GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE

LEASE AMENDMENT NUMBER 003

TO LEASE NUMBER GS-09B-00084

ADDRESS OF PREMISES: Building 6, 2255 North Gemini Drive, Flagstaff, AZ 86001

THIS AGREEMENT, made and entered into this date by and between **City of Flagstaff**

Whose address is: 211 West Aspen Avenue
Flagstaff, AZ 86001

Hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease; to provide, install, maintain and repair an Uninterruptible Power Supply (UPS) for the Server Room; Issue a Notice to Proceed with Construction of Tenant Improvements; and provide for Lump Sum Payment:

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that said Lease is amended, effective upon execution by the Government, as follows:

Paragraphs 17, 18, 19, 20, 21, 22, 23, 24, 25 and 26 are hereby added and read as follows:

"17. TENANT IMPROVEMENT COSTS – PROVIDE, INSTALL, MAINTAIN AND REPAIR AN UNINTERRUPTIBLE POWER SUPPLY (UPS) SYSTEM IN BUILDING 6:

A. The Lessor has submitted pricing to provide, install, maintain and repair an Uninterruptible Power Supply (UPS) System in Building 6 for a total cost of $155,120.00 as set forth in the "Proposal" dated March 12, 2012 and the "Budget Estimate" dated February 29, 2012, both attached to this Lease Amendment Number 003 as "Exhibit A" and the Statement of Work (USGS #MP-15-12 attached to this Lease Amendment Number 003 as "Exhibit B". The total cost to the Government shall be $155,120.00 as indicated below:

DESCRIPTION	AMOUNT	DOCUMENT ATTACHED AS:
Proposal and Budget Estimate	$155,120.00	Exhibit A
Statement of Work (USGS # MP-15-12)	N/A	Exhibit B
TOTAL COST	$155,120.00	

-Continued on Sheet Number 1, attached hereto-

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

FOR THE LESSOR:

Signature: _____
Name: _____
Title: _____
Entity Name: **City of Flagstaff**
Date: _____

FOR THE GOVERNMENT:

Signature: _____
Name: _____
Title: Lease Contracting Officer
US GENERAL SERVICES ADMINISTRATION, PBS
Date: _____

WITNESSED FOR THE LESSOR BY

Signature: _____
Name: _____
Title: _____
Date: _____

SHEET NUMBER 1, ATTACHED TO AND FORMING A PART OF LEASE AMENDMENT NUMBER 003 TO US GOVERNMENT LEASE NUMBER GS-09B-00084

"18. CONSTRUCTION SCHEDULE AND INITIAL CONSTRUCTION MEETING (APR 2011)

The Lessor shall furnish a detailed construction schedule to the Government within 15 calendar days of the Notice to Proceed. The Lessor shall complete all construction within 60 calendar days of the Notice to Proceed. Within **Five (5)** Working Days of Notice to Proceed [NTP], the Lessor shall initiate a Construction Kick-Off Meeting. The Lessor will have contractor representatives including its architects, engineers, general contractor and sub-contractor representatives in attendance. The Lessor shall keep meeting minutes of discussion topics and attendance."

"19. PROGRESS REPORTS (JUN 2012)

After start of construction, the Lessor shall submit to the LCO written progress reports at intervals of **5** Working Days. Each report shall include information as to the percentage of the work completed by phase and trade; a statement as to expected completion and occupancy dates; changes introduced into the work; and general remarks on such items as material shortages, strikes, weather, etc, that may affect timely completion. In addition, the Lessor shall conduct meetings every week to brief Government personnel and/or contractors regarding the progress of construction of the Space. The Lessor shall be responsible for taking and distributing minutes of these meetings.

"20. ACCESS BY THE GOVERNMENT PRIOR TO ACCEPTANCE (JUN 2012)

The Government shall have the right to access any space within the Building during the conduct of interior construction for the purposes of performing inspections or installing Government furnished equipment. The Government shall coordinate the activity of Government contractors, if any, with the Lessor to minimize conflicts with and disruption to other contractors on site. Access shall not be unreasonably denied to authorized Government officials including, but not limited to, Government contractors, subcontractors, or consultants acting on behalf of the Government on this project."

"21. CONSTRUCTION INSPECTIONS (APR 2011)

A. The LCO or the LCO's designated technical representative may periodically inspect construction work to review compliance with Lease requirements and approved statement of work.

B. Periodic reviews, witnessing of tests, and inspections by the Government shall not constitute approval of the Lessor's apparent progress toward meeting the Government's objectives but are intended to discover any information which the LCO may be able to call to the Lessor's attention to prevent costly misdirection of effort. The Lessor shall remain responsible for designing, constructing, operating, and maintaining the Building in full accordance with the requirements of the Lease."

"22. WORK PERFORMANCE (SEP 2000)

A. All work in performance of this lease shall be done by skilled workers or mechanics and shall be acceptable to the Contracting Officer. The Contracting Officer retains the right to reject the Lessor's workers 1) if such are either unlicensed, unskilled, or otherwise incompetent, or 2) if such have demonstrated a history of either untimely or otherwise unacceptable performance in connection with work carried out in conjunction with either this contract or other Government or private contracts.

B. Best Industry practices such as, but not limited to, erection of temporary barrier walls separating the work area from occupied space shall be employed in the performance of the work and all reasonable efforts shall be made to minimize the impact of construction noise, dust and other nuisances.

C. The Lessor shall make a reasonable attempt to apply paints, glues, adhesives, and cleaning compounds with highly volatile or irritating organic compounds, outside of working hours. Except in an emergency, the Lessor shall provide at least 24 hours advance notice to the Government before applying noxious chemicals in occupied spaces and shall adequately ventilate those spaces during and after application.

D. The Lessor shall provide to the Government material safety data sheets (MSDS) upon request for the following products prior to their use: adhesives, caulking, sealants, insulating materials, fireproofing or firestopping materials, paints, carpets, floor and wall patching or leveling materials, lubricants, clear finish for wood surfaces, and janitorial cleaning products. 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."

-Continued on Sheet Number 2, attached hereto-

"23. ACCEPTANCE OF LESSOR'S CONSTRUCTION

A. Ten (10) Working Days prior to the completion of the Lessor's construction of the subject leased area, the Lessor shall issue written notice to the Government to schedule the inspection of the space for acceptance. The Government shall accept the Space only if the Construction of the Tenant Improvements conforming to this Lease and the statement of work is substantially complete.

B. The Space shall be considered substantially complete only if the Space may be used for its intended purpose, and completion of remaining work will not interfere unreasonably with the Government's enjoyment of the Space. Acceptance shall be final and binding upon the Government with respect to conformance of the completed TIs to the approved statement of work, with the exception of items identified on a punch list generated as a result of the inspection, concealed conditions, latent defects, or fraud, but shall not relieve the Lessor of any other Lease requirements.

"24. 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 or by the Government with the Lessor's consent, which shall not be unreasonably withheld. The Government may, at its sole option, abandon property in the leased space following expiration of the Lease, in which case the property will become the property of the Lessor and the Government will be relieved of any liability in connection therewith.

"25. <u>NOTICE TO PROCEED:</u>

A. At the request of the Government, the Lessor shall provide all labor, materials, equipment and other items necessary to complete the Construction of Tenant Improvements as set forth herein and in the Governments Statement of Work, attached to this Supplemental Lease Agreement Number 003, as "Exhibit B", incorporated and made a part of the lease.

B. The Government has reviewed the Lessor-submitted cost proposal for the Tenant Improvements, at a Total Cost to the Government of **$155,120.00**, inclusive of all permits, taxes, profits, management fees and overhead. The Government has determined that the submitted costs are fair and reasonable and hereby orders the Tenant Improvements.

C. A **Notice to Proceed** is hereby issued for the Construction of said Tenant Improvements.

D. The Lessor shall perform all work in accordance with and pursuant to this Lease Amendment Number 003; the "Proposal" and "Budget Estimate", attached to this Supplemental Lease Agreement Number 003, as "Exhibit A" and the Governments Statement of Work, attached thereto as "Exhibit B", incorporated and made a part of the lease. Upon completion, inspection, and acceptance of the work, the Government shall reimburse the Lessor via Lump Sum payment, in the amount of **$155,120.00.**"

E. The Government, upon receipt of an acceptable invoice, shall make a "LUMP SUM" payment within 30 days following completion and acceptance of the work by the Government. Payment will be due only for items which are set forth herein and in the Government's Statement of Work, attached to this Supplemental Lease Agreement Number 003, as "Exhibit B", incorporated and made a part of the lease, or changes requested in writing by the Lease Contracting Officer.

-Continued on Sheet Number 3, attached hereto-

F. INVOICING FOR THE COMPLETION OF CONSTRUCTION: The Lessor shall submit its invoice to the Government, within 5 working days of the Government's acceptance of space. The invoice shall include the name and address of the Lessor (the Lessor's name and address on the invoice must match the name and address in the Government's vendor file). It shall also prominently annotate the PS Document Number which will be provided after the Government executes this Lease Amendment. The Lessor shall submit an original and one copy of the invoice for the specified work. **The Original Invoice shall be submitted electronically** to the Finance website at http://www.finance.gsa.gov.

GSA, Greater Southwest Finance Center (7BCP)
P.O. Box 17181
Fort Worth, Texas 76102

A copy of the invoice shall be simultaneously submitted to the Contracting Officer at:

General Services Administration
Attn: Erin Winschel, Lease Contracting Officer
401 W. Washington Street, Suite 170
Phoenix, AZ 85003

G. Title to items for which the Government makes a "LUMP SUM" payment shall vest in the Government."

"26. The following documents are attached hereto, and made a part of the lease:

1. Exhibit "A" – Proposal and Budget Estimate (2 pages)
2. Exhibit "B" – Statement of Work (10 pages)

All other terms and conditions of the lease shall remain in force and effect.

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