

File No. 100183

Committee Item No. 5
Board Item No. 6

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 3/24/10

Board of Supervisors Meeting

Date 3/30/10

Cmte Board

<input type="checkbox"/>	<input type="checkbox"/>	Motion
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	<input type="checkbox"/>	Ordinance
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Digest
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Budget Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Legislative Analyst Report
<input type="checkbox"/>	<input type="checkbox"/>	Introduction Form (for hearings)
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Department/Agency Cover Letter and/or Report
<input type="checkbox"/>	<input type="checkbox"/>	MOU
<input type="checkbox"/>	<input type="checkbox"/>	Grant Information Form
<input type="checkbox"/>	<input type="checkbox"/>	Grant Budget
<input type="checkbox"/>	<input type="checkbox"/>	Subcontract Budget
<input type="checkbox"/>	<input type="checkbox"/>	Contract/Agreement
<input type="checkbox"/>	<input type="checkbox"/>	Award Letter
<input type="checkbox"/>	<input type="checkbox"/>	Application
<input type="checkbox"/>	<input type="checkbox"/>	Public Correspondence

OTHER

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<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<u>Lease</u>
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Completed by: Gail Johnson
Completed by: YG

Date 3/19/10
Date 3/25/10

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

0

د. محمد

1 [Approve a Lease with the U.S. Government for Space to be Occupied by the U.S. Drug
2 Enforcement Administration at Terminal 3 of the Airport.]

3 **Resolution approving and authorizing the execution of Lease No. 10-0015 with the U.S.**
4 **Government for office space to be occupied by the U.S. Drug Enforcement**
5 **Administration, a Federal agency, in Terminal 3 at San Francisco International Airport.**

6
7 WHEREAS, The U.S. Drug Enforcement Administration (the "DEA"), an agency of the
8 Federal Government, has occupied Category III space on Level 1 of Terminal 3 since
9 June 2004 pursuant to Lease GS-09B-02354, approved by Commission Resolution 04-0106,
10 adopted on May 18, 2004; and

11 WHEREAS, The aforementioned lease will terminate no later than September 30, 2010
12 and the DEA must relinquish the space due to the Airport's Upper Roadway Seismic Retrofit
13 Project; and

14 WHEREAS, Airport staff has identified alternate suitable space in Terminal 3, Level 1
15 to accommodate the DEA's administrative functions and the DEA wishes to occupy this space
16 at the Airport to continue its Federal function at the Airport; and

17 WHEREAS, the DEA wishes to enter into a new lease for approximately two thousand
18 six hundred and twelve (2,612) square feet of office space in Terminal 3; and

19 WHEREAS, Airport staff has negotiated a new lease with the DEA with a term of five
20 (5) years, three (3) years firm, for office space in Terminal 3 to accommodate the DEA's
21 Federal function at the Airport (the "Lease") at an annual rent of \$341,075; and

22 WHEREAS, On January 10, 2010, pursuant to Resolution No. 10-0015, the Airport
23 Commission approved the Lease with the U.S. Government. A copy of the form of the Lease
24 is on file with the Clerk of the Board of Supervisors in File No. 100183, which is hereby
25 declared to be a part of this resolution as if set forth fully herein; now, therefore, be it

1 RESOLVED, That this Board of Supervisors hereby approves the five (5) year Lease,
2 three (3) years firm, for office space in Terminal 3 between the U.S. Government and the City
3 and County of San Francisco, acting by and through its Airport Commission.

Item 5
File 10-0183

Department(s):
San Francisco Airport (Airport)

EXECUTIVE SUMMARY

Legislative Objective

- The proposed resolution would approve a new lease, between the San Francisco Airport (Airport) and the U.S. Drug Enforcement Administration (U.S. DEA), a Federal Agency, for 2,612 square feet of Category III office space located in Level 1 of Terminal 3 from approximately June 1, 2010 through May 31, 2015, or five years, which includes an option for the U.S. DEA to terminate the lease after the third year, after providing at least a 120-day written notice.

Key Points

- The U.S. DEA has an existing lease with the Airport for 1,810 square feet of Category III office space, in Level 1 of Terminal 3 at the Airport, to conduct U.S. DEA operations and administrative work. The existing lease extends from June 1, 2004 through May 31, 2010, or six years, at an annual rent of \$189,150, or \$104.50 per square foot annually. Due to the Airport's Upper Roadway Seismic Retrofit Project, which requires construction of a roadway column within the U.S. DEA's existing office space, the U.S. DEA must relocate to a new 2,612 square foot Category III office space also located in Level 1 of Terminal 3, which is 802 square feet, or approximately 44.31 percent larger than their existing 1,810 square foot lease.

Fiscal Impact

- Under the proposed new lease, the U.S. DEA would pay the Airport \$341,075 annually, or \$130.58 per square foot per year, which is \$26.08, or approximately 24.96 percent more than the \$104.50 annual per square foot rent under the existing lease.
- The U.S. DEA is prohibited from entering into a lease that does not have a predetermined annual square foot rate for the entire term period. The Airport's Financial Planning and Analysis Department calculated the annual square foot rate and the annual increases for the next five years to provide the U.S. DEA with a fixed annual square foot rate of \$130.58 for the five-year term, which is based on the FY 2010-2011 Category III office space rental rate. The FY 2010-2011 Category III office space rental rate is derived pursuant to the Airport's residual rate structure, which is based on estimated annual revenues needed to cover the Airport's overall annual expenditures.

Policy Considerations

- In accordance with Administrative Code Section 2A.173, the Airport Commission is authorized to negotiate and execute leases of space in Airport buildings with government agencies, without conducting a competitive bidding process, if the initial lease term does not exceed 50 years. Therefore, the Airport did not competitively bid either the existing lease or the proposed new lease with the U.S. DEA.

- In accordance with Charter Section 9.118(c), leases that generate more than \$1,000,000 in revenue require approval by the Board of Supervisors. The Airport did not request approval from the Board of Supervisors for the third amendment to the existing lease because the Airport had not anticipated that the existing lease, together with the three amendments, would result in greater than \$1,000,000 in revenues thereby requiring Board of Supervisors approval.

Recommendation

- Approve the proposed resolution.

BACKGROUND/MANDATE STATEMENT**Background**

The U.S. Drug Enforcement Administration (U.S. DEA) has an existing lease with the San Francisco Airport (Airport) for 1,810 square feet of Category III¹ office space, in Level 1 of Terminal 3 at the Airport. The U.S. DEA uses the existing space to conduct any operations and administrative work that involves the prevention of illicit drug trafficking. As shown in Table 1 below, the Airport Commission approved the existing lease and the three subsequent amendments to the existing lease as shown in Table 1 below.

Table 1: U.S. DEA Lease with the Airport

Date	Description	Total Rent
May 18, 2004	Airport Commission, File No. 04-0106 approved the existing lease with a term from June 1, 2004 through May 31, 2006, or two years at an annual rent of \$161,995.	\$323,990 (\$161,995 x 2 years)
May 2, 2006	Airport Commission, File No. 06-0076 approved the first amendment to (a) extend for two years, from June 1, 2006 through May 31, 2008; and (b) increase the annual rent by \$15,644, or 9.7 percent, from \$161,995 to \$177,639.	\$355,278 (\$177,639 x 2 years)
February 19, 2008	Airport Commission, File No. 08-0042 approved the second amendment to (a) extend for one year, from June 1, 2008 through May 31, 2009; and (b) increase the annual rent by \$5,094, or 2.9 percent, from \$177,639 to \$182,733.	\$182,733
March 3, 2009	Airport Commission, File No. 09-0052 approved the third amendment to (a) extend for one year, from June 1, 2009 through May 31, 2010; (b) increase the annual rent by \$6,417, or 3.5 percent, from \$182,733 to \$189,150; and (c) authorized the Director of the Airport to execute subsequent extensions at the same rent until February 28, 2011.	\$189,150
Total Revenue		\$1,051,151

Source: Airport

The Airport did not request approval from the Board of Supervisors for either the existing lease or for the three subsequent amendments. However, as shown in Table 1 above, the third amendment to the existing lease resulted in the Airport receiving more than \$1,000,000 in total revenues (see Policy Considerations section below). According to Ms. Diane Artz, Senior Property Manager of the Airport, the Airport had not anticipated that the existing lease together with the three amendments would generate more than \$1,000,000 in revenues, thereby requiring Board of Supervisors approval (Charter Section 9.118(c)).

Ms. Artz advises that the U.S. DEA must relocate from the location under its existing lease to another Category III office space in Level 1 of Terminal 3 at the Airport by October 1, 2010, due to the Airport's Upper Roadway Seismic Retrofit Project², which requires retrofitting a roadway column within the U.S. DEA's existing Category III office space. The Airport and U.S. DEA

¹ Category III space is administrative and operations offices located at ramp or basement level.

² The Upper Roadway Seismic Project is an Airport construction project to retrofit and seismically upgrade the columns on the upper roadway of the Airport's terminals, which commenced in June of 2009 and is projected to be completed in October 2010.

agreed on a new 2,612 square feet of Category III office space in Level 1 of Terminal 3, which requires tenant improvements that will be paid entirely by the U.S. DEA. Such tenant improvements are estimated to be completed by June 1, 2010.

Mandate Statement

In accordance with Charter Section 9.118(c), any lease and lease amendments, in which the City would receive \$1,000,000 or more in revenues, is subject to Board of Supervisors approval.

In addition, Administrative Code Section 2A.173 authorizes the Airport Commission to negotiate and execute leases of Airport land and space in Airport buildings, without conducting a competitive bidding process, with any government agency or with any person, firm, or corporation engaged in air transportation or utility services, as long as the original term or any extension of the lease does not exceed 50 years. Since the U.S. DEA is a government agency, neither the existing lease nor the proposed new lease has been competitively bid.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve a new lease, between the Airport and the U.S. DEA, for 2,612 square feet of Category III office space located in Level 1 of Terminal 3, from approximately June 1, 2010 through May 31, 2015, or five years, including an option for the U.S. DEA to terminate the lease after the third year, provided that the U.S. DEA gives the Airport at least a 120-day written notice.

Under the proposed new lease, the U.S. DEA would pay \$341,075 to the Airport annually, or \$130.58 per square foot. On a monthly basis, the rent would be \$28,423 or approximately \$10.88 per square foot. Included in these proposed rates, the Airport will provide the U.S. DEA with all operating services, including utilities, janitorial and maintenance services as is done in the existing lease.

The proposed new lease for 2,612 square feet of space is 802 square feet, or approximately 44.31 percent, larger than the existing lease of 1,810 square feet of space.

FISCAL ANALYSIS

As shown in Table 2 below, the Airport would charge the U.S. DEA a total of \$130.58 per square foot annually, which is \$26.08, or 24.96 percent, more than the \$104.50³ annual total per square foot rent under the existing lease. Table 2 also shows that (a) the proposed Category III office rent is \$121.42 per square foot annually, which is \$24.79, or approximately 25.65 percent, more than the \$96.63 annual Category III office rent under the existing lease, and (b) the annual operating service cost is \$9.16 per square foot, which is \$1.29, or approximately 16.39 percent, more than the \$7.87 annual operating service cost under the existing lease.

³ The \$104.50 annual per square foot rent under the existing lease is the annual rent of \$189,150 divided by 1,810 square feet.

Table 2: U.S. DEA Annual per Square Foot Rate Comparison

	Existing Lease per Annual Square Foot Rates (a)	Proposed Lease per Annual Square Foot Rates (b)	Difference (b) – (a) = (c)	Percent Difference (c)/(a)
Category III Office Space Rent	\$96.63	\$121.42	\$24.79	25.65%
Operating Service Costs	7.87	9.16	1.29	16.39%
Total Annual Square Foot	\$104.50	\$130.58	\$26.08	24.96%

Source: Airport

Based on the proposed rates, the U.S. DEA would pay \$341,075 to the Airport annually for 2,612 square feet of Category III office space in Level 1 of Terminal 3.

Ms. Artz advises that the U.S. DEA is prohibited from entering into a lease where the annual square foot rental rate varies over the term of the lease. Due to this U.S. DEA requirement for a fixed rental rate over the entire lease term, the Airport's Financial Planning and Analysis Department calculated (a) the initial lease rate of FY 2010-2011 Category III office space rent⁴, (b) an escalation of the initial lease rate over the proposed five-year lease term⁵, (c) the initial operating service costs, (d) an escalation of the operating service costs by five percent over the proposed five-year lease term and (e) the Federal Office of Management and Budget's 2010 discount rate of 3.3 percent. Such calculations allowed the Airport's Financial Planning and Analysis Department to determine the total net present value rate of Category III office space rent and operating service costs, to be fixed at \$130.58 annually for the five-year term.

POLICY CONSIDERATIONS

Competitive Bidding Process Not Required for the Proposed Lease

From the spring of 2009 through December of 2009, the Airport identified the proposed new office space location and negotiated the proposed new lease with the U.S. DEA, which was approved by the Airport Commission on January 12, 2010 (Airport Commission Resolution No. 10-0015).

According to Ms. Artz, the Airport did not conduct a competitive bidding process for the proposed lease with U.S. DEA because, in accordance with Administrative Code Section 2A.173, the Airport Commission is authorized to negotiate and execute leases of Airport land and space in Airport buildings, without conducting a competitive bidding process, with any government agency or any person, firm, or corporation engaged in air transportation or utility services, as long as the original term or any extension of the lease does not exceed 50 years. Since the U.S. DEA is a government agency, neither the existing lease nor the proposed new lease has been competitively bid.

⁴ Ms. Artz advises that the initial FY 2010-2011 Category III office space rent is determined by the Airport's Financial Planning and Analysis Department, and derived pursuant to the Airport's residual rate structure, which is based on estimated annual revenues needed to cover the Airport's overall annual expenditures, which must be approved by the Airport Commission before June 1st.

⁵ According to Ms. Artz, the Airport's Financial Planning and Analysis Department projected that the proposed Category III office space rate will increase 20 percent in year two, seven percent in year three, seven percent in year four and three percent in year five.

Board of Supervisors Approval of Existing Lease and Lease Amendments

In accordance with Charter Section 9.118(c), leases and lease amendments require approval from the Board of Supervisors if (a) the lease term period is at least ten years, or if (b) the lease generates \$1,000,000 or more in revenue. Therefore, the existing initial lease and the first two amendments to the lease with the U.S. DEA did not require Board of Supervisors approval.

However, as shown in Table 1 above, the third amendment to the existing lease with the U.S. DEA required Board of Supervisors approval since the third amendment resulted in the lease generating more than \$1,000,000 in revenues. As noted above, the Airport did not request approval from the Board of Supervisors for the third amendment because, according to Ms. Artz, the Airport had not anticipated that the existing lease together with the three amendments would generate more than \$1,000,000 in revenues.

RECOMMENDATION

Approve the proposed resolution.



Harvey M. Rose

cc: Supervisor Avalos
Supervisor Mirkarimi
Supervisor Elsbernd
President Chiu
Supervisor Alioto-Pier
Supervisor Campos
Supervisor Chu
Supervisor Daly
Supervisor Dufty
Supervisor Mar
Supervisor Maxwell
Clerk of the Board
Cheryl Adams
Controller
Greg Wagner



San Francisco International Airport

February 24, 2010

P.O. Box 8097
San Francisco, CA 94128
Tel 650.821.5000
Fax 650.821.5005
www.flysfo.com

Ms. Angela Calvillo, Clerk of the Board
Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

File 100/83

Subject: Approval of Lease No. 10-0015 between the U.S. Government for the U.S. Drug Enforcement Administration and the City and County of San Francisco, acting by and through its Airport Commission

AIRPORT
COMMISSION
CITY AND COUNTY
OF SAN FRANCISCO

GAVIN NEWSOM
MAYOR

LARRY MAZZOLA
PRESIDENT

LINDA S. CRAYTON
VICE PRESIDENT

CARYL ITO

ELEANOR JOHNS

RICHARD J. GUGGENHIME

JOHN L. MARTIN
AIRPORT DIRECTOR

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding for the Board of Supervisors' approval of Lease No. 10-0015 (the "Lease") between the City and County of San Francisco, acting by and through its Airport Commission, and U.S. Government for space to be occupied by the U.S. Drug Enforcement Administration (the "DEA") in Terminal 3 of the Airport. This Lease was approved by Airport Commission Resolution No. 10-0015, adopted January 12, 2010.

The Lease provides for rental of approximately two thousand six hundred twelve (2,612) square feet of office space in Terminal 3 for a term of five (5) years, three years firm, and an annual rent of \$341,075.00.

The following is a list of accompanying documents (five sets):

- Board of Supervisors Resolution; and
- Approved Airport Commission Resolution No. 10-0015; and
- Commission Memorandum; and
- Lease No. 10-0015.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

2010 FEB 23 PM 1:26

SK

You may contact Diane Artz of the Airport Aviation Management Department at (650) 821-4525 regarding this matter.

Very truly yours,

Jean Caramatti
Jean Caramatti
Commission Secretary

Enclosures



San Francisco International Airport

MEMORANDUM

January 12, 2010

P.O. Box 8097
San Francisco, CA 94128
Tel 650.821.5000
Fax 650.821.5005
www.flysfo.com

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Caryl Ito
Hon. Eleanor Johns
Hon. Richard J. Guggenheimer

FROM: Airport Director

SUBJECT: Approval of a Lease with the U. S. Government for the U. S. Drug Enforcement Administration

AIRPORT
COMMISSION
CITY AND COUNTY
OF SAN FRANCISCO

GAVIN NEWSOM
MAYOR

LARRY MAZZOLA
PRESIDENT

LINDA S. CRAYTON
VICE PRESIDENT

CARYL ITO

ELEANOR JOHNS

RICHARD J. GUGGENHIMER

JOHN L. MARTIN
AIRPORT DIRECTOR

DIRECTOR'S RECOMMENDATION: ADOPT THE ATTACHED RESOLUTION AUTHORIZING THE DIRECTOR TO EXECUTE LEASE GS-09B-02354 WITH THE U.S. GOVERNMENT FOR SPACE TO BE OCCUPIED BY THE U. S. DRUG ENFORCEMENT ADMINISTRATION IN TERMINAL 3 AND DIRECTING THE COMMISSION SECRETARY TO FORWARD THE LEASE TO THE BOARD OF SUPERVISORS FOR APPROVAL.

Executive Summary

The U.S. Drug Enforcement Administration (the "DEA") wishes to relocate its operations and administrative offices, currently located in Terminal 3, in order to accommodate the Airport's Upper Roadway Seismic Retrofit Project. Staff has negotiated a new lease with the Federal government for space in Terminal 3 comprised of 2,612 square feet of Category III space pursuant to a proposed General Services Administration ("GSA") Lease GS-09B-02354 (the "Lease"). The Lease will have a Term of five (5) years with three (3) years Firm and a fixed annual rent of \$341,075.00 based on a negotiated rate of \$130.58 per square foot per year.

Background

The U.S. Drug Enforcement Administration (the "DEA") currently occupies 1,810 square feet of Category III space in Terminal 3, Level 1 for its operations and administrative office functions with an annual rent of \$189,149.99 based on a rental rate of \$104.50 per square foot per year pursuant to GSA Lease GS-09B-01545. Pursuant to Commission Resolution 09-0052, the Commission approved a Supplemental Lease Agreement ("SLA") which extended the term for one-year to

May 31, 2010. The SLA also authorized the Director to execute subsequent SLA's for additional extensions, but in no event beyond February 28, 2011, and at the same annual rent.

Due to the Airport's Upper Roadway Seismic Retrofit Project, the DEA must vacate the premises by October 1, 2010, but wishes to relocate to another location in Terminal 3. Staff has identified suitable space in Terminal 3, Level 1 comprised of 2,612 square feet of Category III space which requires certain tenant improvements in order to accommodate the DEA functions. The DEA wishes to continue occupancy in its present location beyond the expiration date of May 31, 2010, pursuant to the aforementioned SLA(s) while it completes the necessary tenant improvements, which it will construct at its sole cost and expense. In no event will the DEA continue occupancy beyond September 30, 2010.

Proposal

Airport staff has negotiated a lease to accommodate the DEA's space requirements. The DEA has submitted Lease No. GS-09B-02354 (the "Lease") to the Airport for approval that provides for the following business terms:

1. **Premises:** 2,612 square feet of Category III space.
2. **Permitted Use:** Operations and administrative offices.
3. **Term:** Five (5) years, three (3) years Firm.
4. **Early Termination:** Upon 120 days notice, the tenant may terminate the Lease after the third-year of the Term.
5. **Commencement Date:** The earlier of the date that the tenant takes possession of the premises for construction of the tenant improvements and June 1, 2010.
6. **Rent Commencement Date:** The earlier of the date of Beneficial Occupancy and October 1, 2010. "Beneficial Occupancy" shall mean the date on which the tenant occupies the completed tenant improvements in the space for the approved use.
7. **Annual Rent:** The annual rent of \$341,075.00 (\$28,423.00 per month), paid monthly in arrears, is fixed for the Term based on a negotiated rental rate of \$130.58 per square foot per year. The rental rate is comprised of the facility rent for the terminal space and an Operating Cost for provision of services as specified in Item No. 8 below.

The fixed annual rent was derived as follows:

- Determining the initial facility rental rate based on FY 2010/2011 Category III projected rate, as provided by the Airport's Financial Planning and Analysis Department ("FPA"); then
- Escalating the facility rental rate in accordance with projected annual increases over the five-year Term as provided by the FPA; then
- Escalating the Operating Cost by five percent (5%) per year; then
- Determining the net present value of the cash flows based on the Federal Office of Management and Budget's (OMB) discount rate, currently set at 3.3% for 2010.

The initial rates, resultant rates and rent are shown below:

Rent Component	Initial Rates or Fees	Net Present Value Rate	Fixed Rent or Fees
Facility Rent/SF/YR	\$98.63	\$121.42	\$317,149.00
Operating Cost/SF/YR	\$8.43	\$9.16	\$23,926.00
Total	\$107.06	\$130.58	\$341,075.00

8. **Operating Cost:** Provides for janitorial services five (5) days per week, re-lamping of light fixtures, and provision of electricity and water/sewer services.
9. **Parking:** Eight (8) employee parking spaces.
10. **Tenant Improvements:** At tenant's sole cost.
11. **Maintenance:** The Airport will maintain the terminal infrastructure and base building systems to certain points of connection. The tenant will maintain all tenant improvements and all other routine repairs.

Staff has requested: 1) that the Human Rights Commission grant a Sole Source Exemption and Waiver of the provisions of Chapters 12B and 12C (EBO) of the San Francisco Administrative Code, and 2) that the Office of Contract Administration grant a Public Entity Exemption of Sections 12Q and 12P (HCAO and MCO respectively) of the San Francisco Administrative Code.

Recommendation

I recommend adoption of the accompanying resolution that: 1) approves Lease GS-09B-02354 with the U. S. Government with a Term of five (5) years, three (3) years Firm, and an annual fixed rent of \$341,075.00 for Category III space to be occupied by the U.S. Drug Enforcement Administration in Terminal 3, Level 1, and 2) directs the Commission Secretary to forward the Lease to the Board of Supervisors for approval.



John L. Martin
Airport Director

Prepared by: Leo Fermin
Deputy Airport Director
Business and Finance

Attachments

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 10-0015

**RESOLUTION APPROVING LEASE NO. GS-09B-02354 WITH THE U.S. GOVERNMENT
FOR SPACE TO BE OCCUPIED BY THE U.S. DRUG ENFORCEMENT
ADMINISTRATION IN TERMINAL 3, AND DIRECTING THE COMMISSION
SECRETARY TO FORWARD THE LEASE TO THE BOARD OF SUPERVISORS FOR
APPROVAL**

WHEREAS, the U.S. Drug Enforcement Administration (the "DEA") currently occupies approximately 1,810 square feet of Category III space in Terminal 3 for its operations and administrative office functions at San Francisco International Airport (the "Airport") pursuant to Lease GS 09B-01545, which lease expires no earlier than May 31, 2010 and no later than February 28, 2011 pursuant to Commission Resolution 09-0052; and

WHEREAS, due to the Airport's Upper Roadway Seismic Retrofit Project, the DEA must vacate the premises by October 1, 2010; and

WHEREAS, the DEA wishes to relocate to other offices at the Airport and staff has identified suitable space in Terminal 3, Level 1 comprised of 2,612 square feet of Category III space; and

WHEREAS, Airport staff has negotiated a lease with the General Services Administration with a Term of five (5) years, three (3) years Firm, for the aforementioned space to accommodate the DEA's operational and administrative office requirements; and

WHEREAS, the proposed Lease No. GS09B-02354 provides for a fixed annual rent of \$341,075.00 for the Term, paid monthly in arrears, based on a rental rate of \$130.58 per square foot per year, which is comprised of facility rent and an Operating Cost for provision of janitorial services, re-lamping, and utilities; now therefore, be it

RESOLVED, that the Airport Commission hereby approves Lease No. GS-09B-02354 with the U.S. Government for approximately 2,612 square feet of Category III space in Terminal 3 for a Term of five (5) years, three (3) years Firm, and a fixed annual rental of \$341,075.00 (the "Lease") and on the terms and conditions set forth in the Director's Memorandum; and be it further

RESOLVED, that the Airport Commission hereby directs the Commission Secretary to forward the Lease to the Board of Supervisors for approval.

I hereby certify that the foregoing resolution was adopted by the Airport Commission

at its meeting of JAN 12 2010

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

LEASE No. GS-09B-02354

THIS LEASE, made and entered into this date between City and County of San Francisco, acting by and through its Airport Commission, c/o the Airport Director, San Francisco International Airport

whose address is: Airport Commission-San Francisco International Airport
Administrative Offices
Building 100 - International Terminal
P.O. Box 8097
San Francisco, CA 94128

and whose interest in the property hereinafter described is that of OWNER, hereinafter called the LESSOR, and the UNITED STATES OF AMERICA, hereinafter called the GOVERNMENT:

WITNESSETH: The parties hereto for the considerations hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:
2,612 rentable square feet (rsf)/usable square feet (usf) of office space and related space located on the 1st Floor of Terminal 3 (Suite T3.1.063) as depicted on the attached (Exhibit "A") (the "Premises"), to be used for administrative offices for the U.S. Drug Enforcement Administration, and SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.
2. PARAGRAPH 2 IS INTENTIONALLY OMITTED.
3. PARAGRAPH 3 IS INTENTIONALLY OMITTED.
4. The Government may terminate this lease in whole or in part at any time after the third (3rd) year of this lease by giving at least one hundred twenty (120) days' prior notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.
5. PARAGRAPH 5 IS INTENTIONALLY OMITTED.
6. The Lessor shall furnish to the Government as part of the rental consideration, the following:
 - A. Eight (8) onsite structured parking space(s).
7. The following are attached and made a part hereof:
All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:
 - a) Exhibit "A"
 - b) Solicitation for Offers 8CA2925
 - c) GSA Form 3517B
 - d) GSA Form 3518

Initials: _____ & _____
Lessor Government

8. The following changes were made in this lease prior to its execution:

Paragraphs 2, 3 and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 15 have been added.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: City and County of San Francisco, acting by and through the Airport Commission

BY _____
(Signature) (Signature)

IN PRESENCE OF:

(Signature) (Address)

UNITED STATES OF AMERICA: **GENERAL SERVICES ADMINISTRATION, Public Buildings Service:**

BY _____
CONTRACTING OFFICER, GSA

9. TO HAVE AND TO HOLD the Premises with their appurtenances for a period of five (5) years/three (3) years firm, subject to termination rights as have been set forth in Paragraph 4 of this Standard Form 2. The term of the lease shall commence on the earlier of the date on which Government takes possession of the Premises for Government's construction of its tenant improvements and June 1, 2010 (the "Commencement Date"). Actual Date shall be determined and memorialized in a Supplemental Lease Agreement (SLA) once the date has been determined and without further formal approval required by the Airport Commission.

Rent shall commence the earlier of the date the Government achieves "**Beneficial Occupancy**" and October 1, 2010 (the "Rent Commencement Date"). As used hererin, the term "Beneficial Occupancy" shall mean the date on which Government occupies the completed improvements in the Premises for the approved use, as specified in Paragraph 1 of this Standard Form 2. Actual Date shall be memorialized in a Supplemental Lease Agreement (SLA) once the date has been determined and without further formal approval required by the Airport Commission.

10. The Government shall pay the Lessor fixed annual rent for the entire five (5) year term of \$341,075.00 consisting of \$317,149.00 for the shell rent, and \$23,926.00 for the Operating Cost.

The annual rental rate consists of two (2) components:

(a) Shell Rent. The Shell rental rate is \$121.42 per rentable square foot (rsf)/usable square foot per year and is flat through the 5 year term/3 year firm term.

(b) Operating Cost. The Operating Cost rate is \$9.16 per rentable square foot (rsf) per year and is flat through the 5 year term/3 year firm term. The Operating Cost for services includes: 1) janitorial and relamping, 2) electrical cost, and 3) water/sewage cost.

(c) Parking spaces. There is no cost for the use of the eight (8) onsite parking spaces and the Government may use said spaces twenty-four (24) hours a day, seven (7) days a week.

Rent for a lesser period shall be prorated. Rent shall be payable to:

San Francisco International Airport
P. O. Box 8097
San Francisco, CA 94128

11. **OVERTIME USAGE:** Pursuant to Paragraph 7.3, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours (7:00 a.m. – 6:00 p.m., Monday through Friday, and except Federal Holidays ("Normal Hours"), at a rate of \$0 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours.
12. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".
13. **Cleaning:** Lessor to provide daytime cleaning, five (5) days per week, during normal business hours. The workers under contract for janitorial services shall complete a background investigation conforming to the procedures set forth in SFO Paragraph 9.12 Identity Verification of Personnel.
14. **Tenant Improvements:** Preparation of the space for the Government's occupancy will be the responsibility of the Government. No part of the tenant improvement cost shall be included in the rental rate. The Government's Tenant Improvements shall comply with applicable laws and the Airport's Tenant Improvement Guide. In addition, the Construction Drawings shall be submitted to the Lessor before construction commences as part of the Airport permit process. The Lessor shall perform all plan reviews of Construction Drawings for code compliance within 15 business days of receipt of such Construction Drawings from the Government.

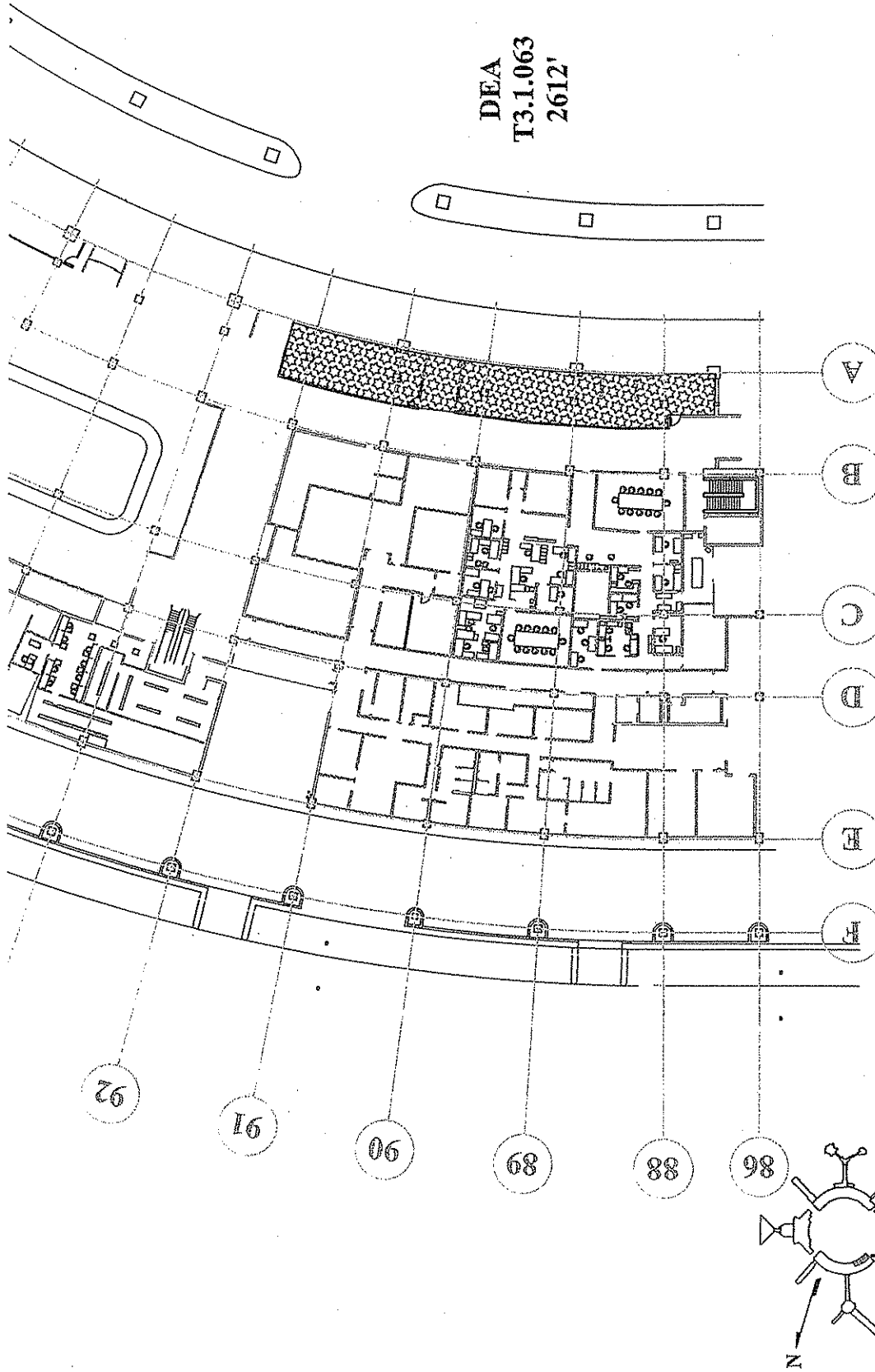


EXHIBIT A

TENANT LOCATION LEASE DRAWING				LOCATION	TENANT	CAT	AREA	CONTRACT	EFF DATE
LOCATION: TERMINAL 3, 1ST FLOOR				T3.1.063	DEA	3	2612'	GS-09B-02354	
DRUG ENFORCEMENT ADMINISTRATION									
CITY & COUNTY OF SAN FRANCISCO									
AIRPORTS COMMISSION									
SAN FRANCISCO INTERNATIONAL AIRPORT									
DWG: T31E/DEA									
SCALE: 1/8"=1'-0"									
DATE: 12/04/2009									

SOLICITATION FOR OFFERS



THE GENERAL SERVICES ADMINISTRATION
FOR
DRUG ENFORCEMENT ADMINISTRATION
IN
SAN FRANCISCO INTERNATIONAL AIRPORT

NAME: Christopher Fitch

TITLE: Realty Specialist

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned OMB Control No. 3090-0163.

SFO NO. 8CA2925

7/7/2009

INITIALS: _____ & _____

LESSOR GOV'T

TABLE OF CONTENTS

1.0	SUMMARY.....	4
1.1	AMOUNT AND TYPE OF SPACE (AUG 2008).....	4
1.2	LEASE TERM (SEP 2000)	4
1.3	ACCEPTANCE OF SPACE	4
1.4	OCCUPANCY DATE (AUG 2008)	4
1.5	ACCESS AND APPURTENANT AREAS (AUG 2008)	4
1.6	SERVICES, UTILITIES, MAINTENANCE: GENERAL (AUG 2008).....	4
1.7	NEGOTIATIONS (MAY 2005).....	4
1.8	BUILDING SHELL REQUIREMENTS (AUG 2008)	5
2.0	AWARD FACTORS AND PRICE EVALUATION	5
2.1	SEISMIC SAFETY FOR EXISTING CONSTRUCTION (AUG 2008)	5
2.2	AWARD (AUG 2008)	6
3.0	HOW TO OFFER AND SUBMITTAL REQUIREMENTS	6
3.1	OFFER PROCEDURES (AUG 2008).....	6
3.2	GSA FORMS AND PRICING INFORMATION (AUG 2008).....	7
3.3	BUILDING AND SITE INFORMATION SUBMITTALS (AUG 2008).....	8
4.0	UTILITIES, SERVICES, AND LEASE ADMINISTRATION	8
4.1	MEASUREMENT OF SPACE (AUG 2008)	8
4.2	ADJUSTMENT FOR VACANT PREMISES, GSAR 552.270-16 (VARIATION) (DEC 2005)	9
4.3	NORMAL HOURS	9
4.4	OVERTIME USAGE (AUG 2008).....	9
4.5	UTILITIES (AUG 2008).....	9
4.6	JANITORIAL SERVICES (AUG 2008)	9
4.7	MAINTENANCE AND TESTING OF SYSTEMS (AUG 2008)	10
4.8	NOVATION AND CHANGE OF NAME (AUG 2008)	10
4.9	CENTRAL CONTRACTOR REGISTRATION (AUG 2008).....	11
5.0	DESIGN, CONSTRUCTION, AND OTHER POST AWARD ACTIVITIES	11
5.1	WAIVER OF RESTORATION (AUG 2008)	11
6.0	GENERAL ARCHITECTURE	11
6.1	ACCESSIBILITY (FEB 2007).....	11
6.2	WINDOWS (AUG 2008)	11
6.3	FLOORS AND FLOOR LOAD (SEP 2000)	12
6.4	ACOUSTICAL REQUIREMENTS (SEP 2000)	12
6.5	PARTITIONS: PERMANENT (SEP 2000).....	12
6.6	WALL FINISHES (AUG 2008)	12
7.0	MECHANICAL, ELECTRICAL, PLUMBING	12
7.1	MECHANICAL, ELECTRICAL, PLUMBING: GENERAL (AUG 2008).....	12
7.2	BUILDING SYSTEMS (AUG 2008).....	13
7.3	INSULATION: THERMAL, ACOUSTIC, AND HVAC (AUG 2008)	13
7.4	TOILET ROOMS (AUG 2008).....	13
7.5	JANITOR CLOSETS (DEC 2007)	13
7.6	HEATING AND AIR CONDITIONING (AUG 2008)	13
7.7	VENTILATION (AUG 2008)	14
7.8	ELECTRICAL: GENERAL (SEP 2000)	14
7.9	ELECTRICAL: DISTRIBUTION (AUG 2008).....	14
7.10	TELECOMMUNICATIONS: DISTRIBUTION AND EQUIPMENT (SEP 2000)	14
7.11	TELECOMMUNICATIONS: LOCAL EXCHANGE ACCESS (AUG 2008)	15
7.12	ELEVATORS (AUG 2008).....	15
8.0	FIRE PROTECTION, LIFE SAFETY, AND ENVIRONMENTAL ISSUES.....	15
8.1	MEANS OF EGRESS (SEP 2007).....	15
8.2	AUTOMATIC FIRE SPRINKLER SYSTEM (AUG 2008)	15
8.3	FIRE ALARM SYSTEM (AUG 2008).....	16
8.4	OSHA REQUIREMENTS (SEP 2000).....	16
8.5	INDOOR AIR QUALITY (DEC 2007).....	16
8.6	HAZARDOUS MATERIALS (OCT 1996)	17
8.7	OCCUPANT EMERGENCY PLANS (AUG 2008)	17

9.0	LEASE SECURITY STANDARDS	17
9.1	GENERAL REQUIREMENTS (NOV 2005)	17
9.2	DETERRENCE TO UNAUTHORIZED ENTRY (NOV 2005)	17
9.3	ACCESS TO UTILITY AREAS (NOV 2005)	17
9.4	EMERGENCY POWER TO CRITICAL SYSTEMS (TENANT IMPROVEMENT) (NOV 2005)	17
9.5	MECHANICAL AREAS AND BUILDING ROOFS (NOV 2005)	17
9.6	ACCESS TO BUILDING INFORMATION (NOV 2005)	17
9.7	POSTING OF GOVERNMENT RULES AND REGULATIONS (TENANT IMPROVEMENT) (NOV 2005)	18
9.8	DEVELOPMENT, IMPLEMENTATION, AND PERIODIC REVIEW OF OCCUPANT EMERGENCY PLANS (NOV 2005)	18
9.9	EMERGENCY VOICE/ALARM COMMUNICATION SYSTEM (BUILDING SHELL) (NOV 2005)	18
9.10	BUILDING SECURITY PLAN (NOV 2005)	18
9.11	ADDITIONAL SECURITY MEASURES AS DETERMINED BY THE GOVERNMENT (NOV 2005)	18
9.12	IDENTITY VERIFICATION OF PERSONNEL (MAY 2007)	18
9.13	ENTRY SECURITY: INTRUSION DETECTION SYSTEM WITH CENTRAL MONITORING CAPABILITY (NOV 2005)	19
9.14	ENTRY SECURITY: PEEPHOLES (TENANT IMPROVEMENT) (NOV 2005)	19
9.15	ENTRY SECURITY: INTERCOM (TENANT IMPROVEMENT) (NOV 2005)	19
9.16	ENTRY SECURITY: ENTRY CONTROL WITH CCTV AND DOOR STRIKES (TENANT IMPROVEMENT) (NOV 2005)	19
9.17	SECURE HVAC: OUTDOOR AIR INTAKES (BUILDING SHELL) (NOV 2005)	19
9.18	SECURE HVAC: AIRBORNE HAZARDS (NOV 2005)	19
9.19	SECURE HVAC: SECURE RETURN-AIR GRILLES (BUILDING SHELL) (NOV 2005)	19
9.20	PARKING SECURITY REQUIREMENTS (NOV 2005)	19

1.0 SUMMARY

1.1 AMOUNT AND TYPE OF SPACE (AUG 2008)

- A. The General Services Administration (GSA) is interested in leasing approximately 2,612 rentable square feet of space. The rentable space shall yield a minimum of 2,317 ANSI/BOMA Office Area (ABOA) square feet to a maximum of 2702 ANSI/BOMA Office Area square feet, available for use by tenant for personnel, furnishings, and equipment. Refer to the "Measurement of Space" paragraph in the UTILITIES, SERVICES AND LEASE ADMINISTRATION section of this Solicitation for Offers (SFO).
- B. The space *must* be located inside either the domestic or international terminals of San Francisco International Airport.
- C. The Government requires ten (10) reserved parking spaces. These spaces shall be secured and lit in accordance with the Security Section in this Solicitation. The cost of this parking shall be included as part of the rental consideration.
- D. The offer shall 1) be for space located in a quality building of sound and substantial construction as described in this SFO, 2) have a potential for efficient layout, 3) be within the ABOA square footage range to be considered, and 4) be in compliance with all of the Government's minimum requirements set forth herein.
- E. Unless otherwise noted, all references in this SFO to square feet shall mean ANSI/BOMA Office Area square feet (ABOA). The terms ANSI/BOMA Office Area (ABOA) and usable square feet (usf) are used interchangeably throughout this SFO and its attachments.

1.2 LEASE TERM (SEP 2000)

The lease term is for five (5) years firm beginning upon Government's acceptance of space as specified in paragraph 1.3 *Acceptance of Space*.

1.3 ACCEPTANCE OF SPACE

A. RENT COMMENCEMENT:

The rent commencement date shall be the date that space acceptance is made by the Government. Space will be considered to be accepted upon execution of a beneficial occupancy Supplemental Lease Agreement. Any rent paid by the Government prior to actual occupancy shall be less the cost for services and utilities. Section 9 of the SF2 supersedes this Section 1.3 (A)

B. LEASE COMMENCEMENT:

The Government shall issue a beneficial occupancy, Supplemental Lease Agreement, to establish the lease commencement date after the acceptance of all space, if different from the date previously established in the lease. In any case, the lease commencement date shall not be prior to the rent commencement date. Section 9 of the SF2 supersedes this Section 1.3 (B)

1.4 OCCUPANCY DATE (AUG 2008)

Occupancy will begin upon execution of a beneficial occupancy Supplemental Lease Agreement.

1.5 ACCESS AND APPURTENANT AREAS (AUG 2008)

The right to use appurtenant areas and facilities is included. The Government reserves the right to post Government rules and regulations where the Government leases space. See Security Requirements for additional information.

1.6 SERVICES, UTILITIES, MAINTENANCE: GENERAL (AUG 2008)

Services, utilities, and maintenance shall be provided by the Lessor as part of the rental consideration. The Lessor shall have an onsite building superintendent or a locally designated representative available to promptly respond to deficiencies, and immediately address all emergency situations.

1.7 NEGOTIATIONS (MAY 2005)

- A. Negotiations will be conducted on behalf of the Government by the GSA Contracting Officer (or the GSA Contracting Officer's designated representative). The Contracting Officer's designated representative is named on the cover of this SFO. GSA will negotiate the rental price for the initial term, any renewal periods, and any other aspect of the offer as deemed necessary.
- B. The Offeror shall not enter into negotiations concerning the space leased or to be leased with representatives of federal agencies other than the Contracting Officer or designee.
- C. All Offerors will be provided a reasonable opportunity to submit any cost or price, technical, or other revisions to their offer that may result from the negotiations. Negotiations will be closed with submission of Final Proposal Revisions ("Best and Final" offers).

1.8 BUILDING SHELL REQUIREMENTS (AUG 2008)

A. The Lessor's buildout obligations in providing a building shell (at the Lessor's expense) shall include the following:

1. *Accessibility Requirements.* Accessibility to persons with disabilities shall be required throughout the common areas accessible to Government tenants in accordance with the Architectural Barriers Act Accessibility Standard (ABAAS), Appendices C and D to 36 CFR Part 1191 (ABA Chapters 1 and 2, and Chapters 3 through 10). To the extent the standard referenced in the preceding sentence conflicts with local accessibility requirements, the more stringent standard shall apply.
2. *Doors.* Exterior building doors and doors necessary to the lobbies, common areas, and core areas shall be required. This does not include suite entry or interior doors specific to Tenant Improvements.
3. *Plumbing.* All toilet rooms and janitor closets as part of the building shell cost shall be provided in building common areas.
4. *Lighting.* Lighting as necessary shall be provided in all building common areas.
5. *Safety and Environmental Management.* Complete safety and environmental management shall be provided throughout the building in accordance with federal, state, and local codes and laws including, but not limited to, such items as fire detection and alarms, emergency building power for life safety systems, etc., and shall be in accordance with ABAAS. Where sprinklers are required in the Government-demised area, sprinkler mains and distribution piping in a "protection" layout (open plan) with heads turned down with an escutcheon or trim plate shall be provided.
6. *Telephone Rooms.* Building telecommunication rooms on each floor shall be completed, operational, and ready for Tenant Improvements. The telephone closets shall include a telephone backboard.
7. The above mentioned improvements are described in more detail hereinafter in this solicitation.

2.0 AWARD FACTORS AND PRICE EVALUATION

2.1 SEISMIC SAFETY FOR EXISTING CONSTRUCTION (AUG 2008)

A. DEFINITIONS, FOR THE PURPOSE OF THIS PARAGRAPH:

1. "Engineer" means a professional civil or structural engineer licensed in the state where the property is located.
2. "ASCE/SEI 31" means, American Society of Civil Engineers Standard "Seismic Evaluation of Existing Buildings".
ASCE/SEI 31 can be purchased from ASCE at (800) 548-2723, or by visiting [HTTP://WWW.PUBS.ASCE.ORG](http://www.pubs.asce.org).
3. "RP 6" means, "Standards of Seismic Safety for Existing Federally Owned and Leased Buildings and Commentary," issued by the Interagency Committee on Seismic Safety in Construction as ICSSC RP 6 and the National Institute of Standards and Technology as NISTIR 6762. RP 6 can be obtained from the Building and Fire Research Laboratory, National Institute of Standards and Technology, Gaithersburg, MD 20899, or by visiting <http://fire.nist.gov/bfrlpubs/build02/PDF/b02006.pdf>
4. "Seismic Standards" mean the Life Safety Performance Level of RP 6, unless otherwise specified.
5. "Seismic Certificate" means a certificate executed by an Engineer on the Certificate of Seismic Compliance form included with this solicitation as Attachment B, together with any required attachments.
6. "Tier 1 Evaluation" means an evaluation by an Engineer in accordance with Chapters 2.0 and 3.0 of ASCE/SEI 31. A Tier 1 Evaluation must include the appropriate Structural, Nonstructural and Geologic Site Hazards and Foundation Checklists.
7. "Tier 2 Evaluation" means an evaluation by an Engineer in accordance with Chapter 4.0 of ASCE/SEI 31.
8. "Tier 3 Evaluation" means an evaluation by an Engineer in accordance with Chapter 5.0 of ASCE/SEI 31.

- B. Offers to lease space totaling 10,000 Rentable Square Feet or less are exempt from the Seismic Standards unless the space is in a building with an Unreinforced Masonry, Reinforced Concrete Moment-Resisting Frame, Tilt-up Concrete or Precast Concrete Frame structural system. If the offer is exempt from the Seismic Standards, the Offeror shall include in its offer a statement that the building type of the offered building is not Unreinforced Masonry, Reinforced Concrete Moment-Resisting

Frame or Precast Concrete Frame. Offers qualifying under this exemption will be evaluated on an equal basis with offers that meet the Seismic Standards.

- C. The Government intends to award a lease to an Offeror of a building that meets the Seismic Standards. If an offer is received which meets the Seismic Standards and the other requirements of this solicitation, then other offers which do not meet the Seismic Standards will not be considered. If none of the offers meet the Seismic Standards, the Contracting Officer will make the award to the Offeror whose building meets the other requirements of this solicitation and provides the best value to the Government, taking into account price, seismic safety and any other award factors specified in this solicitation.
- D. In order to meet the Seismic Standards, an offer must either include a Seismic Certificate establishing that the offered building complies with the Seismic Standards or include a commitment to renovate the building to comply with the Seismic Standards prior to delivery of the space.
 - 1. The Offeror shall provide, with its initial offer, a Seismic Certificate. This certificate must be based upon a Tier 1 Evaluation and must include the checklists from the Tier 1 Evaluation.
 - (a) If the Tier 1 Evaluation does not demonstrate compliance with the Seismic Standards, the Offeror may obtain a Tier 2 or Tier 3 Evaluation in order to demonstrate compliance with the Seismic Standards. If the Offeror submits a Seismic Certificate based on a Tier 2 or Tier 3 Evaluation, the data, working papers, and reports from such evaluation must be made available to the Government.
 - (b) The Contracting Officer may, at his/her discretion, allow an Offeror to submit a Seismic Certificate after the deadline for best and final offers. However, the Contracting Officer is not obligated to delay award in order to enable an Offeror to submit a Seismic Certificate.
 - 2. If the Offeror proposes to renovate the building in order to meet the Seismic Standards, the Offeror must provide the construction schedule with the offer. All design and construction documents for the renovation, including structural calculations, drawings, specifications, geotechnical report(s), etc. shall be made available to the Government prior to construction. If the offer includes a commitment to renovate the building to meet the Seismic Standards, the Lessor must deliver a Seismic Certificate establishing that the building conforms to the Seismic Standards prior to delivery of the space to the Government; the space shall not be considered substantially complete until an acceptable Seismic Certificate has been delivered to the Contracting Officer.

2.2 AWARD (AUG 2008)

- A. After conclusion of negotiations, the Successful Offeror and the GSA Contracting Officer will execute a lease prepared by GSA, which incorporates the agreement of the parties. The lease shall consist of the following:
 - 1. U.S. Government Lease for Real Property (SF2),
 - 2. General Clauses,
 - 3. Representations and Certifications
 - 4. The pertinent provisions of the offer, and
 - 5. The pertinent provisions of the SFO,
 - 6. Floor plans of the offered space.
- B. The acceptance of the offer and award of the lease by the Government occurs upon execution of the lease by the Contracting Officer and mailing or otherwise furnishing written notification of the executed lease to the successful Offeror.

3.0 HOW TO OFFER AND SUBMITTAL REQUIREMENTS

3.1 OFFER PROCEDURES (AUG 2008)

- A. All original offers, including all required documents, must be submitted to the authorized Realty Specialist of the General Services Administration (GSA) at the address below.

Christopher Fitch
GSA, Public Buildings Service
Real Estate Division
450 Golden Gate Ave., 3rd Floor East
San Francisco, CA 94102

B. REQUIRED DOCUMENTS:

1. Documentation of ownership or control of the property and evidence of signature authority of the party(ies) who will sign any lease documents. If claiming an historic preference in accordance with the Historic Preference paragraph above (GSAR 552.270-2, SEP 2004), Offeror must submit one of the following as documentation that the property is historic or the site of the offered property is within a historic district: a letter from the National Park Service stating that the property is listed in the National Register of Historic Places or eligible for listing, with a date of the listing/decision; a letter from the State Historic Preservation Office stating that the property is listed in the National Register of Historic Places, or on a statewide register, or eligible for inclusion, with a date of the listing/decision; or, the National Register of Historic Places Identification Number and date of listing available from the National Register of Historic Places Database found at www.nps.gov/nr.
2. If there is a potential for conflict of interest because of a single agent representing multiple owners, present evidence that the agent disclosed the multiple representation to each entity and has authorization from each ownership entity offering in response to this SFO. Owners and agents in conflicting interest situations are advised to exercise due diligence with regard to ethics, independent pricing, and Government procurement integrity requirements. In such cases, the Government reserves the right to negotiate with the owner directly.
3. Refer to GSA Form 3516, Solicitation Provisions, for additional instructions. If additional information is needed, the Contracting Officer (or the Contracting Officer's authorized representative) should be contacted.
4. There will be no public opening of offers, and all offers will be confidential until the lease has been awarded. However, the Government may release proposals outside the Government such as to support contractors to assist in the evaluation of offers. Such Government contractors shall be required to protect the data from unauthorized disclosure. The Offeror who desires to maximize the protection of information in the offer may apply the restriction notice to the offer as described in GSA Form 3516, Solicitation Provisions, 552.270-1, subparagraph (d), Restriction on Disclosure and Use of Data.

3.2 GSA FORMS AND PRICING INFORMATION (AUG 2008)

A. At the time of submission of offers, the Offeror shall submit to the Contracting Officer:

1. A signed statement that the Offeror has read the SFO, General Clauses, and all its attachments in their entirety,
2. GSA Form 1364, Proposal to Lease Space. Complete both pages of the 1364, including, but not limited to:
 - a. An hourly overtime rate for overtime use of heating and cooling. Refer to the "Overtime Usage" paragraph in the UTILITIES, SERVICES, AND LEASE ADMINISTRATION section of this SFO. If proposed rate is different than recommended by an independent Government estimate, the Offeror may be required to submit worksheets justifying overtime energy usage and rates.
 - b. Adjustment for Vacant Premises. Refer to the "Adjustment for Vacant Premises" paragraph in the UTILITIES, SERVICES, AND LEASE ADMINISTRATION section of this SFO.
 - c. A total lease rate per square foot, clearly itemizing both the total building shell rental, Operating Costs, Building, and Parking (itemizing all costs of parking above base local code requirements, or otherwise already included in shell rent). All improvements in the base building, lobbies, and common areas shall be provided by the Government, at the Government's expense. This building shell rental rate shall include, but not limited to, property, insurance, taxes, management, profit, etc., for the building. The building shell rental rate shall also include all basic building systems and common area buildout, including base building lobbies, common areas, core areas, etc., exclusive of the ANSI/BOMA Office Area space offered as required in this SFO.
 - d. The annual cost (per usable and rentable square foot) for the cost of services and utilities. This equals line 27 of GSA Form 1217, Lessor's Annual Cost Statement, divided by the building size (shown on the top of both GSA Form 1364, Proposal to Lease Space, and Form 1217) for usable and rentable square feet respectively.
 - f. A fully-serviced lease rate per usable and rentable square foot as a summation of the amounts broken out in the subparagraphs 3, 4, 5, and 6 for the lease.
 - g. A fully-serviced lease rate per ABOA and rentable square foot for that portion of the lease term extending beyond the firm term. The rate proposed for this portion of the term shall not reflect any Tenant Improvements as they will have been fully amortized over the firm term.
 - i. Indicate any rent concessions being offered either on the GSA Form 1364 or in separate correspondence.
3. GSA Form 1217, Lessor's Annual Cost Statement. Column A of the GSA Form 1217, Line 31(a) will be used to reflect any agreement between LESSOR AND the Lessor Representative agent(s), broker(s), property manager, developer, employee, or any other agent or representative (expressed in either % or \$) and Line 31(b) will reflect the agreement between Lessor and the GSA Tenant Representative broker (expressed in either % or \$).
4. GSA Form 3518, Representations and Certifications. This must be completed and signed by the Owner, not a representative.

3.3 **BUILDING AND SITE INFORMATION SUBMITTALS (AUG 2008)**

A. AT THE TIME OF INITIAL SUBMISSION OF OFFERS, THE OFFEROR SHALL SUBMIT TO THE CONTRACTING OFFICER:

1. A completed GSA Form 12000 or GSA Form 12001, Prelease Fire Protection and Life Safety Survey Evaluation
2. Seismic Safety Certification in accordance with the "Seismic Safety" paragraph of the AWARD FACTORS AND PRICE EVALUATION section of this SFO (for new construction, this is required upon substantial completion of space, in accordance with the "Seismic Safety for New Construction" paragraph located in the DESIGN, CONSTRUCTION, AND OTHER POST AWARD ACTIVITIES section of this SFO).
3. Intentionally Deleted
4. Plans for Space Offered.
 - a. First generation plans of the entire floor or floors for which space is being offered, including a plan of the floor of exit discharge, scaled at 1/8" = 1'-0" (preferred) or of the offered building(s) must be provided. All plans submitted for consideration shall include the locations of all exit stairs, elevators, and the space(s) being offered to the Government. In addition, where building exit stairs are interrupted or discontinued before the level of exit discharge, additional floor plans for the level(s) where exit stairs are interrupted or discontinued must also be provided. All plans submitted for consideration shall have been generated by a Computer Aided Design (CAD) program which is compatible with the latest release of AutoCAD. The required file extension is .DWG. Clean and purged files shall be submitted on CD-ROM. Plans shall include a proposed corridor pattern for typical floors and/or partial floors. The CAD file showing the offered space should show the Poly-Line utilized to determine the square footage on a separate and unique layer. All submissions shall be accompanied with a written matrix indicating the layering standard to verify that all information is recoverable. All architectural features of the space shall be accurately shown.
 - b. Photostatic copies are not acceptable. All architectural features of the space shall be accurately shown. If conversion or renovation of the building is planned, alterations to meet this SFO shall be indicated. If requested by the Contracting Officer or authorized representative, more informative plans shall be provided within 30 days.
 - c. Plans shall reflect corridors in place or the proposed corridor pattern for both a typical full (single-tenant) floor and/or partial (multi-tenant) floor. The corridors in place or proposed corridors shall meet local code requirements for issuance of occupancy permits. If the offered space is above the first floor (or floor exiting at grade), provide plans for the first floor (or floor at grade) also.
 - d. GSA will review all plans submitted to determine if an acceptable level of safety is provided. In addition, GSA will review the common corridors in place and/or proposed corridor pattern to determine whether these achieve an acceptable level of safety as well as to verify that the corridors provide public access to all essential building elements. The Offeror will be advised of any adjustments that are required to the corridors for the purpose of determining the ANSI/BOMA Office Area space. The required corridors may or may not be defined by ceiling-high partitions. Actual corridors in the approved layout for the successful Offeror's space may differ from the corridors used in determining the ANSI/BOMA Office Area square footage for the lease award. Additional egress corridors required by the tenant agency's design intent drawings will not be deducted from the ANSI/BOMA Office Area square footage that the most efficient corridor pattern would have yielded.

B. AFTER AWARD:

1. In accordance with the "Services, Utilities, Maintenance: General" paragraph in the Summary section of this SFO, provide the name and contact information for the onsite or locally designated representative.

4.0 UTILITIES, SERVICES, AND LEASE ADMINISTRATION

4.1 MEASUREMENT OF SPACE (AUG 2008)

A. ANSI/BOMA OFFICE AREA SQUARE FEET:

1. For the purposes of this solicitation, the Government recognizes the American National Standards Institute/Building Owners and Managers Association (ANSI/BOMA) international standard (Z65.1-1996) definition for Office Area, which means "the area where a tenant normally houses personnel and/or furniture, for which a measurement is to be computed."
2. ANSI/BOMA Office Area (ABOA) square feet shall be computed by measuring the area enclosed by the finished surface of the room side of corridors (corridors in place as well as those required by local codes and ordinances to provide an acceptable level of safety and/or to provide access to essential building elements) and other permanent walls, the dominant portion (refer to Z65.1) of building exterior walls, and the center of tenant-separating partitions. Where alcoves, recessed entrances, or similar deviations from the corridor are present, ABOA square feet shall be computed as if the deviation were not present.
3. ABOA square feet and usable square feet (USF) may be used interchangeably throughout the lease documents.

B. RENTABLE SPACE:

Rentable space is the area for which a tenant is charged rent. It is determined by the building owner and may vary by city or by building within the same city. The rentable space may include a share of building support/common areas such as elevator lobbies, building corridors, and floor service areas. Floor service areas typically include restrooms, janitor rooms, telephone closets, electrical closets, and mechanical rooms. The rentable space does not include vertical building penetrations and their enclosing walls, such as stairs, elevator shafts, and vertical ducts.

C. COMMON AREA FACTOR:

If applicable, the Offeror shall provide the Common Area Factor (a conversion factor(s) determined by the building owner and applied by the owner to the ANSI/BOMA Office Area square feet to determine the rentable square feet for the offered space).

4.2 ADJUSTMENT FOR VACANT PREMISES, GSAR 552.270-16 (VARIATION) (DEC 2005)

- A. If the Government fails to occupy any portion of the leased premises or vacates the premises in whole or in part prior to expiration of the term of the lease, the rental rate (i.e., the base for operating cost adjustments) will be reduced.
- B. The rate will be reduced by that portion of the costs per ANSI/BOMA Office Area square foot of operating expenses not required to maintain the space. This rate will be negotiated and incorporated into the lease. Said reduction shall occur after the Government gives 30 calendar days' prior notice to the Lessor and shall continue in effect until the Government occupies the vacant premises or the lease expires or is terminated.

4.3 NORMAL HOURS

Services, utilities, and maintenance shall be provided daily, extending 7:00 a.m. to 6:00 p.m. except Saturdays, Sundays, and federal holidays.

4.4 OVERTIME USAGE (AUG 2008)

- A. The Government shall have access to the leased space at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators, toilets, lights, and electric power.
- B. If heating or cooling is required on an overtime basis, such services will be ordered orally or in writing by the Contracting Officer or the GSA Buildings Manager, or a designated Tenant Agency official. When ordered, services shall be provided at the hourly rate established in the contract, which shall include all the Lessor's administrative costs. Costs for personal services shall only be included as authorized by the Government.
- C. When the cost of service is \$2,000 or less, the service may be ordered orally. An invoice shall be submitted to the official placing the order for certification and payment. Orders for services costing more than \$2,000 shall be placed using GSA Form 300, Order for Supplies or Services, or other approved service requisition procurement document. The two clauses from GSA Form 3517, General Clauses, 552.232-75, *Prompt Payment*, and 552.232-70, *Invoice Requirements (Variation)*, apply to all orders for overtime services.
- D. All orders are subject to the terms and conditions of this lease. In the event of a conflict between an order and this lease, the lease shall control.
- E. Failure to submit a proper invoice within 120 days of providing overtime utilities shall constitute a waiver of the Lessor's right to receive any payment for such overtime utilities pursuant to this lease.

4.5 UTILITIES (AUG 2008)

The Lessor is responsible for providing all utilities necessary for base building and tenant operations and all associated costs are included as a part of the established rental rates.

4.6 JANITORIAL SERVICES (AUG 2008)

- A. Cleaning shall be performed after tenant working hours unless daytime cleaning is specified as a special requirement elsewhere in this SFO.
- B. SELECTION OF CLEANING PRODUCTS:
The Lessor shall make careful selection of janitorial cleaning products and equipment to:
 - 1. use products that are packaged ecologically;
 - 2. use products and equipment considered environmentally beneficial and/or recycled products that are phosphate-free, non-corrosive, non-flammable, and fully biodegradable; and
 - 3. minimize the use of harsh chemicals and the release of irritating fumes.
 - 4. Examples of acceptable products may be found www.gsa.gov/p2products.

C. The Lessor shall maintain the leased premises, including outside areas, in a clean condition and shall provide supplies and equipment for the term of the lease. The following schedule describes the level of services intended. Performance will be based on the Contracting Officer's evaluation of results, not the frequency or method of performance.

1. *Daily.* Empty trash receptacles. Sweep entrances, lobbies, and corridors. Spot sweep floors, and spot vacuum carpets. Clean drinking fountains. Sweep and damp mop or scrub toilet rooms. Clean all toilet fixtures, and replenish toilet supplies. Dispose of all trash and garbage generated in or about the building. Wash inside and out or steam clean cans used for collection of food remnants from snack bars and vending machines. Dust horizontal surfaces that are readily available and visibly require dusting. Spray buff resilient floors in main corridors, entrances, and lobbies. Clean elevators and escalators. Remove carpet stains. Police sidewalks, parking areas, and driveways. Sweep loading dock areas and platforms. Clean glass entry doors to the Government-demised area.
2. *Three Times a Week.* Sweep or vacuum stairs.
3. *Weekly.* Damp mop and spray buff all resilient floors in toilets and health units. Sweep sidewalks, parking areas, and driveways (weather permitting).
4. *Every Two Weeks.* Spray buff resilient floors in secondary corridors, entrance, and lobbies. Damp mop and spray buff hard and resilient floors in office space.
5. *Monthly.* Thoroughly dust furniture. Completely sweep and/or vacuum carpets. Sweep storage space. Spot clean all wall surfaces within 70 inches of the floor.
6. *Every Two Months.* Damp wipe toilet wastepaper receptacles, stall partitions, doors, window sills, and frames. Shampoo entrance and elevator carpets.
7. *Three Times a Year.* Dust wall surfaces within 70 inches of the floor, vertical surfaces and under surfaces. Clean metal and marble surfaces in lobbies. Wet mop or scrub garages.
8. *Twice a Year.* Wash all interior and exterior windows and other glass surfaces. Strip and apply four coats of finish to resilient floors in toilets. Strip and refinish main corridors and other heavy traffic areas.
9. *Annually.* Wash all venetian blinds, and dust 6 months from washing. Vacuum or dust all surfaces in the building of 70 inches from the floor, including light fixtures. Vacuum all draperies in place. Strip and refinish floors in offices and secondary lobbies and corridors. Shampoo carpets in corridors and lobbies. Clean balconies, ledges, courts, areaways, and flat roofs.
10. *Every Two Years.* Shampoo carpets in all offices and other non-public areas.
11. *Every Five Years.* Dry clean or wash (as appropriate) all draperies.
12. *As Required.* Properly maintain plants and lawns. Remove snow and ice from entrances, exterior walks, and parking lots of the building by the beginning of the normal working hours and continuing throughout the day. Provide initial supply, installation, and replacement of light bulbs, tubes, ballasts, and starters. Replace worn floor coverings (this includes the moving and returning of furnishings). Provide and empty exterior ash cans and clean area of any discarded cigarette butts.
13. Control pests as appropriate, using Integrated Pest Management techniques, as specified in the GSA Environmental Management Integrated Pest Management Technique Guide (E402-1001).

4.7 MAINTENANCE AND TESTING OF SYSTEMS (AUG 2008)

- A. The Lessor is responsible for the maintenance and repair of the leased premises in accordance with Clause 14 of the General Clauses. Such maintenance and repairs include the site and private access roads. All equipment and systems shall be maintained to provide reliable, energy-efficient service without unusual interruption, disturbing noises, exposure to fire or safety hazards, uncomfortable drafts, excessive air velocities, or unusual emissions of dirt. The Lessor's maintenance responsibility includes initial supply and replacement of all supplies, materials, and equipment necessary for such maintenance. Maintenance, testing, and inspection of appropriate equipment and systems shall be done in accordance with current applicable codes, and inspection certificates shall be displayed as appropriate. Copies of all records in this regard shall be forwarded to the GSA Field Office Manager or a designated representative.
- B. Without any additional charge, the Government reserves the right to require documentation of proper operations or testing prior to occupancy of such systems as fire alarm, sprinkler, standpipes, fire pumps, emergency lighting, illuminated exit signs, emergency generator, etc. to ensure proper operation. These tests shall be witnessed by a designated representative of the Contracting Officer.

4.8 NOVATION AND CHANGE OF NAME (AUG 2008)

- A. In the event of a transfer of ownership of the lease premises, an assignment of lease or a change in the Lessor's legal name, the Lessor must comply with the requirements of Subpart 42.12 of the Federal Acquisition Regulations (FAR).

- B. The Government and the Lessor may execute a Change of Name Agreement where only a change of the Lessor's name is involved and the Government's and the Lessor's rights and obligations remain unaffected. A sample form is found at FAR 42.1205
- C. The Government, the Lessor and the successor in interest may execute a Novation Agreement when the Lessor's rights or obligations under the lease are legally transferred.
- D. In addition to all documents required by Far 42.1204, the Contracting Officer may request additional information (i.e., copy of the deed, bill of sale, certificate of merger, contract, court decree, articles of incorporation, operation agreement, partnership certificate of good standing, etc.) from the transferor or transferee to validate the proposed changes.
- E. The transferee must submit a new GSA Form 3518, Representations and Certifications.
- F. Any separate agreement between the transferor and transferee regarding the assumption of liabilities shall be referenced specifically in the Novation Agreement.
- G. When it is in the best interest of the Government not to concur in the transfer of a contract from one entity to another, the original contractor remains under contractual obligation to the Government. The applicability of novation agreements is detailed at FAR 42.1204.
- H. When executed on behalf of the Government, a Novation Agreement will be made part of the lease via Supplemental Lease Agreement.
- I. In the event of a change in ownership, rent will continue to be paid to the prior Lessor until the Supplemental Lease Agreement is executed by the Government. New Lessors must comply with all provisions of this Lease, including but not limited to, Central Contractor Registration and the provision of all information required by the Contracting Officer.
- J. Notwithstanding anything to the contrary in this Lease, the Government has no obligation to recognize a change of ownership or interest until (1) the payment of rent has commenced; and (2) any amounts due and owing to the Government hereunder have been paid in full or completely set off against this Lease.

4.9 CENTRAL CONTRACTOR REGISTRATION (AUG 2008)

The Offeror must have an active registration in the Central Contractor Registration (CCR) System (via the Internet at <http://www.ccr.gov>) prior to lease award and throughout the life of the lease. To remain active, the Offeror/Lessor is required to update or renew its registration annually. The Government will not process rent payments to Lessors without an active CCR Registration. No change of ownership of the leased premises will be recognized by the Government until the new owner registers in the CCR system.

5.0 DESIGN, CONSTRUCTION, AND OTHER POST AWARD ACTIVITIES

5.1 WAIVER OF RESTORATION (AUG 2008)

The Lessor hereby waives, releases and discharges, and forever relinquishes any right to make a claim against the Government for waste, damages, or restoration arising from or related to (a) the Government's normal and customary use of the leased premises during the term of the lease (including any extensions thereof), as well as (b) any initial or subsequent alteration to the leased premises, including cabling, or removal thereof, during the term of this lease (including any extensions thereof), where such alterations or removals are performed by the Lessor

6.0 GENERAL ARCHITECTURE

6.1 ACCESSIBILITY (FEB 2007)

The building, leased space, and areas serving the leased space shall be accessible to persons with disabilities in accordance with the Architectural Barriers Act Accessibility Standard (ABAAS), Appendices C and D to 36 CFR Part 1191 (ABA Chapters 1 and 2, and Chapters 3 through 10). To the extent the standard referenced in the preceding sentence conflicts with local accessibility requirements, the more stringent shall apply.

6.2 WINDOWS (AUG 2008)

- A. Office space shall have windows in each exterior bay unless waived by the Contracting Officer.
- B. All windows shall be weather-tight. Operable windows that open shall be equipped with locks. Off-street, ground level windows and those accessible from fire escapes, adjacent roofs, and other structures that can be opened must be fitted with a sturdy locking device. Windows accessible from fire escapes must be readily operable from the inside of the building.
- C. Fire rated glazing shall comply with ANSI Z97.1, Safety Glazing Materials Used in Buildings – Safety Performance Specifications and Methods of Test and CPSC 16CFR1201, Category 1, Safety Standard for Architectural Glazing Materials.

6.3 FLOORS AND FLOOR LOAD (SEP 2000)

A. All adjoining floor areas shall be:

1. of a common level not varying more than 1/4 inch over a 10-foot horizontal run in accordance with the American Concrete Institute standards,
2. non-slip, and,
3. acceptable to the Contracting Officer.

B. Underfloor surfaces shall be smooth and level. Office areas shall have a minimum live load capacity of 50 pounds per ANSI/BOMA Office Area square foot plus 20 pounds per ANSI/BOMA Office Area square foot for moveable partitions. Storage areas shall have a minimum live load capacity of 100 pounds per ANSI/BOMA Office Area square foot including moveable partitions. A report showing the floor load capacity, at no cost to the Government, by a registered professional engineer may be required. Calculations and structural drawings may also be required.

6.4 ACOUSTICAL REQUIREMENTS (SEP 2000)

A. BUILDING SHELL:

1. *Reverberation Control.* Ceilings in carpeted space shall have a noise reduction coefficient (NRC) of not less than 0.55 in accordance with ASTM C-423. Ceilings in offices, conference rooms, and corridors having resilient flooring shall have an NRC of not less than 0.65.
2. *Ambient Noise Control.* Ambient noise from mechanical equipment shall not exceed noise criteria curve (NC) 35 in accordance with the ASHRAE *Handbook of Fundamentals* in offices and conference rooms; NC 40 in corridors, cafeterias, lobbies, and toilets; NC 50 in other spaces.
3. *Noise Isolation.* Rooms separated from adjacent spaces by ceiling-high partitions (not including doors) shall not be less than the following noise isolation class (NIC) standards when tested in accordance with ASTM E-336:
 - a. Conference rooms NIC 40
 - b. Offices NIC 35
4. *Testing:* The Contracting Officer may require, at no cost to the Government, test reports by a qualified acoustical consultant showing that acoustical requirements have been met.

6.5 PARTITIONS: PERMANENT (SEP 2000)

A. BUILDING SHELL:

Permanent partitions shall extend from the structural floor slab to the ceiling. They shall be provided by the Lessor at the Lessor's expense as necessary to surround the Government-demised area, stairs, corridors, elevator shafts, toilet rooms, all columns, and janitor closets. They shall have a flame spread rating of 25 or less and a smoke development rating of 50 or less (ASTM E-84). Stairs, elevators, and other floor openings shall be enclosed by partitions and shall have the fire resistance required by National Fire Protection Association (NFPA) Standard 101, *Life Safety Code*.

6.6 WALL FINISHES (AUG 2008)

A. BUILDING SHELL:

1. *Physical Requirements.*
 - a. Prior to occupancy, all restrooms within the building common areas of Government-occupied floors shall have 1) ceramic tile in splash areas and 2) semi gloss paint on remaining wall areas or other finish approved by the Contracting Officer.
 - b. Prior to occupancy, all elevator areas that access the Government-demised area and hallways accessing the Government-demised area shall be covered with wall coverings not less than 20 ounces per square yard, high performance paint or an equivalent.

7.0 MECHANICAL, ELECTRICAL, PLUMBING

7.1 MECHANICAL, ELECTRICAL, PLUMBING: GENERAL (AUG 2008)

A. BUILDING SHELL:

The Lessor shall provide and operate all building equipment and systems in accordance with applicable technical publications, manuals, and standard procedures. Mains, lines, and meters for utilities shall be provided by the Lessor. Exposed ducts, piping, and conduits are not permitted in office space.

7.2 BUILDING SYSTEMS (AUG 2008)

Whenever requested, the Lessor shall furnish to GSA as part of shell rent, a report by a registered professional engineer(s) showing that the building and its systems as designed and constructed will satisfy the requirements of this lease.

7.3 INSULATION: THERMAL, ACOUSTIC, AND HVAC (AUG 2008)

- A. All insulation containing fibrous materials exposed to air flow shall be rated for that exposure or shall be encapsulated.
- B. Insulating properties for all materials shall meet or exceed applicable industry standards. Polystyrene products shall meet American Society for Testing and Materials (ASTM) C578 91.
- C. All insulation shall be low emitting with not greater than .05 ppm formaldehyde emissions.
- D. The maximum flame spread and smoke developed index for insulation shall meet the requirements of the applicable local codes and ordinances (current as of the award date of this Lease) adopted by the jurisdiction in which the building is located.

7.4 TOILET ROOMS (AUG 2008)

A. BUILDING SHELL:

- 1. Separate toilet facilities for men and women shall be provided on each floor occupied by the Government in the building. Each toilet room shall have sufficient water closets enclosed with modern stall partitions and doors, urinals (in men's room), and hot (set in accordance with applicable building codes) and cold water. Water closets and urinals shall not be visible when the exterior door is open.

7.5 JANITOR CLOSETS (DEC 2007)

A. BUILDING SHELL:

- 1. Janitor closets with service sink, hot and cold water, and ample storage for cleaning equipment, materials, and supplies shall be provided on all floors. Each janitor closet door shall be fitted with an automatic deadlocking latch bolt with a minimum throw of 1/2 inch.
- 2. When not addressed by local code, provide containment drains plumbed for appropriate disposal of liquid wastes in spaces where water and chemical concentrate mixing occurs for maintenance purposes. Disposal is not permitted in restrooms.
- 3. Refer to the "Indoor Air Quality for Ventilation Requirements" paragraph in the SAFETY AND ENVIRONMENTAL MANAGEMENT section of this Solicitation for Offers (SFO).

7.6 HEATING AND AIR CONDITIONING (AUG 2008)

A. BUILDING SHELL:

- 1. Temperatures shall conform to local commercial equivalent temperature levels and operating practices in order to maximize tenant satisfaction. These temperatures shall be maintained throughout the leased premises and service areas, regardless of outside temperatures, during the hours of operation specified in the lease. The Lessor shall perform any necessary systems start-up required to meet the commercially equivalent temperature levels prior to the first hour of each day's operation. At all times, humidity shall be maintained below 60% relative humidity.
- 2. During non working hours, heating temperatures shall be set no higher than 55° Fahrenheit, and air conditioning shall not be provided except as necessary to return space temperatures to a suitable level for the beginning of working hours. Thermostats shall be secured from manual operation by key or locked cage. A key shall be provided to the GSA Field Office Manager.
- 3. Simultaneous heating and cooling are not permitted.
- 4. Areas having excessive heat gain or heat loss, or affected by solar radiation at different times of the day, shall be independently controlled.
- 5. *Equipment Performance.* Temperature control for office spaces shall be provided by concealed central heating and air conditioning equipment. The equipment shall maintain space temperature control over a range of internal load fluctuations of plus 0.5 W/sq. ft. to minus 1.5 W/sq. ft. from initial design requirements of the tenant.
- 6. *HVAC Use During Construction.* The permanent HVAC system may be used to move both supply and return air during the construction process only if the following conditions are met:
 - a. a complete air filtration system with 60 percent efficiency filters is installed and properly maintained;
 - b. no permanent diffusers are used;
 - c. no plenum type return air system is employed;
 - d. the HVAC duct system is adequately sealed to prevent the spread of airborne particulate and other contaminants; and

- e. following the building "flush out," all duct systems are vacuumed with portable high-efficiency particulate arrestance (HEPA) vacuums and documented clean in accordance with National Air Duct Cleaners Association (NADCA) specifications.
- 7. *Ductwork Re-use and Cleaning.* Any ductwork to be reused and/or to remain in place shall be cleaned, tested, and demonstrated to be clean in accordance with the standards set forth by NADCA. The cleaning, testing, and demonstration shall occur immediately prior to Government occupancy to avoid contamination from construction dust and other airborne particulates.
- 8. The Lessor shall conduct HVAC system balancing after any HVAC system alterations during the term of the lease and shall make a reasonable attempt to schedule major construction outside of office hours.
- 9. Normal HVAC systems maintenance shall not disrupt tenant operations.
- 10. *Thermal Comfort.* During all working hours, comply with ASHRAE Standard 55-2004, Thermal Comfort Conditions for Human Occupancy.

7.7 VENTILATION (AUG 2008)

A. BUILDING SHELL:

- 1. During working hours in periods of heating and cooling, ventilation shall be provided in accordance with the latest edition of ANSI/ASHRAE Standard 62.1, *Ventilation for Acceptable Indoor Air Quality*.
- 2. Air filtration shall be provided and maintained with filters having a minimum efficiency rating as determined by ANSI/ASHRAE Standard 52.2, *Method of Testing General Ventilation Air Cleaning Devices for Removal Efficiency by Particle Size*. Pre-filters shall have a MERV efficiency of 8. Final filters shall have an MERV efficiency of 13.

7.8 ELECTRICAL: GENERAL (SEP 2000)

The Lessor shall be responsible for meeting the applicable requirements of local codes and ordinances. When codes conflict, the more stringent standard shall apply. Main service facilities shall be enclosed. The enclosure may not be used for storage or other purposes and shall have door(s) fitted with an automatic deadlocking latch bolt with a minimum throw of 1/2 inch. Distribution panels shall be circuit breaker type with 10 percent spare power load and circuits.

7.9 ELECTRICAL: DISTRIBUTION (AUG 2008)

A. BUILDING SHELL:

- 1. Main power distribution switchboards and distribution and lighting panel boards shall be circuit breaker type with copper buses that are properly rated to provide the calculated fault circuits. All power distribution panel boards shall be supplied with separate equipment ground buses. All power distribution equipment shall be required to handle the actual specified and projected loads plus 10 percent spare load capacity. Distribution panels are required to accommodate circuit breakers for the actual calculated needs plus 10 percent spare circuits that will be equivalent to the majority of other circuit breakers in the panel system. All floors shall have 120/208 V, 3-phase, 4-wire with bond, 60 hertz electric service available.

7.10 TELECOMMUNICATIONS: DISTRIBUTION AND EQUIPMENT (SEP 2000)

A. BUILDING SHELL:

- 1. Sufficient space shall be provided on the floor(s) where the Government occupies space for the purposes of terminating telecommunications service into the building. Telecommunications switchrooms, wire closets, and related spaces shall be enclosed. The enclosure shall not be used for storage or other purposes and shall have door(s) fitted with an automatic door-closer and deadlocking latch bolt with a minimum throw of 1/2 inch.
- 2. Telecommunications switchrooms, wire closets, and related spaces shall meet applicable Telecommunications Industry Association (TIA) and Electronic Industries Alliance (EIA) standards. These standards include the following:
 - a. TIA/EIA-568, *Commercial Building Telecommunications Cabling Standard*,
 - b. TIA/EIA 569, *Commercial Building Standard for Telecommunications Pathways and Spaces*,
 - c. TIA/EIA-570, *Residential and Light Commercial Telecommunications Wiring Standard*, and
 - d. TIA/EIA-607, *Commercial Building Grounding and Bonding Requirements for Telecommunications Standard*.
- 3. Telecommunications switchrooms, wire closets, and related spaces shall meet applicable NFPA standards. Bonding and grounding shall be in accordance with NFPA Standard 70, *National Electrical Code*, and other applicable NFPA standards and/or local code requirements.

7.11 TELECOMMUNICATIONS: LOCAL EXCHANGE ACCESS (AUG 2008)

A. BUILDING SHELL:

1. The Government reserves the right to contract its own telecommunications (voice, data, video, Internet or other emerging technologies) service in the space to be leased. The Government may contract with one or more parties to have inside wiring (or other transmission medium) and telecommunications equipment installed.
2. The Lessor shall allow the Government's designated telecommunications providers access to utilize existing building wiring to connect its services to the Government's space. If the existing building wiring is insufficient to handle the transmission requirements of the Government's designated telecommunications providers, the Lessor shall provide access from the point of entry into the building to the Government's floor space, subject to any inherent limitations in the pathway involved.
3. The Lessor shall allow the Government's designated telecommunications providers to affix telecommunications antennae (high frequency, mobile, microwave, satellite, or other emerging technologies), subject to weight and wind load conditions, to roof, parapet, or building envelope as required. Access from the antenna(e) to the leased space shall be provided.
4. The Lessor shall allow the Government's designated telecommunications providers to affix antennae and transmission devices throughout its leased space and in appropriate common areas frequented by the Government's employees so as to allow the use of wireless telephones and communications devices necessary to conduct business.

7.12 ELEVATORS (AUG 2008)

- A. The Lessor shall provide suitable passenger and, when required by the Government, freight elevator service to any Government-demised area not having ground level access. Service shall be available during the hours specified in the "Normal Hours" paragraph in the SERVICES, UTILITIES AND LEASE ADMINISTRATION section of this SFO. However, one passenger and, when required by the Government, one freight elevator shall be available at all times for Government use. When a freight elevator is required by the Government, shall be accessible to the loading areas. When possible, the Government shall be given 24-hour advance notice if the service is to be interrupted for more than 1-1/2 hours. Normal service interruption shall be scheduled outside of the Government's normal working hours. The Lessor shall also use best efforts to minimize the frequency and duration of unscheduled interruptions.
- B. **CODE:**
Elevators shall conform to the current requirements of the American Society of Mechanical Engineers ASME A17.1, *Safety Code for Elevators and Escalators* (current as of the award date of this SFO). Where provided, elevator lobby and elevator machine room smoke detectors shall activate the building fire alarm system, provide Phase 1 automatic recall of the elevator(s), and automatically notify the local fire department or approved central station. The elevator shall be inspected and maintained in accordance with the current edition of the ASME A17.2, *Inspectors' Manual for Elevators*. Except for the reference to ASME A17.1 in ABAAS Section F105.2.2, all elevators must meet ABAAS requirements for accessibility in Sections 407, 408, and 409 of ABAAS.
- C. **SAFETY SYSTEMS:**
Elevators shall be equipped with telephones or other two-way emergency communication systems. The system used shall be marked and shall reach an emergency communication location staffed 24 hours per day, 7 days per week.
- D. **SPEED:**
The passenger elevators shall have a capacity to transport in 5 minutes 15 percent of the normal population of all upper floors (based on 150 square feet per person). Further, the dispatch interval between elevators during the up-peak demand period shall not exceed 35 seconds.

8.0 FIRE PROTECTION, LIFE SAFETY, AND ENVIRONMENTAL ISSUES

8.1 MEANS OF EGRESS (SEP 2007)

- A. Offered space shall meet or be upgraded to meet prior to occupancy, the applicable egress requirements in the National Fire Protection Association (NFPA) 101, *Life Safety Code* (current as of the award date of this lease), or an alternative approach or method for achieving a level of safety deemed equivalent and acceptable by the Government.
- B. Offered space shall provide unrestricted access to a minimum of two remote exits on each floor of Government occupancy. Scissor stairs shall only be counted as one approved exit. Open air exterior fire escapes shall not be counted as an approved exit. In addition, the requirements for exit remoteness and discharge from exits shall meet the requirements in NFPA 101, *Life Safety Code* (current as of the award date of this lease), or an alternative approach or method for achieving a level of safety deemed equivalent and acceptable to the Government.

8.2 AUTOMATIC FIRE SPRINKLER SYSTEM (AUG 2008)

- A. Offered space located below-grade, including parking garage areas, and all areas in a building referred to as "hazardous areas" (defined in NFPA 101) that are located within the entire building (including non-Government areas) shall be protected by an automatic fire sprinkler system or an equivalent level of safety.
- B. For buildings in which any portion of the offered space is on or above the sixth floor, then, at a minimum, the building up to and including the highest floor of Government occupancy shall be protected by an automatic fire sprinkler system or an equivalent level of safety.

- C. For buildings in which any portion of the offered space is on or above the sixth floor, and lease of the offered space will result, either individually or in combination with other Government leases in the offered building, in the Government leasing 35,000 square feet or more ANSI/BOMA Office Area square feet of space in the offered building, then the entire building shall be protected throughout by an automatic fire sprinkler system or an equivalent level of safety.
- D. Automatic sprinkler system(s) shall be maintained in accordance with the requirements NFPA 25, *Standard for the Inspection, Testing, and Maintenance of Water-based Fire Protection Systems* (current as of the award date of this lease), or the applicable local codes.

E. DEFINITIONS:

- 1. "Automatic sprinkler system" means an electronically supervised, integrated system of underground and overhead piping, designed in accordance with National Fire Protection Association (NFPA) 13, *Installation of Sprinkler Systems*. The system is usually activated by heat from fire and discharges water over the fire area. The system includes an adequate water supply.
- 2. "Equivalent level of safety" means an alternative design or system (which may include automatic sprinkler systems), based upon fire protection engineering analysis, which achieves a level of safety equal to or greater than that provided by automatic sprinkler systems.

8.3 **FIRE ALARM SYSTEM (AUG 2008)**

- A. A building-wide fire alarm system shall be installed in buildings in which any portion of the offered space is located 2 or more stories in height above the lowest level of exit discharge. The fire alarm system shall meet the installation and operational requirements of the applicable local codes and ordinances adopted by the jurisdiction in which the building is located.
- B. The fire alarm system shall be maintained in accordance with the requirements of the applicable local codes or NFPA 72, *National Fire Alarm Code* (current as of the award of the lease) The fire alarm system wiring and equipment shall be electrically-supervised and shall automatically notify the local fire department or approved central station. Emergency power shall be provided for the fire alarm system.
- C. If a building's fire alarm control unit is over 25 years old, the Offeror shall install a new fire alarm system in accordance with the requirements of NFPA 72, *National Fire Alarm Code* (current as of the award of the lease) or applicable local codes prior to Government acceptance and occupancy of the offered space.

8.4 **OSHA REQUIREMENTS (SEP 2000)**

The Lessor shall maintain buildings and space in a safe and healthful condition according to OSHA standards.

8.5 **INDOOR AIR QUALITY (DEC 2007)**

- A. The Lessor shall control contaminants at the source and/or operate the space in such a manner that the GSA indicator levels for carbon monoxide (CO), carbon dioxide (CO₂), and formaldehyde (HCHO) are not exceeded. The indicator levels for office areas shall be: CO 9 ppm time weighted average (TWA 8 hour sample); CO₂ 1,000 ppm (TWA); HCHO 0.1 ppm (TWA).
- B. The Lessor shall make a reasonable attempt to apply insecticides, paints, glues, adhesives, and HVAC system cleaning compounds with highly volatile or irritating organic compounds, outside of working hours. Except in an emergency, the Lessor shall provide at least 72 hours advance notice to the Government before applying noxious chemicals in occupied spaces and shall adequately ventilate those spaces during and after application.
- C. The Lessor shall promptly investigate indoor air quality (IAQ) complaints and shall implement the necessary controls to address the complaint.
- D. The Government reserves the right to conduct independent IAQ assessments and detailed studies in space that it occupies, as well as in space serving the Government demised area (e.g., common use areas, mechanical rooms, HVAC systems, etc.). The Lessor shall assist the Government in its assessments and detailed studies by 1) making available information on building operations and Lessor activities; 2) providing access to space for assessment and testing, if required; and 3) implementing corrective measures required by the Contracting Officer.
- E. The Lessor shall provide to the Government material safety data sheets (MSDS) upon request for the following products prior to their use during the term of the lease: adhesives, caulking, sealants, insulating materials, fireproofing or firestopping materials, paints, carpets, floor and wall patching or leveling materials, lubricants, clear finish for wood surfaces, janitorial cleaning products, pesticides, rodenticides, and herbicides. The Government reserves the right to review such products used by the Lessor within 1) the Government demised area; 2) common building areas; 3) ventilation systems and zones serving the leased space; and 4) the area above suspended ceilings and engineering space in the same ventilation zone as the leased space.
- F. Where hazardous gasses or chemicals (any products with data in the Health and Safety section of the MSDS sheets) may be present or used, including large-scale copying and printing rooms, segregate areas with deck-to-deck partitions with separate outside exhausting at a rate of at least 0.5 cubic feet per minute per square foot, no air recirculation. The mechanical system must operate at a negative pressure compared with the surrounding spaces of at least an average of 5 Pa (pascal) (0.02 inches of water gauge) and with a minimum of 1 Pa (0.004 inches of water gauge) when the doors to the rooms are closed.

8.6 HAZARDOUS MATERIALS (OCT 1996)

The leased space shall be free of hazardous materials according to applicable federal, state, and local environmental regulations.

8.7 OCCUPANT EMERGENCY PLANS (AUG 2008)

The Lessor is required to participate in and comply with the development and implementation of the Government Occupant Emergency Plan. The Plan must, among other things, include emergency notification procedures of the Lessor's building engineer or manager, building security, local emergency personnel, and GSA personnel. For further information and guidelines on Occupant Emergency Plans, see also the following website:

[http://www.9-11submit.org/materials9-](http://www.9-11submit.org/materials9-1/911/acrobat/27/P3&C10EmergencyPreparednessPlans/GSAOccupantEmergencyProgram.pdf)

[1/911/acrobat/27/P3&C10EmergencyPreparednessPlans/GSAOccupantEmergencyProgram.pdf](http://www.9-11submit.org/materials9-1/911/acrobat/27/P3&C10EmergencyPreparednessPlans/GSAOccupantEmergencyProgram.pdf).MOLD

9.0 LEASE SECURITY STANDARDS

9.1 GENERAL REQUIREMENTS (NOV 2005)

A. Overview of Lease Security Standards:

1. The Government will determine security standards for facilities and agency space requirements. Security standards will be assessed based upon tenant agency mix, size of space requirement, number of employees, use of the space, location of the facility, configuration of the site and lot, and public access into and around the facility. The Government will designate a security level from Level I to Level IV for each space requirement. The Contracting Officer (or the Contracting Officer's designated representative) will provide the security level designation as part of the space requirement. A copy of the Government's security standards is available at www.oca.gsa.gov.
2. The Contracting Officer (or the Contracting Officer's designated representative) will identify all required security standards.
3. A security level designation may be determined by the individual space requirement or by the assessed, cumulative tenant agency mix within a given facility. If an Offeror is offering space in a facility currently housing a federal agency, the security level designation of the facility may be increased and the Offeror may be required to adhere to a higher security standard than other Offerors competing for the same space requirement. If two or more federal space requirements are being competed at the same time, an Offeror submitting on both or more space requirements may be subject to a higher security standard if the Offeror is determined to be the successful Offeror on more than one space requirement. It is incumbent upon the Offeror to prepare the Offeror's proposal accordingly.

9.2 DETERRENCE TO UNAUTHORIZED ENTRY (NOV 2005)

The Lessor shall provide a level of security that reasonably prevents unauthorized entry to the space during non-duty hours and deters loitering or disruptive acts in and around the space leased. The Lessor shall ensure that security cameras and lighting are not obstructed.

9.3 ACCESS TO UTILITY AREAS (NOV 2005)

Utility areas shall be secure, and only authorized personnel shall have access.

9.4 EMERGENCY POWER TO CRITICAL SYSTEMS (TENANT IMPROVEMENT) (NOV 2005)

Emergency power backup is required for all alarm systems, CCTV monitoring devices, fire detection systems, entry control devices, lighting, etc., and special equipment, as identified elsewhere in the SFO.

9.5 MECHANICAL AREAS AND BUILDING ROOFS (NOV 2005)

- A. Keyed locks, keycards, or similar security measures shall strictly control access to mechanical areas. Additional controls for access to keys, keycards, and key codes shall be strictly maintained. The Lessor shall develop and maintain accurate HVAC diagrams and HVAC system labeling within mechanical areas.
- B. Roofs with HVAC systems shall also be secured. Fencing or other barriers may be required to restrict access from adjacent roofs based on a Government Building Security Assessment. Roof access shall be strictly controlled through keyed locks, keycards, or similar measures. Fire and life safety egress shall be carefully reviewed when restricting roof access.

9.6 ACCESS TO BUILDING INFORMATION (NOV 2005)

Building Information—including mechanical, electrical, vertical transport, fire and life safety, security system plans and schematics, computer automation systems, and emergency operations procedures—shall be strictly controlled. Such information shall be released to authorized personnel only, preferably by the development of an access list and controlled copy numbering. The Contracting Officer

may direct that the names and locations of Government tenants not be disclosed in any publicly accessed document or record. If that is the case, the Government may request that such information not be posted in the building directory.

9.7 POSTING OF GOVERNMENT RULES AND REGULATIONS (TENANT IMPROVEMENT) (NOV 2005)

The Government will post applicable Government rules and regulations at the entrance to any Government-occupied space for such things as, but not limited to, barring the unauthorized possession of firearms and dangerous weapons. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards.

9.8 DEVELOPMENT, IMPLEMENTATION, AND PERIODIC REVIEW OF OCCUPANT EMERGENCY PLANS (NOV 2005)

The Lessor shall cooperate and participate in the development of an Occupant Emergency Plan (OEP) and if necessary, a supplemental Sheltering-in Place (SIP) Plan. Periodically, the Government may request that the Lessor assist in reviewing and revising the OEP and SIP plan(s).

9.9 EMERGENCY VOICE/ALARM COMMUNICATION SYSTEM (BUILDING SHELL) (NOV 2005)

The building-wide fire alarm system installed in the building shall be an emergency voice/alarm communication system. The emergency voice/alarm communication system shall be designed and installed to meet the requirements of the applicable local codes and ordinances (current as of the date of this SFO) adopted by the jurisdiction in which the building is located. The emergency voice/alarm communication system shall be capable of originating and distributing voice instructions (e.g., in the event of possible contamination of the HVAC system, blasts, etc.), as well as alert and evacuation signals pertaining to fire or other emergencies to the occupants of the building.

9.10 BUILDING SECURITY PLAN (NOV 2005)

The Offeror shall provide a Pre-Lease Building Security Plan, as attached, with the offer that addresses its compliance with the lease security standards, as described in this SFO and its attachments.

9.11 ADDITIONAL SECURITY MEASURES AS DETERMINED BY THE GOVERNMENT (NOV 2005)

The Government reserves the right, prior to the submission of final revised proposals, to require additional security measures to meet specific tenant occupancy requirements, as may be determined by the Government's building security assessment or any type of Government risk assessment evaluation of the proposed building, location, and tenant mix.

9.12 IDENTITY VERIFICATION OF PERSONNEL (MAY 2007)

A. The Government reserves the right to verify identities of personnel with routine access to Government space. The Lessor shall comply with the agency personal identity verification procedures below that implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24, and Federal Information Processing Standards Publication (FIPS PUB) Number 201, as amended.

B. The Lessor shall insert this paragraph in all subcontracts when the subcontractor is required to have physical access to a federally controlled facility or access to a federal information system.

C. Lessor compliance with subparagraphs 1 through 4 below will suffice to meet the Lessor's requirements under HSPD-12, OMB M-05-24, and FIPS PUB Number 201.

1. The Government reserves the right to conduct background checks on Lessor personnel and contractors with routine access to Government leased space.
2. Upon request, the Lessor shall submit completed fingerprint charts and background investigation forms for each employee of the Lessor, as well as employees of the Lessor's contractors or subcontractors, who will provide building operating services requiring routine access to the Government's leased space for a period greater than 6 months. The Government may also require this information for the Lessor's employees, contractors, or subcontractors who will be engaged to perform alterations or emergency repairs in the Government's space.
3. The Lessor must provide Form FD-258, Fingerprint Chart (available from the Government Printing Office at <http://bookstore.gpo.gov>), and Standard Form 85P, Questionnaire for Public Trust Positions, completed by each person and returned to the contracting officer (or the contracting officer's designated representative) within 30 days from receipt of the forms. Based on the information furnished, the Government will conduct background investigations of the employees. The contracting officer will advise the Lessor in writing if an employee fails the investigation, and, effective immediately, the employee will no longer be allowed to work or be assigned to work in the Government's space.
4. Throughout the life of the lease, the Lessor shall provide the same data for any new employees, contractors, or subcontractors who will be assigned to the Government's space. In the event the Lessor's contractor or subcontractor is subsequently replaced, the new contractor or subcontractor is not required to submit another set of these forms for employees who were cleared through this process while employed by the former contractor or subcontractor. The Lessor shall resubmit Form FD-258 and Standard Form 85P for every employee covered by this paragraph on a 5-year basis.

- 9.13 **ENTRY SECURITY: INTRUSION DETECTION SYSTEM WITH CENTRAL MONITORING CAPABILITY (NOV 2005)**
The Lessor shall permit installation of a perimeter Intrusion Detection System (IDS) to be operated and maintained by the Government.
- 9.14 **ENTRY SECURITY: PEEPHOLES (TENANT IMPROVEMENT) (NOV 2005)**
The Lessor shall permit the Government to install peepholes in all doors to the Government-occupied space as an effective visual recognition system for small offices. This system shall comply with the Architectural Barriers Act, section F230.1.
- 9.15 **ENTRY SECURITY: INTERCOM (TENANT IMPROVEMENT) (NOV 2005)**
The Lessor shall permit the Government to install an intercom system to be used in conjunction with the peephole system. This system shall be maintained by the Government. This system shall comply with the Architectural Barriers Act, section F230.1.
- 9.16 **ENTRY SECURITY: ENTRY CONTROL WITH CCTV AND DOOR STRIKES (TENANT IMPROVEMENT) (NOV 2005)**
The Lessor shall permit the Government to install an entry control system that will allow employees to view and communicate remotely with visitors before allowing access. This system shall comply with the Architectural Barriers Act, section F230.0.
- 9.17 **SECURE HVAC: OUTDOOR AIR INTAKES (BUILDING SHELL) (NOV 2005)**
A. The outdoor air intakes shall be located on a secure roof or high sidewall and not within 30 feet of the loading dock; otherwise the Lessor shall relocate, extend, or secure intakes as described below:
1. *Outdoor air intakes shall be relocated.* The lowest edge of the outdoor air intakes shall be placed 40 feet, 0 inches above grade and not less than 30 feet, 0 inches from the loading dock. Access shall be locked and secured, if feasible. For increased visibility of suspicious items, moat areas and other ground level areas surrounding outside air intakes shall be completely free of trash, debris or any other matter.
 2. *Outdoor air intakes shall be extended.* If relocation is not feasible, as approved by the Government, intake extensions shall be constructed without creating adverse effects on HVAC performance. The higher the extensions, the better, as long as other design constraints (excessive pressure loss, dynamic and static loads on structure) are considered. An extension height of 40 feet, 0 inches is required unless adverse effects on HVAC performance can be demonstrated. The entrance to the intake shall be covered with a sloped metal mesh to reduce the threat of objects being tossed in the intake. A minimum slope of 45 degrees may be required. Extension height shall be increased where existing platforms or building features (e.g., loading docks, retaining walls) might provide access to the outdoor air intakes.
 3. *A security zone around outdoor air intakes shall be established.* When outdoor air intakes are publicly accessible and relocation or physical extensions are not viable options or are cost prohibitive, perimeter barriers that prevent public access to outdoor air intake areas shall be required based on the Government's building security assessment. Iron fencing or similar see-through barriers may be required. The restricted area shall also include an open buffer zone between the public areas and the intake louvers. The Government will have the right to monitor the buffer zone by physical security and/or closed circuit television (CCTV). Security lighting or intrusion detection sensors are required and shall be provided and installed by the Lessor.
- 9.18 **SECURE HVAC: AIRBORNE HAZARDS (NOV 2005)**
Air-handling units shall be able to be shut down in response to a threat. Procedures shall be in place for notification of the Lessor's building engineer or manager, building security guard desk, local emergency personnel, GSA personnel, and Contracting Officer for possible shut-down of the air handling units serving the mailroom and/or any other possibly affected areas of the building to minimize contamination, as deemed appropriate to the hazard.
- 9.19 **SECURE HVAC: SECURE RETURN-AIR GRILLES (BUILDING SHELL) (NOV 2005)**
The Lessor shall secure return-air grilles in public lobbies. Protection measures shall not adversely affect performance of the building's HVAC system. Return air-grille protective measures include 1) relocating return-air grilles to inaccessible, yet observable locations, 2) increasing security presence (human or CCTV) near vulnerable return-air grilles, 3) directing public access away from return-air grilles, and 4) removing furniture and visual obstructions from areas near air grilles.
- 9.20 **PARKING SECURITY REQUIREMENTS (NOV 2005)**
A. Arrange for Employee Parking after Normal Working Hours:
The Lessor will allow employee parking in/near the building after normal working hours.

GENERAL CLAUSES
(Acquisition of Leasehold Interests in Real Property)

CATEGORY	CLAUSE NO.	48 CFR REF.	CLAUSE TITLE
DEFINITIONS	1	552.270-4	Definitions (Variation) (Modified)
GENERAL	2	552.270-5	Subletting and Assignment (Modified)
	3	552.270-11	Successors Bound
	4	552.270-23	Subordination, Nondisturbance and Attornment
	5	552.270-24	Statement of Lease
	6	552.270-25	Substitution of Tenant Agency (Modified)
	7	552.270-26	No Waiver
	8	552.270-27	Integrated Agreement
	9	552.270-28	Mutuality of Obligation
PERFORMANCE	10	552.270-17	Delivery and Condition (Deleted)
	11	552.270-18	Default in Delivery—Time Extensions (Variation) (Deleted)
	12	552.270-19	Progressive Occupancy (Deleted)
	13	552.270-21	Effect of Acceptance and Occupancy
	14	552.270-6	Maintenance of Building and Premises— Right of Entry (Variation) (Modified)
	15	552.270-10	Failure in Performance (Modified)
	16	552.270-22	Default by Lessor During the Term
	17	552.270-7	Fire and Casualty Damage
	18	552.270-8	Compliance with Applicable Law (Modified)
	19	552.270-12	Alterations
	20	552.270-29	Acceptance of Space (Variation) (Modified)
INSPECTION	21	552.270-9	Inspection—Right of Entry
PAYMENT	22	52.204-7	Central Contractor Registration (Variation)
	23	552.232-75	Prompt Payment
	24	552.232-76	Electronic Funds Transfer Payment (Variation)
	25	552.232-70	Invoice Requirements (Variation)
	26	52.232-23	Assignment of Claims
	27	552.270-20	Payment (Variation) (Deleted)
STANDARDS OF CONDUCT	28	552.203-5	Covenant Against Contingent Fees
	29	52.203-7	Anti-Kickback Procedures
	30	52.223-6	Drug-Free Workplace
ADJUSTMENTS	31	552.203-70	Price Adjustment for Illegal or Improper Activity
	32	52.215-10	Price Reduction for Defective Cost or Pricing Data (Not Applicable)
	33	552.270-13	Proposals for Adjustment
	34	552.270-14	Changes (Variation)
AUDITS	35	552.215-70	Examination of Records by GSA
	36	52.215-2	Audit and Records—Negotiation
DISPUTES	37	52.233-1	Disputes

INITIALS: _____ & _____
LESSOR GOVERNMENT

LABOR STANDARDS	38	52.222-26	Equal Opportunity
	39	52.222-24	Preaward On-Site Equal Opportunity Compliance Evaluation (N/A)
	40	52.222-21	Prohibition of Segregated Facilities
	41	52.222-35	Equal Opportunity for Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
	42	52.222-36	Affirmative Action for Workers with Disabilities
	43	52.222-37	Employment Reports on Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans
SUBCONTRACTING	44	52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment
	45	52.215-12	Subcontractor Cost or Pricing Data (Deleted)
	46	52.219-8	Utilization of Small Business Concerns
	47	52.219-9	Small Business Subcontracting Plan
	48	52.219-16	Liquidated Damages—Subcontracting Plan

The information collection requirements contained in this solicitation/contract, that are not required by regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

GENERAL CLAUSES
(Acquisition of Leasehold Interests in Real Property)

1. **552.270-4 DEFINITIONS (SEP 1999) (VARIATION) (MODIFIED)**

The following terms and phrases (except as otherwise expressly provided or unless the context otherwise requires) for all purposes of this lease shall have the respective meanings hereinafter specified:

- (a) "Commencement Date" means the first day of the term.
- (b) "Contract" and "Contractor" means "Lease" and "Lessor," respectively.
- (c) "Contracting Officer" means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority as delegated by the Contracting Officer.
- (d) "Delivery Date" means the date specified in or determined pursuant to the provisions of this lease for delivery of the premises to the Government, improved in accordance with the provisions of this lease and substantially complete, as such date may be modified in accordance with the provisions of this lease.
- (e) "Delivery Time" means the number of days provided by this lease for delivery of the premises to the Government, as such number may be modified in accordance with the provisions of this lease.
- (f) "Excusable Delays" mean delays arising without the fault or negligence of Lessor and Lessor's subcontractors and suppliers at any tier, and shall include, without limitation:
 - (1) acts of God or of the public enemy,
 - (2) acts of the United States of America in either its sovereign or contractual capacity,
 - (3) acts of another contractor in the performance of a contract with the Government,
 - (4) fires,
 - (5) floods,
 - (6) epidemics,
 - (7) quarantine restrictions,
 - (8) strikes,
 - (9) freight embargoes,
 - (10) unusually severe weather, or
 - (11) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the control and without the fault or negligence of both the Lessor and any such subcontractor or supplier.
- (g) "Lessor" means the sub-lessor if this lease is a sublease.
- (h) "Lessor shall provide" means the Lessor shall furnish and install at Lessor's expense.
- (i) "Notice" means written notice sent by certified or registered mail, Express Mail or Comparable service, or delivered by hand. Notice shall be effective on the date delivery is accepted or refused.
- (j) "Premises" means the space described on the Standard Form 2, U.S. Government Lease for Real Property, of this lease.
- (k) "Substantially complete" and "substantial completion" means that the work, the common and other areas of the building, and all other things necessary for the Government's access to the premises and occupancy, possession, use and enjoyment thereof, as provided in this lease, have been completed or obtained, excepting only such minor matters as do not interfere with or materially diminish such access, occupancy, possession, use or enjoyment.
- (l) "Work" means all alterations, improvements, modifications, and other things required for the preparation or continued occupancy of the premises by the Government as specified in this lease.

2. 552.270-5 SUBLETTING AND ASSIGNMENT (SEP 1999) (MODIFIED)

The Government may sublet any part of the premises but shall not be relieved from any obligations under this lease by reason of any such subletting. The Government may at any time assign this lease, and be relieved from all obligations to Lessor under this lease excepting only unpaid rent and other liabilities, if any, that have accrued to the date of said assignment. Any subleasing or assignment shall be subject to prior written consent of Lessor, which shall not be unreasonably withheld.

3. 552.270-11 SUCCESSORS BOUND (SEP 1999)

This lease shall bind, and inure to the benefit of, the parties and their respective heirs, executors, administrators, successors, and assigns.

4. 552.270-23 SUBORDINATION, NONDISTURBANCE AND ATTORNMEN (SEP 1999)

- (a) Lessor warrants that it holds such title to or other interest in the premises and other property as is necessary to the Government's access to the premises and full use and enjoyment thereof in accordance with the provisions of this lease. Government agrees, in consideration of the warranties and conditions set forth in this clause, that this lease is subject and subordinate to any and all recorded mortgages, deeds of trust and other liens now or hereafter existing or imposed upon the premises, and to any renewal, modification or extension thereof. It is the intention of the parties that this provision shall be self-operative and that no further instrument shall be required to effect the present or subsequent subordination of this lease. Government agrees, however, within twenty (20) business days next following the Contracting Officer's receipt of a written demand, to execute such instruments as Lessor may reasonably request to evidence further the subordination of this lease to any existing or future mortgage, deed of trust or other security interest pertaining to the premises, and to any water, sewer or access easement necessary or desirable to serve the premises or adjoining property owned in whole or in part by Lessor if such easement does not interfere with the full enjoyment of any right granted the Government under this lease.
- (b) No such subordination, to either existing or future mortgages, deeds of trust or other lien or security instrument shall operate to affect adversely any right of the Government under this lease so long as the Government is not in default under this lease. Lessor will include in any future mortgage, deed of trust or other security instrument to which this lease becomes subordinate, or in a separate nondisturbance agreement, a provision to the foregoing effect. Lessor warrants that the holders of all notes or other obligations secured by existing mortgages, deeds of trust or other security instruments have consented to the provisions of this clause, and agrees to provide true copies of all such consents to the Contracting Officer promptly upon demand.
- (c) In the event of any sale of the premises or any portion thereof by foreclosure of the lien of any such mortgage, deed of trust or other security instrument, or the giving of a deed in lieu of foreclosure, the Government will be deemed to have attorned to any purchaser, purchasers, transferee or transferees of the premises or any portion thereof and its or their successors and assigns, and any such purchasers and transferees will be deemed to have assumed all obligations of the Lessor under this lease, so as to establish direct privity of estate and contract between Government and such purchasers or transferees, with the same force, effect and relative priority in time and right as if the lease had initially been entered into between such purchasers or transferees and the Government; provided, further, that the Contracting Officer and such purchasers or transferees shall, with reasonable promptness following any such sale or deed delivery in lieu of foreclosure, execute all such revisions to this lease, or other writings, as shall be necessary to document the foregoing relationship.
- (d) None of the foregoing provisions may be deemed or construed to imply a waiver of the Government's rights as a sovereign.

5. 552.270-24 STATEMENT OF LEASE (SEP 1999)

- (a) The Contracting Officer will, within thirty (30) days next following the Contracting Officer's receipt of a joint written request from Lessor and a prospective lender or purchaser of the building, execute and deliver to Lessor a letter stating that the same is issued subject to the conditions stated in this clause and, if such is the case, that (1) the lease is in full force and

effect; (2) the date to which the rent and other charges have been paid in advance, if any; and (3) whether any notice of default has been issued.

(b) Letters issued pursuant to this clause are subject to the following conditions:

- (1) That they are based solely upon a reasonably diligent review of the Contracting Officer's lease file as of the date of issuance;
- (2) That the Government shall not be held liable because of any defect in or condition of the premises or building;
- (3) That the Contracting Officer does not warrant or represent that the premises or building comply with applicable Federal, State and local law; and
- (4) That the Lessor, and each prospective lender and purchaser are deemed to have constructive notice of such facts as would be ascertainable by reasonable prepurchase and precommitment inspection of the Premises and Building and by inquiry to appropriate Federal, State and local Government officials.

6. 552.270-25 SUBSTITUTION OF TENANT AGENCY (SEP 1999) (MODIFIED)

The Government may, at any time and from time to time, substitute any Government agency or agencies for the Government agency or agencies, if any, named in the lease. Lessor shall have the right to approve, which approval shall not be unreasonably withheld or delayed.

7. 552.270-26 NO WAIVER (SEP1999)

No failure by either party to insist upon the strict performance of any provision of this lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial rent or other performance by either party during the continuance of any such breach shall constitute a waiver of any such breach of such provision.

8. 552.270-27 INTEGRATED AGREEMENT (SEP 1999)

This Lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, express or implied, shall be admissible to contradict the provisions of the Lease.

9. 552.270-28 MUTUALITY OF OBLIGATION (SEP 1999)

The obligations and covenants of the Lessor, and the Government's obligation to pay rent and other Government obligations and covenants, arising under or related to this Lease, are interdependent. The Government may, upon issuance of and delivery to Lessor of a final decision asserting a claim against Lessor, set off such claim, in whole or in part, as against any payment or payments then or thereafter due the Lessor under this lease. No setoff pursuant to this clause shall constitute a breach by the Government of this lease.

10. 552.270-17 DELIVERY AND CONDITION (SEP 1999) (DELETED)

11. 552.270-18 DEFAULT IN DELIVERY—TIME EXTENSIONS (SEP 1999) (VARIATION) (DELETED)

12. 552.270-19 PROGRESSIVE OCCUPANCY (SEP 1999) (DELETED)

13. 552.270-21 EFFECT OF ACCEPTANCE AND OCCUPANCY (SEP 1999)

Neither the Government's acceptance of the premises for occupancy, nor the Government's occupancy thereof, shall be construed as a waiver of any requirement of or right of the Government under this Lease, or as otherwise prejudicing the Government with respect to any such requirement or right.

**14. 552.270-6 MAINTENANCE OF BUILDING AND PREMISES—RIGHT OF ENTRY (SEP 1999)
(VARIATION) MODIFIED**

Except in case of damage arising out of the willful act or negligence of a Government employee, Lessor shall provide maintenance, repair and replacement of the building infrastructure, building envelope including foundations, load bearing and non-load bearing walls, and roof system, stairs floor slabs and exterior surfaces of building walls including lighting fixtures and glazing, and the parking areas adjacent to the building. Lessor shall also provide routine maintenance, repair and replacement of the buildings heating and pre-conditioned air central supply units, electrical, water and sewer main supply lines to the point(s) of connection, the elevator systems (collectively, the "Buildings Systems"), so that they are suitable in appearance and capable of supplying such heat, air conditioning, light, ventilation, safety systems, access and other things to the building, without reasonable preventable or recurring disruption, as is required for the government's access to, occupancy, possession, use and enjoyment of the premises as provided in this lease. For the purpose of so maintaining the Building Shell and Building Systems, the Lessor may at reasonable times enter the premises with the approval of the authorized Government representative in charge. The Government hereby expressly waives any claims for consequential damages arising or resulting from failures or interruptions of utility services to the premises, including electricity, gas, water, plumbing, sewage, telephone, communications, heat, ventilation, air conditioning, or for the failure or interruptions of any public or passenger conveniences, including any failures or interruptions due to force majeure. This provision shall not be interpreted to require the Government to pay for services not received or rent on premises that it cannot use.

Except as provided herein, the Government shall at all times during the term and at the Government's sole cost and expense, maintain the Government's improvements in good condition and repair, and in compliance with applicable laws and the Airport Tenant Improvement (TI) Guide pertaining to maintenance of the premises.

15. 552.270-10 FAILURE IN PERFORMANCE (SEP 1999) MODIFIED

The covenant to pay rent and the covenant to provide any service, utility, maintenance, or repair required under this lease are interdependent. In the event of any failure by the Lessor to provide any service, utility, maintenance, repair or replacement required under this lease the Government may, by contract or otherwise, perform the requirement and deduct from any payment or payments under this lease, then or thereafter due, the resulting cost to the Government, including all administrative costs, provided however, the Government gives notice to the Lessor of the failure and provides the Lessor 30 days to cure such failure. If the Government elects to perform any such requirement, the Government and each of its contractors shall be entitled to access to any and all areas of the building, access to which is necessary to perform any such requirement, and the Lessor shall afford and facilitate such access. Alternatively, the Government may deduct from any payment under this lease, then or thereafter due, an amount which reflects the reduced value of the contract requirement not performed. No deduction from rent pursuant to this clause shall constitute a default by the Government under this lease. These remedies are not exclusive and are in addition to any other remedies which may be available under this lease or at law.

16. 552.270-22 DEFAULT BY LESSOR DURING THE TERM (SEP 1999)

(a) Each of the following shall constitute a default by Lessor under this lease:

- (1) Failure to maintain, repair, operate or service the premises as and when specified in this lease, or failure to perform any other requirement of this lease as and when required provided any such failure shall remain uncured for a period of thirty (30) days next following Lessor's receipt of notice thereof from the Contracting Officer or an authorized representative.
- (2) Repeated and unexcused failure by Lessor to comply with one or more requirements of this lease shall constitute a default notwithstanding that one or all such failures shall have been timely cured pursuant to this clause.

17. 552.270-7 FIRE AND CASUALTY DAMAGE (SEP 1999)

If the entire premises are destroyed by fire or other casualty, this lease will immediately terminate. In case of partial destruction or damage, so as to render the premises untenable, as determined by the Government, the Government may terminate the lease by giving written notice to the Lessor within 15 calendar days of the fire or other casualty; if so terminated, no rent will accrue to the Lessor after such partial destruction or damage; and if not so terminated, the rent will be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage. Nothing in this lease shall be construed as relieving Lessor from liability for

damage to or destruction of property of the United States of America caused by the willful or negligent act or omission of Lessor.

18. 552.270-8 COMPLIANCE WITH APPLICABLE LAW (SEP 1999) (MODIFIED)

Lessor shall comply with all Federal, State and local laws applicable to the Lessor as owner or Lessor, or both, of the building, including, without limitation, laws applicable to the construction, ownership, alteration or operation of the building, and will obtain all necessary permits, licenses and similar items at Lessor's expense. The Government will comply with all Federal, State and local laws applicable to and enforceable against it as a tenant under this lease; provided that nothing in this lease shall be construed as a waiver of any sovereign immunity of the Government. This lease shall be governed by Federal law.

19. 552.270-12 ALTERATIONS (SEP 1999)

The Government shall have the right during the existence of this lease to make alterations, attach fixtures, and erect structures or signs in or upon the premises hereby leased, which fixtures, additions or structures so placed in, on, upon, or attached to the said premises shall be and remain the property of the Government and may be removed or otherwise disposed of by the Government. If the lease contemplates that the Government is the sole occupant of the building, for purposes of this clause, the leased premises include the land on which the building is sited and the building itself. Otherwise, the Government shall have the right to tie into or make any physical connection with any structure located on the property as is reasonably necessary for appropriate utilization of the leased space as approved by Lessor and in accordance with the Airport's Tenant Improvements Guide.

20. 552.270-29 ACCEPTANCE OF SPACE (SEP 1999) (VARIATION) MODIFIED

- (a) The Government will accept the space and the lease term will begin after determining that the space is substantially complete and contains the required square footage as indicated in the paragraph of this solicitation entitled "Amount and Type of Space."

21. 552.270-9 INSPECTION—RIGHT OF ENTRY (SEP 1999)

- (a) At any time and from time to time after receipt of an offer (until the same has been duly withdrawn or rejected), after acceptance thereof and during the term, the agents, employees and contractors of the Government may, upon reasonable prior notice to Offeror or Lessor, enter upon the offered premises or the premises, and all other areas of the building access to which is necessary to accomplish the purposes of entry, to determine the potential or actual compliance by the Offeror or Lessor with the requirements of the solicitation or this lease, which purposes shall include, but not be limited to:
- (1) inspecting, sampling and analyzing of suspected asbestos-containing materials and air monitoring for asbestos fibers;
 - (2) inspecting the heating, ventilation and air conditioning system, maintenance records, and mechanical rooms for the offered premises or the premises;
 - (3) inspecting for any leaks, spills, or other potentially hazardous conditions which may involve tenant exposure to hazardous or toxic substances; and
 - (4) inspecting for any current or past hazardous waste operations, to ensure that appropriate mitigative actions were taken to alleviate any environmentally unsound activities in accordance with Federal, State and local law.
- (b) Nothing in this clause shall be construed to create a Government duty to inspect for toxic materials or to impose a higher standard of care on the Government than on other lessees. The purpose of this clause is to promote the ease with which the Government may inspect the building. Nothing in this clause shall act to relieve the Lessor of any duty to inspect or liability which might arise as a result of Lessor's failure to inspect for or correct a hazardous condition.

22. 52.204-7 CENTRAL CONTRACTOR REGISTRATION (OCT 2003) (VARIATION)

- (a) Definitions. As used in this clause—

"Central Contractor Registration (CCR) database" means the primary Government repository for Contractor information required for the conduct of business with the Government.

"Data Universal Numbering System (DUNS) number" means the 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) to identify unique business entities.

"Data Universal Numbering System +4 (DUNS+4) number" means the DUNS number assigned by D&B plus a 4-character suffix that may be assigned by a business concern. (D&B has no affiliation with this 4-character suffix.) This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts for the same parent concern.

"Offeror" means the owner of the property offered, not an individual or agent representing the owner.

"Registered in the CCR database" means that—

- (1) The Contractor has entered all mandatory information, including the DUNS number or the DUNS+4 number, into the CCR database; and
 - (2) The Government has validated all mandatory data fields and has marked the record "Active."
- (b)
- (1) By submission of an offer, the Offeror acknowledges the requirement that a prospective awardee must be registered with D&B and in the CCR database prior to award, during performance, and through final payment of any contract resulting from this solicitation.
 - (2) The Offeror shall enter in the appropriate block, on the GSA Form 3518, entitled Representations and Certifications, the legal entity's name and address, followed by the DUNS or DUNS +4 number that identifies the Offeror's name and address exactly as stated in the offer. The DUNS number will be used by the Contracting Officer to verify that the Offeror is registered in the CCR database.
- (c) If the Offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.
- (1) An Offeror may obtain a DUNS number—
 - (i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711 or via the Internet at <http://www.dnb.com>; or
 - (ii) If located outside the United States, by contacting the local Dun and Bradstreet office.
 - (2) The Offeror should be prepared to provide the following information:
 - (i) Company legal business.
 - (ii) Tradestyle, doing business, or other name by which your entity is commonly recognized.
 - (iii) Company Physical Street Address, City, State, and ZIP Code.
 - (iv) Company Mailing Address, City, State and ZIP Code (if separate from physical).
 - (v) Company Telephone Number.
 - (vi) Date the company was started.
 - (vii) Number of employees at your location.
 - (viii) Chief executive officer/key manager.
 - (ix) Line of business (industry).
 - (x) Company Headquarters name and address (reporting relationship within your entity).
- (d) If the Offeror does not become registered in the CCR database in the time prescribed by the Contracting Officer, the Contracting Officer will proceed to award to the next otherwise successful registered Offeror.
- (e) Processing time, which normally takes 48 hours, should be taken into consideration when registering. Offerors who are not registered should consider applying for registration immediately upon receipt of this solicitation.

- (f) The Contractor is responsible for the accuracy and completeness of the data within the CCR database, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the CCR database to ensure it is current, accurate and complete. Updating information in the CCR does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.
- (g)
 - (1)
 - (i) If a Contractor has legally changed its business name, "doing business as" name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, the Contractor shall comply with the requirements of Subpart 42.12 of the Federal Acquisition Regulations (FAR) and provide the responsible Contracting Officer a fully revised and initialed/signed GSA Form 3518, entitled Representations and Certifications, along with written notification of its intention to (A) change the name in the CCR database; and (B) provide the Contracting Officer with sufficient documentation to verify and confirm the legally changed name or change in ownership.
 - (ii) If the Contractor fails to comply with the requirements of paragraph (g)(1)(i) of this clause, or fails to perform the agreement at paragraph (g)(1)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the CCR information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the "Suspension of Payment" paragraph of the electronic funds transfer (EFT) clause of this contract.
 - (2) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in the CCR record to reflect an assignee for the purpose of assignment of claims. Assignees shall be separately registered in the CCR database. Information provided to the Contractor's CCR record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information.
- (h) Offerors and Contractors may obtain information on registration and annual confirmation requirements via the internet at <http://www.ccr.gov> or by calling 1-888-227-2423, or 269-961-5757.

23. 552.232-75 PROMPT PAYMENT (SEP 1999)

The Government will make payments under the terms and conditions specified in this clause. Payment shall be considered as being made on the day a check is dated or an electronic funds transfer is made. All days referred to in this clause are calendar days, unless otherwise specified.

(a) *Payment due date.*

- (1) *Rental payments.* Rent shall be paid monthly in arrears and will be due on the first workday of each month, and only as provided for by the lease.
 - (i) When the date for commencement of rent falls on the 15th day of the month or earlier, the initial monthly rental payment under this contract shall become due on the first workday of the month following the month in which the commencement of the rent is effective.
 - (ii) When the date for commencement of rent falls after the 15th day of the month, the initial monthly rental payment under this contract shall become due on the first workday of the second month following the month in which the commencement of the rent is effective.
- (2) *Other payments.* The due date for making payments other than rent shall be the later of the following two events:
 - (i) The 30th day after the designated billing office has received a proper invoice from the Contractor.
 - (ii) The 30th day after Government acceptance of the work or service. However, if the designated billing office fails to annotate the invoice with the actual date of receipt, the invoice payment due date shall be deemed to be the 30th day after the Contractor's invoice is dated, provided a proper invoice is received and there is no disagreement over quantity, quality, or Contractor compliance with

contract requirements.

(b) *Invoice and inspection requirements for payments other than rent.*

- (1) The Contractor shall prepare and submit an invoice to the designated billing office after completion of the work. A proper invoice shall include the following items:
 - (i) Name and address of the Contractor.
 - (ii) Invoice date.
 - (iii) Lease number.
 - (iv) Government's order number or other authorization.
 - (v) Description, price, and quantity of work or services delivered.
 - (vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the remittance address in the lease or the order).
 - (vii) Name (where practicable), title, phone number, and mailing address of person to be notified in the event of a defective invoice.
- (2) The Government will inspect and determine the acceptability of the work performed or services delivered within 7 days after the receipt of a proper invoice or notification of completion of the work or services unless a different period is specified at the time the order is placed. If actual acceptance occurs later, for the purpose of determining the payment due date and calculation of interest, acceptance will be deemed to occur on the last day of the 7-day inspection period. If the work or service is rejected for failure to conform to the technical requirements of the contract, the 7 days will be counted beginning with receipt of a new invoice or notification. In either case, the Contractor is not entitled to any payment or interest unless actual acceptance by the Government occurs.

(c) *Interest Penalty.*

- (1) An interest penalty shall be paid automatically by the Government, without request from the Contractor, if payment is not made by the due date.
- (2) The interest penalty shall be at the rate established by the Secretary of the Treasury under Section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) that is in effect on the day after the due date. This rate is referred to as the "Renegotiation Board Interest Rate," and it is published in the *Federal Register* semiannually on or about January 1 and July 1. The interest penalty shall accrue daily on the payment amount approved by the Government and be compounded in 30-day increments inclusive from the first day after the due date through the payment date.
- (3) Interest penalties will not continue to accrue after the filing of a claim for such penalties under the clause at 52.233-1, Disputes, or for more than 1 year. Interest penalties of less than \$1.00 need not be paid.
- (4) Interest penalties are not required on payment delays due to disagreement between the Government and Contractor over the payment amount or other issues involving contract compliance or on amounts temporarily withheld or retained in accordance with the terms of the contract. Claims involving disputes, and any interest that may be payable, will be resolved in accordance with the clause at 52.233-1, Disputes.

24. 552.232-76 ELECTRONIC FUNDS TRANSFER PAYMENT (MAR 2000) (VARIATION)

- (a) The Government will make payments under this lease by electronic funds transfer (EFT). The Lessor must, no later than 30 days before the first payment:
 - (1) Designate a financial institution for receipt of EFT payments.
 - (2) Submit this designation to the Contracting Officer or other Government official, as directed.
- (b) The Lessor must provide the following information:
 - (1) The American Bankers Association 9-digit identifying number for Automated Clearing House (ACH) transfers of the financing institution receiving payment if the institution has access to the Federal Reserve Communications System.
 - (2) Number of account to which funds are to be deposited.

- (3) Type of depositor account ("C" for checking, "S" for savings).
- (4) If the Lessor is a new enrollee to the EFT system, the Lessor must complete and submit Form SF 3881, ACH Vendor/Miscellaneous Payment Enrollment Form, before payment can be processed.
- (c) If the Lessor, during the performance of this contract, elects to designate a different financial institution for the receipt of any payment, the appropriate Government official must receive notice of such change and the required information specified above no later than 30 days before the date such change is to become effective.
- (d) The documents furnishing the information required in this clause must be dated and contain the:
 - (1) Signature, title, and telephone number of the Lessor or the Lessor's authorized representative.
 - (2) Lessor's name.
 - (3) Lease number.
- (e) Lessor's failure to properly designate a financial institution or to provide appropriate payee bank account information may delay payments of amounts otherwise properly due.

25. 552.232-70 INVOICE REQUIREMENTS (SEP 1999) (VARIATION)

(This clause is applicable to payments other than rent.)

- (a) Invoices shall be submitted in an original only, unless otherwise specified, to the designated billing office specified in this contract or order.
- (b) Invoices must include the Accounting Control Transaction (ACT) number provided below or on the order.

ACT Number (to be supplied on individual orders)

- (c) If information or documentation in addition to that required by the Prompt Payment clause of this contract is required in connection with an invoice for a particular order, the order will indicate what information or documentation must be submitted.

26. 52.232-23 ASSIGNMENT OF CLAIMS (JAN 1986)

(Applicable to leases over \$2,500.)

- (a) The Contractor, under the Assignment of Claims Act, as amended, 31 U.S.C. 3727, 41 U.S.C. 15 (hereafter referred to as "the Act"), may assign its rights to be paid amounts due or to become due as a result of the performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency. The assignee under such an assignment may thereafter further assign or reassign its right under the original assignment to any type of financing institution described in the preceding sentence.
- (b) Any assignment or reassignment authorized under the Act and this clause shall cover all unpaid amounts payable under this contract, and shall not be made to more than one party, except that an assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in the financing of this contract.
- (c) The Contractor shall not furnish or disclose to any assignee under this contract any classified document (including this contract) or information related to work under this contract until the Contracting Officer authorizes such action in writing.

27. 552.270-20 PAYMENT (SEP 1999) (VARIATION) (DELETED)

28. 552.203-5 COVENANT AGAINST CONTINGENT FEES (FEB 1990)

(Applicable to leases over \$100,000.)

- (a) The Contractor warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of the contingent fee.
- (b) "Bona fide agency," as used in this clause, means an established commercial or selling agency (including licensed real estate agents or brokers), maintained by a Contractor for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government contract or contracts through improper influence.

"Bona fide employee," as used in this clause, means a person, employed by a Contractor and subject to the Contractor's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds out as being able to obtain any Government contract or contracts through improper influence.

"Contingent fee," as used in this clause, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a Government contract.

"Improper influence," as used in this clause, means any influence that induces or tends to induce a Government employee or officer to give consideration or to act regarding a Government contract on any basis other than the merits of the matter.

29. 52.203-7 ANTI-KICKBACK PROCEDURES (JUL 1995)

(Applicable to leases over \$100,000 average net annual rental, including option periods.)

- (a) *Definitions.*

"Kickback," as used in this clause, means any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime Contractor, prime Contractor employee, subcontractor, or subcontractor employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection with a subcontract relating to a prime contract.

"Person," as used in this clause, means a corporation, partnership, business association of any kind, trust, joint-stock company, or individual.

"Prime contract," as used in this clause, means a contract or contractual action entered into by the United States for the purpose of obtaining supplies, materials, equipment, or services of any kind.

"Prime Contractor," as used in this clause, means a person who has entered into a prime contract with the United States.

"Prime Contractor employee," as used in this clause, means any officer, partner, employee, or agent of a prime Contractor.

"Subcontract," as used in this clause, means a contract or contractual action entered into by a prime Contractor or subcontractor for the purpose of obtaining supplies, materials, equipment, or services of any kind under a prime contract.

"Subcontractor," as used in this clause, (1) means any person, other than the prime Contractor, who offers to furnish or furnishes any supplies, materials, equipment, or services of any kind under a prime contract or a subcontract entered into in connection with such prime contract, and (2) includes any person who offers to furnish or furnishes general supplies to the prime Contractor or a higher tier subcontractor.

"Subcontractor employee," as used in this clause, means any officer, partner, employee, or agent of a subcontractor.

- (b) The Anti-Kickback Act of 1986 (41 U.S.C. 51-58) (the Act), prohibits any person from—
- (1) Providing or attempting to provide or offering to provide any kickback;
 - (2) Soliciting, accepting, or attempting to accept any kickback; or
 - (3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.
- (c)
- (1) The Contractor shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (b) of this clause in its own operations and direct business relationships.
 - (2) When the Contractor has reasonable grounds to believe that a violation described in paragraph (b) of this clause may have occurred, the Contractor shall promptly report in writing the possible violation. Such reports shall be made to the inspector general of the contracting agency, the head of the contracting agency if the agency does not have an inspector general, or the Department of Justice.
 - (3) The Contractor shall cooperate fully with any Federal agency investigating a possible violation described in paragraph (b) of this clause.
 - (4) The Contracting Officer may (i) offset the amount of the kickback against any monies owed by the United States under the prime contract and/or (ii) direct that the Prime Contractor withhold from sums owed a subcontractor under the prime contract, the amount of the kickback. The Contracting Officer may order that monies withheld under subdivision (c)(4)(ii) of this clause be paid over to the Government unless the Government has already offset those monies under subdivision (c)(4)(i) of this clause. In either case, the Prime Contractor shall notify the Contracting Officer when the monies are withheld.
 - (5) The Contractor agrees to incorporate the substance of this clause, including paragraph (c)(5) but excepting paragraph (c)(1), in all subcontracts under this contract which exceed \$100,000.

30. 52.223-6 DRUG-FREE WORKPLACE (MAY 2001)

- (a) *Definitions.* As used in this clause—

"Controlled substance" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 CFR 1308.11 - 1308.15.

"Conviction" means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession, or use of any controlled substance.

"Drug-free workplace" means the site(s) for the performance of work done by the Contractor in connection with a specific contract where employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"Employee" means an employee of a Contractor directly engaged in the performance of work under a Government contract. "Directly engaged" is defined to include all direct cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

"Individual" means an Offeror/Contractor that has no more than one employee including the Offeror/Contractor.

- (b) The Contractor, if other than an individual, shall—within 30 days after award (unless a longer period is agreed to in writing for contracts of 30 days or more performance duration), or as soon as possible for contracts of less than 30 days performance duration—

- (1) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;
 - (2) Establish an ongoing drug-free awareness program to inform such employees about—
 - (i) The dangers of drug abuse in the workplace;
 - (ii) The Contractor's policy of maintaining a drug-free workplace;
 - (iii) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - (3) Provide all employees engaged in performance of the contract with a copy of the statement required by paragraph (b)(1) of this clause;
 - (4) Notify such employees in writing in the statement required by paragraph (b)(1) of this clause that, as a condition of continued employment on this contract, the employee will—
 - (i) Abide by the terms of the statement; and
 - (ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 days after such conviction;
 - (5) Notify the Contracting Officer in writing within 10 days after receiving notice under subdivision (b)(4)(ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;
 - (6) Within 30 days after receiving notice under subdivision (b)(4)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
 - (i) Taking appropriate personnel action against such employee, up to and including termination; or
 - (ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
 - (7) Make a good faith effort to maintain a drug-free workplace through implementation of paragraphs (b)(1) through (b)(6) of this clause.
- (c) The Contractor, if an individual, agrees by award of the contract or acceptance of a purchase order, not to engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while performing this contract.
- (d) In addition to other remedies available to the Government, the Contractor's failure to comply with the requirements of paragraph (b) or (c) of this clause may, pursuant to FAR 23.506, render the Contractor subject to suspension of contract payments, termination of the contract or default, and suspension or debarment.

31. 552.203-70 PRICE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (SEP 1999)

(Applicable to leases over \$100,000.)

- (a) If the head of the contracting activity (HCA) or his or her designee determines that there was a violation of subsection 27(a) of the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423), as implemented in the Federal Acquisition Regulation, the Government, at its election, may—
 - (1) Reduce the monthly rental under this lease by 5 percent of the amount of the rental for each month of the remaining term of the lease, including any option periods, and recover 5 percent of the rental already paid;
 - (2) Reduce payments for alterations not included in monthly rental payments by 5 percent of the amount of the alterations agreement; or
 - (3) Reduce the payments for violations by a Lessor's subcontractor by an amount not to exceed the amount of profit or fee reflected in the subcontract at the time the

subcontract was placed.

- (b) Prior to making a determination as set forth above, the HCA or designee shall provide to the Lessor a written notice of the action being considered and the basis therefor. The Lessor shall have a period determined by the agency head or designee, but not less than 30 calendar days after receipt of such notice, to submit in person, in writing, or through a representative, information and argument in opposition to the proposed reduction. The agency head or designee may, upon good cause shown, determine to deduct less than the above amounts from payments.
- (c) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law or under this lease.

**32. 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (OCT 1997)
(NOT APPLICABLE FOR THIS LEASE)**

(Applicable when cost or pricing data are required for work or services over \$500,000.)

- (a) If any price, including profit or fee, negotiated in connection with this contract, or any cost reimbursable under this contract, was increased by any significant amount because—
 - (1) The Contractor or a subcontractor furnished cost or pricing data that were not complete, accurate, and current as certified in its Certificate of Current Cost or Pricing Data;
 - (2) A subcontractor or prospective subcontractor furnished the Contractor cost or pricing data that were not complete, accurate, and current as certified in the Contractor's Certificate of Current Cost or Pricing Data; or
 - (3) Any of these parties furnished data of any description that were not accurate, the price or cost shall be reduced accordingly and the contract shall be modified to reflect the reduction.
- (b) Any reduction in the contract price under paragraph (a) of this clause due to defective data from a prospective subcontractor that was not subsequently awarded the subcontract shall be limited to the amount, plus applicable overhead and profit markup, by which—
 - (1) The actual subcontract or
 - (2) The actual cost to the Contractor, if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the Contractor; *provided*, that the actual subcontract price was not itself affected by defective cost or pricing data.
- (c)
 - (1) If the Contracting Officer determines under paragraph (a) of this clause that a price or cost reduction should be made, the Contractor agrees not to raise the following matters as a defense:
 - (i) The Contractor or subcontractor was a sole source supplier or otherwise was in a superior bargaining position and thus the price of the contract would not have been modified even if accurate, complete, and current cost or pricing data had been submitted.
 - (ii) The Contracting Officer should have known that the cost or pricing data in issue were defective even though the Contractor or subcontractor took no affirmative action to bring the character of the data to the attention of the Contracting Officer.
 - (iii) The contract was based on an agreement about the total cost of the contract and there was no agreement about the cost of each item procured under the contract.
 - (iv) The Contractor or subcontractor did not submit a Certificate of Current Cost or Pricing Data.
 - (2)
 - (i) Except as prohibited by subdivision (c)(2)(ii) of this clause, an offset in an amount determined appropriate by the Contracting Officer based upon the facts shall be allowed against the amount of a contract price reduction if—
 - (A) The Contractor certifies to the Contracting Officer that, to the best of the Contractor's knowledge and belief, the Contractor is entitled to the offset in the amount requested; and
 - (B) The Contractor proves that the cost or pricing data were available before the "as of" date specified on its Certificate of Current Cost or Pricing Data, and that the data were not submitted before such date.
 - (ii) An offset shall not be allowed if—

- (A) The understated data were known by the Contractor to be understated before the "as of" date specified on its Certificate of Current Cost or Pricing Data; or
 - (B) The Government proves that the facts demonstrate that the contract price would not have increased in the amount to be offset even if the available data had been submitted before the "as of" date specified on its Certificate of Current Cost or Pricing Data.
- (d) If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Contractor shall be liable to and shall pay the United States at the time such overpayment is repaid—
 - (1) Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to the Contractor to the date the Government is repaid by the Contractor at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S.C. 6621(a)(2); and
 - (2) A penalty equal to the amount of the overpayment, if the Contractor or subcontractor knowingly submitted cost or pricing data that were incomplete, inaccurate, or noncurrent.

33. 552.270-13 PROPOSALS FOR ADJUSTMENT (SEP 1999)

- (a) The Contracting Officer may, from time to time during the term of this lease, require changes to be made in the work or services to be performed and in the terms or conditions of this lease. Such changes will be required under the Changes clause.
- (b) If the Contracting Officer makes a change within the general scope of the lease, the Lessor shall submit, in a timely manner, an itemized cost proposal for the work to be accomplished or services to be performed when the cost exceeds \$100,000. The proposal, including all subcontractor work, will contain at least the following detail—
 - (1) Material quantities and unit costs;
 - (2) Labor costs (identified with specific item or material to be placed or operation to be performed;
 - (3) Equipment costs;
 - (4) Worker's compensation and public liability insurance;
 - (5) Overhead;
 - (6) Profit; and
 - (7) Employment taxes under FICA and FUTA.
- (c) The following Federal Acquisition Regulation (FAR) provisions also apply to all proposals exceeding \$500,000 in cost—
 - (1) The Lessor shall provide cost or pricing data including subcontractor cost or pricing data (48 CFR 15.403-4) and
 - (2) The Lessor's representative, all Contractors, and subcontractors whose portion of the work exceeds \$500,000 must sign and return the "Certificate of Current Cost or Pricing Data" (48 CFR 15.406-2).
- (d) Lessors shall also refer to 48 CFR Part 31, Contract Cost Principles, for information on which costs are allowable, reasonable, and allocable in Government work.

34. 552.270-14 CHANGES (SEP 1999) (VARIATION) (MODIFIED)

- (a) The Contracting Officer may at any time, by written order, make changes within the general scope of this lease in any one or more of the following:
 - (1) Work or services;

- (2) Amount of space, provided the Lessor consents to the change.
- (b) If any such change causes an increase or decrease in Lessor's cost of or the time required for performance under this lease, whether or not changed by the order, the Contracting Officer shall modify this lease to provide for one or more of the following:
 - (1) A modification of the delivery date;
 - (2) An equitable adjustment in the rental rate;
 - (3) A lump sum equitable adjustment; or
 - (4) An equitable adjustment of the annual operating costs per usable square foot specified in this lease.
- (c) The Lessor shall assert its right to an adjustment under this clause within 30 days from the date of receipt of the change order and shall submit a proposal for adjustment. Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the Lessor from proceeding with the change as directed.
- (d) Absent such written change order, the Government shall not be liable to Lessor under this clause.

35. 552.215-70 EXAMINATION OF RECORDS BY GSA (FEB 1996)

The Contractor agrees that the Administrator of General Services or any duly authorized representative shall, until the expiration of 3 years after final payment under this contract, or of the time periods for the particular records specified in Subpart 4.7 of the Federal Acquisition Regulation (48 CFR 4.7), whichever expires earlier, have access to and the right to examine any books, documents, papers, and records of the Contractor involving transactions related to this contract or compliance with any clauses thereunder. The Contractor further agrees to include in all its subcontracts hereunder a provision to the effect that the subcontractor agrees that the Administrator of General Services or any duly authorized representatives shall, until the expiration of 3 years after final payment under the subcontract, or of the time periods for the particular records specified in Subpart 4.7 of the Federal Acquisition Regulation (48 CFR 4.7), whichever expires earlier, have access to and the right to examine any books, documents, papers, and records of such subcontractor involving transactions related to the subcontract or compliance with any clauses thereunder. The term "subcontract" as used in this clause excludes (a) purchase orders not exceeding \$100,000 and (b) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

36. 52.215-2 AUDIT AND RECORDS—NEGOTIATION (JUN 1999)

- (a) As used in this clause, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.
- (b) *Examination of costs.* If this is a cost-reimbursement, incentive, time-and-materials, labor-hour, or price redeterminable contract, or any combination of these, the Contractor shall maintain and the Contracting Officer, or an authorized representative of the Contracting Officer, shall have the right to examine and audit all records and other evidence sufficient to reflect properly all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this contract. This right of examination shall include inspection at all reasonable times of the Contractor's plants, or parts of them, engaged in performing the contract.
- (c) *Cost or pricing data.* If the Contractor has been required to submit cost or pricing data in connection with any pricing action relating to this contract, the Contracting Officer, or an authorized representative of the Contracting Officer, in order to evaluate the accuracy, completeness, and currency of the cost or pricing data, shall have the right to examine and audit all of the Contractor's records, including computations and projections, related to—
 - (1) The proposal for the contract, subcontract, or modification;
 - (2) The discussions conducted on the proposal(s), including those related to negotiating;

- (3) Pricing of the contract, subcontract, or modification; or
- (4) Performance of the contract, subcontract or modification.
- (d) *Comptroller General.*
 - (1) The Comptroller General of the United States, or an authorized representative, shall have access to and the right to examine any of the Contractor's directly pertinent records involving transactions related to this contract or a subcontract hereunder.
 - (2) This paragraph may not be construed to require the Contractor or subcontractor to create or maintain any record that the Contractor or subcontractor does not maintain in the ordinary course of business or pursuant to a provision of law.
- (e) *Reports.* If the Contractor is required to furnish cost, funding, or performance reports, the Contracting Officer or an authorized representative of the Contracting Officer shall have the right to examine and audit the supporting records and materials, for the purpose of evaluating—
 - (1) The effectiveness of the Contractor's policies and procedures to produce data compatible with the objectives of these reports; and
 - (2) The data reported.
- (f) *Availability.* The Contractor shall make available at its office at all reasonable times the records, materials, and other evidence described in paragraphs (a), (b), (c), (d), and (e) of this clause, for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in Subpart 4.7, Contractor Records Retention, of the Federal Acquisition Regulation (FAR), or for any longer period required by statute or by other clauses of this contract. In addition—
 - (1) If this contract is completely or partially terminated, the Contractor shall make available the records relating to the work terminated until 3 years after any resulting final termination settlement; and
 - (2) The Contractor shall make available records relating to appeals under the Disputes clause or to litigation or the settlement of claims arising under or relating to this contract until such appeals, litigation, or claims are finally resolved.
- (g) The Contractor shall insert a clause containing all the terms of this clause, including this paragraph (g), in all subcontracts under this contract that exceed the simplified acquisition threshold, and—
 - (1) That are cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these;
 - (2) For which cost or pricing data are required; or
 - (3) That require the subcontractor to furnish reports as discussed in paragraph (e) of this clause.

The clause may be altered only as necessary to identify properly the contracting parties and the Contracting Officer under the Government prime contract.

37. 52.233-1 DISPUTES (JUL 2002)

- (a) This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613).
- (b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.
- (c) "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$100,000 is not a claim under the Act until certified. A

voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

- (d) (1) A claim by the Contractor shall be made in writing and, unless otherwise stated in this contract, submitted within 6 years after accrual of the claim to the Contracting Officer for a written decision. A claim by the Government against the Contractor shall be subject to a written decision by the Contracting Officer.
- (2) (i) The Contractor shall provide the certification specified in paragraph (d)(2)(iii) of this clause when submitting any claim exceeding \$100,000.
- (ii) The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.
- (iii) The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable; and that I am duly authorized to certify the claim on behalf of the Contractor."
- (3) The certification may be executed by any person duly authorized to bind the Contractor with respect to the claim.
- (e) For Contractor claims of \$100,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor-certified claims over \$100,000, the Contracting Officer must, within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.
- (f) The Contracting Officer's decision shall be final unless the Contractor appeals or files a suit as provided in the Act.
- (g) If the claim by the Contractor is submitted to the Contracting Officer or a claim by the Government is presented to the Contractor, the parties, by mutual consent, may agree to use alternative dispute resolution (ADR). If the Contractor refuses an offer for ADR, the Contractor shall inform the Contracting Officer, in writing, of the Contractor's specific reasons for rejecting the offer.
- (h) The Government shall pay interest on the amount found due and unpaid from (1) the date that the Contracting Officer receives the claim (certified, if required); or (2) the date that payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in FAR 33.201, interest shall be paid from the date that the Contracting Officer initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period during which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.
- (i) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer.

38. 52.222-26 EQUAL OPPORTUNITY (APR 2002)

(Applicable to leases over \$10,000.)

- (a) *Definition.* "United States," as used in this clause, means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.
- (b) If, during any 12-month period (including the 12 months preceding the award of this contract), the Contractor has been or is awarded nonexempt Federal contracts and/or subcontracts that have an aggregate value in excess of \$10,000, the Contractor shall comply with paragraphs (b)(1) through (b)(11) of this clause, except for work performed outside the United States by employees who were not recruited within the United States. Upon request, the Contractor shall provide information necessary to determine the applicability of this clause.

- (1) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. However, it shall not be a violation of this clause for the Contractor to extend a publicly announced preference in employment to Indians living on or near an Indian reservation, in connection with employment opportunities on or near an Indian reservation, as permitted by 41 CFR 60-1.5.
- (2) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. This shall include, but not be limited to—
 - (i) Employment;
 - (ii) Upgrading;
 - (iii) Demotion;
 - (iv) Transfer;
 - (v) Recruitment or recruitment advertising;
 - (vi) Layoff or termination;
 - (vii) Rates of pay or other forms of compensation; and
 - (viii) Selection for training, including apprenticeship.
- (3) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (4) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (5) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (6) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (7) The Contractor shall furnish to the contracting agency all information required by Executive Order 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor. The Contractor shall also file Standard Form 100, (EEO-1), or any successor form, as prescribed in 41 CFR part 60-1. Unless the Contractor has filed within the 12 months preceding the date of contract award, the Contractor shall, within 30 days after contract award, apply to either the regional Office of Federal Contract Compliance Programs (OFCCP) or the local office of the Equal Employment Opportunity Commission for the necessary forms.
- (8) The Contractor shall permit access to its premises, during normal business hours, by the contracting agency or the OFCCP for the purpose of conducting on-site compliance evaluations and complaint investigations. The Contractor shall permit the Government to inspect and copy any books, accounts, records (including computerized records), and other material that may be relevant to the matter under investigation and pertinent to compliance with Executive Order 11246, as amended, and rules and regulations that implement the Executive Order.
- (9) If the OFCCP determines that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts, under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended; in the rules, regulations, and orders of the Secretary of Labor; or as otherwise provided by law.
- (10) The Contractor shall include the terms and conditions of paragraphs (b)(1) through (11) of this clause in every subcontract or purchase order that is not exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each

subcontractor or vendor.

- (11) The Contractor shall take such action with respect to any subcontract or purchase order as the Contracting Officer may direct as a means of enforcing these terms and conditions, including sanctions for noncompliance, provided, that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of any direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

- (c) Notwithstanding any other clause in this contract, disputes relative to this clause will be governed by the procedures in 41 CFR 60-1.1.

39. 52.222-24 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION (FEB 1999) (NOT APPLICABLE FOR THIS LEASE)

(Applicable to leases over \$10,000,000.)

If a contract in the amount of \$10 million or more will result from this solicitation, the prospective Contractor and its known first-tier subcontractors with anticipated subcontracts of \$10 million or more shall be subject to a preaward compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP), unless, within the preceding 24 months, OFCCP has conducted an evaluation and found the prospective Contractor and subcontractors to be in compliance with Executive Order 11246.

40. 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)

(Applicable to leases over \$10,000.)

- (a) "Segregated facilities," as used in this clause, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, sex, or national origin because of written or oral policies or employee custom. The term does not include separate or single-user rest rooms or necessary dressing or sleeping areas provided to assure privacy between the sexes.
- (b) The Contractor agrees that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Contractor agrees that a breach of this clause is a violation of the Equal Opportunity clause in this contract.
- (c) The Contractor shall include this clause in every subcontract and purchase order that is subject to the Equal Opportunity clause of this contract.

41. 52.222-35 EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (DEC 2001)

(Applicable to leases over \$25,000.)

- (a) *Definitions.* As used in this clause—

"All employment openings" means all positions except executive and top management, those positions that will be filled from within the Contractor's organization, and positions lasting 3 days or less. This term includes full-time employment, temporary employment of more than 3 days duration, and part-time employment.

"Executive and top management" means any employee—

- (1) Whose primary duty consists of the management of the enterprise in which the individual is employed or of a customarily recognized department or subdivision thereof;
- (2) Who customarily and regularly directs the work of two or more other employees;
- (3) Who has the authority to hire or fire other employees or whose suggestions and recommendations as to the hiring or firing and as to the advancement and promotion or any other change of status of other employees will be given particular weight;

- (4) Who customarily and regularly exercises discretionary powers; and
- (5) Who does not devote more than 20 percent or, in the case of an employee of a retail or service establishment, who does not devote more than 40 percent of total hours of work in the work week to activities that are not directly and closely related to the performance of the work described in paragraphs (1) through (4) of this definition. This paragraph (5) does not apply in the case of an employee who is in sole charge of an establishment or a physically separated branch establishment, or who owns at least a 20 percent interest in the enterprise in which the individual is employed.

"Other eligible veteran" means any other veteran who served on active duty during a war or in a campaign or expedition for which a campaign badge has been authorized.

"Positions that will be filled from within the Contractor's organization" means employment openings for which the Contractor will give no consideration to persons outside the Contractor's organization (including any affiliates, subsidiaries, and parent companies) and includes any openings the Contractor proposes to fill from regularly established "recall" lists. The exception does not apply to a particular opening once an employer decides to consider applicants outside of its organization.

"Qualified special disabled veteran" means a special disabled veteran who satisfies the requisite skill, experience, education, and other job-related requirements of the employment position such veteran holds or desires, and who, with or without reasonable accommodation, can perform the essential functions of such position.

"Special disabled veteran" means—

- (1) A veteran who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation) under laws administered by the Department of Veterans Affairs for a disability—
 - (i) Rated at 30 percent or more; or
 - (ii) Rated at 10 or 20 percent in the case of a veteran who has been determined under 38 U.S.C. 3106 to have a serious employment handicap (i.e., a significant impairment of the veteran's ability to prepare for, obtain, or retain employment consistent with the veteran's abilities, aptitudes, and interests); or
- (2) A person who was discharged or released from active duty because of a service-connected disability.

"Veteran of the Vietnam era" means a person who—

- (1) Served on active duty for a period of more than 180 days and was discharged or released from active duty with other than a dishonorable discharge, if any part of such active duty occurred—
 - (i) In the Republic of Vietnam between February 28, 1961, and May 7, 1975; or
 - (ii) Between August 5, 1964, and May 7, 1975, in all other cases; or
- (2) Was discharged or released from active duty for a service-connected disability if any part of the active duty was performed—
 - (i) In the Republic of Vietnam between February 28, 1961, and May 7, 1975; or
 - (ii) Between August 5, 1964, and May 7, 1975, in all other cases.

(b) *General.*

- (1) The Contractor shall not discriminate against the individual because the individual is a special disabled veteran, a veteran of the Vietnam era, or other eligible veteran, regarding any position for which the employee or applicant for employment is qualified. The Contractor shall take affirmative action to employ, advance in employment, and otherwise treat qualified special disabled veterans, veterans of the Vietnam era, and other eligible veterans without discrimination based upon their disability or veterans' status in all employment practices such as—
 - (i) Recruitment, advertising, and job application procedures;
 - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;
 - (iii) Rate of pay or any other form of compensation and changes in compensation;
 - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
 - (v) Leaves of absence, sick leave, or any other leave;
 - (vi) Fringe benefits available by virtue of employment, whether or not administered

- by the Contractor;
 - (vii) Selection and financial support for training, including apprenticeship, and on-the-job training under 38 U.S.C. 3687, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
 - (viii) Activities sponsored by the Contractor including social or recreational programs; and
 - (ix) Any other term, condition, or privilege of employment.
 - (2) The Contractor shall comply with the rules, regulations, and relevant orders of the Secretary of Labor issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended (38 U.S.C. 4211 and 4212).
- (c) *Listing openings.*
- (1) The Contractor shall immediately list all employment openings that exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract, and including those occurring at an establishment of the Contractor other than the one where the contract is being performed, but excluding those of independently operated corporate affiliates, at an appropriate local public employment service office of the State wherein the opening occurs. Listing employment openings with the U.S. Department of Labor's America's Job Bank shall satisfy the requirement to list jobs with the local employment service office.
 - (2) The Contractor shall make the listing of employment openings with the local employment service office at least concurrently with using any other recruitment source or effort and shall involve the normal obligations of placing a bona fide job order, including accepting referrals of veterans and nonveterans. This listing of employment openings does not require hiring any particular job applicant or hiring from any particular group of job applicants and is not intended to relieve the Contractor from any requirements of Executive orders or regulations concerning nondiscrimination in employment.
 - (3) Whenever the Contractor becomes contractually bound to the listing terms of this clause, it shall advise the State public employment agency in each State where it has establishments of the name and location of each hiring location in the State. As long as the Contractor is contractually bound to these terms and has so advised the State agency, it need not advise the State agency of subsequent contracts. The Contractor may advise the State agency when it is no longer bound by this contract clause.
- (d) *Applicability.* This clause does not apply to the listing of employment openings that occur and are filled outside the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the Virgin Islands of the United States, and Wake Island.
- (e) *Postings.*
- (1) The Contractor shall post employment notices in conspicuous places that are available to employees and applicants for employment.
 - (2) The employment notices shall—
 - (i) State the rights of applicants and employees as well as the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants who are special disabled veterans, veterans of the Vietnam era, and other eligible veterans; and
 - (ii) Be in a form prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, Department of Labor (Deputy Assistant Secretary of Labor), and provided by or through the Contracting Officer.
 - (3) The Contractor shall ensure that applicants or employees who are special disabled veterans are informed of the contents of the notice (e.g., the Contractor may have the notice read to a visually disabled veteran, or may lower the posted notice so that it can be read by a person in a wheelchair).
 - (4) The Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement, or other contract understanding, that the Contractor is bound by the terms of the Act and is committed to take affirmative action to employ, and advance in employment, qualified special disabled veterans, veterans

of the Vietnam era, and other eligible veterans.

- (f) *Noncompliance.* If the Contractor does not comply with the requirements of this clause, the Government may take appropriate actions under the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- (g) *Subcontracts.* The Contractor shall insert the terms of this clause in all subcontracts or purchase orders of \$25,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor. The Contractor shall act as specified by the Deputy Assistant Secretary of Labor to enforce the terms, including action for noncompliance.

42. 52.222-36 AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUN 1998)

(Applicable to leases over \$10,000.)

(a) *General.*

- (1) Regarding any position for which the employee or applicant for employment is qualified, the Contractor shall not discriminate against any employee or applicant because of physical or mental disability. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified individuals with disabilities without discrimination based upon their physical or mental disability in all employment practices such as—
 - (i) Recruitment, advertising, and job application procedures;
 - (ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff, and rehiring;
 - (iii) Rates of pay or any other form of compensation and changes in compensation;
 - (iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;
 - (v) Leaves of absence, sick leave, or any other leave;
 - (vi) Fringe benefits available by virtue of employment, whether or not administered by the Contractor;
 - (vii) Selection and financial support for training, including apprenticeships, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;
 - (viii) Activities sponsored by the Contractor, including social or recreational programs; and
 - (ix) Any other term, condition, or privilege of employment.
- (2) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Rehabilitation Act of 1973 (29 U.S.C. 793) (the Act), as amended.

(b) *Postings.*

- (1) The Contractor agrees to post employment notices stating—
 - (i) the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified individuals with disabilities and
 - (ii) the rights of applicants and employees.
- (2) These notices shall be posted in conspicuous places that are available to employees and applicants for employment. The Contractor shall ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the Contractor may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair). The notices shall be in a form prescribed by the Deputy Assistant Secretary for Federal Contract Compliance of the U.S. Department of Labor (Deputy Assistant Secretary) and shall be provided by or through the Contracting Officer.
- (3) The Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Act and is committed to take affirmative action to employ, and advance in employment, qualified individuals with physical or mental disabilities.

- (c) *Noncompliance.* If the Contractor does not comply with the requirements of this clause, appropriate actions may be taken under the rules, regulations, and relevant orders of the Secretary issued pursuant to the Act.

- (d) *Subcontracts.* The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of \$10,000 unless exempted by rules, regulations, or orders of the Secretary. The Contractor shall act as specified by the Deputy Assistant Secretary to enforce the terms, including action for noncompliance.

43. 52.222-37 EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (DEC 2001)

(Applicable to leases over \$25,000.)

- (a) Unless the Contractor is a State or local government agency, the Contractor shall report at least annually, as required by the Secretary of Labor, on—
- (1) The number of special disabled veterans, the number of veterans of the Vietnam era, and other eligible veterans in the workforce of the Contractor by job category and hiring location; and
 - (2) The total number of new employees hired during the period covered by the report, and of the total, the number of special disabled veterans, the number of veterans of the Vietnam era, and the number of other eligible veterans; and
 - (3) The maximum number and the minimum number of employees of the Contractor during the period covered by the report.
- (b) The Contractor shall report the above items by completing the Form VETS-100, entitled "Federal Contractor Veterans' Employment Report (VETS-100 Report)."
- (c) The Contractor shall submit VETS-100 Reports no later than September 30 of each year beginning September 30, 1988.
- (d) The employment activity report required by paragraph (a)(2) of this clause shall reflect total hires during the most recent 12-month period as of the ending date selected for the employment profile report required by paragraph (a)(1) of this clause. Contractors may select an ending date—
- (1) As of the end of any pay period between July 1 and August 31 of the year the report is due; or
 - (2) As of December 31, if the Contractor has prior written approval from the Equal Employment Opportunity Commission to do so for purposes of submitting the Employer Information Report EEO-1 (Standard Form 100).
- (e) The Contractor shall base the count of veterans reported according to paragraph (a) of this clause on voluntary disclosure. Each Contractor subject to the reporting requirements at 38 U.S.C. 4212 shall invite all special disabled veterans, veterans of the Vietnam era, and other eligible veterans who wish to benefit under the affirmative action program at 38 U.S.C. 4212 to identify themselves to the Contractor. The invitation shall state that—
- (1) The information is voluntarily provided;
 - (2) The information will be kept confidential;
 - (3) Disclosure or refusal to provide the information will not subject the applicant or employee to any adverse treatment; and
 - (4) The information will be used only in accordance with the regulations promulgated under 38 U.S.C. 4212.
- (f) The Contractor shall insert the terms of this clause in all subcontracts or purchase orders of \$25,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor.

44. 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (JAN 2005)

(Applicable to leases over \$25,000.)

- (a) The Government suspends or debar Contractors to protect the Government's interests. The Contractor shall not enter into any subcontract in excess of \$25,000 with a Contractor that is debarred, suspended, or proposed for debarment unless there is a compelling reason to do so.
- (b) The Contractor shall require each proposed first-tier subcontractor, whose subcontract will exceed \$25,000, to disclose to the Contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government
- (c) A corporate officer or a designee of the Contractor shall notify the Contracting Officer, in writing, before entering into a subcontract with a party that is debarred, suspended, or proposed for debarment (see FAR 9.404 for information on the Excluded Parties List System). The notice must include the following:
 - (1) The name of the subcontractor.
 - (2) The Contractor's knowledge of the reasons for the subcontractor being in the Excluded Parties List System.
 - (3) The compelling reason(s) for doing business with the subcontractor notwithstanding its inclusion in the Excluded Parties List System.
 - (4) The systems and procedures the Contractor has established to ensure that it is fully protecting the Government's interests when dealing with such subcontractor in view of the specific basis for the party's debarment, suspension, or proposed debarment.

45. 52.215-12 SUBCONTRACTOR COST OR PRICING DATA (OCT 1997) DELETED

(Applicable when the clause at FAR 52.215-10 is applicable.)

46. 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (MAY 2004)

(Applicable to leases over \$100,000 average net annual rental, including option periods.)

- (a) It is the policy of the United States that small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns.
- (b) The Contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. The Contractor further agrees to cooperate in any studies or surveys as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of the Contractor's compliance with this clause.
- (c) *Definitions.* As used in this contract—

"HUBZone small business concern" means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

"Service-disabled veteran-owned small business concern"—

- (1) Means a small business concern—
 - (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and
 - (ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

- (2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a small business as defined pursuant to Section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto.

"Small disadvantaged business concern" means a small business concern that represents, as part of its offer that—

- (1) It has received certification as a small disadvantaged business concern consistent with 13 CFR part 124, Subpart B;
- (2) No material change in disadvantaged ownership and control has occurred since its certification;
- (3) Where the concern is owned by one or more individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and
- (4) It is identified, on the date of its representation, as a certified small disadvantaged business in the database maintained by the Small Business Administration (PRO-Net).

"Veteran-owned small business concern" means a small business concern—

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern—

- (1) That is at least 51 percent owned by one or more women, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

- (d) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as a small business concern, a veteran-owned small business concern, a service-disabled veteran-owned small business concern, a HUBZone small business concern, a small disadvantaged business concern, or a women-owned small business concern.

47. 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (JUL 2005)

(Applicable to leases over \$500,000.)

- (a) This clause does not apply to small business concerns.
- (b) *Definitions.* As used in this clause—

"Commercial item" means a product or service that satisfies the definition of commercial item in section 2.101 of the Federal Acquisition Regulation.

"Commercial plan" means a subcontracting plan (including goals) that covers the Offeror's fiscal year and that applies to the entire production of commercial items sold by either the entire company or a portion thereof (e.g., division, plant, or product line).

"Individual contract plan" means a subcontracting plan that covers the entire contract period (including option periods), applies to a specific contract, and has goals that are based on the Offeror's planned subcontracting in support of the specific contract, except that indirect costs incurred for common or joint purposes may be allocated on a prorated basis to the contract.

"Master plan" means a subcontracting plan that contains all the required elements of an individual contract plan, except goals, and may be incorporated into individual contract plans, provided the master plan has been approved.

"Subcontract" means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime Contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.

- (c) The Offeror, upon request by the Contracting Officer, shall submit and negotiate a subcontracting plan, where applicable, that separately addresses subcontracting with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business concerns, small disadvantaged business, and women-owned small business concerns. If the Offeror is submitting an individual contract plan, the plan must separately address subcontracting with small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns, with a separate part for the basic contract and separate parts for each option (if any). The plan shall be included in and made a part of the resultant contract. The subcontracting plan shall be negotiated within the time specified by the Contracting Officer. Failure to submit and negotiate the subcontracting plan shall make the Offeror ineligible for award of a contract.
- (d) The Offeror's subcontracting plan shall include the following:
- (1) Goals, expressed in terms of percentages of total planned subcontracting dollars, for the use of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns as subcontractors. The Offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs.
 - (2) A statement of—
 - (i) Total dollars planned to be subcontracted for an individual contract plan; or the Offeror's total projected sales, expressed in dollars, and the total value of projected subcontracts to support the sales for a commercial plan;
 - (ii) Total dollars planned to be subcontracted to small business concerns;
 - (iii) Total dollars planned to be subcontracted to veteran-owned small business concerns;
 - (iv) Total dollars planned to be subcontracted to service-disabled veteran-owned small business;
 - (v) Total dollars planned to be subcontracted to HUBZone small business concerns;
 - (vi) Total dollars planned to be subcontracted to small disadvantaged business concerns; and
 - (vii) Total dollars planned to be subcontracted to women-owned small business concerns.
 - (3) A description of the principal types of supplies and services to be subcontracted, and an identification of the types planned for subcontracting to—
 - (i) Small business concerns;
 - (ii) Veteran-owned small business concerns;
 - (iii) Service-disabled veteran-owned small business concerns;
 - (iv) HUBZone small business concerns;
 - (v) Small disadvantaged business concerns; and
 - (vi) Women-owned small business concerns.
 - (4) A description of the method used to develop the subcontracting goals in paragraph (d)(1) of this clause.

- (5) A description of the method used to identify potential sources for solicitation purposes (e.g., existing company source lists, the Procurement Marketing and Access Network (PRO-Net) of the Small Business Administration (SBA), veterans service organizations, the National Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, or small, HUBZone, small disadvantaged, and women-owned small business trade associations). A firm may rely on the information contained in PRO-Net as an accurate representation of a concern's size and ownership characteristics for the purposes of maintaining a small, veteran-owned small, service-disabled veteran-owned small, HUBZone small, small disadvantaged, and women-owned small business source list. Use of PRO-Net as its source list does not relieve a firm of its responsibilities (e.g., outreach, assistance, counseling, or publicizing subcontracting opportunities) in this clause.
- (6) A statement as to whether or not the Offeror included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with—
 - (i) Small business concerns;
 - (ii) Veteran-owned small business concerns;
 - (iii) Service-disabled veteran-owned small business concerns;
 - (iv) HUBZone small business concerns;
 - (v) Small disadvantaged business concerns; and
 - (vi) Women-owned small business concerns.
- (7) The name of the individual employed by the Offeror who will administer the Offeror's subcontracting program, and a description of the duties of the individual.
- (8) A description of the efforts the Offeror will make to assure that small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns have an equitable opportunity to compete for subcontracts.
- (9) Assurances that the Offeror will include the clause of this contract entitled "Utilization of Small Business Concerns" in all subcontracts that offer further subcontracting opportunities, and that the Offeror will require all subcontractors (except small business concerns) that receive subcontracts in excess of \$500,000 (\$1,000,000 for construction of any public facility) to adopt a subcontracting plan that complies with the requirements of this clause.
- (10) Assurances that the Offeror will—
 - (i) Cooperate in any studies or surveys as may be required;
 - (ii) Submit periodic reports so that the Government can determine the extent of compliance by the Offeror with the subcontracting plan;
 - (iii) Submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and/or SF 295, Summary Subcontract Report, in accordance with paragraph (j) of this clause. The reports shall provide information on subcontract awards to small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, women-owned small business concerns, and Historically Black Colleges and Universities and Minority Institutions. Reporting shall be in accordance with the instructions on the forms or as provided in agency regulations.
 - (iv) Ensure that its subcontractors agree to submit SF 294 and SF 295.
- (11) A description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of the Offeror's efforts to locate small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):
 - (i) Source lists (e.g., PRO-Net), guides, and other data that identify small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns.
 - (ii) Organizations contacted in an attempt to locate sources that are small business, veteran-owned small business, service-disabled veteran-owned

- small business, HUBZone small business, small disadvantaged business, or women-owned small business concerns.
- (iii) Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating—
 - (A) Whether small business concerns were solicited and, if not, why not;
 - (B) Whether veteran-owned small business concerns were solicited and, if not, why not;
 - (C) Whether service-disabled veteran-owned small business concerns were solicited and, if not, why not;
 - (D) Whether HUBZone small business concerns were solicited and, if not, why not;
 - (E) Whether small disadvantaged business concerns were solicited and, if not, why not;
 - (F) Whether women-owned small business concerns were solicited and, if not, why not; and
 - (G) If applicable, the reason award was not made to a small business concern.
 - (iv) Records of any outreach efforts to contact—
 - (A) Trade associations;
 - (B) Business development organizations;
 - (C) Conferences and trade fairs to locate small, HUBZone small, small disadvantaged, and women-owned small business sources; and
 - (D) Veterans service organizations.
 - (v) Records of internal guidance and encouragement provided to buyers through—
 - (A) Workshops, seminars, training, etc.; and
 - (B) Monitoring performance to evaluate compliance with the program's requirements.
 - (vi) On a contract-by-contract basis, records to support award data submitted by the Offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement.
- (e) In order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor shall perform the following functions:
- (1) Assist small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor's lists of potential small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time.
 - (2) Provide adequate and timely consideration of the potentialities of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns in all "make-or-buy" decisions.
 - (3) Counsel and discuss subcontracting opportunities with representatives of small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business firms.
 - (4) Confirm that a subcontractor representing itself as a HUBZone small business concern is identified as a certified HUBZone small business concern by accessing the Central Contractor Registration (CCR) database or by contacting SBA.
 - (5) Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business status as small, veteran-owned small business, HUBZone small, small disadvantaged, or women-owned small business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor's subcontracting plan.

- (f) A master plan on a plant or division-wide basis that contains all the elements required by paragraph (d) of this clause, except goals, may be incorporated by reference as a part of the subcontracting plan required of the Offeror by this clause; provided—
 - (1) The master plan has been approved;
 - (2) The Offeror ensures that the master plan is updated as necessary and provides copies of the approved master plan, including evidence of its approval, to the Contracting Officer; and
 - (3) Goals and any deviations from the master plan deemed necessary by the Contracting Officer to satisfy the requirements of this contract are set forth in the individual subcontracting plan.
- (g) A commercial plan is the preferred type of subcontracting plan for contractors furnishing commercial items. The commercial plan shall relate to the Offeror's planned subcontracting generally, for both commercial and Government business, rather than solely to the Government contract. Commercial plans are also preferred for subcontractors that provide commercial items under a prime contract, whether or not the prime contractor is supplying a commercial item.
- (h) Prior compliance of the Offeror with other such subcontracting plans under previous contracts will be considered by the Contracting Officer in determining the responsibility of the Offeror for award of the contract.
- (i) The failure of the Contractor or subcontractor to comply in good faith with—
 - (1) The clause of this contract entitled "Utilization Of Small Business Concerns"; or
 - (2) An approved plan required by this clause, shall be a material breach of the contract.
- (j) The Contractor shall submit the following reports:
 - (1) *Standard Form 294, Subcontracting Report for Individual Contracts.* This report shall be submitted to the Contracting Officer semiannually and at contract completion. The report covers subcontract award data related to this contract. This report is not required for commercial plans.
 - (2) *Standard Form 295, Summary Subcontract Report.* This report encompasses all of the contracts with the awarding agency. It must be submitted semi-annually for contracts with the Department of Defense and annually for contracts with civilian agencies. If the reporting activity is covered by a commercial plan, the reporting activity must report annually all subcontract awards under that plan. All reports submitted at the close of each fiscal year (both individual and commercial plans) shall include a breakout, in the Contractor's format, of subcontract awards, in whole dollars, to small disadvantaged business concerns by North American Industry Classification System (NAICS) Industry Subsector. For a commercial plan, the Contractor may obtain from each of its subcontractors a predominant NAICS Industry Subsector and report all awards to that subcontractor under its predominant NAICS Industry Subsector.

48. 52.219-16 LIQUIDATED DAMAGES—SUBCONTRACTING PLAN (JAN 1999)

(Applicable to leases over \$500,000.)

- (a) *Failure to make a good faith effort to comply with the subcontracting plan*, as used in this clause, means a willful or intentional failure to perform in accordance with the requirements of the subcontracting plan approved under the clause in this contract entitled "Small Business Subcontracting Plan," or willful or intentional action to frustrate the plan.
- (b) Performance shall be measured by applying the percentage goals to the total actual subcontracting dollars or, if a commercial plan is involved, to the pro rata share of actual subcontracting dollars attributable to Government contracts covered by the commercial plan. If, at contract completion or, in the case of a commercial plan, at the close of the fiscal year for which the plan is applicable, the Contractor has failed to meet its subcontracting goals and the Contracting Officer decides in accordance with paragraph (c) of this clause that the Contractor failed to make a good faith effort to comply with its subcontracting plan, established in accordance with the clause in this contract entitled "Small Business

Subcontracting Plan," the Contractor shall pay the Government liquidated damages in an amount stated. The amount of probable damages attributable to the Contractor's failure to comply shall be an amount equal to the actual dollar amount by which the Contractor failed to achieve each subcontract goal.

- (c) Before the Contracting Officer makes a final decision that the Contractor has failed to make such good faith effort, the Contracting Officer shall give the Contractor written notice specifying the failure and permitting the Contractor to demonstrate what good faith efforts have been made and to discuss the matter. Failure to respond to the notice may be taken as an admission that no valid explanation exists. If, after consideration of all the pertinent data, the Contracting Officer finds that the Contractor failed to make a good faith effort to comply with the subcontracting plan, the Contracting Officer shall issue a final decision to that effect and require that the Contractor pay the Government liquidated damages as provided in paragraph (b) of this clause.
- (d) With respect to commercial plans, the Contracting Officer who approved the plan will perform the functions of the Contracting Officer under this clause on behalf of all agencies with contracts covered by the commercial plan.
- (e) The Contractor shall have the right of appeal, under the clause in this contract entitled, Disputes, from any final decision of the Contracting Officer.
- (f) Liquidated damages shall be in addition to any other remedies that the Government may have.

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REPRESENTATIONS AND CERTIFICATIONS (Acquisition of Leasehold Interests in Real Property)	Solicitation Number 8CA2925	Dated
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Complete appropriate boxes, sign the form, and attach to offer.

The Offeror makes the following Representations and Certifications. NOTE: The "Offeror," as used on this form, is the owner of the property offered, not an individual or agent representing the owner.

1. 52.219-1 - SMALL BUSINESS PROGRAM REPRESENTATIONS (MAY 2004)

- (a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 531190.
- (2) The small business size standard is \$19.0 Million in annual average gross revenue of the concern for the last 3 fiscal years.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) *Representations.*

- (1) The Offeror represents as part of its offer that it ☐ is, ☒ is not a small business concern.
- (2) *[Complete only if the Offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The Offeror represents, for general statistical purposes, that it ☐ is, ☒ is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.
- (3) *[Complete only if the Offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The Offeror represents as part of its offer that it ☐ is, ☒ is not a women-owned small business concern.
- (4) *[Complete only if the Offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The Offeror represents as part of its offer that it ☐ is, ☒ is not a veteran-owned small business concern.
- (5) *[Complete only if the Offeror represented itself as a veteran-owned small business concern in paragraph (b)(4) of this provision.]* The Offeror represents as part of its offer that it ☐ is, ☒ is not a service-disabled veteran-owned small business concern.
- (6) *[Complete only if the Offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The Offeror represents, as part of its offer, that—
- (i) It ☐ is, ☒ is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and
 - (ii) It ☐ is, ☒ is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (b)(6)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. *[The Offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: _____.]* Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

(c) *Definitions.* As used in this provision—

"Service-disabled veteran-owned small business concern"—

- (1) Means a small business concern—
- (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

INITIALS: _____ & _____
 LESSOR GOVERNMENT

- (ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.
- (2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (a) of this provision.

"Veteran-owned small business concern" means a small business concern—

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern—

- (1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

(d) *Notice.*

- (1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.
- (2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall-
 - (i) Be punished by imposition of fine, imprisonment, or both;
 - (ii) Be subject to administrative remedies, including suspension and debarment; and
 - (iii) Be ineligible for participation in programs conducted under the authority of the Act.

2. 52.204-5 - WOMEN-OWNED BUSINESS (OTHER THAN SMALL BUSINESS) (MAY 1999)

- (a) *Definition.* "Women-owned business concern," as used in this provision, means a concern which is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.
- (b) *Representation.* [Complete only if the Offeror is a women-owned business concern and has not represented itself as a small business concern in paragraph (b)(1) of FAR 52.219-1, Small Business Program Representations, of this solicitation.] The Offeror represents that it [] is a women-owned business concern.

3. 52.222-22 - PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FEB 1999)

(Applicable to leases over \$10,000.)

The Offeror represents that—

- (a) It [x] has, [] has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation;

INITIALS: _____ & _____
LESSOR GOVERNMENT

- (b) It ☒ has, ☐ has not filed all required compliance reports; and
- (c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards. (Approved by OMB under Control Number 1215-0072.)

4. 52.222-25 - AFFIRMATIVE ACTION COMPLIANCE (APR 1984)

(Applicable to leases over \$10,000 and which include the clause at FAR 52.222-26, Equal Opportunity.)

The Offeror represents that—

- (a) It ☒ has developed and has on file, ☐ has not developed and does not have on file, at each establishment affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or
- (b) It ☒ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor. (Approved by OMB under Control Number 1215-0072.)

5. 52.203-02 - CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (APR 1985)

(Applicable to leases over \$100,000 average net annual rental, including option periods.)

(a) The Offeror certifies that—

- (1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Offeror or competitor relating to (i) those prices, (ii) the intention to submit an offer, or (iii) the methods or factors used to calculate the prices offered;
- (2) The prices in this offer have not been and will not be knowingly disclosed by the Offeror, directly or indirectly, to any other Offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- (3) No attempt has been made or will be made by the Offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory—

- (1) Is the person in the Offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or
- (2)
 - (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above Not Applicable [Insert full name of person(s) in the Offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the Offeror's organization];
 - (ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and
 - (iii) As an agent, has not personally participated, and will not participate, in action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the Offeror deletes or modifies subparagraph (a)(2) above, the Offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

6. 52.203-11 - CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (SEP 2005)

(Applicable to leases over \$100,000.)

INITIALS: _____ & _____
LESSOR GOVERNMENT

- (a) The definitions and prohibitions contained in the clause, at FAR 52.203-12, Limitation on Payments to Influence Certain Federal Transactions, included in this solicitation, are hereby incorporated by reference in paragraph (b) of this certification.
- (b) The Offeror, by signing its offer, hereby certifies to the best of his or her knowledge and belief that on or after December 23, 1989, —
 - (1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of a contract;
 - (2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the Offeror shall complete and submit, with its offer, OMB standard form LLL, Disclosure of Lobbying Activities, to the Contracting Officer; and
 - (3) He or she will include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.
- (c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

7. 52.209-5 - CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (DEC 2001)

(Applicable to leases over \$100,000 average net annual rental, including option periods.)

- (a) (1) The Offeror certifies, to the best of its knowledge and belief, that—
 - (i) The Offeror and/or any of its Principals—
 - (A) Are ☐ are not ☒ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;
 - (B) Have ☐ have not ☒, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and
 - (C) Are ☐ are not ☒ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision.
 - (ii) The Offeror has ☐ has not ☒, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.
- (2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

This Certification Concerns a Matter Within the Jurisdiction of an Agency of the United States and the Making of a False, Fictitious, or Fraudulent Certification May Render the Maker Subject to Prosecution Under Section 1001, Title 18, United States Code.

INITIALS: _____ & _____
LESSOR GOVERNMENT

- (b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.
- (d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

8. 52.204-3 - TAXPAYER IDENTIFICATION (OCT 1998)

(a) *Definitions.*

"Common parent," as used in this provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the Offeror is a member.

"Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the Offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

- (b) All Offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements described in Federal Acquisition Regulation (FAR) 4.904, the failure or refusal by the Offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.
- (c) The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the Offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the Offeror's TIN.
- (d) *Taxpayer Identification Number (TIN).*

- ☒ TIN: 946000417
- ☐ TIN has been applied for.
- ☐ TIN is not required because:
- ☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;
- ☐ Offeror is an agency or instrumentality of a foreign government;
- ☐ Offeror is an agency or instrumentality of the Federal government;

(e) *Type of organization.*

- ☐ Sole proprietorship;
- ☐ Partnership;
- ☐ Corporate entity (not tax-exempt);
- ☐ Corporate entity (tax-exempt);
- ☒ Government entity (Federal, State, or local);
- ☐ Foreign government;
- ☐ International organization per 26 CFR 1.6049-
- ☐ Other _____

4;

INITIALS: _____ & _____
LESSOR GOVERNMENT

(f) *Common Parent.*

☒ Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.

☐ Name and TIN of common parent:

Name _____

TIN _____

9. 52.204-6 – Data Universal Numbering System (DUNS) Number (OCT 2003)

(a) The Offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" or "DUNS+4" followed by the DUNS number or "DUNS+4" that identifies the Offeror's name and address exactly as stated in the offer. The DUNS number is a nine-digit number assigned by Dun and Bradstreet, Inc. The DUNS+4 is the DUNS number plus a 4-character suffix that may be assigned at the discretion of the Offeror to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see Subpart 32.11) for the same parent concern.

(b) If the Offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

(1) An Offeror may obtain a DUNS number—

- (i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711 or via the Internet at <http://www.dnb.com>; or
- (ii) If located outside the United States, by contacting the local Dun and Bradstreet office.

(2) The Offeror should be prepared to provide the following information:

- (i) Company legal business name.
- (ii) Tradestyle, doing business, or other name by which your entity is commonly recognized.
- (iii) Company physical street address, city, state and zip code.
- (iv) Company mailing address, city, state and zip code (if separate from physical).
- (v) Company telephone number.
- (vi) Date the company was started.
- (vii) Number of employees at your location.
- (viii) Chief executive officer/key manager.
- (ix) Line of business (industry).
- (x) Company Headquarters name and address (reporting relationship within your entity).

10. DUNS NUMBER (JUN 2004)

Notwithstanding the above instructions, in addition to inserting the DUNS Number on the offer cover page, the Offeror shall also provide its DUNS Number as part of this submission:

DUNS # 046004081

11. CENTRAL CONTRACTOR REGISTRATION (JAN 2007)

The Central Contractor Registration (CCR) System is a centrally located, searchable database which assists in the development, maintenance, and provision of sources for future procurements. The Offeror must be registered in the CCR prior to lease award. The Offeror shall register via the Internet at <http://www.ccr.gov>. To remain active, the Offeror/Lessor is required to update or renew its registration annually.

☒ Registration Active and Copy Attached

☐ Will Activate Registration and Submit Copy to the Government Prior to Award

INITIALS: _____ & _____
LESSOR GOVERNMENT

