

**DATE:** September 11, 2015  
**TO:** SAA Board of Directors  
**FROM:** Tim Rogers and Shelli Swanson  
**SUBJECT:** **September 16, 2015 SAA Regular Board Meeting**

Enclosed are items for your review prior to Wednesday's board meeting. We will be discussing proposed terms and conditions for a lease of 46,309 SF at hangar H600. The prospect has been designated as Project Guardian.

We'll also review and discuss terminal building improvements that are necessary for air service development and recruitment. A budget for the work has been established along with a project schedule.

Please note the following agenda comments.

**50 Years Ago – September, 1965**

Ft. Riley families started to move into Schilling Manor homes and marked the start of the now historic "Waiting Wives" program. The availability of former Schilling AFB housing provided 1<sup>st</sup> Infantry Division dependents much needed housing during the Division's deployment to Vietnam. Ft. Riley used Schilling Manor homes for a number of years after Schilling closed.

**Agenda Item #5 – Review of airport activity and financial reports for the month ending August 31, 2015**

(Rogers and Swanson)

**Airport Activity – Air Traffic** (Rogers)

During August 2015 air traffic controllers recorded 5,426 operations which was 1% less than the August 2014 total of 5,756. August is typically our slowest month. For the year to date, air traffic has increased 5% to 60,613 total operations.

**Airport Activity – Fuel Flowage** (Rogers)

Avflight Salina delivered 101,329 gallons of aviation fuel during August 2015 which was a 21% increase over the FBO's August 2014 total of 83,757 gallons. For the year to date Avflight has delivered 1,381,367 gallons which is a 33% increase over the August 2014 YTD total of 1,039,188 gallons. During the remainder of September and all of October, Avflight will be supporting Bombardier CS100 flight test operations and Ft. Riley Installation Transportation Office flights. The activity will result in another jump in fuel sales prior to the end of the year.

**Airport Activity – Passenger Enplanements** (Rogers)

Seaport boarded 79 passengers during August 2015. For the year to date Seaport has boarded 830 passengers. The airline is making progress towards implementing a plan to improve the quality of scheduled air service for Salina, Saline County and surrounding communities.

**Financial Reports – Comments and Notes** (Swanson)

At the end of August, the SAA closed on the 2015-A general obligation bond issue and funds were to disbursed according to the closing memorandum that included \$1,808,445 for the redemption of the SAA’s 2005-A general obligation bonds, establishing an escrow account in the amount of \$593,927.50 to defease the 2007-A general obligation bonds and establishing the cost of issuance and improvement fund accounts.

In addition, on August 31, the SAA remitted \$1,473,131.88 to the State Treasurer’s office for the regular semi-annual general obligation bond payments that were due Sept. 1.

At the end of August total operating income arrived right on budget with total fuel flowage fees still maintaining a 5% YTD lead on budget. Increases in other operating revenue, building and lands rents, continue to help offset the 11% hangar rental budget underrun.

Total administrative expenses arrived \$1,235 under budget for the YTD with maintenance reaching over budget by \$2,046. Total operating expenses are tracking just slightly over budget at +\$811 for the year.

Net operating income before depreciation for August arrived at \$10,872 bringing the YTD to \$871.

**Financial Reports – August 2015 Significant Expenditures/Payables Report Enclosed**

**Financial Reports – Accounts Receivable Past Due 31 days or more as of September 8, 2015** (Swanson)

<u>Account</u>	<u>Amount</u>	<u>Days</u>	<u>Comments</u>
Terry Belcher	\$107.00	31-60	T-hgr. rent
Builders Choice	\$115.12	31-60	Finance Charge
Tischlerei	\$18,776.87	31-90	Bldg. rent and FC

**Agenda Item #6 – Federal Aviation Administration H409-2 Lease** (Rogers and Swanson)

The Federal Aviation Administration (FAA) has leased space from the Salina Airport Authority for its Remote System Support Work Center (RSSWC) operations dating back to May 1, 1989. Although the FAA has changed the field office name a few times over the years, their principal function of maintaining the navigational aids at the Salina Regional Airport has remained the same. Since 1989, this FAA field office has occupied both office and shop space in Bldg. 409-2, which adjoins Hangar 409 (Avflight South). The current lease agreement is scheduled to expire on Sept. 30, 2015 and the SAA has been working for several months with the FAA’s Real Estate and Utilities Group out of Fort Worth, TX to bring you the enclosed new lease for your consideration. The terms and conditions are summarized as follows:

<b>Premises:</b>	2,459 SF of office and shop space located in B409-2, 2010 Rogers Ct.
<b>Lease term:</b>	Five (5) years commencing Oct. 1, 2015 and terminating Sept. 30, 2020.
<b>Basic Rental:</b>	\$12.25/SF/Year (Base Rent-\$5.65/SF/Year, Operating Cost Rent-\$6.60/SF/Year)
<b>Type:</b>	Gross

As you will note in the enclosed agreement, the SAA is responsible for the facility maintenance, structural or otherwise, utilities and commercial property insurance. In the event annual operating costs of services and utilities attributable to the FAA’s occupancy exceed \$6.60/SF/year, the SAA may submit the documents necessary to justify the increased costs and the FAA shall reimburse the SAA for the costs incurred above \$6.60/SF/year.

**Recommendation:** Approval of the Lease Agreement with the Federal Aviation Administration Remote System Support Work Center at Bldg. 409-2.

**Agenda Item #7 – Proposed Terms and Conditions for H600** (Rogers and Swanson)

A draft lease has been submitted to Project Guardian for use of 46,309 square feet of hangar and office space at hangar H600. Project Guardian has a requirement for 42,052 SF of hangar space (this is the entire available hangar SF at H600) and 4,257 SF of office space (this is the entire 1<sup>st</sup> floor, west side office space). The proposed lease terms are as follows:

<b>Lease term:</b>	Ten (10) years with two (2) five (5) year options to renew
<b>Use:</b>	Operation of a corporate aviation headquarters including the storage and maintenance of aircraft.
<b>Effective Date:</b>	October 1, 2015
<b>Basic Rental:</b>	\$24,315 per month, \$291,780 per year, \$6.30 per SF per year
<b>Security Deposit:</b>	Equal to one (1) month's rental
<b>Additional rental:</b>	A pro rata share of H600 utilities and property taxes

Project Guardian is currently reviewing a draft lease agreement. SAA board approval of the proposed basic lease terms will assure the prospect that submitting a signed lease (along with related documents, first month's rent and security deposit) to the SAA will lead to final SAA board approval.

**Recommendation:** Approval of the proposed H600 basis lease terms.

**Agenda Item #8 – Terminal Bldg Improvements.** (Rogers, Bieker and Swanson)

At the meeting we will present the work items and budget for M.J. Kennedy Air Terminal improvements. The proposed improvements are intended to prepare the terminal building for the possibility of scheduled air service by larger aircraft. Air service using larger aircraft would require a dedicated passenger security screening and holding area.

A transition to larger aircraft requires a return of Transportation Security Administration (TSA) equipment and personnel to the terminal building. The TSA requires terminal building office space in addition to operating the passenger screening and holding area.

The most recent terminal building requirement is for an airline reservations and customer service call center. The call center would occupy an approximately 675 SF of existing office space.

Kenny Bieker and I are scheduled to meet with the City's Development Review Team (DRT) to review the project's preliminary design. Shelli is working with DMA Architects on obtaining contractor/supplier bids and quotes. We will have a scope of work and budget for the board's review and discussion on Wednesday.

Please contact me if you have any questions or comments.

**SALINA AIRPORT AUTHORITY REGULAR BOARD MEETING  
M.J. KENNEDY AIR TERMINAL  
SEPTEMBER 16, 2015 – 8:00 AM**

**AGENDA**

**Action Items**

1. Call to order and determine a quorum is present. (Hoppock)
2. Recognition of guests. (Hoppock)
3. Additions to the agenda. (Rogers)
4. Approval of the minutes of the August 19, 2015 regular board meeting. (Hoppock)
5. Review of airport activity and financial reports for the month ending August 31, 2015. (Rogers and Swanson)
6. Approval of a lease with the Federal Aviation Administration for office and shop space at building H409-2. (Rogers and Swanson)

**Executive Session**

7. An executive session of the board of directors for the purpose of discussing confidential data relating to financial affairs or trade secrets of a corporation.

**Action Items**

8. Review of proposed terms and conditions for the lease of 46,309 SF of hangar and office space at hangar H600. (Rogers and Swanson)
9. Review and discussion of the work items and budget for improvements at the M.J. Kennedy Air Terminal. (Rogers, Bieker and Swanson)

**Directors' Forum** (Hoppock)

**Visitor's Questions and Comments** (Hoppock)

**Staff Reports** (Bieker and Windhorst)

**Announcements** (Rogers)

**Adjournment** (Hoppock)



**MINUTES OF THE REGULAR MEETING OF THE BOARD OF  
DIRECTORS OF THE SALINA AIRPORT AUTHORITY  
AUGUST 19, 2015  
M. J. KENNEDY AIR TERMINAL CONFERENCE ROOM**

**Call to Order**

The meeting was called to order at 3:00 PM by Chairman Hoppock.

**Attendance**

Attendance was taken. Chairman Hoppock, Directors Neuschafer, Maes, Vancil, and Platten were present. Also present were Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker; Office Manager Kasey Windhorst; Administrative Assistant Elizabeth Nelson; and Board Attorney Greg Bengston. David Arteberry, George K. Baum & Company; Gina Riekhof, Gilmore & Bell; and Tim Unruh, Salina Journal were guests.

**Additions to the Agenda**

Chairman Hoppock asked if there were additions to the agenda. Executive Director Rogers stated that there were no additions to the agenda.

**Minutes**

Chairman Hoppock asked if the board members had additions or corrections to the minutes of the July 15, 2015 regular board meeting or the August 5, 2015 special board meeting. Director Platten moved, seconded by Director Maes, to approve the minutes of the July 15, 2015 and August 5, 2015 meetings as drafted. Motion passed unanimously. SAA Staff works with the current federal surplus property program to acquire vehicles, equipment, and tools.

**50 Years Ago**

The Airport Authority board of directors approved the acceptance of former Schilling AFB surplus equipment through the federal surplus property program. To this day, surplus equipment has proved to be very useful to the SAA for maintenance and operations activity throughout airport property.

**Airport Activity and Financial Reports**

Executive Director Rogers reported on airport activity for the month of July 2015. KSLN controllers recorded a total of 8,089 operations for the month which results in a 9% increase as compared to the July 2014 total of 7,423. Rogers noted that he expects operations to top 95,000 by the year's end. Itinerant operations were up 6% for the year-to-date total, which is an indicator of more business jet activity at AvFlight. During July 2015, a total of 237,783 gallons of fuel were delivered on the airport which was 131% more than the July 2014 total of 103,109

gallons. For the year-to-date total fuel flowage is 34% ahead of the same period last year. SeaPort boarded a total of 77 passengers for the month of July 2015. Seaport continues to work on plans to improve air service at KSLN.

Director of Finance and Administration Swanson reported that total airport revenue was up 11% over the 2015 budget while short term leasing was tracking 7% under budget. Hangar rent is tracking 2% over the same period last year. Director Swanson noted that FOL activity has been up substantially in 2015. Swanson distributed a detailed report for other income received to date. SAA staff will provide the report on the makeup of other income to the board on a quarterly basis. Total administrative expenses are up 1% while total maintenance expenses are down 1% for year-to-date totals; both falling within \$400 of the 2015 budget. Swanson reviewed audit letters received from Clubine & Rettele related to the 2014 audit response and internal control procedures and noted no issues or deficiencies. Chairman Hoppock directed the staff to file the financials for audit.

### **Consideration of Bids for the Sale of General Obligation Bonds**

Swanson introduced David Arteberry from George K. Baum & Company. Arteberry presented and reviewed the bid results for the sale of general obligation bonds. A total of eight (8) bids were received and UMB Bank N.A. provided the lowest true interest cost (TIC) with a rate of 2.138693% and a premium for an issue size of \$3,000,075. Arteberry stated the bond sale results in a net savings of \$165,000. Director Vancil moved to accept the bid from UMB Bank, seconded by Director Neuschafer. Motion passed unanimously.

### **SAA Resolution No. 15-07**

Swanson introduced Gina Riekhof with Gilmore & Bell to the board. Riekhof reviewed SAA Resolution 15-07, **A RESOLUTION AUTHORIZING AND DIRECTING THE ISSUANCE, SALE AND DELIVERY OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2015-A, OF THE SALINA AIRPORT AUTHORITY.** Director Platten moved, seconded by Director Maes, to approve Resolution 15-07. Motion passed unanimously.

### **SAA Resolution No. 15-08**

Riekhof presented SAA Resolution 15-08, **A RESOLUTION PROVIDING FOR THE ADOPTION OF AN OMNIBUS CONTINUING DISCLOSURE UNDERTAKING RELATING TO OBLIGATIONS ISSUED AND TO BE ISSUED BY THE SALINA AIRPORT AUTHORITY.** Director Vancil moved, seconded by Director Neuschafer, to approve Resolution 15-08. Motion carried unanimously.

### **SAA Resolution No. 15-09**

Riekhof read SAA Resolution 15-09, **A RESOLUTION PROVIDING FOR THE ADOPTION OF A DISCLOSURE COMPLIANCE PROCEDURE RELATING TO FINANCIAL OBLIGATIONS ISSUED AND TO BE ISSUED BY THE SALINA**

**AIRPORT AUTHORITY.** Director Neuschafer moved, seconded by Director Platten, to approve Resolution 15-09. Motion carried unanimously.

**SAA Resolution No. 15-10**

Riekhof read SAA Resolution 15-10, **A RESOLUTION PROVIDING FOR THE ADOPTION OF A TAX COMPLIANCE PROCEDURE RELATING TO OBLIGATIONS ISSUED AND TO BE ISSUED BY THE SALINA AIRPORT AUTHORITY.** Director Platten moved, seconded by Director Vancil, to approve Resolution 15-10. Motion carried unanimously.

**SAA Resolution No. 15-11**

Executive Director Rogers presented SAA Resolution 15-11, **A RESOLUTION LEVYING A TAX OF 4.396 MILLS ON ALL TAXABLE TANGIBLE PROPERTY WITHIN THE CITY OF SALINA, KANSAS FOR THE PURPOSE OF PAYING THE INTEREST ON AND PRINCIPAL OF GENERAL OBLIGATION BONDS OF THE SALINA AIRPORT AUTHORITY PURSUANT TO K.S.A. (2008 Supp.) 27-323(a).** The proposed mill levy is a decrease from the current 4.486 mill levy. Director Maes moved, seconded by Director Platten to approve SAA Resolution 15-11 setting the Airport Authority's 2015/2016 mill levy at 4.396 mills. Motion passed unanimously.

**Staff Reports**

Executive Director Rogers welcomed the new administrative assistant Elizabeth Nelson. Nelson will be a great asset to the Salina Airport Authority staff.

Rogers reviewed the text amendments to the airspace zoning ordinance. Final actions by the County Commission and City Commission are scheduled for September 15<sup>th</sup> and September 21<sup>st</sup>, respectively.

Upon a motion duly made, the meeting adjourned at 4:00 P.M.

Minutes approved at the September 16, 2015 Board meeting.

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Secretary

(SEAL)

**SALINA AIRPORT AUTHORITY  
AIRPORT ACTIVITY REPORT  
2015**

**AIR TRAFFIC/ATCT**

August, 2015	5,426 Operations 721 Instrument Operations 342 Peak Day
August, 2014	5,756 Operations 758 Instrument Operations 320 Peak Day
January 2015 - August 2015	60,283 Operations
January 2014 - August 2014	57,745 Operations
January 2013 - August 2013	56,293 Operations

**FUEL FLOWAGE**

August, 2015	108,581 Gallons
August, 2014	83,757 Gallons
January 2015 - August 2015	1,389,056 Gallons
January 2014 - August 2014	1,039,188 Gallons
January 2013 - August 2013	1,239,089 Gallons

KSU-S	Avflight Salina	Avflight	
		Military/Gov't Portion	Self-fuel Station Portion
7,251	101,330	10,065	916
8,190	75,567	10,774	1,422
83,496	1,305,560	378,876	6,661
75,241	962,315	272,065	6,738
84,553	1,148,644	233,721	5,892

**ENPLANEMENTS - SEAPORT**

		<b>LOAD FACTOR</b>
August, 2015	79 Passengers	29%
August, 2014	223 Passengers	25%
January 2015 - August 2015	830 Passengers	24%
January 2014 - August 2014	1,416 Passengers	25%
January 2013 - August 2013	1,567 Passengers	29%

**TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights**

August, 2015	79 Passengers
August, 2014	223 Passengers
January 2015 - August 2015	6,082 Passengers
January 2014 - August 2014	1,612 Passengers
January 2013 - August 2013	1,644 Passengers

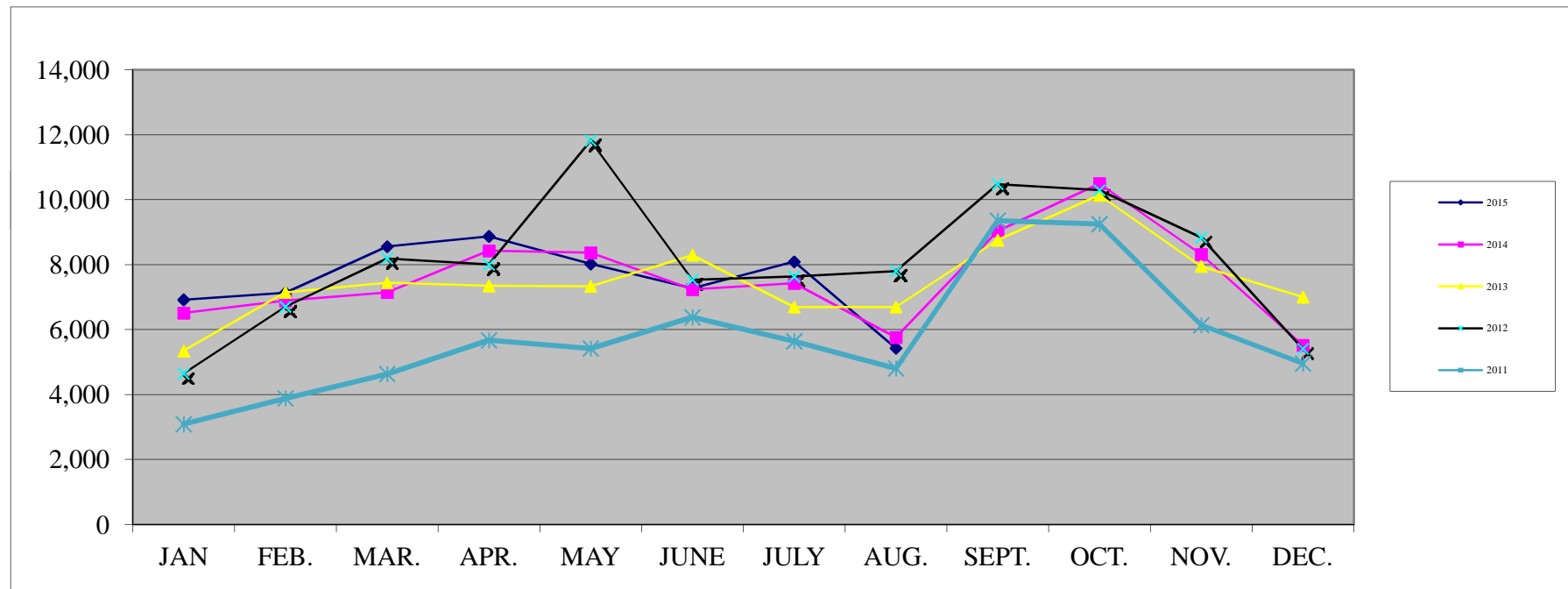


**AIRPORT TRAFFIC RECORD  
2014 - 2015**

	ITINERANT					LOCAL			Total Operations
	AC	AT	GA	MI	Total Itinerant	Civil	Military	Total Local	
<b>2015</b>									
January, 15	7	1,543	723	138	2,411	4,243	264	4,507	6,918
February, 15	6	1,937	779	138	2,860	3,997	276	4,273	7,133
March, 15	68	2,086	814	176	3,144	5,079	334	5,413	8,557
April, 15	21	2,160	665	290	3,136	5,168	566	5,734	8,870
May, 15	72	1,774	733	207	2,786	4,790	446	5,236	8,022
June, 15	2	1,793	847	236	2,878	4,076	314	4,390	7,268
July, 15	169	1,771	786	102	2,828	5,050	211	5,261	8,089
August, 15	27	1,252	895	165	2,339	2,843	244	3,087	5,426
September, 15									
October, 15									
November, 15									
December, 15									
<b>Totals January - August</b>	<b>372</b>	<b>14,316</b>	<b>6,242</b>	<b>1,452</b>	<b>22,382</b>	<b>35,246</b>	<b>2,655</b>	<b>37,901</b>	<b>60,283</b>
<b>2014</b>									
January, 14	0	1,544	573	174	2,291	4,078	142	4,220	6,511
February, 14	0	1,752	558	153	2,463	4,260	164	4,424	6,887
March, 14	10	1,791	684	132	2,617	4,162	364	4,526	7,143
April, 14	0	1,974	681	196	2,851	5,148	427	5,575	8,426
May, 14	1	1,680	993	186	2,860	5,193	312	5,505	8,365
June, 14	6	1,601	791	549	2,947	4,017	270	4,287	7,234
July, 14	0	1,757	754	299	2,810	4,075	538	4,613	7,423
August, 14	2	1,464	780	259	2,505	2,975	276	3,251	5,756
September, 14									
October, 14									
November, 14									
December, 14									
<b>Totals January - August</b>	<b>19</b>	<b>13,563</b>	<b>5,814</b>	<b>1,948</b>	<b>21,344</b>	<b>33,908</b>	<b>2,493</b>	<b>36,401</b>	<b>57,745</b>
<b>Difference</b>	<b>353</b>	<b>753</b>	<b>428</b>	<b>-496</b>	<b>1,038</b>	<b>1,338</b>	<b>162</b>	<b>1,500</b>	<b>2,538</b>
<b>YTD % Change</b>	<b>1858%</b>	<b>6%</b>	<b>7%</b>	<b>-25%</b>	<b>5%</b>	<b>4%</b>	<b>6%</b>	<b>4%</b>	<b>4%</b>

**AIR TRAFFIC**

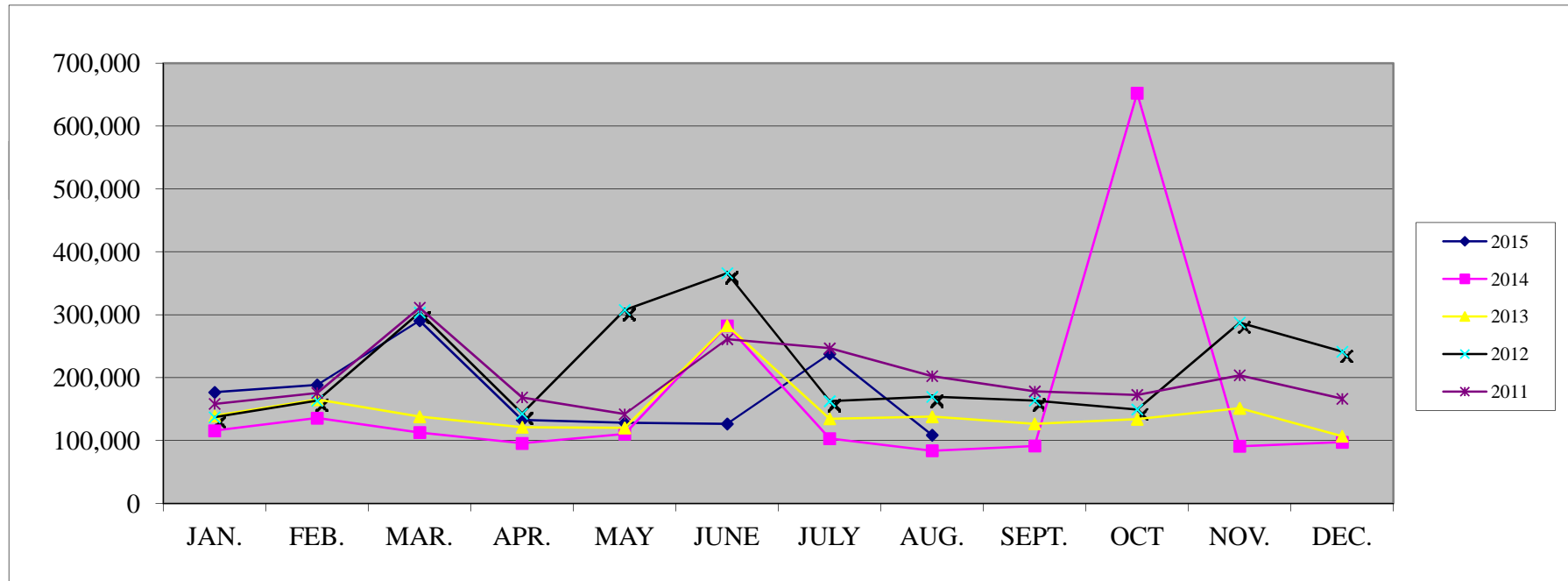
	<u>JAN</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
<b>2015</b>	6,918	7,133	8,557	8,870	8,022	7,268	8,089	5,426					<b>60,283</b>
<b>2014</b>	6,511	6,887	7,143	8,426	8,365	7,234	7,423	5,756	9,035	10,496	8,316	5,509	91,101
<b>2013</b>	5,341	7,146	7,440	7,349	7,336	8,291	6,696	6,694	8,755	10,136	7,946	7,001	90,131
<b>2012</b>	4,642	6,700	8,189	8,002	11,819	7,532	7,635	7,802	10,478	10,292	8,838	5,409	97,338
<b>2011</b>	3,088	3,880	4,632	5,671	5,418	6,379	5,639	4,804	9,355	9,249	6,138	4,954	69,207
<b>2010</b>	2,760	4,430	5,743	5,964	4,611	4,572	4,364	4,009	6,816	7,653	5,100	4,429	60,451
<b>2009</b>	4,345	6,822	5,675	5,888	6,209	5,883	5,082	3,860	6,470	5,258	5,775	3,795	65,062
<b>2008</b>	4,233	6,749	6,063	6,291	5,530	6,345	5,356	4,112	7,425	8,125	6,571	4,775	71,575
<b>2007</b>	5,606	5,726	6,005	7,264	6,087	6,788	6,232	5,531	8,637	7,425	7,498	3,680	76,479
<b>2006</b>	5,660	6,886	6,468	6,719	6,958	6,411	5,074	6,370	8,692	9,410	6,894	5,922	81,464
<b>2005</b>	4,504	6,931	7,125	11,801	6,358	5,969	5,664	6,224	9,925	8,949	6,953	5,889	86,292



**FUEL FLOWAGE**

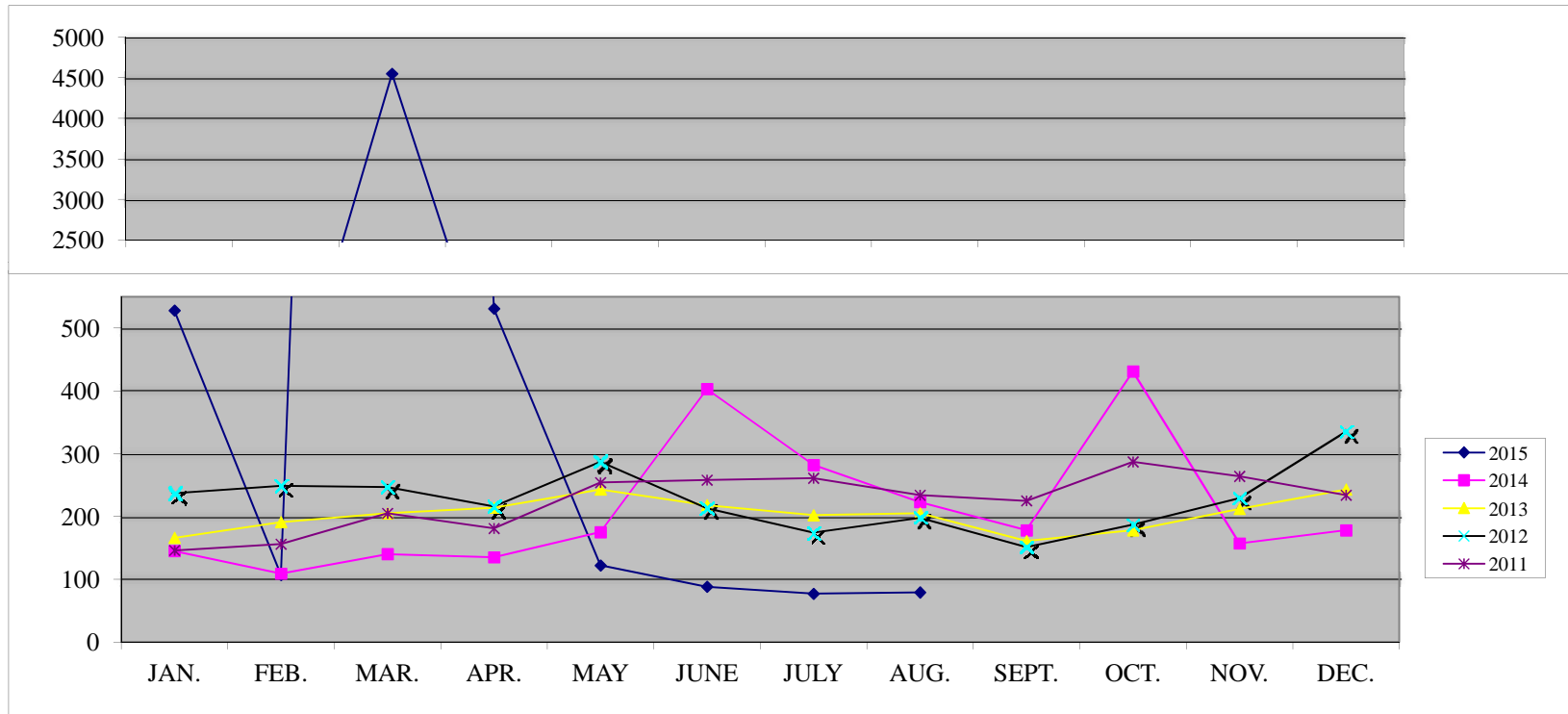
**Gallons of Fuel Sold at SLN**

	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
<b>2015</b>	176,746	188,406	290,470	132,543	128,100	126,428	237,782	108,581					<b>1,389,056</b>
<b>2014</b>	115,573	135,651	112,694	95,549	110,387	282,468	103,108	83,757	91,423	652,207	90,948	97,295	1,971,061
<b>2013</b>	139,227	165,167	138,056	121,295	120,083	282,743	134,677	137,840	126,523	134,024	151,427	106,917	1,757,981
<b>2012</b>	136,995	163,253	303,472	142,770	307,541	365,938	162,584	169,534	163,515	149,404	287,619	241,424	2,594,049
<b>2011</b>	158,199	175,703	311,254	168,490	141,986	261,097	246,687	202,390	178,133	172,586	203,684	166,461	2,386,670
<b>2010</b>	140,149	174,668	276,837	195,019	195,859	333,684	271,029	212,013	170,735	209,067	315,010	269,921	2,763,991
<b>2009</b>	202,765	239,649	182,205	183,738	192,029	306,421	222,991	145,268	171,251	216,190	256,904	162,174	2,481,585
<b>2008</b>	240,060	298,097	293,841	231,396	212,675	319,814	218,666	236,294	245,330	374,857	236,718	206,767	3,114,515
<b>2007</b>	301,504	331,456	315,827	300,209	306,483	433,448	292,410	317,909	323,365	294,420	327,122	234,641	3,778,794
<b>2006</b>	267,924	311,776	297,888	287,710	286,273	286,903	324,655	413,395	388,262	321,437	314,458	316,431	3,817,112
<b>2005</b>	239,422	321,501	338,175	287,489	314,404	289,621	373,194	419,212	380,853	325,869	315,672	557,475	4,162,887



## ENPLANEMENTS

	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>FAA</u> <u>Adjustment</u>	<u>TOTAL</u>
<b>2015</b>	528	107	4,550	531	122	88	77	79						<b>6,082</b>
<b>2014</b>	145	109	140	135	175	403	282	223	178	431	157	178		2,556
<b>2013</b>	166	191	205	214	243	218	202	205	161	178	212	243	391	2,829
<b>2012</b>	237	249	247	216	287	213	174	198	151	187	229	335	803	3,526
<b>2011</b>	146	156	205	181	254	258	261	234	225	287	264	234	152	2,857
<b>2010</b>	81	97	139	116	668	166	162	154	178	436	234	510	203	3,144
<b>2009</b>	224	227	275	223	232	210	225	242	439	190	223	129	29	2,868
<b>2008</b>	228	147	224	283	372	396	393	450	524	930	309	398	516	5,170
<b>2007</b>	109	81	133	107	185	226	221	285	241	325	679	353	1,182	4,127
<b>2006</b>	163	140	230	121	176	179	161	150	161	147	293	108	848	2,877
<b>2005</b>	267	257	258	186	150	218	162	134	225	135	192	155	466	2,805
<b>2004</b>	367	159	214	185	189	265	250	311	208	244	338	244	3,127	6,101



\*\*Adjustment based on Nonscheduled/On-Demand Air Carrier Filings FAA Form 1800-31

**Salina Airport Authority**  
**Statement of Net Assets Prev Year Comparison**

As of August 31, 2015

	Aug 31, 15	Jul 31, 15	\$ Change	Aug 31, 14	\$ Change	% Change
<b>ASSETS</b>						
<b>Current Assets</b>						
<b>Checking/Savings</b>						
Cash in bank & Petty Cash-Op	545,958	1,302,058	-756,100	274,071	271,887	99%
<b>Total Checking/Savings</b>	545,958	1,302,058	-756,100	274,071	271,887	99%
<b>Accounts Receivable</b>						
Accounts Receivable	93,428	126,900	-33,472	147,258	-53,830	-37%
<b>Total Accounts Receivable</b>	93,428	126,900	-33,472	147,258	-53,830	-37%
<b>Other Current Assets</b>						
Agri Land Receivable	58,000	58,000	0	0	58,000	100%
Mill Levy receivable	147,232	147,232	0	208,163	-60,931	-29%
Other current assets	150,209	150,314	-105	155,132	-4,923	-3%
Undeposited Funds	286	0	286	0	286	100%
<b>Total Other Current Assets</b>	355,727	355,546	181	363,295	-7,568	-2%
<b>Total Current Assets</b>	995,113	1,784,504	-789,391	784,624	210,489	27%
<b>Fixed Assets</b>						
Fixed assets at cost	82,005,573	81,992,055	13,518	80,906,077	1,099,496	1%
Less accumulated depreciation	-35,909,198	-35,695,448	-213,750	-33,305,799	-2,603,399	-8%
<b>Total Fixed Assets</b>	46,096,375	46,296,607	-200,232	47,600,278	-1,503,903	-3%
<b>TOTAL ASSETS</b>	<b>47,091,488</b>	<b>48,081,111</b>	<b>-989,623</b>	<b>48,384,902</b>	<b>-1,293,414</b>	<b>-3%</b>
<b>LIABILITIES &amp; EQUITY</b>						
<b>Liabilities</b>						
<b>Current Liabilities</b>						
<b>Accounts Payable</b>						
Accounts payable	48,980	54,628	-5,648	77,667	-28,687	-37%
<b>Total Accounts Payable</b>	48,980	54,628	-5,648	77,667	-28,687	-37%
<b>Total Credit Cards</b>	0	-352	352	1,956	-1,956	-100%
<b>Other Current Liabilities</b>						
Accrued debt interest payable	15,800	447,831	-432,031	2,334	13,466	577%
Debt, current portion	1,025,674	1,025,674	0	991,702	33,972	3%
Deferred Agri Land Revenue	19,333	24,167	-4,834	0	19,333	100%
Deferred Mill Levy revenue	663,755	829,694	-165,939	664,289	-534	-0%
Other current liabilities						
<b>Total Other current liabilities</b>	199,887	198,995	892	187,792	12,095	6%
<b>Total Other Current Liabilities</b>	1,924,449	2,526,361	-601,912	1,846,117	78,332	4%
<b>Total Current Liabilities</b>	1,973,429	2,580,637	-607,208	1,925,740	47,689	2%
<b>Long Term Liabilities</b>						
Capital Lease Payable	55,777	82,296	-26,519	107,967	-52,190	-48%
Debt - Long Term	22,790,664	23,023,503	-232,839	23,022,408	-231,744	-1%
Less current portion	-1,025,674	-1,025,674	0	-991,702	-33,972	-3%
Security Deposits Returnable	38,894	36,529	2,365	17,174	21,720	126%
<b>Total Long Term Liabilities</b>	21,859,661	22,116,654	-256,993	22,155,847	-296,186	-1%
<b>Total Liabilities</b>	23,833,090	24,697,291	-864,201	24,081,587	-248,497	-1%
<b>Equity</b>						
Invested in Capital Assets net	23,249,934	23,187,960	61,974	24,498,325	-1,248,391	-5%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	907,586	969,560	-61,974	640,094	267,492	42%
Net Income	-989,123	-863,697	-125,426	-925,104	-64,019	-7%
<b>Total Equity</b>	23,258,397	23,383,823	-125,426	24,303,315	-1,044,918	-4%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>47,091,487</b>	<b>48,081,114</b>	<b>-989,627</b>	<b>48,384,902</b>	<b>-1,293,415</b>	<b>-3%</b>

**Salina Airport Authority**  
**Profit & Loss Budget Performance**  
August 2015

	Aug 15	Budget	\$ Over Budget	% of Budget	Jan - Aug 15	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
<b>Ordinary Income/Expense</b>									
<b>Income</b>									
<b>Airfield revenue</b>									
Fuel Flowage Fees	8,089	12,500	-4,411	65%	105,201	100,000	5,201	105%	150,000
Hangar rent	32,807	42,670	-9,863	77%	317,496	355,956	-38,460	89%	531,639
Landing fees	128	276	-148	46%	4,100	2,207	1,893	186%	3,310
Ramp rent	4,177	4,096	81	102%	33,092	32,768	324	101%	49,152
<b>Total Airfield revenue</b>	<b>45,201</b>	<b>59,542</b>	<b>-14,341</b>	<b>76%</b>	<b>459,889</b>	<b>490,931</b>	<b>-31,042</b>	<b>94%</b>	<b>734,101</b>
<b>Building and land rent</b>									
Agri land rent	6,108	4,833	1,275	126%	40,442	38,667	1,775	105%	58,000
<b>Building rents</b>									
Short-term leasing	7,195	3,967	3,228	181%	32,981	31,733	1,248	104%	47,600
Building rents - Other	61,893	61,444	449	101%	492,479	491,253	1,226	100%	732,400
<b>Total Building rents</b>	<b>69,088</b>	<b>65,411</b>	<b>3,677</b>	<b>106%</b>	<b>525,460</b>	<b>522,986</b>	<b>2,474</b>	<b>100%</b>	<b>780,000</b>
<b>Land rent</b>									
Basic Land Rent	5,668	5,522	146	103%	48,170	44,099	4,071	109%	66,210
Property tax - tenant share	13,000	13,000	0	100%	104,000	104,000	0	100%	156,000
<b>Total Land rent</b>	<b>18,668</b>	<b>18,522</b>	<b>146</b>	<b>101%</b>	<b>152,170</b>	<b>148,099</b>	<b>4,071</b>	<b>103%</b>	<b>222,210</b>
Tank rent	791	742	49	107%	6,325	5,933	392	107%	8,900
<b>Total Building and land rent</b>	<b>94,655</b>	<b>89,508</b>	<b>5,147</b>	<b>106%</b>	<b>724,397</b>	<b>715,685</b>	<b>8,712</b>	<b>101%</b>	<b>1,069,110</b>
<b>Other revenue</b>									
Commissions	0	1,750	-1,750	0%	11,713	14,000	-2,287	84%	21,000
Other income	3,340	2,500	840	134%	44,473	20,000	24,473	222%	30,000
<b>Total Other revenue</b>	<b>3,340</b>	<b>4,250</b>	<b>-910</b>	<b>79%</b>	<b>56,186</b>	<b>34,000</b>	<b>22,186</b>	<b>165%</b>	<b>51,000</b>
<b>Total Income</b>	<b>143,196</b>	<b>153,300</b>	<b>-10,104</b>	<b>93%</b>	<b>1,240,472</b>	<b>1,240,616</b>	<b>-144</b>	<b>100%</b>	<b>1,854,211</b>
<b>Expense</b>									
<b>Administrative expenses</b>									
A/E, consultants, brokers	0	0	0	0%	0	0	0	0%	0
Airport promotion	881	708	173	124%	7,738	5,667	2,071	137%	8,500
Bad Debt Expense	0	0	0	0%	3,422	0	3,422	100%	0
Computer/Network Admin.	2,492	833	1,659	299%	6,308	6,667	-359	95%	10,000
Dues and subscriptions	929	833	96	112%	13,254	6,667	6,587	199%	10,000
Employee retirement	4,958	5,396	-438	92%	48,543	48,564	-21	100%	70,148
FICA and medicare tax expense	3,689	4,111	-422	90%	35,568	36,997	-1,429	96%	53,440
Industrial development	0	0	0	0%	0	0	0	0%	0
Insurance , property	12,917	12,917	0	100%	103,640	103,333	307	100%	155,000
Insurance, medical	13,745	16,039	-2,294	86%	121,110	128,311	-7,201	94%	192,466
Kansas unemployment tax	0	0	0	0%	336	500	-164	67%	1,000
Legal and accounting	0	2,500	-2,500	0%	34,361	20,000	14,361	172%	30,000
Office salaries	26,036	31,172	-5,136	84%	261,550	280,545	-18,995	93%	405,231
Office Supplies	1,153	583	570	198%	4,234	4,667	-433	91%	7,000
<b>Other admin. expense</b>									
Merchant Processing Fees	23	35	-12	66%	539	280	259	193%	420
Other admin. expense - Other	292	278	14	105%	3,203	2,220	983	144%	3,330
<b>Total Other admin. expense</b>	<b>315</b>	<b>313</b>	<b>2</b>	<b>101%</b>	<b>3,742</b>	<b>2,500</b>	<b>1,242</b>	<b>150%</b>	<b>3,750</b>

**Salina Airport Authority**  
**Profit & Loss Budget Performance**  
August 2015

	Aug 15	Budget	\$ Over Budget	% of Budget	Jan - Aug 15	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
<b>Postage</b>	42	267	-225	16%	1,053	2,133	-1,080	49%	3,200
<b>Property appraisal expense</b>	0	0	0	0%	0	0	0	0%	0
<b>Property tax expense</b>	12,917	12,917	0	100%	103,333	103,333	0	100%	155,000
<b>Special Events</b>	0	83	-83	0%	0	667	-667	0%	1,000
<b>Telephone</b>	1,569	1,375	194	114%	11,217	11,000	217	102%	16,500
<b>Training</b>	0	500	-500	0%	3,180	4,000	-820	80%	6,000
<b>Travel and meetings</b>	307	667	-360	46%	7,060	5,333	1,727	132%	8,000
<b>Total Administrative expenses</b>	81,950	91,214	-9,264	90%	769,649	770,884	-1,235	100%	1,136,235
<b>Maintenance expenses</b>									
<b>Airfield maintenance</b>	1,078	1,292	-214	83%	10,814	10,333	481	105%	15,500
<b>Airport Security</b>	0	42	-42	0%	7	333	-326	2%	500
<b>Building maintenance</b>	3,492	3,333	159	105%	21,293	26,667	-5,374	80%	40,000
<b>Equipment fuel and repairs</b>	5,827	4,167	1,660	140%	44,293	33,333	10,960	133%	50,000
<b>Fire Services</b>	0	125	-125	0%	250	1,000	-750	25%	1,500
<b>Grounds maintenance</b>	154	292	-138	53%	1,618	2,333	-715	69%	3,500
<b>Maintenance salaries</b>	22,489	25,385	-2,896	89%	210,356	228,462	-18,106	92%	330,000
<b>Other maintenance expenses</b>	1,432	1,542	-110	93%	9,266	12,333	-3,067	75%	18,500
<b>Snow removal expense</b>	0	0	0	0%	0	7,500	-7,500	0%	15,000
<b>Utilities</b>	15,902	12,458	3,444	128%	172,055	145,612	26,443	118%	215,000
<b>Total Maintenance expenses</b>	50,374	48,636	1,738	104%	469,952	467,906	2,046	100%	689,500
<b>Total Expense</b>	132,324	139,850	-7,526	95%	1,239,601	1,238,790	811	100%	1,825,735
<b>Net Ordinary Income</b>	10,872	13,450	-2,578	81%	871	1,826	-955	48%	28,476
<b>Other Income/Expense</b>									
<b>Other Income</b>									
<b>Capital contributed</b>	0	11,174	-11,174	0%	92,414	89,397	3,017	103%	134,093
<b>Gain on sale of assets</b>	0	3,000	-3,000	0%	8,371	11,000	-2,629	76%	15,000
<b>Interest income</b>									
<b>Interest income on deposits</b>	42	42	0	100%	229	333	-104	69%	500
<b>Total Interest income</b>	42	42	0	100%	229	333	-104	69%	500
<b>Mill levy income</b>	165,939	165,939	0	100%	1,329,258	1,327,510	1,748	100%	1,991,265
<b>Total Other Income</b>	165,981	180,155	-14,174	92%	1,430,272	1,428,240	2,032	100%	2,140,858
<b>Other Expense</b>									
<b>Debt interest expense net</b>									
<b>Interest Expense on Debt</b>	88,819	88,819	0	100%	710,548	710,548	0	100%	1,065,822
<b>Total Debt interest expense net</b>	88,819	88,819	0	100%	710,548	710,548	0	100%	1,065,822
<b>Depreciation expense</b>	213,750	213,750	0	100%	1,710,000	1,710,000	0	100%	2,565,000
<b>Total Other Expense</b>	302,569	302,569	0	100%	2,420,548	2,420,548	0	100%	3,630,822
<b>Net Other Income</b>	-136,588	-122,414	-14,174	112%	-990,276	-992,308	2,032	100%	-1,489,964
<b>Net Income</b>	<b>-125,716</b>	<b>-108,964</b>	<b>-16,752</b>	<b>115%</b>	<b>-989,405</b>	<b>-990,482</b>	<b>1,077</b>	<b>100%</b>	<b>-1,461,488</b>

**Salina Airport Authority**  
**Capital Additions Budget vs. Actual**  
As of August 31, 2015

	<u>Aug 31, 15</u>	<u>Jan - Aug 15</u>	<u>Annual Budget</u>	<u>+/- Annual Budget</u>	<u>% of Annual Budget</u>
<b>ASSETS</b>					
<b>Fixed Assets</b>					
<b>Fixed assets at cost</b>					
<b>Airfield</b>					
AIP-37 Taxiway B & E Reconst.		47,568	92,077	-44,509	52%
<b>Airfield Improvements</b>					
AMP - Economic Impact Study		5,875	11,750	-5,875	50%
Airfield Improvements - Other	7,834	17,841	3,250	14,591	549%
<b>Total Airfield Improvements</b>	7,834	23,716	15,000	8,716	158%
Term., Public View, Museum Dev.		5,130	5,000	130	103%
<b>Total Airfield</b>	7,834	76,414	112,077	-35,663	68%
<b>Buildings &amp; Improvements</b>					
<b>Building improvements</b>					
Bldg. Imps. Other		10,452	5,000	5,452	209%
Hangar 959 Rehabilitation		27,818	10,000	17,818	278%
<b>Total Building improvements</b>	0	38,270	15,000	23,270	255%
Pumphouse 305		0	5,000	-5,000	0%
<b>Total Buildings &amp; Improvements</b>	0	38,270	20,000	18,270	191%
<b>Equipment</b>					
Communications equipment		0	1,000	-1,000	0%
Computer equipment		0	1,000	-1,000	0%
Other Equipment		6,179	5,000	1,179	124%
<b>Total Equipment</b>	0	6,179	7,000	-821	88%
<b>Land</b>					
Airport Indust. Cent. Imps.	5,357	5,354	1	5,353	535,400%
<b>Environmental</b>					
Environmental - SAFB	330	16,815	15,455	1,360	109%
<b>Total Environmental</b>	330	16,815	15,455	1,360	109%
<b>Total Land</b>	5,687	22,169	15,456	6,713	143%
<b>Total Fixed assets at cost</b>	13,521	143,032	154,533	-11,501	93%



09/11/15

## Salina Airport Authority Significant Capital Expenditures Detail August 2015

Type	Date	Name	Memo	Amount	Balance
<b>Fixed assets at cost</b>					
<b>Airfield</b>					
<b>Airfield Improvements</b>					
Bill	08/18/2015	APAC-Kansas, Inc., Shears Div.	KSARNG ramp repairs	15,668.12	15,668.12
Total Airfield Improvements				<u>15,668.12</u>	<u>15,668.12</u>
Total Airfield				15,668.12	15,668.12
<b>Land</b>					
<b>Airport Indust. Cent. Imps.</b>					
Bill	08/31/2015	Trac-Works, Inc.	rail repairs	5,353.77	5,353.77
Total Airport Indust. Cent. Imps.				<u>5,353.77</u>	<u>5,353.77</u>
<b>Environmental</b>					
<b>Environmental - SAFB</b>					
Bill	08/31/2015	Stinson Leonard Street, LLP	Professional services - August 2015	330.00	330.00
Total Environmental - SAFB				<u>330.00</u>	<u>330.00</u>
Total Environmental				330.00	330.00
Total Land				<u>5,683.77</u>	<u>5,683.77</u>
Total Fixed assets at cost				<u>21,351.89</u>	<u>21,351.89</u>
<b>TOTAL</b>				<b><u>21,351.89</u></b>	<b><u>21,351.89</u></b>

**U.S. DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION  
SMALL SPACE LEASE FOR REAL PROPERTY**

**Lease No: DTFACN-16-L-00001  
(SLN) RSSWC  
Salina, Kansas**

This lease is entered into by and between the Salina Airport Authority whose interest in the property hereinafter described is that of Owner, hereby referred to as Lessor, and the United State of America, hereinafter referred to as the Government or FAA. The Parties hereto, and for the consideration hereinafter mentioned, covenant and agree as follows:

**1. Terms**

- 1.1. DESCRIPTION (07/14) – The Lessor hereby leases to the Government the following described premises, including parking.

Approximately 2,459 rentable square feet (2,365 usable square feet) of office, storage and technical space at 2010A Rogers Court, Salina, Kansas 67401.

The Lessor shall provide eight (8) off-street parking spaces at no additional cost to the Government. Compliant accessible parking spaces shall be provided in accordance with the requirements of the Architectural Barriers Act Accessibility Standards (ABAAS) 42 U.S.C 4151 and as set forth in the ABAAS scoping table. The Lessor shall maintain the parking areas in good repair and provide snow and ice removal, as well as the removal of any obstruction that limits FAA access to its designated spaces

- 1.2. LEASE TERM (01/01) – To have and to hold, for the term commencing on October 1, 2015 and continuing through September 30, 2020 inclusive, PROVIDED, that adequate appropriations are available from year to year for the payment of rentals.

- 1.3. CANCELLATION (08/02) – The Government may terminate this lease at any time, in whole or in part, if the Real Estate Contracting Officer (RECO) determines that a termination is in the best interest of the Government, by giving at least 60 days' notice in writing to the Lessor. No rental will accrue after the effective date of termination. Said notice will be computed commencing with the day after the date of mailing.

- 1.4. RENTAL (07/14) – Rent in the amount of \$30,120.00 per annum will be payable at the rate of \$2,510.00 per month to the Lessor in arrears, without the submission of invoices or vouchers, and is subject to available appropriations. The rental payments are due on the first business day following the end of the payment period. Rent will be considered paid on the date a check is dated or an electronic funds transfer is made. Rent for a lesser period will be prorated.

	<b>Rent per RSF</b>	<b>Rent per Annum</b>	<b>Rent per Month</b>
Base Rent	\$5.65	\$13,893.35	\$1,157.78
Operating Costs	\$6.60	\$16,229.40	\$1,352.45
Total	\$12.25	\$30,122.75*	\$2,510.23*

**\*Adjusted to \$30,120.00 for even monthly payments of \$2,510.00**

Beginning October 1, 2016, and each year after, the Government may reimburse the Lessor for changes in the operating costs of services and utilities attributable to the Government's occupancy. These costs will be based on the ratio of square feet occupied by the Government to the total rentable square feet in the building.

The Government will pay actual expenses incurred each Government fiscal year (October 1-September 30) after the first year. To justify any increase in operating expenses, the Lessor will submit supporting documents (i.e. copies of invoices paid) to request any additional payments. The Lessor must furnish invoices and documentation to the Government by December 31 of the same calendar year. Only one adjustment will be made annually and will become effective thirty (30) days from receipt of notice, but no earlier than the first day of October of the adjustment year. Upon approval of request by the RECO, the Government will provide the Lessor with a lump-sum payment. If desired by both parties, the operating costs may be renegotiated for the second half of the lease term, and the lease may be amended by supplemental agreement.

In the event of any decreases in operating costs during the term of the Government's occupancy under this lease, the rental amount of costs of services and utilities will be reduced accordingly. The amount of such reductions will be determined in the same manner as increases in rent provided under this article.

The base for the operating costs adjustment will be \$6.60 per rentable square foot (see rental breakdown above). The parties acknowledge the entire building is 34,187 square feet and Government's occupancy represents 7.2% of total operating costs when calculating pro-rata share of actual expenses on an annual basis.

- 1.5. **HOLDOVER (07/14)** – If after the expiration of the lease, the Government shall retain possession of the premises, the lease shall continue in force and effect on a month-to-month basis. Rent shall be paid in accordance with the terms of the lease, in arrears on a prorated base, at the rate paid during the lease term. This period shall continue until the Government shall have signed a new lease with the Lessor, acquire the property in fee, or vacated the premises.
- 1.6. **LESSOR'S SUCCESSORS (10/96)** – The terms and provisions of this lease and the conditions herein bind the Lessor and the Lessor's heirs, executors, administrators, successors, and assigns.

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**2.6.9 Small Space Lease**

April 2015

OMB Control No. 2120-0595

- 1.7. **ADJUSTMENT FOR VACANT PREMISES (10/96)** – 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 firm term of the lease, the rental rate shall be reduced as follows: The rate shall be reduced by that portion of the costs per square foot of operating expenses not required to maintain the space. Said reduction shall occur after the Government gives 30 days prior notice to the Lessor, and shall continue in effect until the Government occupies the premises or the lease expires or is terminated.
- 1.8. **ALTERATIONS (10/96)** – 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 subject to the Lessor’s approval not to be unreasonably withheld. The parties hereto mutually agreed and understood, that no restoration rights shall accrue to the Lessor for any alterations to the leased premises under this lease, and that the Government shall have the option of abandoning alterations in place, when terminating the lease, at no additional cost.

## **2. GENERAL CLAUSES**

- 2.1. **ACCESSIBILITY (07/14)** – The building and the leased premises shall be accessible to persons with disabilities pursuant to the Architectural Barriers Act and Rehabilitation Act as detailed in the Architectural Barriers Act Accessibility Standards (ABAAS) 41 CFR Parts 102-71, 102-72, et al, and all applicable state and local accessibility laws and regulations. ABAAS is available at [www.access-board.gov](http://www.access-board.gov).

Subject to the exception set forth herein, separate ABAAS compliant toilet facilities for men and women shall be provided on each floor where the FAA leases space. Separate ABAAS compliant toilet facilities shall not be required if due to the age of the building, design layout, or other structural requirements, it is technically infeasible to do so. In the event the Lessor determines that it is technically infeasible to provide separate ABAAS compliant toilet facilities, the Lessor shall provide the basis for the determination of technical infeasibility in writing to the RECO, together with all supporting documentation.

Water closets and urinals shall not be visible when the exterior door is open. Each toilet room shall contain toilet paper dispensers, soap dispensers, paper towel dispensers, waste receptacles, a convenience outlet, and hot and cold water for all restrooms. The Lessor shall install coin-operated sanitary napkin dispensers and disposable toilet seat cover dispensers if requested by the Government at any point during the lease term, at the expense of the Government.

A drinking fountain shall be provided that complies with standing persons requirements. If requested by the Government at any point during the lease term, the Lessor shall provide an additional low unit drinking fountain, commonly called a wheelchair unit, at the expense of the Government. If sufficient space is not available to provide both a wheelchair unit and a standing persons unit, a single unit able to accommodate both

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disabled and non-disabled persons shall be provided, subject to the approval of the RECO.

- 2.2. **CONTRACT DISPUTES (11/03)** – All contract disputes and arising under or related to this lease contract will be resolved through the Federal Aviation Administration (FAA) dispute resolution system at the Office of Dispute Resolution for Acquisition (ODRA) and will be governed by the procedures set forth in 14 C.F.R. Parts 14 and 17, which are hereby incorporated by reference. Judicial review, where available, will be in accordance with 49 U.S.C. 46110 and will apply only to final agency decisions. A Lessor may seek review of a final FAA decision only after its administrative remedies have been exhausted.

All Contract Disputes will be in writing and will be filed at the following address:

Office of Dispute Resolution for Acquisition, AGC-70  
Federal Aviation Administration, 800 Independence Avenue, S.W., Room 323  
Washington, DC 20591  
Telephone: (202) 267-3290  
Facsimile: (202) 267-3720

A contract dispute against the FAA will be filed with the ODRA within two (2) years of the accrual of the lease contract claim involved. A contract dispute is considered to be filed on the date it is received by the ODRA.

The full text of the Contract Disputes clause is incorporated by reference. Upon request the full text will be provided by the RECO.

- 2.3. **MAINTENANCE OF THE PREMISES (10/96)** – The Lessor will maintain the demised premises, including the building, grounds, and all equipment, fixtures, and appurtenances furnished by the Lessor under this lease, in good repair and tenantable condition.
- 2.4. **FAILURE IN PERFORMANCE (10/96)** – In the event the Lessor fails to perform any service, to provide any item, or meet any requirement of this lease, the Government may perform the service, provide the item, or meet the requirement, either directly or through a contract. The Government may deduct any costs incurred for the service or item, including administrative costs, from the rental payments. No deduction of rent pursuant to this clause will constitute default by the Government on this lease.
- 2.5. **NO WAIVER (10/96)** – No failure by the Government to insist upon strict performance of any provision of this lease, or failure to exercise any right, or remedy consequent to a breach thereof, will constitute a waiver of any such breach in the future.
- 2.6. **NON-RESTORATION (10/96)** – The FAA will have no obligation to restore and/or rehabilitate, either wholly or partially, the premises under this lease. It is further agreed that the FAA may abandon in place any or all of the structures, improvements and/or

equipment installed in or located upon said property by the FAA during its tenure. Notice of abandonment will be conveyed to the Lessor in writing.

- 2.7. **DAMAGE BY FIRE OR OTHER CASUALTY (10/96)** – If the building or structure is partially or totally destroyed or damaged by fire or other casualty or if environmentally hazardous conditions are found to exist so that the leased premises is untenable as determined by the Government, the Government may terminate the lease, in whole or in part, immediately by giving written notice to the Lessor and no further rental will be due.
- 2.8. **OCCUPANCY PERMIT (07/14)** – The premises offered will have a valid Occupancy Permit, issued by the local jurisdiction, for the intended use of the Government, or the Lessor will complete and provide a certified copy of "FAA Safety & Environmental Checklist" form, in lieu of an occupancy permit, at the contracting officer's discretion.
- 2.9. **HOLD HARMLESS (10/96)** – In accordance with and subject to the conditions, limitations and exceptions set forth in the Federal Tort Claims Act of 1948, as amended (28 USC 2671 et. seq.), hereafter termed "the Act," the Government will be liable to persons damaged by any personal injury, death or injury to or loss of property, which is caused by a negligent or wrongful act or omission of an employee of the Government while acting within the scope of his office or employment under circumstances where a private person would be liable in accordance with the law of the place where the act or omission occurred. The foregoing shall not be deemed to extend the Government's liability beyond that existing under the Act at the time of such act or omission or to preclude the Government from using any defense available in law or equity.
- 2.10. **SUBORDINATION, NONDISTURBANCE AND ATTORNMENT (01/14)** –
- 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 following the RECO'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 non-disturbance 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 RECO 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 RECO 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.

2.11. EXCUSABLE DELAYS (07/14) –

- A. The Lessor shall not be in default because of any failure to perform this lease under its terms if the failure arises from causes beyond the control and without the fault or negligence of the Lessor. Examples of these causes are (1) acts of God or of the public enemy, (2) acts of the Government in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance, the failure to perform must be beyond the control and without the fault or negligence of the Lessor. 'Default' includes failure to make progress in the work so as to endanger performance.
- B. The RECO shall ascertain the facts and extent of the failure. If the RECO determines that any failure to perform results from one or more of the causes above, the delivery schedule shall be revised, subject to the rights of the Government under the termination clause of this contract.

2.12. CLAUSES INCLUDED BY REFERENCE (07/14) – This lease incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request the full text will be provided by the RECO.

- A. DEFAULT BY LESSOR (10/96)
- B. COMPLIANCE WITH APPLICABLE LAWS (10/96)

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- C. OFFICIALS NOT TO BENEFIT (10/96)
- D. COVENANT AGAINST CONTINGENT FEES (08/02)
- E. ANTI-KICKBACK (07/14)
- F. EXAMINATION OF RECORDS (08/02)
- G. ASSIGNMENT OF CLAIMS (10/96)
- H. SUBLEASE (10/96)
- I. INTEGRATED AGREEMENT (10/96)
- J. EQUAL OPPORTUNITY (10/96)
- K. AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (10/96)
- L. AFFIRMATIVE ACTION FOR DISABLED WORKERS (10/96)
- M. UNAUTHORIZED NEGOTIATING (10/96)

### 3. FINANCIAL CLAUSES

3.1. SYSTEM FOR AWARD MANAGEMENT – REAL PROPERTY (01/13) – The FAA uses the System for Award Management (SAM) as the primary means to maintain Lessor information required for payment under any FAA lease.

A. Definitions. As used in this clause for:

- 1. "SAM database" means the primary Government repository for Lessor information required for the conduct of business with the Government.
- 2. "Contractor" is synonymous with "Lessor" for real property leases or other contracts
- 3. "Data Universal Numbering System (DUNS) number" means the 9-digit number assigned by Dun and Bradstreet, Inc. (D&B) to identify unique business entities.
- 4. "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 SAM records for identifying alternative Electronic Funds Transfer (EFT) accounts for the same parent concern.
- 5. "Registered in the SAM database" means that the Lessor has entered all mandatory information, including the DUNS number or the DUNS+4 number, into the SAM database.

B. By submission of an offer, the Lessor acknowledges that:

- 1. A prospective awardee will be registered in the SAM database prior to award, during performance, and through final payment.
- 2. The Lessor will enter, in the space provided on the clause, Contractor Identification Number Data Universal Numbering System (DUNS) Number - Real Property the Lessor's DUNS or DUNS+4 number that identifies the Lessor's name and address exactly as stated in the offer. The DUNS number

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will be used by the RECO to verify that the Lessor is registered in the SAM database.

- C. If the Lessor does not have a DUNS number, it will contact Dun and Bradstreet directly to obtain one.
1. A Lessor may obtain a DUNS number:
    - a. 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
    - b. If located outside the United States, by contacting the local Dun and Bradstreet office.
  2. The Lessor will be prepared to provide the following information:
    - a. Company\* legal business.
    - b. Tradestyle, doing business, or other name by which your entity is commonly recognized.
    - c. Company Physical Street Address, City, State, and Zip Code.
    - d. Company Mailing Address, City, State and Zip Code (if separate from physical).
    - e. Company Telephone Number.
    - f. Date the company was started.
    - g. Number of employees at your location.
    - h. Chief executive officer/key manager.
    - i. Line of business (industry).
    - j. Company Headquarters name and address (reporting relationship within your entity).
- \* Individual (non-corporate) Lessors of real property that are not normally in the business of leasing real property: You should consider your leasing to the Government as a separate business (usually a sole proprietorship) then provide the pertinent ownership information as an sole proprietor when providing this information to Dunn & Bradstreet.
- D. If an otherwise successful Lessor does not become registered in the SAM database in the time prescribed by the RECO, the RECO may proceed to award to the next otherwise successful registered Lessor, if the RECO determines it to be in the best interests of the Government.
- E. Processing time, normally 48 hours, will be taken into consideration when registering. Lessors who are not registered will consider applying for registration immediately upon receipt of this solicitation.
- F. The Lessor is responsible for the accuracy and completeness of the data within the SAM database, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the SAM database the Lessor is required to review and update, on an annual basis from the date of initial registration or subsequent updates, its information in the SAM database to ensure it is current, accurate and complete. Updating information in the SAM does not alter the terms and conditions of this lease and is not a substitute for a properly executed contractual document.

#### G. Changes

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1. Name or Ownership Changes
  - a. If a Lessor has legally changed its business name, "doing business as" name, or division name (whichever is shown on the lease), or has transferred the assets used in performing the lease, the Lessor will provide the responsible RECO a minimum of one business day's written notification of its intention to:
    - i. Change the name in the SAM database;
    - ii. Agree in writing to the timeline and procedures the RECO specifies to document the requested change in the lease. With notification, the Lessor will provide sufficient documentation to support the legally changed name then execute the appropriate supplemental agreement to document the name change provided by the RECO.
  - b. The Lessor's entry of the name/ownership change in SAM does not relieve the Lessor of responsibility to provide proper notice of the name change to the RECO. The change in SAM cannot be made effective until the appropriate documentation/ supplemental agreement is executed by the RECO. Any discrepancy in payee information in SAM caused by a failure to fulfill the requirements specified in paragraph (g)(1) (i) above, will result in a discrepancy that is incorrect information, within the meaning of the electronic funds transfer (EFT) clause of this lease.
2. Assignment of Claims. The Lessor will not change the name or address for EFT payments in the SAM or manual payments to reflect an assignee. Assignees must separately register in the SAM database. The Lessor will notify the RECO and will comply with the instructions for submitting an Assignment of Claims notification. Information provided to the Lessor's SAM record that indicates payments, including those made by EFT, to an ultimate recipient other than that Lessor, without proper notice to the RECO, will be considered to be incorrect information within the meaning of the EFT clause of this lease.
- H. Exceptions to SAM. As provided for in AMS Procurement Toolbox Section T3.3.1.A-4, "System for Award Management," certain Lessors may qualify by limited exceptions to SAM waiver. If a Lessor is determined by the RECO to merit justification of a waiver from SAM, then the Lessor will provide initial payment information and any future vendor information changes to the RECO on the "Vendor Miscellaneous Payment Information" form, provided by the RECO. An alternate clause, "Contractor Payment Information-Non SAM" will be included in the lease and the Lessor will comply with the terms of that clause. Having an exception from SAM does not excuse a vendor from EFT payment requirements, as required in the clause, "Payment by Electronic Fund Transfer - Real Property."
  1. Lessors may obtain information on registration and annual confirmation requirements via the internet at <http://www.sam.gov> or by calling 866-606-8220.

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- 3.2. PAYMENT BY ELECTRONIC FUND TRANSFER (07/14) – All payment by the Government under this lease will be made by electronic funds transfer (EFT). The Government will make payment by EFT through either the Automated Clearing House (ACH) network, subject to the rules of the National Automated Clearing House Association, or the Fedwire Transfer System. The rules governing Federal payments through the ACH are contained in 31 CFR Part 210. The Lessor is responsible to maintain correct payment information with the Government. If the Lessor's EFT information is incorrect or outdated, the Government is not required to make payments to the Lessor until correct/current EFT information is submitted to the Government for payment distribution.
- 3.3. CONTRACTOR IDENTIFICATION NUMBER – DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER – REAL PROPERTY (10/14) –
- A. Definitions. As used in this clause
- "Contractor Identification Number," as used in this provision, means the Lessor's "Data Universal Numbering System (DUNS) number, which is a nine-digit number assigned by Dun and Bradstreet Information Services, to identify unique business entities (taken from SAM clause)
- "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 SAM records for identifying alternative Electronic Fund Transfer.
- B. Contractor / Lessor identification is essential for receiving payment and complying with statutory contract reporting requirements. Therefore, the Offeror will provide its DUNS or DUNS+4 number below. The DUNS number will be used by the RECO to verify that the Offeror is registered in the SAM database.
- DUNS OR DUNS+4 NUMBER: 078342232
- C. If the Offeror / Lessor does not have a DUNS number, he should contact Dun and Bradstreet at 1-866-705-5711, or via the internet at <http://www.dnb.com> directly to obtain one. Detailed requirements for obtaining a DUNS number is contained in Paragraph (c) of clause "System for Award Management-Real Property".

#### **4. DESIGN AND CONSTRUCTION CLAUSES**

- 4.1. CONSTRUCTION COORDINATION (08/02) – A pre-construction meeting shall be held at the facility prior to the commencement of any construction, renovation, remodeling, or repair within the leased premises and areas connected to or integrated with the leased premises. If any items on the checklist are questionable or undone, full resolution of the issues will be expected before the project starts. The pre-construction meeting will be planned, scheduled, and coordinated with the RECO, the Government's

supervisor or manager responsible for the facility, at least one week before the execution of the work.

4.2. INSPECTION (10/96) – The Government reserves the right, at any time after the lease is signed and during the term of the lease, to inspect the leased premises and all other areas of the building to which access is necessary to ensure a safe and healthy work environment for the Government tenants and the Lessor's performance under this lease. The Government shall have the right to perform sampling of suspected hazardous conditions.

4.3. WARRANTY OF SPACE (04/12) –

- A. Notwithstanding inspection and acceptance by the Government or any provision concerning the conclusiveness thereof, the Lessor warrants that all space leased to the Government under this contract, which space is not limited to that set forth in paragraph 1.1 of this lease, but which also shall include spaces above suspended ceilings in the leased space, air plenums elsewhere in the building which service the leased space, engineering spaces in the same ventilation zone as the leased space, public spaces and common use space (e.g., lobbies, hallways) will, at the time of acceptance and during the term of this lease, including all extensions thereof, comply with the asbestos containing material (ACM) and polychlorinated biphenyl (PCB) requirements of the Toxic Substance Control Act (TSCA). The RECO shall notify the Lessor in writing of any failure to comply with asbestos requirements, within 30 days after the discovery thereof. All construction by the Lessor is required to comply with the OSHA regulations for Asbestos.
- B. The leased premises shall be free of all asbestos-containing material, PCB's, Radon, and other environmentally hazardous substances during the time of this lease. If either ACMs or PCBs are found to be in the leased space, the Government reserves the right to require the Lessor, at no cost to the Government, to take whatever corrective action required by the Toxic Substance Control Act, EPA regulations and state requirements. All facilities constructed prior to 1981 are required to have an asbestos building survey conducted by a qualified inspector, including a visual examination and bulk sampling. All ACM survey reports must be sent to the RECO.
- C. The leased premises shall be free of all asbestos-containing material, PCB's, Radon, and other environmentally hazardous substances during the time of this lease. If either ACMs or PCBs are found to be in the leased space, the Government reserves the right to require the Lessor, at no cost to the Government, to take whatever corrective action required by the Toxic Substance Control Act, EPA regulations and state requirements. All facilities constructed prior to 1981 are required to have an asbestos building survey conducted by a qualified inspector, including a visual examination and bulk sampling. All ACM survey reports must be sent to the RECO.

1. "Acceptance", as used in this clause means the act of an authorized representative of the Government by which the Government assumes for

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itself, or as an agent of another, the leased premises as ready for occupancy or approves a portion of the premises for occupancy in accordance with the provisions of this lease contract.

2. "Correction", as used in this clause, means (i) the removal, encapsulation or enclosure of any friable asbestos materials found in the space leased to the Government, spaces above suspended ceilings in the leased space, air plenums elsewhere in the building which service the leased space, public spaces, engineering spaces in the same ventilation zone as the leased space and common use space (e.g., lobbies, hallways). Following such abatement actions, the Lessor shall adhere to the FAA's required post-asbestos-abatement air monitoring program. (ii) With regard to non-friable asbestos materials in good condition, it means the establishment and execution of a special operations and maintenance program and an abatement plan, approved by the Government, to be implemented from the time the materials are discovered through the remainder of the lease term, and (iii) with regard to PCBs, it involves the removal or retrofitting, in accordance with EPA regulations, of any PCB equipment present in the building.

- 4.4. DOORS (04/12) – Exterior doors shall be weather tight, equipped with cylinder locks and door checks, automatic door closures and open outward. The FAA will be furnished at least two master keys and two keys for each lock. Interior doors must be solid cored and at least 32 by 80 inches with a minimum opening of 32 inches and be of sturdy construction. Fire doors shall conform to NFPA Standard No. 80. As designated by the FAA, doors shall be equipped with non-removable hinge pins, and locks with 7-pin removable cores. The FAA shall provide cores.
- 4.5. LIGHTING (04/12) – Modern, diffused, energy efficient fluorescent fixtures shall be provided at working surfaces that maintain a uniform lighting level of 50 foot candles. Emergency lighting must provide at least 0.5 foot candles of illumination throughout the exit path, including exit access routes, exit stairways, or other routes such as passageways to the outside of the building.
- 4.6. ADHESIVES AND SEALANTS (01/12) – The Lessor shall use adhesives and sealants that contain no formaldehyde or heavy metals.
- 4.7. CEILINGS (10/96) – Must have acoustical treatment with a flame spread of 25 or less and smoke development rating of 50 or less.
- 4.8. DISPLAY ADVERTISING (10/96) – If the leased premises are solely for Government use, no advertising matter shall be constructed on or over the premises, unless authorized by the RECO.
- 4.9. ERECTION OF SIGNS (10/96) – The Government shall have the right to erect on or attach to the Lessor's premises such signs as may be required to clearly identify the

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Government's facility. Said signs so erected will remain the property of the Government and shall be removed from the premises upon termination of the lease.

- 4.10. FLOOR LOAD (04/12) – All adjoining floor areas shall be 1) of a common level not varying more than 1/4 inch over a 10-foot, 0-inch horizontal run in accordance with the American Concrete Institute standards, 2) non-slip, and 3) accepted by the RECO.

Under floor surfaces shall be smooth and level. Office areas shall have a minimum live load capacity of 50 pounds per square foot plus 20 pounds per square foot for moveable partitions. Storage areas shall have a minimum live load capacity of 100 pounds per 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 by the RECO. Calculations and structural drawings may also be required.

- 4.11. WINDOW AND FLOOR COVERING (04/12) – All exterior windows shall be equipped with window covering. Floors will be carpeted with a commercial grade of carpet acceptable (carpet tiles or carpet broadloom) to the FAA. Existing floor and window coverings may be accepted at the discretion of the RECO however; prior to occupancy all carpeting and window coverings shall be cleaned.

At no additional cost to the FAA, the Lessor shall replace carpeting at least every five (5) years during FAA occupancy or any time during the lease when:

- A. Backing or underlayment is exposed,
- B. There are noticeable variations in surface color or texture, and/or
- C. The condition of the carpet is such that it presents a clear and present danger to pedestrians.

Replacement includes moving and return of furniture including dismantling, moving and re-assembling the FAA's systems furniture if directed by the FAA

- 4.12. WIRING FOR TELEPHONES (10/96) – The Government reserves the right to provide its own telephone service in the space to be leased. It may have inside wiring and telephone equipment installed by the local telephone company or a private contractor. Alternately, the FAA may wish to consider using inside wiring provided by the building, if available. However, the final decision will remain the Government's.

- 4.13. INSTALLATION OF ANTENNAS, CABLES AND OTHER APPURTENANCES (04/12) – The FAA shall have the right to install, operate and maintain antennas, wires and their supporting structures, including any linking wires, connecting cables and conduits atop and within buildings and structures, or at other locations, as deemed necessary by the Government. The Government will coordinate with the Lessor when installing antennas, cables, and other appurtenances.

- 4.14. PAINTING (01/15) – Prior to occupancy, all surfaces must be newly painted with non-lead based paints in colors acceptable to the Government. All surfaces must be repainted

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after working hours at Lessor's expense at least once every eight (8) years. Such repainting includes the moving and returning of the furniture, including dismantling, moving and re-assembling the Government's systems furniture, if directed by the Government, at the Lessor's expense. Any existing lead based paint shall be properly maintained and managed per existing federal, state and local regulatory requirements. If there is chipping, flaking or peeling paint, it would need to be sampled for lead at the Lessor's expense. If containing lead, it would need to be abated at the Lessor's expense prior to occupancy by the Government. This could be performed either by removal or sealing with an encapsulating material.

## **5. SERVICE, UTILITIES, AND MAINTENANCE**

5.1. SERVICE, UTILITIES, AND MAINTENANCE OF PREMISES (07/14) – The Lessor shall maintain the leased premises, including outside areas in a clean condition. The Lessor shall provide the labor, materials, equipment and supervision necessary to ensure good repair and tenable condition. Services, utilities, and maintenance will be provided daily, extending from 6:00 a.m. to 6:00 p.m. except Saturday, Sunday, and Federal holidays. The Government will have access to the leased premises at all times, including the use of electrical services, toilets, lights, elevators, and Government office machines without additional payment.

The Lessor shall provide the following:

- A. Electricity
- B. Water (hot and cold) and sewer to leased premises
- C. Trash removal weekly
- D. Snow removal
- E. Restroom cleaning and supplies, weekly
- F. Window washing quarterly
- G. Replacement lamps, tubes and ballasts
- H. Exterior & interior door locks and hardware – designed to accept 7-pin removable cores manufactured by “Best Lock,” supplied by the Government

5.2. HVAC (04/14) – All heating, ventilation and air-conditioning systems that service the leased space must maintain a temperature range of 68-72 degrees Fahrenheit year-round. These temperatures must be maintained during hours of operation throughout the leased premises and service areas regardless of outside temperatures. For purposes of this paragraph, compliance with ASHRAE standard ANSI/ASHRAE 62-1999 - Ventilation for Acceptable Indoor Air Quality, will meet FAA's requirements for indoor air quality.

In order to ensure that there is no degradation of air quality or air flow in the leased premises during the term of the lease, the Lessor agrees to service the roof and/or ground mounted HVAC units (check for defects, lubricate, make adjustments, change the filters, cleaned and make other necessary service requirements) every 60 days. Lessor also

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agrees to service the VAV boxes annually (on or before each lease anniversary date). Such service will include checking the temperature ranges (refer to Article 7.1), checking all speeds on each fan, cleaning the fans and other components, replacing defective parts and completing other necessary repairs and maintenance.

- 5.3. PEST CONTROL (01/15) – The Lessor must exterminate and control pests within the premises within a timely manner as required by the Government. Notice and acceptance shall be provided to the Government facility manager and a copy to the RECO before any application of herbicide(s)/pesticide(s) or other chemical pest control. No application of pesticides may be performed without the written consent of the FAA facility manager. OSHA requirements for Hazard Communication must apply for the use of hazardous materials used in pest control. Copies of Safety Data Sheets (SDS) for all chemicals brought on site must be provided to the Government before application. Only licensed applicators must be allowed to apply chemicals. Herbicides/pesticides are not to be applied near the outside air intakes of the building during normal working hours or when the system is in operation.
- 5.4. JANITORIAL SERVICES (07/14) – The Lessor shall provide janitorial services for the leased space, public areas, entrances, and all other common areas and shall provide replacement of supplies.
- A. The Lessor shall select, to the maximum extent practicable janitorial cleaning products and equipment that promote environmental stewardship. At a minimum, the Lessor shall:
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 at [www.gsa.gov/p2products](http://www.gsa.gov/p2products).
- B. SELECTION OF PAPER PRODUCTS – The Lessor shall select paper and paper products (i.e. bathroom tissue and paper towels) with recycled content conforming to EPA’s Comprehensive Procurement Guidance (CPG).
- C. SCHEDULE OF CLEANING – Cleaning shall be performed after the hours identified in 5.1, unless cleaning during official duty hours is specified as a special requirement. The Lessor shall provide the schedule for the required cleaning services and their frequencies. A suggested schedule is set forth below:
1. Weekly:
    - a. Sweep floors using chemically treated absorbent or dusting tools (such as DEX or equal).
    - b. Damp mop, and buff all non-carpeted floors.
    - c. Vacuum all carpeted areas.
    - d. Dust counters, file cabinets, and telephones, and surfaces of all office furniture, fixtures, and window sills (except desk tops).



- e. Empty waste baskets and containers; dispose of waste paper, trash, and other extraneous materials.
  - f. Clean toilet rooms, including toilets, sinks and soap containers.  
Furnish and maintain constant supply of deodorant material and paper products
  - g. Wash all drinking fountains.
  - h. Refill hand sanitizer dispensers in common areas, where applicable
  - i. In the restrooms:
    - i. Clean restroom fixtures and chrome fittings.
    - ii. Clean and refill all dispensers (including deodorant material)
    - iii. Wet mop restroom floors.
    - iv. Sanitize toilets, toilet seats, and urinals.
    - v. Spot wash walls, partitions, and doors.
2. Monthly:
- a. Wash waste baskets.
  - b. Clean or wash walls as needed to present a neat appearance.
  - c. Dust all ledges and flat surfaces within reach.
  - d. Dust and clean all light fixtures.
  - e. Wash restroom walls, partitions, and doors.
3. Quarterly:
- a. Wash all interior and exterior office windows.
  - b. Damp mop and buff all non-carpeted floors; wax and buff non-carpeted floors.
  - c. Dust and clean all blinds.
4. Once a Year:
- a. Strip old wax from all floor space and rewax.
  - b. Shampoo all carpeted floors.

Within 60 days after occupancy by the Government, the Lessor shall provide the RECO with a detailed written schedule of all periodic services and maintenance to be performed other than daily, weekly, or monthly.

5.5. RECYCLING (01/15) – Where state or local law, code, or ordinance requires recycling programs (including those for mercury containing lamps) for the space to be provided, the Lessor must comply with such state and/or local law, code, or ordinance. In all other cases, the Lessor must establish a recycling program for paper, corrugated cardboard, glass, plastics, and metals to the extent practicable and where local markets for those recovered materials exist. The Lessor agrees, upon request, to provide the Government with additional information concerning recycling programs maintained in the building and in the leased space after lease execution.

5.6. MAINTENANCE OF GROUND AND WALKWAY (07/14) – The Lessor shall maintain in good condition landscape plants and lawns. The Lessor shall also remove snow and ice from the entrances, exterior walks and parking areas around the premises,

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prior to and during the normal business hours set forth in the “Service, Utilities, and Maintenance of Premises” clause.

5.7. LANDSCAPING (01/15) –

- A. Landscaping must comply with Government security requirements.
- B. Where conditions permit, the site shall be landscaped for low maintenance and water conservation with plants that are either native or well-adapted to local growing conditions.
- C. Landscape management practices must prevent or minimize pollution by:
  - 1. Employing practices which avoid or minimize the need for fertilizers and pesticides;
  - 2. Prohibiting the use of the 2,4-Dichlorophenoxyacetic Acid (2,4-D) herbicide and organophosphates; and
  - 3. Composting/recycling all yard waste.
- D. The Lessor must use landscaping products with recycled content required by the Environmental Protection Agency's (EPA's) Comprehensive Procurement Guidelines (CPG) for landscaping products. Refer to EPA's CPG web site, [www.epa.gov/cpg](http://www.epa.gov/cpg).

**6. SAFETY AND SECURITY**

6.1. FACILITY SECURITY (04/12) – Security requirements for Government occupied space must meet minimum-security accreditation standards for the type of facility covered by this lease. The FAA Facility Security Management Program defines facility security accreditation standard levels. The security requirements identified below are tailored specifically for the type of facility covered by this lease. The Lessor shall provide or make accommodation to provide for all the security requirements listed herein for the leased premises covered by this lease agreement: none

The local Servicing Security Element (SSE) will determine any additional security upgrades that are required to meet accreditation and shall conduct a final security assessment of the building. The Lessor shall provide maintenance services to the security upgrades installed by the Lessor within the leased premises and covered under this lease.

6.2. ENVIRONMENTAL, OCCUPATIONAL SAFETY AND HEALTH (EOSH) CONSIDERATIONS FOR RENOVATION, CONSTRUCTION AND MAINTENANCE ACTIVITIES (01/15) – Federal, state and local EOSH (OSHA and EPA) Standards and Building Codes must be complied with when accomplishing any cleaning, construction, renovation, remodeling, maintenance activities or testing done in or on the leased premises and areas connected to or integrated with the leased premises. Whenever FAA standards require work processes or precautions to be provided, the Lessor will coordinate with the FAA before and during the work so that proper requirements are met.

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6.3. EOSH REQUIREMENTS (01/15) – The Lessor must provide space, services and equipment that comply with the following OSH standards:

- A. 29 CFR 1910, Occupational Safety and Health Standards (General Industry)
- B. 29 CFR 1926, Safety and Health Standards (Construction)
- C. FAA Order 3900.19B, FAA Occupational and Health Program
- D. FAA Standard HF-STD-001, Human Factors Design Standard
- E. National Fire Protection Association (NFPA) 70, National Electrical Code, and NFPA 70E, Electrical Safety in the Workplace
- F. Local and state EOSH regulations
- G. Local and state fire codes and building codes. Compliance with local and state codes generally provides a level of safety that meets or exceeds national consensus standards.

Any equipment used or otherwise provided by the Lessor or Lessor's contractors or agents that presents a potential safety hazard must be marked with appropriate warning labels or placards, in accordance with 29 CFR 1910.145, Specifications for Accident Prevention Signs and Tags, FAA HF-STD-001, Human Factors Design Standard, Chapter 12.16, Safety Labels and Placards, and ANSI Standard Z535.4, Product Safety Signs and Labels.

All equipment described herein must be designed and installed to be free of mechanical hazards that may injure personnel (sharp projections, unguarded moving parts, etc.), in accordance with FAA-G-2100H, Electronic Equipment, General Requirements, Section 3.3.5.4.

6.4. FIRE PROTECTION AND LIFE SAFETY REQUIREMENTS (01/15) – The facility, its systems and appurtenances must be in compliance with the following fire protection and fire life safety (FLS) requirements:

- A. Construction features of the building must comply with state and local building codes in affect at the time of construction or most recent modification.
- B. Maintenance and operations of the building must comply with the current edition of state and local fire safety and fire prevention codes.
- C. Construction features, maintenance and operations of the building must meet or exceed the minimum level of fire and life safety specified by OSHA 29 CFR 1910.

Where compliance with the literal requirements of these standards has not been achieved, the Lessor must document, in writing to the Government, the specific deviation(s) from these standards and what alternative methods have been employed by the Lessor and accepted by the local jurisdiction (where applicable), as an alternative method of compliance. Furthermore, where alternative methods of compliance are used in lieu of literal compliance with the FLS requirements listed herein, the approach must be documented, signed by a Fire Protection Engineer, licenses in the subject property's state, and presented to the Government for review and concurrence.

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As provided in this section, all codes, standards, orders and directives refer to the current edition in place at the signing of this lease. If construction or modifications to the leased premises are undertaken at any time during the term of this lease, all fire protection and life safety systems must be brought into compliance according to the then-current edition of NFPA and local codes and standards.

Regardless of local code requirements, when the leased space (including garage areas under lease by the Government) is on the 6th floor and above, or below grade, automatic sprinklers are required. Furthermore, leased buildings serving National Airspace System (NAS) air traffic control operations and constructed after June 2012, must be fully protected with an automatic, electrically supervised sprinkler system designed and installed in accordance with the requirements of NFPA 13.

When the leased space is located in multi-tenant buildings, the Lessor may be assisted by the FAA facility manager, but is fully responsible for the following:

- A. Development of a building Emergency Action Plan (EAP) and Fire Prevention Plan
- B. Publishing and making copies of the EAP and Fire Prevention Plan available to all FAA leased space occupants
- C. Conducting fire or other emergency evacuation drills for all employees, at least annually
- D. Conducting review and modification of the EAP and Fire Prevention Plan at least annually
- E. Inviting FAA representation in development, review and modification of the EAP and Fire Prevention Plan

The Government facility manager shall be responsible for the development of the tenant specific EAP and FPP for their lease space and in single tenant buildings.

- 6.5. ELECTRICAL SAFETY (01/15) – The Lessor must ensure electrical safety requirements are met, including grounding, bonding, shielding, control of electrostatic discharge (ESD), and lightning protection requirements, in accordance with:
- A. 29 CFR 1910, Subpart S, *Electrical* and Subpart J, *Control of Hazardous Energy*
  - B. FAA Standard HF-STD-001, *Human Factors Design Standard*, Chapter 12.4, *Electrical Hazards*
  - C. DOT Specification FAA-G-2100H, *Electronic Equipment, General Requirements*
  - D. National Fire Protection Association (NFPA) 70, *National Electrical Code*
  - E. NFPA 70E, *Electrical Safety in the Workplace*
  - F. American National Standards Institute/Institute of Electrical and Electronics Engineers (ANSI/IEEE) Standard 1100-2005, *Recommended Practice for Powering and Grounding Electrical Equipment*
  - G. DOT Standard FAA-STD-019E, *Lightning and Surge Protection, Grounding, Bonding and Shielding Requirements for Facilities and Equipment*

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The Lessor must ensure that electrical equipment in leased premises meets minimum clear working space requirements in accordance with 29 CFR 1910.303 and NFPA 70 Article 110.26. The Lessor shall ensure that the electrical equipment is properly maintained and documented in accordance with NFPA 70E. Any change in the electrical equipment would require a review of the current arc flash warning labels to determine if the arc flash warning labels posted meet the current safety requirements

All hazards associated with electrical equipment must be marked with labels indicating the hazard, in accordance with FAA-G-2100H, Chapter 3.3.5.5, *Markings, Signs, Tags and Symbols*.

The Lessor must ensure that personnel are protected from arc flash hazards, in accordance with NFPA 70E, *Electrical Safety in the Workplace* and that arc flash warning labels are posted on affected panels, with warning labels meeting the requirements of ANSI Standard Z53, *Series of Standards for Safety Signs and Tags*.

#### 6.6. LESSOR PERSONNEL SUITABILITY REQUIREMENTS (10/13) –

A. This clause applies to the extent that this lease requires Lessor's employees, agents, subcontractors, or consultants to have unescorted access to FAA:

1. Facilities;
2. Sensitive information; and/or;
3. Resources regardless of the location where such access occurs, and none of the exceptions of FAA Order 1600.72A, Lessor and Industrial Security Program, Chapter 5, paragraphs 4, 6, 7 and 8 pertains.

Definitions of applicable terminology are contained in the corresponding guidance and FAA Order 1600.72A, appendix A.

B. Consistent with FAA Order 1600.72A, the FAA SSE has approved designated risk levels for the positions under the lease. Those designated risk levels are: Low risk

C. If a National Agency Check with Inquiries (NACI) or other investigation is required under paragraph (b) for a given position, the Lessor will submit to the RECO a point of contact (POC) that will enter applicant data into the Vendor Applicant Process (VAP) system ([vap.faa.gov](http://vap.faa.gov)). VAP is an FAA system used to process and manage security information for FAA contractor personnel. Each contract may have up to 5 POCs. Once designated, a VAP administrator will provide each POC a Web ID and password.

The type of investigation conducted will be determined by the position risk level designation for all duties, functions, and/or tasks performed and will serve as the basis for granting a favorable employment suitability authorization as described in FAA Order 1600.72A. If an employee has had a previous U. S. Government conducted background investigation which meets the requirements of Chapter 5 of FAA Order 1600.72A and Homeland Security Presidential Directive 12 (HSPD-12), it will be accepted by the FAA. However, the FAA reserves the right to conduct further investigations, if necessary. The contract may include positions that are temporary, seasonal, or under escort only. In such cases, an OPM Position

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Designation or FAA Form 1600-77 for each specific position will be established as the investigative requirements may differ from the NACI.

The following information must be entered into VAP by the POC for each applicant requiring an investigation:

1. Name;
2. Date and place of birth (city and state);
3. Social Security Number (SSN);
4. Position and office location;
5. Contract number;
6. Current e-mail address and telephone number (personal or work); and
7. Any known information regarding current security clearance or previous investigations (e.g. the name of the investigating entity, type of background investigation conducted, contract number, labor category (Position), and approximate date the previous background investigation was completed).

If a prior investigation exists and there has not been a 2-year break in service by the applicant, the SSE will notify the Lessor that no investigation is required and that final suitability is approved.

If no previous investigation exists, the SSE will send the applicant an e-mail (this step may be delegated to VAP POC):

1. Stating that no previous investigation exists and the applicant must complete a form through the Electronic Questionnaires for Investigations Processing (eQIP) system
2. Instructing the applicant how to enter and complete the eQIP form;
3. Providing where to send/fax signature and release pages and other applicable forms; and
4. Providing instructions regarding fingerprinting.

The applicant must complete the eQIP form and submit other required material within 15 days of receiving the e-mail from the SSE.

For items to be submitted outside eQIP, the Lessor must submit the required information with a transmittal letter referencing the lease number to:

Headquarters Contracts:  
Federal Aviation Administration  
Manager, Personnel Security Division, AIN-400  
800 Independence Avenue, S.W., Room 315  
Washington, D.C. 20591

Regional and Center Contracts:  
Federal Aviation Administration  
Southwest Regional Office  
Joint Security and Hazardous Materials Safety Office, AHC-210  
10101 Hillwood Parkway  
Fort Worth, Texas 76177

- D. The Lessor must submit the information required by paragraph (c) of this clause for any new employee not listed in the Lessor's initial submission who is hired into any position identified in paragraph (b) of this clause.
- E. The RECO will provide notice to the Lessor when any Lessor employee is found to be unsuitable or otherwise objectionable, or whose conduct appears contrary to the public interest, or inconsistent with the best interest of national security. The Lessor must take appropriate action, including the removal of such employee from working on this FAA contract, at their own expense. Once action has been taken, the Lessor will report the action to the RECO and SSE.
- F. No Lessor employee will work in a high, moderate, or low risk position unless the SSE has received all forms necessary to conduct any required investigation and has authorized the Lessor employee to begin work.
- G. The Lessor must notify the RECO within one (1) business day after any employee identified pursuant to paragraph (c) of this clause is terminated from performance on the contract. This notification must be done utilizing the Removal Entry Screen of VAP. If FAA issued the terminated employee an identification card, the Lessor must collect the card and submit it to the SSE.
- H. The Lessor must request a report from the VAP on at least a semiannual basis in order to reconcile discrepancies and then must notify the SSE of these discrepancies as soon as possible.
- I. The RECO may also, after coordination with the SSE and other security specialists, require Lessor employees to submit any other security information (including additional fingerprinting) deemed reasonably necessary to protect the interests of the FAA. In this event, the Lessor must provide, or cause each of its employees to provide, such security information to the SSE, to meet the requirements of paragraph (c) of this clause.
- J. The Lessor and/or subcontractor(s) must contact the SSE (Regional and/or Center Security Divisions) or AIN-400 at Headquarters within one (1) business day in the event an employee is arrested (detained by law enforcement for any offenses, other than minor traffic offenses) or is involved in theft of Government property or the Lessor becomes aware of any information that may raise a question about the suitability of a Lessor employee.
- K. Failure to submit information required by this clause within the time required may be determined by the RECO as a material breach of the contract.
- L. If subsequent to the effective date of this contract, the security classification or security requirements under this contract are changed by the Government and if the changes cause an increase or decrease in direct contract costs or otherwise affect any other term or condition of this contract, the contract will be subject to an equitable adjustment.
- M. The Lessor agrees to insert terms that conform substantially to the language of this clause, including paragraph (k) but excluding any reference to the Changes clause of

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this contract, in all subcontracts under this contract that involve access and where the exceptions under Chapter 5, FAA Order 1600.72A do not apply.

Lessor employees who have not undergone a background investigation must be escorted at all times. In some instances, a Lessor employee may be required to serve as an escort. To serve as an escort, a Lessor employee must have a favorably adjudicated fingerprint check and initiated a NACI with FAA.

#### 6.7. FOREIGN NATIONALS AS CONTRACTOR EMPLOYEES (10/14) –

- A. Definition. "Foreign National" is any citizen or national of a country other than the United States who has not immigrated to the United States and is not a Legal Permanent Resident (LPR) of the United States.
- B. Each contractor or subcontractor employee under this contract having access to FAA facilities, sensitive information, or resources must be a citizen of the United States, or an alien who has been lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form I-151, or who presents other evidence from the U.S. Citizenship and Immigration Service that employment must not affect his/her immigration status.
- C. Aliens and foreign nationals proposed under this contract must meet the following conditions in accordance with FAA Order 1600.72A, chapter 5, paragraph 7 & 8:
  - 1. Must have resided within the United States for three (3) of the last five (5) years unless a waiver of this requirement is requested and approved in accordance with the requirements stated in FAA Order 1600.72A, chapter 5, paragraph 9;
  - 2. A risk or sensitivity level designation can be made for the position; and
  - 3. The appropriate security-related background investigation/inquiry can be adequately conducted.
- D. Foreign nationals proposed under this contract must meet the following additional conditions:
  - 1. Provide a current passport and Place of Birth in order to successfully pass a Security background check in accordance with the FAA Order 1600.74, Visitor Policy, and
  - 2. Successfully pass an export control review as outlined in FAA Order 1240.13 FAA Export Control Compliance.
- E. Interim suitability requirements may not be applied unless the position is low/moderate in risk, and/or temporary, and/or is not in a critical area position.

#### 6.8. ACCESS TO FAA SYSTEMS AND GOVERNMENT-ISSUED KEYS, PERSONAL IDENTITY VERIFICATION (PIV) CARDS, AND VEHICLE DECALS (10/13) -

- A. It may become necessary for the Government to grant access to FAA systems or issue keys, PIV cards, vehicle decals, and/or access control cards to Lessor employees. Prior to or upon completion or termination of the work required

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hereunder, the Lessor must return all such Government-issued items and submit a request to terminate all user accounts on applicable FAA systems to the issuing office with notification to the Contracting Officer's Representative (COR). When Lessor employees who have been issued such items are terminated or no longer required to perform the work, the Government-issued items must be returned to the Government and a request submitted for the termination of FAA system access within three (3) business days after termination of the contract or the employee. Improper use, possession or alteration of FAA issued keys, PIV Cards and/or vehicle decals is subject to penalties under Title 18, USC 499, 506, 701, and 1030.

- B. In the event such keys, PIV Cards, or vehicle decals are lost, stolen, or not returned, the Lessor understands and agrees that the Government may, in addition to any other withholding provision of the contract, withhold \$10.00 for each key, PIV Card, and vehicle decal lost, stolen, or not returned. If the keys, PIV Cards, or vehicle decals are not returned within 30 calendar days from the date the withholding action was initiated, any amount so withheld must be forfeited by the Lessor.
- C. Access to aircraft ramp/hangar areas is authorized only to those persons displaying a flight line identification card and for vehicles, a current ramp permit issued pursuant to Title 49, Part 1542, Code of Federal Regulations.
- D. The Government retains the right to inspect inventory, or audit PIV Cards, keys, vehicle decals, and access control cards issued to the Lessor in connection with the contract at the convenience of the Government. Any items not accounted for, to the satisfaction of the Government will be assumed to be lost and the provisions of section (b) apply.
- E. Keys must be obtained from the COR who will require the Lessor to sign a receipt for each key obtained. Lost or stolen keys, PIV Cards, vehicle decals, and access control cards must immediately be reported concurrently to the RECO, COR, and facility manager. Electronic keying cards are handled in the same manner as metal keys.
- F. Each contract employee, during all times of on-site performance at the SLN RSSWC must prominently display his/her current and valid PIV card on the front portion of his/her body between the neck and waist. Each PIV card holder must not affix pins, stickers, or other decorations to the PIV.
  - 1. Prior to any Lessor employee obtaining a PIV Card or vehicle decals, the Lessor is required to enter data for each employee into the Vendor Applicant Process (VAP) as described in AMS clause 3.14-2, Contractor Personnel Suitability Requirements. From the information entered into the VAP, the SSE will determine whether final suitability can be granted due to the existence of a previous investigation, or will initiate the Lessor applicant into the Electronic Questionnaires for Investigations Processing (eQIP) system so that the applicant can complete the investigative forms. Interim suitability cannot be granted until the eQIP form is completed, and fingerprints and signature pages are submitted to the SSE. When an interim is granted by the

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SSE, the individual may begin work under escort until their OPM fingerprint check has been returned and successfully adjudicated. Once the OPM fingerprint check has been successfully adjudicated, they can then be badged. If the contract employee requires a PIV Card, a fingerprint check must be completed and favorably adjudicated by the SSE prior to approval or issuance of the PIV card.

2. To obtain the PIV Card, Lessor employee must submit an identification Card/Credential Application (DOT 1681) signed by the Lessor employee and by the authorized trusted agent (when applicable) and also by the authorized sponsor to the RECO or to the COR. The DOT 1681 must contain, as a minimum, under the "Credential Justification" heading, the name of the Lessor/company, the contract number or the appropriate acquisition identification number, the expiration date of the contract or the task (whichever is sooner), and the required signatures. The Lessor will be notified when the DOT 1681 has been approved and is ready for processing by the SSE. Arrangements for processing the identification cards, including photographs and lamination can be made by contacting the SSE at 816-329-3711.
  3. The Lessor must contact the SSE to obtain the procedures that the Lessor's employees must utilize to obtain their PIV Card.
- G. The Lessor is responsible for ensuring final out-processing is accomplished for all departing Lessor employees. Final out-processing must be accomplished by close of business the final workday of the Lessor employee or the next day under special conditions. The SSE must be notified in writing and ensure that all FAA media, including the PIV card, are returned to the SSE.

## 7. ENVIRONMENTAL CLAUSES

- 7.1. INDOOR AIR QUALITY (01/15) – The Lessor must control contaminants at the source and/or operate the space in such a manner that the indicator levels for carbon monoxide (CO), carbon dioxide (CO<sub>2</sub>), and formaldehyde (CH<sub>2</sub>O), are not exceeded. The indicator levels for office area are as follows: CO-less than 5 parts per million (PPM) time weighted average (TWA - 8-hour sample); CO<sub>2</sub> - 700 PPM (TWA); CH<sub>2</sub>O - 0.027 PPM (TWA). All indoor air contaminant levels in leased space will be kept below appropriate OSHA regulations or Consensus standards, whichever is stricter. Air quality and facility cleaning will be required and adequate to prevent the growth of mold, mildew and bacteria. Any visual evidence of these will require immediate sampling and remediation. Moisture/standing water will be controlled to prevent the growth of these.

During working hours, ventilation must be provided in accordance with the latest edition of ANSI/American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 62, *Ventilation for Acceptable Indoor Air Quality* and ASHRAE Standard 55-2010, *Thermal Environmental Conditions for Human Occupancy*. The indicator levels for office area for Relative Humidity is 20% to 60%; Humidity ratio of

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<0.0124 (humidity ratio is the amount of water vapor relative to dry air) and for temperature is 68-82° F.

The Lessor must promptly investigate indoor air quality (IAQ) complaints and shall implement controls including alteration of building operating procedures (e.g., adjusting air intakes, adjusting air distribution, cleaning and maintaining heating, ventilation and air conditioning (HVAC) systems, etc.). The FAA is responsible for addressing IAQ problems resulting from its own activities.

The Lessor will provide SDS to the FAA facility manager as well as send a copy to the RECO for all chemicals and cleaning solutions prior to their use in the FAA space or other building spaces that might affect air quality in the FAA space. Materials should contain low or no VOCs and additional ventilation may be required when using chemicals and cleaning solutions.

- 7.2. HAZARDOUS MATERIALS (01/15) – The facility and equipment provided by the Lessor must minimize the use of lead and mercury, in accordance with FAA Order 1050.10C, Prevention, Control, and Abatement of FAA Environmental Pollution; be free of Class I ozone-depleting substances (ODSs), HCFC-22, HCFC-141b, and HCFC-142b, in accordance with 40 CFR Part 82, Protection of Stratospheric Ozone; and be free of polychlorinated biphenyls (PCBs), in accordance with 40 CFR Part 761.

The Lessor shall ensure that FAA personnel are protected from asbestos hazards, in accordance with 29 CFR 1910.1001, Asbestos, and FAA Order 1050.20A, Airway Facilities Asbestos Control Program.

- 7.3. HALON (04/12) – Halon must not be used as a fire extinguishing system in any FAA leased space.

- 7.4. RECYCLED CONTENT PRODUCTS (COMPREHENSIVE PROCUREMENT GUIDELINES) (07/14) –

- A. To the extent feasible, the Lessor shall comply with Section 6002 of the Resource Conservation and Recovery Act of 1976 (RCRA). As required by this lease or in any succeeding lease entered into by and between the FAA and the Lessor, the Lessor shall use recycled content products as designated by the U.S. Environmental Protection Agency (EPA) in the Comprehensive Procurement Guidelines (CPG), 40 CFR Part 247, and its accompanying Recovered Materials Advisory Notice (RMAN). The CPG lists the designated recycled content products. EPA also provides recommended levels of recycled content for these products. The list of designated products, EPA's recommendations, and lists of manufacturers and suppliers of the products can be found at the [www.epa.gov/cpg/products.htm](http://www.epa.gov/cpg/products.htm).
- B. The Lessor, if unable to comply with both the CPG and RMAN lists, shall submit to the RECO a request for waiver for each non-compliant material. The request for waiver shall be based on one of the following criteria: 1.) the cost of the

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recommended product is unreasonable; 2.) inadequate competition with respect to product manufacturers; 3.) compliant items are not available within a reasonable period of time; or 4.) items do not meet the requirements of this lease.

7.5. **CLAUSES INCLUDED BY REFERENCE (07/14)** – This lease incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request the full text will be provided by the RECO.

- A. GENERAL HEALTH AND SAFETY STANDARDS (08/02)
- B. RADON (10/96)
- C. REFRIGERANTS (08/02)

## 8. CLOSING

8.1. **NOTICES** – All notices/correspondence shall be in writing, reference the lease number, and be addressed as follows:

To the LESSOR: SALINA AIRPORT AUTHORITY  
3237 Arnold Avenue  
Salina, Kansas 67401

To the GOVERNMENT: FEDERAL AVIATION ADMINISTRATION  
Real Estate & Utilities Group, ALO-720  
10101 Hillwood Parkway  
Fort Worth, Texas 76137

## 8.2. EXHIBITS

Exhibit A – Floor Plan

## 8.3. ATTACHMENTS

Attachment A – ABAAS Compliance Report

IN WITNESS WHEREOF, the parties hereto have signed their names.

**LESSOR:**

By: \_\_\_\_\_  
Michael L. Hoppock, Chairman  
The Salina Airport Authority  
Date \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
Signature/Title  
Date \_\_\_\_\_

**UNITED STATES OF AMERICA**

By: \_\_\_\_\_  
Patsy J. McComis, Real Estate Contracting Officer  
Date \_\_\_\_\_

# ABAAS COMPLIANCE REPORT

The Lessor and the FAA are committed to compliance with the Architectural Barriers Act and Rehabilitation Act as detailed in the Architectural Barriers Act Accessibility Standard (ABAAS), which impacts the building and premises at 2010A Rogers Court, Salina, Kansas 67401.

Complete This Section:

\_\_\_\_ Leased building and premises are fully compliant with ABAAS section F202.6.

**OR**

\_\_\_\_ Where building design or construction was funded or controlled by federal government, leased building and premises are fully compliant with ABAAS – For post 5/8/2006 construction only.

**OR**

\_\_\_\_ Leased building and premises will be compliant with ABAAS by \_\_\_\_\_ (date).  
(Insert specific details on the improvements that are to be made.) Lessor shall ensure completion.

**OR**

Building and premises are exempt from ABAAS as described below.

\_\_\_\_ Facility is unmanned.

\_\_\_\_ ABAAS waiver from GSA Administrator is on file.

\_\_\_\_ Other (Explain using pertinent ABAAS exemption). Compliance is technically infeasible because existing site constraints prohibit modification or addition of elements, spaces, or features that are in full and strict compliance with the minimum requirements. Should future alterations be needed, the FAA will reevaluate any required changes for ABAAS compliance.

LESSOR:

\_\_\_\_\_

\_\_\_\_\_

Date

FEDERAL AVIATION ADMINISTRATION

\_\_\_\_\_

Contracting Officer

\_\_\_\_\_

Date

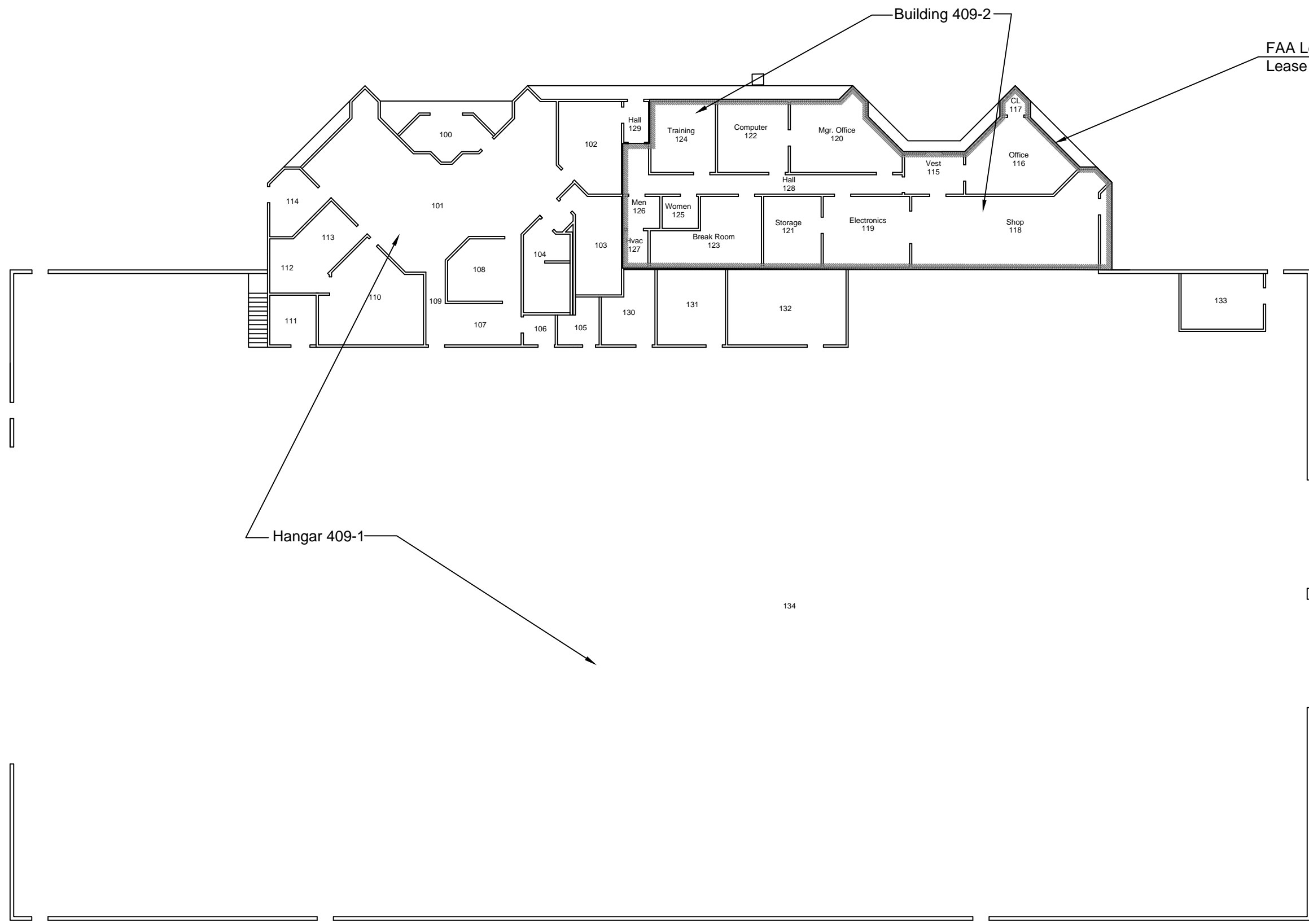
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**2.6.17 ABAAS Compliance Report**

October 2012

OMB Control No. 2120-0595

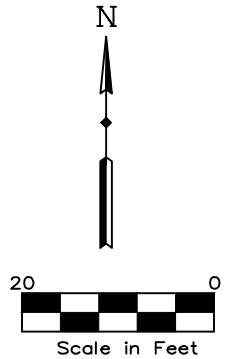
Attachment A  
DTFACN-16-L-00001



FAA Lease Area Boundary.  
Lease Area = 2,459 S.F.

Hangar 409-1

Building 409-2



Drawing Number 2057-06-15



3237 ARNOLD, SALINA, KS 67401  
(785-827-3914 FAX: 785-827-2221)

None : REVISIONS  
 KRB : DESIGNED BY  
 KRB : DRAWN BY  
 1" = 20' : SCALE  
 6/16/15, 12:50 : DATE

SALINA AIRPORT AUTHORITY  
FAA Building 409-1 Lease Exhibit A

1  
OF  
1





**A MOTION TO RECESS FOR AN EXECUTIVE SESSION  
OF THE BOARD OF DIRECTORS FOR THE SALINA AIRPORT AUTHORITY**

Mister Chairman, I move to recess the Open meeting for an Executive Session for twenty (20) minutes for the purposes of

- 1.) Discussing confidential data relating to financial affairs or trade secrets of a corporation for the reason that public discussion of that information would unfairly disadvantage the business in relation to its competitors.

The Open meeting shall resume in the M.J. Kennedy Air Terminal Building Conference Room at \_\_\_\_\_ A.M. (Twenty (20) minutes after the start of the Executive Session).



**Director of Facilities and Operations**

3237 Arnold Ave.

Salina, Kansas 67401

Telephone (785) 827-3914 • FAX (785) 827-2221 • E-Mail [kennyb@salair.org](mailto:kennyb@salair.org)

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**DATE:** 09/16/15  
**TO:** SAA Board of Directors  
**FROM:** Kenny Bieker  
Director of Facilities and Operations  
**SUBJECT:** Project Updates

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**AIP Project No. 37 – Taxiway Alpha, Bravo & Echo Design**

Jviation submitted a letter to FAA pointing out the changes on the airport that will affect the Airport Design Group (ADG) on the areas of the project that were in-eligible. No final decisions have been made. Jviation has put together an updated submittal of the ACIP Data Sheets and sent them to FAA. In the near future we should be putting together a bid package which will be due by February 2016.

**Water Flow Test, Hangar 600**

Simplex Grinnell completed the water flow test.

**KAIP 2017 Submittals**

I have begun preparing the design for a grant submittal with KDOT for a slurry seal on runway 35. This will be for the south 7500' of the runway. The design and cost estimates are due by the end of September.

**Airport Tasks Completed.**

David and the crew have removed some concrete areas around building 1021 and placed base rock and concrete back in to remove pot holes around the building.

Smoky Hill removed a 52' x 36' area of concrete that joins the north overhead doors of building 1021 and placed new base rock and concrete pavement.