements of any or all of this Executive Order with respect to a particular city services contract or any class of city services contracts.

4.0 **Contract Clause.** The following contract clause shall be included in solicitations for city service contracts that succeed contracts for performance of the same service at the same location and in the contract itself:

“NONDISPLACEMENT OF QUALIFIED WORKERS

“(a) Consistent with the efficient performance of this contract, the contractor and its subcontractors shall, except as otherwise provided herein, in good faith offer those employees (other than managerial and supervisory employees) employed under the predecessor contract whose employment will be terminated as a result of award of this contract or the expiration of the contract under which the employees were hired, a right of first refusal of employment under this contract in positions for which employees are qualified. The contractor and its subcontractors shall determine the number of employees necessary for efficient performance of the work. Except as provided in paragraph (b) there shall be no employment opening under this contract, and the

contractor and any subcontractors shall not offer employment under this contract, to any person prior to having complied fully with this obligation. The contractor and its subcontractors shall make an express offer of employment to each employee as provided herein and shall state the time within which the employee must accept such offer, but in no case shall the period within which the employee must accept the offer of employment be less than 10 days.

“(b) The contractor shall retain, for a ninety (90) day transition employment period, qualified employees who have exercised their right to accept employment with the contractor as provided in paragraph (a) of this section. During the ninety (90) day transition employment period, the contractor shall not discharge without cause an employee retained pursuant to this section. For purposes of this section, the term “cause” shall include, but not be limited to, the employee’s conduct while employed under the predecessor contract that may have contributed to any decision to terminate the predecessor contract. At the end of the ninety (90) day transition employment period, the contractor shall perform a written performance evaluation for each service employee retained pursuant to this section. If the employee’s performance during such ninety (90) day period is satisfactory, the contractor shall offer the employee continued employment under the terms and conditions established by the contractor or as required by law; provided, however, nothing in this section shall be construed to create any right or entitlement to continued employment by the contractor for any particular period of time in excess of the ninety (90) day transition employment period.

“(c) Notwithstanding the obligation under paragraph (a) above, the contractor and any subcontractors (1) may employ under this contract any employee who has worked for the contractor or subcontractor for at least 3 months immediately preceding the commencement of this contract and who would otherwise face lay-off or discharge, (2) are not required to offer a right of first refusal to any employee(s) of the predecessor contractor who are not service employees within the meaning of Section 3.0 of Executive Order No. 136, and (3) are not required to offer a right of first refusal to any employee(s) of the predecessor contractor whom the contractor or any of its subcontractors reasonably believes, based on the particular employee’s past performance, has failed to perform suitably on the job.

“(d) The contractor shall, not less than 10 days before completion of this contract, furnish the contract administrator a certified list of the names of all service employees working under this contract and its subcontracts during the last month of contract performance. The list shall also contain anniversary dates of employment of each service

employee under this contract and its predecessor contracts either with the current or predecessor contractors or their subcontractors. The contract administrator will provide the list to the successor contractor, and the list shall be provided on request to employees or their representatives.

“e) If it is determined that the contractor or its subcontractors are not in compliance with the requirements of this clause, appropriate sanctions may be imposed and remedies invoked against the contractor or its subcontractors, as provided in this contract.

“(f) In every subcontract entered into in order to perform services under this contract, the contractor will include provisions that ensure that each subcontractor will honor the requirements of paragraphs (a) through (b) with respect to the employees of a predecessor subcontractor or subcontractors working under this contract, as well as of a predecessor contractor and its subcontractors. The subcontract shall also include provisions to ensure that the subcontractor will provide the contractor with the information about the employees of the subcontractor needed by the contractor to comply with paragraph (c) above. The contractor will take such action with respect to any such subcontract as may be directed by the contract administrator as a means of enforcing such provisions, including the imposition of sanctions for non-compliance: provided, however, that if the contractor, as a result of such direction, becomes involved in litigation with a subcontractor, or is threatened with such involvement, the contractor may request that the city enter into such litigation to protect the interest of the city.”

5.0 Enforcement. The head of the department or agency administering a particular city service contract is responsible for receiving any complaints, investigating, and obtaining compliance with this Executive Order and any contractual provision entered into pursuant to this order.

6.0 Severability. If any provision of this Executive Order, or the application of such provision to any person or circumstance, is held to be invalid, the remainder of this order and the application of the provisions of such to any person or circumstance shall not be affected. Thereby.

7.0 General Provisions.

7.1 Nothing in this Executive Order shall be construed to impair or otherwise affect the authority granted by law to any department or agency of the city.

- 7.2 This Executive Order shall be implemented consistent with applicable law and subject to the availability of appropriations.
- 7.3 This Executive Order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the City and County of Denver, its departments, agencies, officers, employees, agents, or any other person.

8.0 **Effective Date.** This order shall become effective immediately and shall apply to solicitations for city service contracts issued on or after the date set forth above.

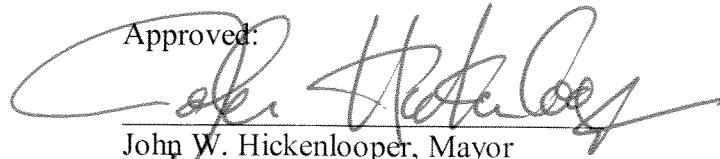
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Approved for legality:

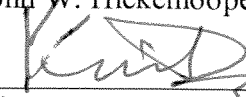


David R. Fine, City Attorney


Approved:



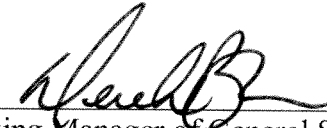
John W. Hickenlooper, Mayor



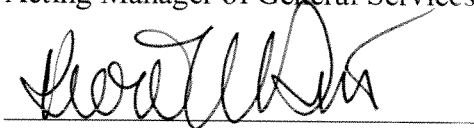
Kim Day
Manager of Aviation



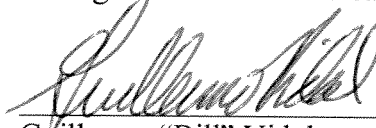
Nancy Severson
Manager of Environmental Health



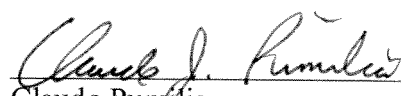
Acting Manager of General Services



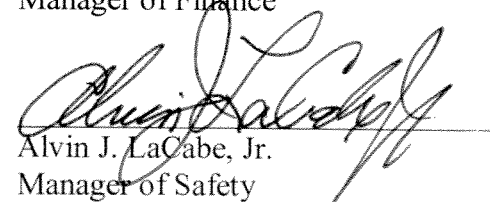
Kevin Patterson
Manager of Parks & Recreation




Guillermo "Bill" Vidal
Manager of Public Works




Claude Pumilia
Manager of Finance



Alvin J. LaCabe, Jr.
Manager of Safety



Patricia Wilson Pheanious
Manager of Human Services



Peter Park, Manager of Community
Development and Planning

Exhibit F



Covenant Aviation Security, LLC's MWBE Equity, Diversity, and Inclusion Plan DEN Security Services – Regulatory Services

Contract Number: 2021594477

**Signature Page**

This agreement has been executed by the signatories listed below. In addition to all applicable provisions of the MWBE Ordinance and any corresponding Rules and Regulations, Covenant Aviation Security, LLC shall comply with the requirements of this Approved Plan. Updates to this plan will be performed annually by Covenant Aviation Security, LLC and approved by DSBO, beginning in April of 2023 or at the request of DSBO.

X *Michael Bolles* **5/2/2022**

Michael Bolles
President
Covenant Aviation Security, LLC

X *Brittany Eroen* **5/4/2022**

Brittany Eroen (delegated authority from DSBO Director)
Compliance Supervisor
Division of Small Business Opportunity
City and County of Denver



MWBE, Equity, Diversity, and Inclusion Plan

CAS started out as a small business. We grew out of our small business status within one year of our founding. CAS has since grown to a team of more than 1,500 valued employees providing security services at airports nationwide while generating over \$130 million annually. Given our experience, we are passionate about helping MWBE firms grow their business. We have firsthand knowledge of the struggles and enormous time and effort needed to grow a business from the ground up. We also understand the assistance we can provide to small businesses, not only in providing additional work, but mentoring them to improve their business acumen for future success. We have a long and successful history of providing this mentorship to multiple firms and are excited to expand our reach to the Denver metropolitan area.

❖ Describe Engagement with Historically Underutilized Businesses in Ongoing Operations

Throughout our history, we have successfully engaged with and supported multiple underutilized businesses. We take pride in our extensive history teaming with small businesses and providing mentorship and guidance to allow small businesses to flourish. We have detailed multiple successful partnerships in *Section F, Past Performance*. Over the last ten years, we have subcontracted over \$25M of goods and services to small businesses, including \$13.7M to MWBEs.

In the table below, we identify our current small business partners, including the security providers we are teamed with at MCO and IAH (which are highlighted in blue).

CAS's Current Small Business Partners		
<ul style="list-style-type: none"> ✓ Champion Security Agency ✓ Naej Security Inc. ✓ Southeast Protection Services ✓ Airport Travel Agency, Inc. ✓ Topline Uniforms ✓ Arista Business Imaging Solutions ✓ Ascent Technology, Inc. ✓ Airport Travel Agency, Inc. 	<ul style="list-style-type: none"> ✓ CEIA USA ✓ Echelon Distribution ✓ ETD Direct Supply ✓ Express Maintenance ✓ Hayward Rubber Stamp ✓ Ibarra Brothers Printing ✓ Image Sales ✓ Labelcity, Inc. 	<ul style="list-style-type: none"> ✓ Lavi Industries ✓ Millbrae Lock ✓ Precision Labs, Inc. ✓ Regency Office Products ✓ Shred Works, Inc. ✓ The Mistral Group

Mentor Protégé Participation. CAS partnered with Excalibur Associates (then a Colorado based minority owned small business) to support our federal contract transition efforts and our Quality Assurance Program. CAS and Excalibur entered into a formal Department of Homeland Security Mentor-Protégé program so we could assist them in growing their business. This effort was so successful that Excalibur graduated from the federal Small Business Program when they exceeded \$19.2 million in annual revenue. In addition, prior to joining CAS, Michael Bolles ran an Entrepreneurial Technical Assistance Program (ETAP) here in Colorado through a consortium with the Colorado School of Mines. The ETAP was designed to award research grants between Colorado incubator companies and the Colorado State University system. As part of the program, the ETAP Executive Team (which included executives from CH2MHill in Englewood, Colorado) coached each company on how to develop their business.

CAS has committed the time of our President, Mr. Michael Bolles, to actively participate with our DEN MWBE partners in the City and County of Denver's Mentor-Protégé program. This will commence during the next mentorship cycle as established by the City and County of Denver which is expected late in calendar year 2022 per the City of Denver website. However, prior to



this structured program, CAS will be assisting our MWBE partner for this contract through the following actions:

- ✓ Assist our MWBE partners in developing pricing for Regulatory Security endeavors.
- ✓ Assist our MWBE partners in acquiring more cost-effective insurance options.
- ✓ Developing mutually beneficial pricing terms for service on this contract.
- ✓ Offering our MWBE partner to offer our health plan options to contract employees to promote equity between all employees. This is important since our health options are generally more costs effective due to the scale of our purchasing versus a smaller firm
- ✓ Offering our MWBE partner to use our uniform vendor to maintain a one team approach for this contract. Additional administrative function sharing is being considered.
- ✓ Ensuring that CAS trains and monitors performance of MWBE partner employees to the same level as CAS employees using our SAEFTY Act approved programs.
- ✓ Mentoring our MWBE partner management team how to successfully operate in the regulatory environment.

❖ Describe Equity, Diversity, and Inclusion Promoted Internally and Rooted within Company Through Programs

CAS is committed to Equity, Diversity, and Inclusion principles and reflects this in our company policies and practices. This includes all recruiting, hiring, training, promotional processes, and drafting of company rules. We have a zero tolerance for any action or employee that violates our commitment to these principles. When we have the opportunity to team with MWBE firms, we approach this process to maximize the opportunity we provide to MWBE firms and commit to providing the guidance and mentorship to assist with the growth of these firms. This is evident in our extensive partnerships with small business, our participation in Mentor-Protégé programs, and our continued commitment to exceeding all MWBE subcontracting goals at our sites nationwide.

A. Identify Key Personnel and Duties as it Relates to Execution of the MWBE EDI Plan

CAS is providing the following personnel and description of their duties as related to this plan:

Role	Contact Information and Duties
B2GNow Facilitator	<p>Christine Mueller, Executive Vice President of Finance Chris.mueller@covenantsecurity.com, 630-771-1133</p> <p>Duties: Maintain user profile in B2GNow system to monitor small business certifications of subcontractors; monitor for outreach and program notices; and facilitate prompt payment to CAS MWBE partners for this contract. Ms. Mueller will also be responsible for monthly reporting of contract activity and auditing of performance versus stated goals.</p>
Project Manager	<p>Steven Scott, Site Director Steven.scott@covenantsecurity.com, 585-721-4774</p> <p>Duties: Provide leadership to all CAS DEN assigned personnel; enforce CAS Equity, Diversity, and Inclusion principles at DEN site; ensure the fair and equitable treatment of all CAS and MWBE Partner employees.</p>
Controller	<p>Jerry Park, Chief Financial Officer Jerry.park@covenantsecurity.com, 630-771-1122</p> <p>Duties: Establish subcontracting agreements with CAS MWBE partners; negotiate fair pricing agreements; support and mentor MWBE firms during</p>



	tenure of subcontract; initiate CAS participation in Denver Citywide Mentor-Protégé Program.
Outreach/ Community Engagement Coordinator	Jim Brown, Vice President of Human Resources Jim.brown@covenantsecurity.com , 630-771-1155 Duties: Ensure CAS maintains commitment to Equity, Diversity, and Inclusion principles in all business practices to include recruiting, hiring, promotional opportunities; participate in outreach events; review any reports of failure to uphold CAS Equity, Diversity, and Inclusion standards and apply corrective action.

B. MWBE Utilization Strategies.

CAS undertook an inclusive and equitable review of twelve Denver MWBE certified firms. CAS used the City of Denver's Certified Vendor Directory in the Certification and Contract Management System to identify firms that provide security services and downloaded the complete list. At the time of download in September 2021, there were twelve firms, all of which we contacted. Six of the twelve companies affirmatively responded to our initial inquiry. Of those, we down selected the top four that had the experience to successfully partner with CAS at DEN given the regulatory environment in which we must operate. Those four firms then underwent extensive additional review including face-to-face meetings, a tour of their existing operations, and their filling out a comprehensive questionnaire. From there, CAS invited three candidates to submit pricing data. Of those three, one opted to withdraw from consideration, one candidate's mark-up was deemed non-competitive, while the other's pricing was deemed competitive. Out of that process, we are proud to announce that we propose Advanced Professional Security (APS) to be our MWBE partner on the DEN contract (at the 5% participation rate). We note that APS is the current security contractor on the Great Hall Project.

However, in addition to APS, the other company we considered to be fully qualified was LFL International, but their mark-up rate was not competitive enough to be considered an initial partner with us on the DEN contract. That being said, our intention is to pursue a Mentor-Protégé agreement with LFL International. Part of the goal will be to assist LFL International in improving their cost profile. If that effort is successful, our intent is to approach DEN to add this second subcontractor onto the contract with the objective of increasing the total MWBE participation to up to 10%.

Additionally, CAS strives to incorporate a diverse group of small businesses in terms of the purchases we make to support our security operations. We have found great success in partnering with underutilized businesses and commit to continuing this practice. For the provision of contract support items such as uniforms, consumables, and other supplies or services, we utilize our established vendor database that has been developed through our formal small business outreach program. We will revise our database to incorporate any additional Denver local MWBE businesses who can provide the required contract support items.

C. Technical Assistance & Support Services.

CAS considers our MWBE subcontractors as partners in our success. When subcontracting with an MWBE, our goal is to help the firm grow their business and develop successful business practices for long term success. Our DEN Site Director and Corporate Support team will be readily available to our MWBE partners should there be any issues or questions that need resolution. We



will provide mentorship and guidance on how to grow their business, and, to formalize this process, plan on participating in the City and County of Denver Mentor Protégé program.

Mutually Beneficial Contract Terms. During the procurement process, we collaborated with our potential MWBE partners to create a subcontracting plan that will assist our MWBE partners as needed. This process includes assessing the capacity and capability of the MWBE firm to perform the required work scope and all activities needed, and then determined which elements the MWBE firm can complete independently, and which need CAS assistance. This is a critical step since we must operate within the capacity and capability of the MWBE firm initially until we successfully work toward the MWBE firm being capable of completing all required actions independently. After this assessment has been completed, we may find it preferable that CAS provides some or all the following: (1) recruiting and onboarding new hires (to include preliminary assessment actions such as background and drug testing), (2) providing uniforms, (3) training all personnel, (4) scheduling of employees, (5) providing daily supervision and relief, (6) providing access to our Employee Assistance Program for MWBE employees assigned to this contract, and (7) allowing our MWBE partners to participate in our Health Care offerings if the MWBEs either do not offer health care or if the cost of their health care is prohibitively expensive.

Financial Support. CAS will ensure that the wages and benefits provided to MWBE employees providing services on this contract are equivalent to our CAS employees. If our MWBE partners do not have the financial ability to provide the same level of benefits, CAS will work with them so they can offer the CAS plans to their employees.

After conducting our standard financial due diligence of an MWBE, CAS may provide limited payment assistance to the firm in the form of “funds advancement” for services provided. We will also include a prompt payment clause with terms compliant to the City of Denver DSBO Ordinance in our MWBE’s subcontract to provide reassurance to the firm that funds will be available. CAS will then provide support to the firm to prepare accurate and timely invoices. If needed, CAS will also assist the firm in creating banking relationships and obtaining a line of credit to assist with cash flow needs. CAS can leverage our own banking relationships, strong balance sheet, and substantial line of credit to assist in providing resources to our MWBE partners.

Prompt Communication. CAS will establish formal communication protocols to include specific points of contact based on certain aspects of the contract, (e.g., operations and finance). CAS’s Site Director will ensure seamless incorporation of MWBE personnel into the security operation and ensure each is provided the same level of support as that provided to our CAS employees. We will incorporate MWBE employees into the operational scheduling, training, supervision, communications, and quality assurance processes so all employees are provided the same level of assistance and preparation to achieve contract performance expectations. This includes:

- ✓ Entering MWBE personnel into our scheduling system so we can provide work schedules and confirm time and attendance for accurate pay.
- ✓ Having our trainers provide new hire, recurrent, and remedial training according to our approved training program, with documentation available for MWBE Management review.
- ✓ Our MWBE partners will be included into our Quality Assurance Program and under the tutelage of our QA/Compliance Specialist. Feedback will be provided immediately to the MWBE personnel with performance reviews provided to MWBE Management.
- ✓ Our MWBE partner personnel will be eligible to participate in DEN’s Incentive Program.



CAS's Site Director for this contract will routinely communicate with our MWBE partner on all operational aspects of the contract (performance, scheduling, supervision, and other planning topics). On a daily basis, the CAS Site Director and Leadership Team will communicate in person with on duty MWBE personnel to ensure we provide support and assistance in the same manner as we do on duty CAS personnel. Additionally, we will implement a standing monthly meeting between our Site Director and our MWBE Partner Management Team to review past month performance, address any concerns, and plan upcoming month assignments. This meeting will be conducting in person when possible, but could also be conducted virtually should it be necessary. Depending on topics covered, CAS will also include our key personnel as listed in **Section A. Identify Key Personnel and Duties as it Relates to Execution of the MWBE EDI Plan** to ensure we have the participants needed to cover all financial, reporting, and engagement activity topics.

SAFETY Act Protection. CAS's DHS SAFETY Act extends to our MWBE partners. The process for a MWBE to achieve their own SAFETY Act Certificate is arduous, time consuming, expensive, and requires levels of insurance that can be cost prohibitive for smaller firms. Given this, we will integrate our MWBE partners into our SAFETY Act protocols. This will provide our MWBE partners the same level of protection offered to CAS by this federal program.

D. Procurement Process.

Our procurement process was designed for an "active inclusion" approach with our MWBE partners to ensure an equitable process. Our goal was to start with the complete list of twelve Denver certified MWBE firms (as listed in the City of Denver's Certified Vendor Directory in the Certification and Contract Management System) and filter down the list to firms that would flourish in the highly regulated airport security environment. This was a multi-tiered process that began with conducting initial outreach to determine which firms were interested in working with CAS. During each step of the process, we engaged in open dialogue and provided information on expected contract scope of work, performing in the regulated environment, contract terms including MWBE participation, and some information on CAS so each firm could assess the opportunity. Feedback was provided to each firm during the process to ensure each had the necessary information to make informed decisions and determine if they wanted to considering teaming.

The first step was to assess the MWBE firm's desire to work with CAS and in the regulated environment, which for some was not of interest. Once we filtered down the complete list to those who expressed interest, CAS performed an initial review of available information from websites and other public sources of information. After reviewing each website, we then contacted the candidate firms and provided introductory information on the potential subcontracting opportunity and anticipated scope of work. Each firm was then asked to contact our Small Business Subcontractor Selection Team to confirm their interest in proceeding with the process (this team was comprised of our President, Mr. Michael Bolles, our Chief Financial Officer, Mr. Jerry Park, and our Director of Operations, Ms. Monica Lewis).

We then spoke to each interested firm to gain a better understanding of the company to include their years in business, management experience, current security operations, financial and insurance capacity, and a discussion on managing the expected work for this contract. Each firm was then asked to complete and return a short questionnaire. This process allowed us to become more familiar with each firm to assess a potential partnership.



At this point, we scheduled in-person meetings with each interested firm. We feel in-person meetings allow for both the interested firm and CAS to ask questions and assess whether a partnership is desired. In person meetings also allow for relationship building and enhance the communication process.

After conducting the in-person meetings and reviewing all information collected, we finalized ratings for each interested firm and noted which firm provides the best prospect to successfully work in DEN's regulatory environment. We then worked with the selected firms to discuss pricing. During the pricing assessment, we determined a framework that accounts for the MWBE firm's activities versus those activities CAS needs to provide to the MWBE firm. These pricing details ensured we remained cost effective for the City and County of Denver and eliminated overlapping responsibility that could create cost inefficiencies.

This process was used for the for identifying MWBE firms to partner with on the DEN Security Services – Regulatory Services contract. As we state on page 4, we initially contacted twelve companies. Six of the twelve companies affirmatively responded to our initial inquiry. Of those, we down selected the top four that we concluded had the experience to successfully partner with CAS at DEN. Those four firms then underwent extensive additional review. From there, CAS invited three candidates to submit pricing data. Of those three, one opted to withdrawal from consideration, one candidate's mark-up was deemed non-competitive, while the other candidate's mark-up was deemed competitive. Out of that process, we proposed the candidate with the initial competitive mark-up, Advanced Professional Security (APS), as our MWBE partner on the DEN contract (at the 5% participation rate).

Since then, APS has indicated that they made a mistake in their initial pricing and their actual pricing may be higher. Inversely, the candidate whose pricing was originally found to be non-competitive has approached us and informed us that they too made a mistake in their pricing and their actual pricing may be lower. Accordingly, we are currently working with both candidates to have finalize their pricing to ensure that our MWBE partner(s) represent a best value to the City and County of Denver.

Our subcontract will include key contract clauses in our prime contract with the City and County of Denver, including Executive Order 136 (Non-Displacement of Qualified Workers) and a commitment to Labor Harmony.

Should CAS not meet our MWBE goals, our key personal identified ***Section A. Identify Key Personnel and Duties as it Relates to Execution of the MWBE EDI Plan*** will meet with our MWBE Partner and perform a cause analysis to determine what has impacted our ability to meet our goal. Once we as a team understand the cause of this situation, we will create an action plan to address. Our team will status our progress to ensure improved performance. In addition, we will have an alternative MWBE partner that will be acceptable to the City and County of Denver as an option to ensure we meet or exceed the MWBE goals.

Similarly, should our proposed MWBE partner not be available for this contract, we will have an alternative MWBE as an alternative partner. Our proposed change will be submitted to the City of Denver for review, and upon approval, will implement the change to a new MWBE firm so we can achieve our contract goal.



E. Communication and Vendor Management

Our primary point of contact was our CFO, Mr. Jerry Park, and the management counterparts in each MWBE firm. Now that we have chosen our preferred MWBE (in this case, Advanced Professional Security), the next step will be for Mr. Park to work with APS to finalize the terms of the subcontract, including details on what support services CAS will provide to APS and the requisite charge-back to account for the cost of those services. The subcontract will also include terms related to dispute resolution, quality assurance, recordkeeping, insurance requirements, and invoicing procedures. This subcontract will be drafted in a transparent and collaborative manner so that mutually beneficial terms are reached, and each party is satisfied.

Additionally, CAS's Site Director will ensure seamless incorporation of MWBE personnel into the security operation. Our Site Director and staff will communicate all information in a timely manner so that all employees have the necessary information, training, and tools to perform successfully. Additionally, we will:

- ✓ Provide new hire, recurrent, and remedial training to CAS and MWBE firm employees to the same standards and on defined schedules so each can be provided the necessary information and instruction to be successful.
- ✓ Ensure that all scheduling of CAS and MWBE firm employees is done in a fair and consistent manner and in compliance to all requirements.
- ✓ Monitor performance of CAS and MWBE firm employees identically and provide feedback to ensure successful performance of all employees.
- ✓ Ensure onsite CAS supervision that both CAS and MWBE firm employees can speak with should they need further information or have concerns.
- ✓ Ensure that all necessary supplies, safety measures, and other needed items are provided timely to all CAS and MWBE firm employees.

Our Site Director will also serve as the point of contact for all MWBE management questions and concerns. This direct communication from site leadership to our MWBE management team will ensure that all questions and concerns are resolved promptly. Should there be any questions related to payment or other contract terms, our Site Director will seek additional support from our CFO to ensure prompt resolution. Should any issues arise, we are committed to resolving in a collaborative manner. And although we will have a dispute process defined in our subcontract, we expect that the team of CAS and MWBE firm can work together to resolve any issues prior to that formal process. Should we encounter a situation that cannot be resolved through these procedures, we commit to communicating with the City of Denver DSBO and will be happy to engage in further resolution efforts.

F. Past Performance

We are providing our internal and external successes below in regard to promoting equity, diversity, and inclusion.

Internal Success. We operate coast-to-coast, from Northern California to Central Florida. Our workforce represents the wide swath of the cultural and socio-economic diversity that makes this country so special.

CAS is committed to recruiting from the communities in which we serve. In fact, our current workforce demographics support our continued recruitment from the communities in support of



Equity, Diversity, and Inclusion principles. This is highlighted by the demographics reflected in the chart to the right.

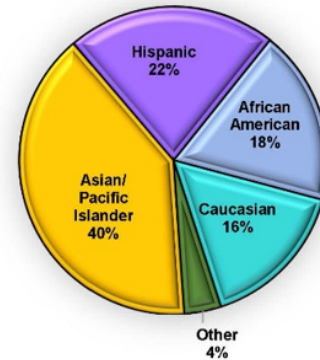
Since we recruit from the local community, our goal of in-house promotions supports the CAS mission that our leadership team also represents the communities in which they serve. In fact, of our Operational Site Management team, 93% have been promoted from within, with 79% starting at the entry level. Further, almost 80% of our Operational Site Management are persons of color or women, representing CAS's commitment to equity, diversity, and inclusion.

External Success. Throughout our history, we have successfully engaged with and supported multiple underutilized businesses. We are proud of our extensive and successful history teaming with small businesses, providing mentorship and guidance to allow small businesses to flourish. This extensive history is demonstrated in the following success stories:

- ✓ Since 2007, CAS has successfully partnered with our MWBE and LDB partners to meet the Greater Orlando Aviation Authority's small business combined subcontracting goal of 22%. This resulted in being awarded the Small Business Advocate of the Year in 2013. To this day, we continue to provide mentorship and support that promotes success for these valued partners.
- ✓ In 2019, CAS was re-awarded the personnel screening contract at the Orlando International Airport that requires four assistant managers. Due to the significant number of MWBE employees assigned to this contract, CAS made the intentional decision to designate one of the Assistant Manager positions to our MWBE partner. This presented a growth opportunity that would otherwise not have been available to a high performing member of our MWBE partner.
- ✓ At George Bush International, we currently work with our MWBE partner in support of the City of Houston's small business subcontracting goals. We have committed to up to 14% of contract value to our MWBE partner and work collaboratively towards this goal.
- ✓ As part of our federal contracting, CAS is required to subcontract to small business enterprises a certain percentage of all subcontracted work. CAS routinely and considerably exceeds this

Covenant Aviation Security Workforce Ethnicity

Covenant takes great pride that our workforce represents the ethnicity of the communities we serve.



MWBE Partner Testimonials

"Covenant Aviation Security's planning, practice, hard work, and insights were invaluable in preparing NAEJ for the tough road that lay ahead in the private security sector."

Bobby Powell, NAEJ Security, Inc.

"We can assuredly say that Champion is more capable of providing high-quality security service as a result of partnership with Covenant Aviation Security."

Larry Kossie, Champion Security Agency



requirement and continues to provide meaningful work to multiple small businesses. This has resulted in being rated as “Very Good” by the TSA during our past contract performance rating cycles.

- ✓ In the last ten years, CAS has subcontracted over \$25 million to small businesses, with over \$13.7 million going to MWBE firms.
- ✓ As we discussed on page 2, we have successfully partnered with Excalibur, a Colorado based, minority-owned small business and entered into a formal Department of Homeland Security Mentor-Protégé program with them. That effort was so successful that Excalibur graduated from the federal Small Business Program after they exceeded \$19.2 million in annual revenue. In addition, CAS’s Michael Bolles previously ran an ETAP here in Colorado that was quite successful in assisting numerous Colorado small businesses through a consortium with the Colorado School of Mines.

G. Proposer’s Culture

CAS started as a small business, and we understand the challenges associated with growth and success. We have empathy for this process and strive to support underutilized businesses to provide opportunities for success. As shown in the examples provided in this plan, we have witnessed our subcontractor partners become very successful and are thrilled to have contributed to that success. We are committed to Equity, Diversity, and Inclusion principles, and this reflects in our company policies and practices. This includes all recruiting, hiring, training, and promotional processes. We have a zero-tolerance policy for any situation or employee that violates our principles.

We understand that the ramifications of implicit bias have the potential to damage relationships and create an environment of exclusivity. CAS feels a strong obligation to combat the complicated matter of implicit bias by raising awareness through education and leading by example. Although there is no immediate cure for implicit bias, CAS endeavors to continually raise awareness through thoughtful communication, training, and constant encouragement so that individuals shift their inherent way of thinking.

Creating an atmosphere in which all employees feel part of the same team whether they work for CAS or the MWBE partner(s) is a top priority. Our goal is that every single person is respected and understands that it takes the entire team to achieve greatness. When we have the opportunity to team with an MWBE firm, harmony between CAS and MWBE employees is essential to mission effectiveness. To reinforce this value, we make certain that all wage and benefits provided to the workforce line-up so there is no conflict between employees. We establish mutually beneficial subcontracts that specifically detail the wages and benefits to provide equity to the workforce. This may include CAS providing health benefit options from our portfolio to subcontractor employees to ensure equity and inclusiveness. This proactive approach ensures both CAS and our subcontractor partners can be successful.

As mentioned previously in this section, we have voluntarily participated in Mentor-Protégé programs to demonstrate our commitment to supporting smaller businesses success. We do this because we believe it is the right thing to do. We look forward to and will seek out additional opportunities to do so in the future, including the City and County of Denver’s program, where we can mentor MWBE firms to benefit the local community.



H. Future Initiatives

CAS is committed to the continued support of historically underutilized businesses in our current and future initiatives.

Continued CAS Initiatives. CAS has implemented the below initiatives into our current operations and look forward to continuing these processes that support Equity, Diversity, and Inclusion principles.

- ✓ *Continued “Active Inclusion” Process of Subcontracting.* Our current process ensures we provide the opportunity to underutilized businesses that express interest in working with CAS. We will continue this equitable process not only in future Denver based opportunities but in other situations where we are exploring teaming with small business firms.
- ✓ *Continued Business Development Support for Subcontractors.* We are committed to providing mentorship and business support for our small business partners to assist in growing their business. This is evident when we ensure labor harmony in pay and benefits to all employees, whether they work for CAS or our MWBE partner. This process may even include volunteering our health benefit options to small business partners who may not have the options we have. We will continue these beneficial practices.
- ✓ *Continued Recruitment from the Communities We Serve.* CAS is committed to representing the communities we serve and recruiting from the local population. We will continue this inclusive process and provide job opportunities to those who express interest.
- ✓ *Continued Internal Promotional Process to Support Communities.* Since we commit to recruiting from the diverse communities, our internal promotional process will continue to support community advancement when supervisory and management positions become available. We strive to provide these opportunities in the most equitable process and ensure that our current underrepresented workforce has the first chance at any opportunity.

New CAS Initiatives. CAS looks forward to further development of processes that support Equity, Diversity, and Inclusion principles in the Denver community. These include the following activities to be assessed and completed within five years:

- ✓ *Participation in City and County of Denver Citywide Mentor-Protégé Program.* CAS plans to participate with our MWBE partners in the 2022/2023 City program as part of our commitment to provide valuable guidance to help scale their businesses and seek future opportunities. CAS’s President, Mr. Michael Bolles, will personally participate in our Mentor-Protege program. We will monitor the City of Denver website for information as to when we can submit our application for this program and additional information.
- ✓ *Exceeding MWBE Goals.* As we stated on page 4, we have selected Advanced Professional Security to be our MWBE partner on the DEN contract (at a 5% participation rate). In addition to APS, another company we considered to be fully qualified was LFL International, but their mark-up rate was not competitive to initially be a partner with us. However, our intention is to enter into a City and County of Denver Mentor-Protégé program with LFL International. Part of the goal will be to assist LFL International in improving their cost position. If that effort is successful, we plan to approach DEN to add LFL International as a second subcontractor (with the objective of increasing the total subcontractor participation between the two MWBEs participation to up to 10%).

*CAS MWBE Equity, Diversity, and Inclusion Plan*

- ✓ *Update CAS Underutilized Business Partner List to Include City of Denver Businesses.* After transition of this contract, we will assess our small business listings and update our list with local Denver firms that can provide valuable support. This will enhance our commitment to the local Denver community. We plan to provide small business opportunities over the life of the contract.
- ✓ *Assess Development of CAS Internship Program.* CAS is committed to developing the next generation of leaders. One such idea being discussed for possible future implementation is an internship program using candidates from the Metropolitan State College of Aviation and Aerospace Science Department. The program will allow candidates to gain valuable experience and develop their skill set. Should this come to fruition, we will incorporate Equity, Diversity, and Inclusion principles into the development of the program and selection of candidates.
- ✓ *Provide Continuing Equity, Diversity, and Inclusion Education to Site Leadership.* CAS is committed to supporting Equity, Diversity, and Inclusion through continuous education and will explore opportunities to partner with entities specializing in this area (i.e., the National Equity Project).