

**FIRST AMENDMENT TO LEASE NO. LAA-8781
BETWEEN CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS
AND UNITED PARCEL SERVICE, INC.
FOR PREMISES AT 6041 W. IMPERIAL HIGHWAY,
LOS ANGELES, CALIFORNIA**

THIS FIRST AMENDMENT TO THE LEASE (this "First Amendment") is made and entered into as of September 6, 2018 (the "Amendment Effective Date") between the City of Los Angeles, acting by and through its Board of Airport Commissioners ("Board") of the Los Angeles World Airports ("LAWA"), a department of the City of Los Angeles (collectively, "City"), and UNITED PARCEL SERVICE, INC. ("Lessee"). City and Lessee are each a "Party" to this First Amendment, and collectively are referred to herein as "Parties". Los Angeles International Airport is referred to herein as "Airport".

RECITALS

The Parties hereby acknowledge and agree that their respective decisions to enter into this First Amendment are premised on the following recitals which set forth certain facts upon which the Parties agree:

A. City and Lessee entered into a Lease dated September 6, 2013 for premises at 6041 W. Imperial Highway at Los Angeles International Airport, which lease was designated as Lease no. LAA-8781 (the "Lease"). Unless otherwise specified, all capitalized terms in this First Amendment shall have their meanings as set forth in the Lease.

B. The Parties have agreed to extend the term of the Lease under the terms and conditions of this First Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Term of the Lease. Article 1, Section 2.1 is hereby deleted in its entirety and replaced with the following:

"2.1 This Lease shall commence as of the Effective Date and shall expire seven (7) years from the Effective Date, subject to the Extension Option in Section 2.1.1 below, unless earlier terminated pursuant to the terms provided in this Lease. Either Party may terminate the Lease upon ninety (90) days' prior written notice to the other Party.

2.1.1 Extension Option. There will be two (2) options (each an "Extension Option") to extend the Term of this Lease for an additional one (1) year each, at City's discretion

Section 6. Rights of United States Government; National Emergency. The Lease and this First Amendment shall be subordinate to the provisions and requirements of any existing or future agreement(s) between City and the United States relative to the development, operation or maintenance of LAX, including but not limited to Airport Grant Assurances. Furthermore, the Lease and this First Amendment shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, taking over, or use (whether exclusive or nonexclusive) of LAX during war or a national emergency.

Section 7. Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this First Amendment attached thereto.

SIGNATURE BLOCKS

IN WITNESS WHEREOF, the parties hereto have themselves or through their duly authorized officers caused this Lease to be executed as of the day and year hereinbelow written.

APPROVED AS TO FORM:

MICHAEL N. FEUER,
City Attorney

CITY OF LOS ANGELES

Date: 8/16/18

By: [Signature]
Deputy/Assistant City Attorney

By _____
Executive Director
Department of Airports

ATTEST:

UNITED PARCEL SERVICE, INC.

By [Signature]
Secretary (Signature)
Assistant Treasurer
James R. Kelly
Print Name

By [Signature]
Signature
James T. Miller
Print Name

[SEAL]

Assistant Secretary
Print Title

LOS ANGELES WORLD AIRPORTS

United Parcel Service, Inc.

Air Freight 4 Building - 6041 West Imperial Highway, LAX

PAYMENTS¹
(Effective September 6, 2018)

<u>Description</u>	<u>Area (Square Feet)</u>	<u>Rate/PSFPY^{2,3}</u>	<u>Monthly Amount</u>
Land (Cargo)	47,895	\$3.51	\$14,009.29
Building	13,795	\$20.25	\$23,279.06
Auto Paving	24,256	\$0.41	\$828.75
Aircraft Paving	9,844	\$0.81	\$664.47
		Total Monthly Rent:	<u>\$38,781.57</u>

Initial Faithful Performance Guarantee (FPG): **\$116,345**³

Note:

1. Rental, fees and other charges, as set for the in this Exhibit B are subject to adjustment pursuant to the terms of this lease.
2. Rates are July 2018 rates and will be adjusted annually for CPI with minimum 2% increase.
3. The rates are rounded to the nearest hundredth. The actual rates may be calculated by LAWA Accounting Services rounded to five decimal points.
4. The FPG amount is three times the total monthly rent.

Equal Benefits Ordinance

LAWA EBO COMPLIANCE

FOR LAWA CONTRACTORS ONLY

City of Los Angeles
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
1149 S. Broadway, Suite 300, Los Angeles, CA 90015
Phone: (213) 847-2625 E-mail: bca.ecoe@lacity.org

EQUAL BENEFITS ORDINANCE COMPLIANCE AFFIDAVIT

Prime contractors must certify compliance with Los Angeles Administrative Code (LAAC) Section 10.8.2.1 et seq. prior to the execution of a City agreement subject to the Equal Benefits Ordinance (EBO).

SECTION 1. CONTACT INFORMATION

Company Name: United Parcel Service, Inc. (OH)
Company Address: 1201 W. Olympic Blvd.
City: Los Angeles State: CA Zip: 90015
Contact Person: Morgan Price Phone: 213-612-8412 E-mail: mdprice@ups.com
Approximate Number of Employees in the United States: 345,709
Approximate Number of Employees in the City of Los Angeles: 3,155

SECTION 2. EBO REQUIREMENTS

The EBO requires City Contractors who provide benefits to employees with spouses to provide the same benefits to employees with domestic partners. Domestic Partner means any two adults, of the same or different sex, who have registered as domestic partners with a governmental entity pursuant to state or local law authorizing this registration, or with an internal registry maintained by the employer of at least one of the domestic partners.

Unless otherwise exempt, the contractor is subject to and shall comply with the EBO as follows:

- A. The contractor's operations located within the City limits, regardless of whether there are employees at those locations performing work on the City Contract; and
- B. The contractor's operations located outside of the City limits if the property is owned by the City or the City has a right to occupy the property, and if the contractor's presence at or on the property is connected to a Contract with the City; and
- C. The Contractor's employees located elsewhere in the United States, but outside of the City Limits, if those employees are performing work on the City Contract.

A Contractor must post a copy of the following statement in conspicuous places at its place of business available to employees and applicants for employment:

"During the performance of a Contract with the City of Los Angeles, the Contractor will provide equal benefits to its employees with spouses and its employees with domestic partners."

ROR

LAWA EBO COMPLIANCE

SECTION 3. COMPLIANCE OPTIONS

I have read and understand the provisions of the Equal Benefits Ordinance and have determined that this company will comply as indicated below:

- I have no employees.
I provide no benefits.
I provide benefits to employees only.
I provide equal benefits as required by the City of Los Angeles EBO.
I provide employees with a "Cash Equivalent."
All or some employees are covered by a collective bargaining agreement (CBA) or union trust fund.
Health benefits currently provided do not comply with the EBO.
Our current company policies, i.e., family leave, bereavement leave, etc., do not comply with the provisions of the EBO.

SECTION 4. DECLARATION UNDER PENALTY OF PERJURY

I understand that I am required to permit the City of Los Angeles access to and upon request, must provide certified copies of all company records pertaining to benefits, policies and practices for the purpose of investigation or to ascertain compliance with the Equal Benefits Ordinance.

United Parcel Service, Inc will comply with the Equal Benefits Ordinance requirements
Company Name

as indicated above prior to executing a contract with the City of Los Angeles and will comply for the entire duration of the contract(s).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that I am authorized to bind this entity contractually.

Executed this 9th day of August, in the year 2018, at Louisville, KY

Signature: James T. Miller
Name of Signatory (please print): James T. Miller
Title: Assistant Secretary

Mailing Address: 1400 N. Hurstbourne Pkwy
Louisville, KY 40223
EIN/TIN: 36-2407381

* In accordance with Section 31.1 of applicable lease.

REP