## U.S. GOVERNMENT LEASE FOR REAL PROPERTY

٠.

-(

DATE OF LEASE: December 8, 1992	LEASE NO.: 061WCF91110		
THIS LEASE, made and entered into this date by and between City of Grand Junction, Colorado, a Colorado home rule City			
whose address is: 250 North 5th Street, Grand Junction, Colorado 81501			
and whose interest in the property hereinafter described is that of owner			
hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:			
WITNESSETH: The parties hereto for considerations hereinafter mentioned, covenant and agree as follows;			
1. The Lessor hereby leases to the Government the following described premises:			
A plot of ground in Mesa County, Colorado in an area known as the Grand Mesa as further described on the attached Exhibit No. 1 together with the right to ingress and egress as shown on the attached Exhibits No. 2 and No. 3 all within ground owned by the City which is fully descriged in Exhibit "A" (Legal Rider Description),			
to be used for: installation of a National Weather Service NEXRAD radar site.			
2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on <u>September 1, 1993</u> , through <u>August 31, 1994</u> , subject to termination and renewal rights as may be hereinafter set forth.			
3. The Government shall pay the Lessor annual rent of $\underline{\$1}$ a lesser period shall be prorated.	00.00 at the rate of \$100.00 per <u>annum</u> in arrears. Rent fo		
Rent checks shall be made payable to: owner.			
4. This lease may be renewed at the option of the Governm from year to year with an increase in rental every 5 years a provided that no renewal shall extned beyond August 31, 20	is provided for by Paragraph 9 on the attached Page 2A an		
provided notice be given in writing to the Lessor at least 30 days before the end of the original lease term or an renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notic			

shall be computed commencing with the day after the date of mailing.

--

ł

ſ

Y	(continued from previous page)
5. The L	essor shall furnish to the Government, as part of the rental consideration, the following:
Use of the installation	ne land shown in Paragraph 1 as ruther described on the attached pages including ingress and egress for to on of a Next Generation Weather Radar (NEXRAD) system.
6. The fo	pllowing are attached and made a part hereof:
	2A through 2D inclusive; General Clauses, consisting of Paragraphs 1, 2, 3, 5, 6, 7, 9, 10, 11, 12, 13, 16, 17, ; and Exhibits No. 1, No. 2, No. 3, and Exhibit "A".
	ollowing changes were made in this lease prior to its execution: In the General Clauses, Paragraphs 4, 8 ere deleted.
and 15 w	ere deleted.
and 15 we IN WITN	ESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above writte
and 15 we IN WITN	ESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above writt
and 15 we IN WITN LESSOR Signature	TESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above writt GITY OF GRAND JUNCTION, COLORADO, A HOME RULE CITY MANAGEMENT ENCE OF:
and 15 we IN WITN LESSOR Signature	TESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above writt GITY OF GRAND JUNCTION, COLORADO, A HOME RULE CITY
and 15 we IN WITN LESSOR Signature IN PRES Signature	TESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above writter GITY OF GRAND JUNCTION, COLORADO, A HOME RULE CITY Marked Chan 7/12/93 Title City Mawager ENCE OF: Stephanie Mye Title Lity Clerk
and 15 we IN WITN LESSOR Signature IN PRES Signature	TESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above writte GITY OF GRAND JUNCTION, COLORADO, A HOME RULE CITY MANAGEMENT ENCE OF:

9. Rental Escalation - The rental specified in this Lease will be adjusted effective October 1, 1996, and every fifth year thereafter. The amount of adjustment will be based on the change in the cost of living index measured by the U.S. Department of Labor, Revised Consumer Price Index for Wage Earners and Clerical Workers, U.S. City Average (CPI-W) All Items Figure (1982-84=100) published by the Bureau of Labor Statistics. The percent change will be computed by comparing the index figure published for the month of August 1993 with the index figure published for the month of August 1998 and each successive five year period thereafter. Rental payment adjustments will be effective September 1, 1998, and each fifth year thereafter. If the method for adjusting the rental payments results in a decrease in rental then the rental will remain equal to the previous five year period.

The parties agree that the Government shall be authorized 10. and entitled to use the Property for the purpose of constructing, operating and maintaining thereon a NEXRAD tower and related facilities. The Government shall have the absolute right to construct its tower and related facilities at such height as the Government shall determine, subject to the rules, rulings and regulations of the Federal Communications Commission (hereafter the "FCC"); and the Government shall further have the right to install and maintain guy wires, cables, and all other equipment and facilities as may be required. In addition to the tower and related facilities presently contemplated by the Government, the City further agrees that during the term of this Lease, the Government shall have the right to modify its tower, equipment and facilities in such manner as the Government in its sole discretion shall determine, consistent with applicable FCC rules, rulings and regulations.

In addition, the parties covenant with respect to the use of the Property and surrounding land owned by the City as follows:

A. The Government shall have the right, at its expense, to place such fences and other security devices to enclose and protect the radar tower facility; provided, however, that such fences and security devices shall not be placed beyond the outer limits of the Property and provided, further, that the Government shall be required to maintain and repair such fences and security devices at its expense, and that the City and its other Lessees, specifically Lessee's of the ranching and grazing rights on the adjacent lands owned by the City, shall not be obligated nor required to repair damages to such fences and security devices caused or created by livestock grazing operations on adjacent lands.

Page 2A

B. With respect the Government's use and occupancy of the leased premises and its activities pursuant to this Lease, including, but not limited to, the construction, installation, operation, maintenance and access to its facilities, the Government agrees as follows:

1. Livestock shall have the right of way over the Government's vehicles at all times.

2. The Government agrees that the access road shall be used only by its authorized agents and employees.

3. The Government agrees to construct, install, maintain and repair, at its expense, the access road, water bars, drainage ditches and culverts along the access road and the Government convenants and agrees that such items shall be constructed and installed in such as manner as to eliminate any concentration of water upon or in the immediate vicinity of the access road. The Government further agrees that it will place said items at places mutually agreeable to the City and the Government and further agrees to take all steps as may be necessary to avoid erosion which results from the placement and usage of such items.

With respect to the cost of maintenance and repair of the access road shown on Exhibits No. 1 and No. 2, together with related drainage culverts and cattle guards, the Government agrees that it shall have the responsibility for maintaining and repairing said road from time to time as deemed necessary by the City and the Government. The Government further agrees that it will limit the size of said road to the minimum area, and that it will take all steps necessary to keep the road properly drained and graveled while minimizing grading damage and terrain change.

The exact location of the access road and improvements shall be agreed upon between the parties hereto prior to commencement of construction of the Government's facilities.

The Government agrees that the City shall have the joint right of access on and over the access road and the City may further authorize third parties to have such access. The radar site, tower and facilities constructed on the site shown on Exhibit No. 1 are excluded from joint access unless the Government provides concurrence to the City on a case by case basis.

Initials: MEQ & j

Page 2B

10. The Government agrees that it will endeavor to cause all of its representatives, employees and agents to conduct themselves in a proper and businesslike manner at any time when such representatives, employees and agents are upon the leasehold premises or any adjacent property owned by the City.

C. NOAA shall indemnify, keep and save harmless the Permitor, and its directors, officers, agents, and employees against any and all suits, claims, or action arising out of, or any injury to persons or property that may occur, or that may be alleged to have occurred, in the course of the performance of this Agreement by NOAA, and which are caused by the negligent acts or negligent omissions or willful misconduct of NOAA or its employees, subcontractors, or agents, <u>provided however</u>, that nothing herein shall bind or obligate the Government for any liability beyond that for which it may be liable under the Federal Torts Claim Act, 28 U.S.C. § 2671 <u>et seq</u>.

D. The Government has inspected the Property and improvements and accepts the Property and any improvements thereon in their present condition and agrees that the condition of the improvements and the Property is sufficient for the purposes of the Government. The City makes no warranties nor promises that the improvements nor the Property are sufficient for the purposes of the Government.

If the leasehold premises are damaged due to fire, flood, or other casualty, or if the leasehold premises deteriorate to the extent where they are no longer functional for the purposes of the Government, the City shall have no obligation to repair the improvements nor to otherwise make the premises usable or occupiable; damages shall be at the Government's own risk.

E. The Government shall not sublet, assign or transfer any of its interests in this Lease, or enter into any contract or agreement affecting its interest in this Lease, without obtaining the prior written approval of the City.

Page 2D

Initials:\_7

#### GENERAL CLAUSES INCORPORATED BY REFERENCE (For Small and Temporary Leases)

#### 1. 52.203-1 - OFFICIALS NOT TO BENEFIT (APR 1984)

No member of or delegate to Congress, or resident commissioner, shall be admitted to any share or part of this contract, or to any benefit arising from it. However, this clause does not apply to this contract to the extent that this contract is made with a corporation for the corporation's general benefit.

#### 2. 552.203-5 - COVENANT AGAINST CONTINGENT FEES (FEB 1990)

(a) The Contractor warrants that no person or agency has been employed or retained to solicit or obtain this contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Government shall have the right to annul this contract without liability or, in its discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of the contingent fee.

(b) "Bona fide agency," as used in this clause, means an established commercial or selling agency (including licensed real estate agents or brokers), maintained by a Contractor for the purpose of securing business, that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government contract or contracts through improper influence.

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

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

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

3. 52.203-7 - ANTI-KICKBACK PROCEDURES (OCT 1988)

(a) Definitions.

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

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

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

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

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

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

INITIAL & MAG & N

4. The Government agrees to keep all closed gates now or hereafter located upon the City's property closed and locked; provided, however that the Government shall be responsible for ensuring that the City has copies of keys to all locks installed by the Government on gates located across the road, and the City shall be responsible for ensuring that the Government has copies of keys to all locks installed by the City on gates located across the road. Both parties have joint access through all gates along the access road.

5. The Government agrees to promptly consider and adjudicate any and all claims which may arise out of use of the permitor's premises by the Government or duly authorized representatives or contractors and to pay for any damage or injury as may be required by Federal law. Such adjudication will be pursued under the Federal Torts Claim Act, 28 U.S.C. § 2671 <u>et</u> <u>seq</u>., or such other legal authority as may be pertinent. NOAA also agrees to consider and adjudicate any claims for damage or injury sustained by Government personnel in the performance of their official duties while on permitor's premises. Such adjudication will be made pursuant to the Federal Employees Compensation Act, 5 U.S.C. § 8101 <u>et seq</u>., or other such legal authority as may be pertinent.

6. The Government agrees that any agents or employees of the Government shall be prohibited from littering and smoking upon any of the City's lands, and the Government shall be responsible for any fire caused by its agents or employees in accordance with 5 above.

7. The Government acknowledges and agrees that no officer, employee or agent of the Government shall have any right to engage in any type of hunting activity upon any property owned by the City, without first obtaining prior written permission of the City.

8. The Government agrees that all closed gates through which the Government shall have access for the purpose of traveling to its facilities shall be kept and locked at all times, and the Government agrees that the City shall have the joint right of access through any such gates and the City may further authorize third parties to have such access with prior written agreement by the Government.

9. The Government agrees that any fences belonging to the City which may be damaged or disturbed in the process of construction shall be restored to their previous condition, or better, at the expense of the Government.

Initials: Male

{

Page 2C

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

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

(b) The Anti-Kickback Act of 1986 (41 U.S.C. 51-58) (the Act), prohibits any person from-

- (1) Providing or attempting to provide or offering to provide any kickback;
- (2) Soliciting, accepting, or attempting to accept any kickback; or

(3) Including, directly or indirectly, the amount of any kickback in the contract price charged by a prime Contractor to the United States or in the contract price charged by a subcontractor to a prime Contractor or higher tier subcontractor.

(c)(1)The Contractor shall have in place and follow reasonable procedures designed to prevent and detect possible violations described in paragraph (b) of this clause in its own operations and direct business relationships.

(2) When the Contractor has reasonable grounds to believe that a violation described in paragraph (b) of this clause may have occurred, the Contractor shall promptly report in writing the possible violation. Such reports shall be made to the inspector general of the contracting agency, the head of the contracting agency if the agency does not have an inspector general, or the Department of Justice.

(3) The Contractor shall cooperate fully with any Federal agency investigating a possible

violation described in paragraph (b) of this clause. (4) The Contracting Officer may (i) offset the amount of the kickback against any monies owed by the United States under the prime contract and/or (ii) direct that the Prime Contractor withhold from sums owed a subcontractor under the prime contract, the amount of the kickback. The Contracting Officer may order that monies withheld under subdivision (c)(4)(ii) of this clause be paid over to the Government unless the Government has already offset those monies under subdivision (c)(4)(i) of this clause. In the either case, the Prime Contractor shall notify the Contracting Officer when the monies are withheld.

(5) The Contractor agrees to incorporate the substance of this clause, including subparagraph (c)(5) but excepting subparagraph (c)(1), in all subcontracts under this contract.

- 52.203-9 REQUIREMENT FOR GERTIFICATE OF PROCUREMENT INTEGRITY -- MODIFICATION (NOV 1990)

(Applicable to leases which exceed \$100,000.)

(a) Definitions. The definitions set forth in FAR 3.104-4 are hereby incorporated in this clause.

(b) The contractor agrees that it will execute the certification set forth in paragraph (c) of this clause, when requested by the Contracting Officer in connection with the execution of any modification of this contract.

(c) <u>Certification</u>. As required in paragraph (b) of this clause, the officer or employee responsible for the modification proposal shall execute the following certification:

#### CERTIFICATE OF PROCUREMENT INTEGRITY - MODIFICATION (NOV 1990)

(1) I, [Name of certifier], and the officer or employee responsible for the preparation of this modification proposal and hereby certify that, to the best of my knowledge and belief, with the exception of any information described in this certification, I have no information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Office of Federal Procurement Policy Act, as amended\* (41 U.S.C. 423) (hereinafter referred to as "the Act"), as implemented in the FAR, occurring during the conduct of this procurement (contract and modification number).

(2) As required by subsection 27(e)(1)(B) of the Act, I further certify that, to the best of my knowledge and belief each officer, employee, agent, representative, and consultant of [Name of Offeror] who has participated personally and substantially in the preparation or submission of this proposal has

INITIALS: MAG & I

certified that he or she is familiar with, and will comply with, the requirements of subsection 27(a) of the Act, as implemented in the FAR, and will report immediately to me any information concerning a violation or possible violation of subsections 27(a), (b), (d), or (f) of the Act, as implemented in the FAR, pertaining to this procurement.

(3) Violations or possible violations: (Continue on plain bond paper if necessary and label Certificate of Procurement Integrity-Modification (Continuation Sheet), ENTER 'NONE' IF NONE EXISTS)

## (SAMPLE – DO NOT COMPLETE OR SIGN THIS CERTIFICATE. THE CONTRACTING OFFICER WILL SPECIFICALLY REQUEST IT WHEN NEEDED.)

[signature of the officer or employee responsible for the mødification proposal and date]

[typed name of the officer or employee responsible for the modification proposal]

\*Subsections 27(a), (b), and (d) are effective on December 1, 1990. Subsection 27(f) is effective on June 1, 1991.

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER TITLE 18, UNITED STATES CODE, SECTION 1001.

(End of certification)

(d) In making the certification in paragraph (2) of the certificate, the officer or employee of the competing Contractor responsible for the offer or bid, may rely upon a one-time certification from each individual required to sobmit a certification to the competing Contractor, supplemented by periodic training. These certifications shall be obtained at the earliest possible date after an individual required to certify begins employment or association with the Contractor. If a Contractor decides to rely on a certification executed prior to the suspension of section 27 (i.e., prior to December 1, 1989), the Contractor shall ensure that an individual who has so certified is notified that section 27 has been reinstated. These certifications shall be maintained by the Contractor for a period of 6 years from the date a certifying employee's employment with the company ends or, for an agency, representative, or consultant, 6 years from the date such individual ceases to act on behalf of the contractor.

(e) The certification required by paragraph (c) of this clause is a material representation of fact upon which reliance will be placed in executing this modification.

5. 52.203-73 PRICE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (SEP 1990)

(a) If the head of the contracting activity (HCA) or his or her designee determines that there was a violation of subsection 27(a) of the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423), as implemented in the Federal Acquisition Regulation, the Government, at its election, may —

(1) Reduce the monthly rental under this lease by 5 percent of the amount of the rental for each month of the remaining term of the lease, including any option periods, and recover 5 percent of the rental already paid;

(2) Reduce payments for alterations not included in monthly rental payments by 5 percent of the amount of the alterations agreement; or

(3) Reduce the payments for violations by a Lessor's subcontractor by an amount not to exceed the amount of profit or fee reflected in the subcontract at the time the subcontract was placed.

(b) Prior to making a determination as set forth above, the HCA or designee shall provide to the Lessor a written notice of the action being considered and the basis therefor. The Lessor shall have a period determined by the agency head or designee, but not less than 30 calendar days after receipt of

INITIALS: Mar a il

such notice, to **submit in** person, in writing, or through a representative, information and argument in opposition to the proposed reduction. The agency head or designee may, upon good cause shown, determine to deduct less than the above amounts from payments.

(c) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law or under this lease.

52.215–1 – EXAMINATION OF RECORDS BY COMPTROLLER GENERAL (APR 1984)

(a) This clause applies if this contract exceeds \$10,000 and was entered into by negotiation.

(b) The Comptroller General of the United States or a duly authorized representative from the General Accounting Office shall, until 3 years after final payment under this contract or for any shorter period specified in Federal Acquisition Regulation (FAR) Subpart 4.7, Contractor Records Retention, have access to and the right to examine any of the Contractor's directly pertinent books, documents, paper, or other records involving transactions related to this contract.

(c) The Contractor agrees to include in first-tier subcontracts under this contract a clause to the effect that the Comptroller General or a duly authorized representative from the General Accounting Office shall, until 3 years after final payment under the subcontract or for any shorter period specified in FAR Subpart 4.7, have access to and the right to examine any of the subcontractor's directly pertinent books, documents, paper, or other records involving transactions related to the subcontract. 'Subcontract,' as used in this clause, excludes (1) purchase orders not exceeding \$10,000 and (2) subcontracts or purchase orders for public utility services at rates established to apply uniformly to the public, plus any applicable reasonable connection charge.

(d) The periods of access and examination in paragraphs (b) and (c) above for records relating to (1) appeals under the Disputes clause, (2) litigation or settlement of claims arising from the performance of this contract, or (3) costs and expenses of this contract to which the Comptroller General or a duly authorized representative from the General Accounting Office has taken exception shall continue until such appeals, litigation, claims, or exceptions are disposed of.

7. 52.219-8 - UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS (FEB 1990)

(Applicable to leases which exceed \$25,000.)

(a) It is the policy of the United States that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in performing contracts let by any Federal agency, including contracts and subcontracts for subsystems, assemblies, components, and related services for major systems. It is further the policy of the United States that its prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) The Constant of hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with efficient contract performance. The Contractor further agrees to cooperate in any studies of surveys as may be conducted by the United States Small Business Administration or the awarding agency of the United States as may be necessary to determine the extent of the Contractor's compliance with this clause.

(c) As used in this contract, the term 'small business concern' shall mean a small business as defined pursuant to section 3 of the Small Business Act and relevant regulations promulgated pursuant thereto. The term 'small business concern owned and controlled by socially and economically disadvantaged individuals' shall mean a small business concern (1) which is at least 51 percent unconditionally owned by one or more socially and economically disadvantaged individuals; or, in the case of any publicly owned business, at least 51 per centum of the stock of which is unconditionally owned by one or more socially and economically disadvantaged individuals; and (2) whose management and daily business operations are controlled by one or more of such individuals. This term also means a small business concern that is at least 51 percent unconditionally owned by an economically disadvantaged Indian tribe or Native Hawaiian Organization, or a publicly owned business having at least 51 percent of its stock unconditionally owned by one of these entities which has its management and daily business controlled by members of an economically disadvantaged Indian tribe or Native Hawaiian Organization, and which meets the requirements of 13 CFR 124. The Contractor shall presume that

INITIALS: Mar a il

socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian Americans, and other minorities, or any other individual found to be disadvantaged by the Administration pursuant to section 8(a) of the Small Business Act. The Contractor shall presume that socially and economically disadvantaged entities also include Indian Tribes and Native Hawaiian Organizations.

(d) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as either a small business concern or a small business concern owned and controlled by socially and economically disadvantaged individuals.

#### -52.219-9 - EMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAD (JAN 1991)

(Applicable to leases which exceed \$500,000.)

(a) This clause does not apply to small business concerns.

(b) "Commercial product," as used in this clause, means a product in regular production that is sold in substantial quantities to the general public and/or industry at established catalog or market prices. It also means a product which, in the opinion of the Contracting Officer, differs only insignificantly from the Contractor's commercial product.

"Subcontract," as used in this clause, means any agreement (other than one involving an employeremployee relationship) entered into by a Federal Government prime Contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.

(c) The offeror, upon request by the Contracting Officer, shall submit and negotiate a subcontracting plan, where applicable, which separately addresses subcontracting with small business concerns and with small disadvantaged business concerns. If the offeror is submitting an individual contract plan, the plan must separately address subcontracting with small business concerns and with small disadvantaged business concerns with a separate part for the basic contract and separate parts for each option (if any). The plan shall be included in and made a part of the resultant contract. The subcontracting plan shall be negotiated within the time specified by the Contracting Officer. Failure to submit and negotiate the subcontracting plan shall make the offeror ineligible for award of a contract.

(d) The offeror's subcontracting plan shall include the following:

(1) Goals, expressed in terms of percentages of total planned subcontracting dollars, for the use of small business concerns and small disadvantaged business concerns as subcontractors. The offeror shall include all subcontracts that contribute to contract performance, and may include a proportionate share of products and services that are normally allocated as indirect costs.

(2) A statement of-

- Total dollars planned to be subcontracted;
- (ii) Total dollars planned to be subcontracted to small business concerns; and
- (iii) Total dollars planned to be subcontracted to small disadvantaged business concerns.

(3) A description of the principal types of supplies and services to be subcontracted, and an identification of the types planned for subcontracting to (i) small business concerns and (ii) small disadvantaged tusiness concerns.
 (4) A description of the method used to develop the subcontracting goals in (1) above.
 (5) A description of the method used to identify potential sources for solicitation purposes (e.g., ovicitation purposes (into the Browners Automated States) of the Small Business.

existing company source lists, the Procurement Automated Source System (PASS) of the Small Business Administration, the Mational Minority Purchasing Council Vendor Information Service, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, or small and small disadvantaged business concerns trade associations).

(6) A statement as to whether or not the offeror included indirect costs in establishing subcontracting goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with (i) small business concerns and (ii) small disadvantaged business concerne

(7) The name of the individual employed by the offeror who will administer the offeror's subsontracting program, and a description of the duties of the individual.

(8) A description of the efforts the offeror will make to assure that small business concerns and disadvantaged business concerns have an equitable opportunity to compete for subcontracts.

(9) Assurances that the offerer will include the clause in this contract entitled Utilization of Smalls Business Concerns and Small Disadvantaged Business Concerns, in all subcontracts that offer further subcontracting opportunities, and that the offeror will require all subcontractors (except small business concerns) who receive subcontracts in excess of \$500,000 (\$1,000,000 for construction of any public facility), to adopt a plan similar to the plan agreed to by the offeror.

(10) Assurances that the offeror will (i) cooperate in any studies or surveys as may be required, (ii) submit periodic reports in order to allow the Government to determine the extent of compliance by the offeror with the subcontracting plan, (iii) submit Standard Form (SF) 294, Subcontracting Report for Individual Contracts, and/or SF 295, Summary Subcontract Report, in accordance with the instructions on the forms, and (iv) ensure that its subcontractors agree to submit Standard Forms 294 and 295.

(11) A recitation of the types of records the offeror will maintain to demonstrate procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source 🧃 lists; and a description of its efforts to locate small and small disadvantaged business concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):

(i) Source lists, guides, and other data that identify small and small disadvantaged business concerns.

(ii) Organizations contacted in an attempt to locate sources that are small or small disadvantaged business concerns.

(iii) Records on each subcontract solicitation resulting in an award of more than \$100,000, indicating (A) whether small business concerns were solicited and if not, why not, (B) whether small disadvantaged business concerns were solicited and if not, why not, and (C) if applicable, the reason award was not made to a small business concern.

(iv) Records of any outreach efforts to contact (A) trade associations, (B) business development organizations, and (C) conferences and trade fairs to locate small and small disadvantaged business sources.

(v) Records of internal guidance and encouragement provided to buyers through (A) workshops, seminars, training, etc., and (B) monitoring performance to evaluate compliance with the program's requirements.

(vi) On a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and/ousiness size of each subcontractor. Contractors having company or division-wide annual plans need not comply with this requirement.

(e) In order to effectively implement this plan to the extent consistent with efficient contract performance, the Contractor shall perform the following functions:

(1) Assist small business and small disadvantaged business concerns by arranging solicitations, time for the preparation of bids, quantities/specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor's lists of potential small business and small disadvantaged subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time.

(2) Provide adequate and timely consideration of the potentialities of small business and small disadvantaged business concerns/in all 'make-or-buy' decisions.
 (3) Counsel and discuss/subcontracting opportunities with representatives of small and small

disadvantaged business firms.

(4) Provide notice to subcontractors concerning penalties and remedies for misrepresentations of business statue as small business or small disadvantaged business for the purpose of obtaining a subcontract that is to be included as part or all of a goal contained in the Contractor's subcontracting plan.

(f) A master subcontracting plan on a plant or division-wide basis which contains all the elements required by (d) above, except goals, may be incorporated by reference as a part of the subcontracting plan required of the offeror by this clause; provided, (1) the master plan has been approved. (2) the offeror provides copies of the approved master plan and evidence of its approval to the Contracting Officer, and (3) goals and any deviations from the master plan deemed necessary by the Contracting Officer to satisfy the requirements of this contract are set forth in the individual subcontracting plan.

(g) (g) If a commercial product is offered, the subcontracting plan required by this clause may relate to the offeror's production generally, for both commercial and noncommercial products, rather than solely to the Government contract. In these cases, the offeror shall, with the concurrence of the Contracting Offight, submit one company-wide or division-wide annual plan.

(2) The annual plan shall be reviewed for approval by the agency awarding the offeror its first prime contract requiring a subcontracting plan during the fiscal year, or by an agency satisfactory to the Contracting Officer.

INITIALS: MACL &

------ (3) The approved plan shall remain in effect during the offeror's fiscal year for all of the offeror's commercial products. -

(h) Prior compliance of the offeror with other such subcontracting plans under previous contracts will be considered by the Contracting Officer in determining the responsibility of the offeror for award of the contract.

(i) The failure of the Contractor or subcontractor to comply in good faith with (1) the clause of this contract entitled Utilization of Small Business Concerns and Small Disadvantaged Business Concerns,\* er (2) an approved plan required by this clause, shall be a material breach of the contract.

9. 52.219-16 LIQUIDATED DAMAGES-SMALL BUSINESS SUBCONTRACTING PLAN (AUG 1989)

(a) 'Failure to make a good faith effort to comply with the subcontracting plan,' as used in this subpart, means a willful or intentional failure to perform in accordance with the requirements of the subcontracting plan approved under the clause in this contract entitled 'Small Business and Small Disadvantaged Business Subcontracting Plan,' or willful or intentional action to frustrate the plan.

(b) If, at contract completion, or in the case of a commercial products plan, at the close of the fiscal year for which the plan is applicable, the Contractor has failed to meet its subcontracting goals and the Contracting Officer decides in accordance with paragraph (c) of this clause that the Contractor failed to make a good faith effort to comply with its subcontracting plan, established in accordance with the clause in this contract entitled Small and Small Disadvantaged Business Subcontracting Plans, the Contractor shall pay the Government liquidated damages in an amount stated. The amount of probable damages attributable to the Contractor's failure to comply, shall be an amount equal to the actual dollar amount by which the Contractor failed to achieve each subcontract goal or, in the case of a commercial products plan, that portion of the dollar amount allocable to Government contracts by which the Contractor failed to achieve each subcontract goal.

(c) Before the Contracting Officer makes a final decision that the Contractor has failed to make such good faith effort, the Contracting Officer shall give the Contractor written notice specifying the failure and permitting the Contractor to demonstrate what good faith efforts have been made. Failure to respond to the notice may be taken as an admission that no valid explanation exists. If, after consideration of all the pertinent data, the Contracting Officer finds that the Contractor failed to make a good faith effort to comply with the subcontracting plan, the Contracting Officer shall issue a final decision to that effect and require that the Contractor pay the Government liquidated damages as provided in paragraph (b) of this clause.

(d) With respect to commercial products plans; i.e., company-wide or division-wide subcontracting plans approved under paragraph (g) of the clause in this contract entitled, Small Business and Small Disadvantaged Business Subcontracting Plan, the Contracting Officer of the agency that originally approved the plan will exercise the functions of the Contracting Officer under this clause on behalf of all agencies that awarded contracts covered by that commercial products plan.

(e) The Contractor shall have the right of appeal, under the clause in this contract entitled, Disputes, from any final decision of the Contracting Officer.

(f) Liquidated damages shall be in addition to any other remedies that the Government may have.

10. 52.222-26 - EQUAL OPPORTUNITY (APR 1984)

(Applicable to leases which exceed \$10,000.)

(a) If, during any 12-month period (including the 12 months preceding the award of this contract), the Contractor has been or is awarded nonexempt Federal contracts and/or subcontracts that have an aggregate value in excess of \$10,000, the Contractor shall comply with subparagraphs (b)(1) through (11) below. Upon request, the Contractor shall provide information necessary to determine the applicability of this clause.

(b) During performing this contract, the Contractor agrees as follows:

(1) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

INITIALS: MER & il

(2) The Contractor shall take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. This shall include, but not be limited to, (i) employment, (ii) upgrading, (iii) demotion, (iv) transfer, v) recruitment or recruitment advertising, (vi) layoff or termination, (vii) rates of pay or other forms of compensation, and (viii) selection for training, including apprenticeship.

(3) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.

(4) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment. without regard to race, color, religion, sex, or national origin.

(5) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment. (6)-The Contractor shall comply with Executive Order 11246, as amended, and the rules,

regulations, and orders of the Secretary of Labor.

(7) The Contractor shall furnish to the contracting agency all information required by Executive Order 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor. Standard Form 100 (EEO-1), or any successor form, is the prescribed form to be filed within 30 days following the award, unless filed within 12 months preceding the date of award.

(8) The Contractor shall permit access to its books, records, and accounts by the contracting agency or the Office of Federal Contract Compliance Programs (OFCCP) for the purpose of investigation to ascertain the Contractor's compliance with the applicable rules, regulations, and orders.

(9) If the OFCCP determines that the Contractor is not in compliance with this clause or any rule. regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts, under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as

amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law. (10)The Contractor shall include the terms and conditions of subparagraph (b)(1) through (11) of this clause in every subcontract or purchase order that is not exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor.

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

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

11. 52.222-35 - AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (APR 1984)

(Applicable to leases which exceed \$10,000.)

(a) Definitions.

"Appropriate office of the State employment service system," as used in this clause, means the local office of the Federal-State national system of public employment offices assigned to serve the area where the employment opening is to be filled, including the District of Columbia, Guam, Puerto Rico, Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

"Openings that the Contractor proposes to fill from within its own organization," as used in this clause, means employment openings for which no one outside the Contractor's organization (including any affiliates, subsidiaries, and the parent companies) will be considered and includes any openings that the Contractor proposes to fill from regularly establish 'recail' lists.

Opening that the Contractor proposes to fill under a customary and traditional employer-union hiring arrangement," as used in this clause, means employment openings that the Contractor proposes to fill from union halls, under their customary and traditional employer-union hiring relationship.

"Suitable employment openings," as used in this clause-

INITUALS: Maa sil

(1) Includes, but is not limited to, openings that occur in jobs categorized as

 (i) Production and nonproduction;

(ii) Plant and office;

(iii) Laborers and mechanics;

(iv) Supervisory and nonsupervisory;

(v) Technical; and

(vi) Executive, administrative, and professional positions compensated on a salary basis of less than \$25,000 a year; and

(2) Includes full-time employment, temporary employment of over 3 days, and part-time employment, but not openings that the Contractor proposes to fill from within its own organization or under a customary and traditional employer-union hiring arrangement, nor openings in an educational institution that are restricted to students of that institution.

(b) General. (1) Regarding any position for which the employee or applicant for employment is qualified, the Contractor shall not discriminate against the individual because the individual is a special disabled or Vietnam era veteran. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified special disabled and Vietnam era veterans without discrimination based upon their disability or veterans' status in all employment practices such as-

- (i) Employment;
- (ii) Upgrading;
- (iii) Demotion or transfer;
- (iv) Recruitment;

(v) Advertising;

(vi) Layoff or termination;

(vii) Rates of pay or other forms of compensation; and

(viii)Selection for training, including apprenticeship.

(2) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Vietnam Era Veterans' Readjustment Assistance Act of 1972 (the Act), as amended.

(c) Listing openings. (1) The Contractor agrees to list all suitable employment openings existing at contract award or occurring during contract performance, at an appropriate office of the State employment service system in the locality where the opening occurs. These openings include those occurring at any contractor facility, including one not connected with performing this contract. An independent corporate affiliate is exempt from this requirement.

(2) State and local government agencies holding Federal contracts of \$10,000 or more shall also list all their suitable openings with the appropriate office of the State employment service.

(3) The listing of suitable employment openings with the State employment service system is required at least concurrently with using any other recruitment source or effort and involves the obligations of placing a bona fide job order, including accepting referrals of veterans and nonveterans. This listing does not require hiring any particular job applicant or hiring from any particular group of job applicants and is not intended to relieve the Contractor from any requirements of Executive orders or regulations concerning nondiscrimination in employment.

(4) Whenever the Contractor becomes contractually bound to the listing terms of this clause. it shall advise the State employment service system, in each State where it has establishments, of the name and location of each hing location in the State. As long as the Contractor is contractually bound to these terms and has so advised the State system, it need not advise the State system of subsequent contracts. The Contractor may advise the State system when it is no longer bound by this contract clause.

(5) Under the most compelling circumstances, an employment opening may not be suitable for listing, including situations when (i) the Government's needs cannot reasonably be supplied, (ii) listing would be contrary to National security, or (iii) the requirement of listing would not be in the Government's interest.

(d) Applicability. (1) This clause does not apply to the listing of employment openings which occur and are filled outside the 50 states, the District of Columbia, Puerto Rico, Guam, Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(2) The terms of paragraph (c) above of this clause do not apply to openings that the Contractor proposes to fill from within its own organization or under a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of its own organization or employer-union arrangement for that opening.

more il

(e) Postings. (1) The Contractor agrees to post employment notices stating (i) the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified special disabled veterans and veterans of the Vietnam era, and (ii) the rights of applicants and employees.

(2) These notices shall be posted in conspicuous places that are available to employees and applicants for employment. They shall be in a form prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor (Director), and provided by or through the Contracting Officer.

(3) The Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of the Act, and is committed to take affirmative action to employ, and advance in employment, qualified special disabled and Vietnam era veterans.

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

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

12. 52.222-36 - AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)

(Applicable to leases which exceed \$2,500.)

(a) General. (1) Regarding any position for which the employee or applicant for employment is qualified, the Contractor shall not discriminate against any employee or applicant because of physical or mental handlcap. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as-

- (i) Employment; (ii) Upgrading;
- (iii) Demotion or transfer;
- (iv) Recruitment;
- (v) Advertising;
- (vi) Layoff or termination;
- (vii) Rates of pay or other forms of compensation; and
- (viii)Selection for training, including apprenticeship.

(2) The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor (Secretary) issued under the Rehabilitation Act of 1973 (29 USC 793) (the Act), as amended.

(b) Postings. (1) The Contractor agrees to post employment notices stating (i) the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified

handicapped individuals and (i) the rights of applicants and employees. (2) These notices shall be posted in conspicuous places that are available to employees and applicants for employment. They shall be in a form prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor (Director), and provided by or through the Contracting Officer.

(3) The Contractor shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Act and is committed to take affirmative action to employ, and advance in employment, qualified physically and mentally handicapped individuals.

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

(d) Subcontracts. The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of \$2,500 unless exempted by rules, regulations, or orders of the Secretary. The Contractor shall act as specified by the Director to enforce the terms, including action for noncompliance.

INITIALS: Ma il

# 13. 52.222-37 - EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA-(MAR 1987)

(Applicable to leases which exceed \$10,000.)

(a) The Contractor agrees to report at least annually, as required by the Secretary of Labor, on:

(1) The number of special disabled veterans and the number of veterans of the Vietnam era in the workforce of the contractor by job category and hiring location; and

(2) The total number of new employees hired during the period covered by the report, and of that total, the number of special disabled veterans, and the number of veterans of the Vietnam era.

(b) The above items shall be reported by completing the form entitled 'Federal Contractor Veterans' Employment Report VETS-100.\*

(c) Reports shall be submitted no later than March 31 of each year beginning March 31, 1988.

(d) The employment activity report required by paragraph (a)(2) of this clause shall reflect total hires during the most recent 12-month period as of the ending date selected for the employment profile report required by paragraph (a)(1) of this clause. Contractors may select an ending date: (1) As of the end of any pay period during the period January through March 1st of the year the report is due, or (2) as of December 31, if the Contractor has previous written approval from the Equal Employment Opportunity Commission to do so for purposes of submitting the Employer Information Report EEO-1 (Standard Form 100).

(e) The count of veterans reported according to paragraph (a) of this clause shall be based on voluntary disclosure. Each Contractor subject to the reporting requirements at 38 U.S.C. 2012(d) shall invite all special disabled veterans and veterans of the Vietnam era who wish to benefit under the affirmative action program at 38 U.S.C. 2012 to identify themselves to the Contractor. The invitation shall state that the information is voluntarily provided, that the information will be kept confidential, that disclosure or refusal to provide the information will not subject the applicant or employee to any adverse treatment, and that the information will be used only in accordance with the regulations promulgated under 38 U.S.C. 2012.

(f) The Contractor shall include the terms of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary.

14: 52:215-22 - PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (JAN 1991)

(Applies when cost or pricing data is required.)

(a) If any price, including profit or fee, negotiated in connection with this contract, of any cost reimbursable under this contract, was increased by any significant amount because (1) the Contractor or a subcontractor furnished cost or pricing data that were not complete, accurate, and current as certified in its Certificate of Current Cost or Pricing Data, (2) a subcontractor or prospective subcontractor furnished the Contractor cost or pricing data that were not complete, accurate, and current as certified in the Contractor cost or pricing data that were not complete, accurate, and current as certified in the Contractor cost or pricing data that were not complete, accurate, and current as certified in the Contractor's Certificate of Current Cost or Pricing Data, or (3) any of these parties furnished data of any description that were not accurate, the price or cost shall be reduced accordingly and the contract shall be modified to reflect the reduction.

(b) Any reduction in the contract price under paragraph (a) above due to defective data from a prospective subcontractor that was not subsequently awarded the subcontract shall be limited to the amount, plus applicable overhead and profit markup, by which (1) the actual subcontract or (2) the actual cost to the Contractor, if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the Contractor, provided, that the actual subcontract price was not itself affected by defective cost or pricing data,

(c) (1) If the Contracting Officer determines under paragraph (a) of this clause that a price or cost reduction should be made, the Contractor agrees not to raise the following matters as a defense:

(i) The Contractor or subcontractor was a sole source supplier or otherwise was in a superior bargaining position and thus the price of the contract would not have been modified even if accurate, complete, and current cost or pricing data had been submitted.
 (ii) The Contracting Officer should have known that the cost or pricing data in issue were

(ii) The Contracting Officer should have known that the cost or pricing data in issue were detective even though the Contractor or subcontractor took no affirmative action to bring the character of whe data to the attention of the Contracting Officer.

INITIALS: MER a il

(iii) The contract was based on an agreement about the total cost of the contract and there was no agreement about the cost of each item procured under the contract.

(iv) The Contractor or subcontractor did not submit a Certificate of Current Cost or Pricing Data.

(2) (i) Except as prohibited by subdivision (c)(2)(ii) of this clause, an offset in an amount determined appropriate by the Contracting Officer based upon the facts shall be allowed against the amount of a contract price reduction if-

(A) The Contractor certifies to the Contracting Officer that, to the best of the Contractor's knowledge and belief, the Contractor is entitled to the offset in the amount requested; and

(B) The Contractor proves that the cost or pricing data were available before the date of agreement on the price of the contract (or price of the modification) and that the data were not submitted before such date.

(ii) An offset shall not be allowed if-

(A) The understated data was known by the Contractor to be understated when the Certificate of Current Cost or Pricing Data was signed; or

(B) The Government proves that the facts demonstrate that the contract price would not have increased in the amount to be offset even if the available data had been submitted before the date of agreement on price.

(d) If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Contractor shall be liable to and shall pay the United States at the time such overpayment is repaid-

(1) Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to the Contractor to the date the Government's repaid by the Contractor at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under 26 U.S.C. 6821(a)(2); and

(2) For Department of Defense contracts only a penalty equal to the amount of the overpayment, if the Contractor or subcontractor knowingly submitted cost or pricing data which were incomplete, inaccurate, or noncurrent.

15. 52.215-24 - SUBCONTRACTOR COST OR PRICING DATA (APR 1985)

(Applies when the clause 52.215-22, above, is applicable.)

(a) Before awarding any subcontract expected to exceed \$100,000 when entered into, or before pricing any subcontract modification involving a pricing adjustment expected to exceed \$100,000, the Contractor shall require the subcontractor to submit cost or pricing data (actually or by specific identification in writing), unless the price is—

(1) Based on adequate price competition;

(2) Based on established catalog or market prices of commercial items sold in substantial quantities to the general public; or

(3) Set by law of regulation.

(b) The Contractor shall require the subcontractor to certify in substantially the form prescribed in subsection 15.8044 of the Federal Acquisition Regulation (FAR) that, to the best of its knowledge and belief, the data submitted under paragraph (a) above were accurate, complete, and current as of the data of agreement on the negotiated price of the subcontract or subcontract modification.

(c) In each subcontract that exceeds \$100,000 when entered into, the Contractor shall insert either-

(1) The substance of this clause, including this paragraph (c), if paragraph (a) above requires submission of cost or pricing data for the subcontract; or

(2) The substance of the clause at FAR 52.215-25, Subcontractor Cost or Pricing Data-

Ma il

#### 16. 552.232-71 - PROMPT PAYMENT (APR 1989)

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

#### (a) Payment due date.

(1) Rental payments. Rent shall be paid monthly in arrears and will be due on the first workday of each month, and only as provided for by the lease.

(i) When the date for commencement of rent falls on the 15th day of the month or earlier, the initial monthly rental payment under this contract shall become due on the first workday of the month following the month in which the commencement of the rent is effective.

(ii) When the date for commencement of rent falls after the 15th day of the month, the initial monthly rental payment under this contract shall become due on the first workday of the second month following the month in which the commencement of the rent is effective.

(2) Other payments. The due date for making payments other than rent shall be the later of the following two events:

(i) The 30th day after the designated billing office has received a proper invoice from the Contractor.

(ii) The 30th day after Government acceptance of the work or service. However, if the designated billing office fails to annotate the invoice with the actual date of receipt, the invoice payment due date shall be deemed to be the 30th day after the Contractor's invoice is dated, provided a proper invoice is received and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

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

(1) The Contractor shall prepare and submit an invoice to the designated billing office after completion of the work. A proper invoice shall include the following items:

Name and address of the Contractor.

- (ii) Invoice date.
- (iii) Lease number.
- (iv) Government's order number or other authorization.

 (v) Description, price, and quantity of work or services delivered.
 (vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the remittance address in the lease or the order.)

(vii) Name (where practicable), title, phone number, and mailing address of person to be notified in the event of a defective invoice.

(2) The Government will inspect and determine the acceptability of the work performed or services delivered within 7 days after the receipt of a proper invoice or notification of completion of the work or services unless a different period is specified at the time the order is placed. If actual acceptance occurs later, for the purpose of determining the payment due date and calculation of interest, acceptance will be deemed to occur on the last day of the 7-day inspection period. If the work or service is rejected for failure to conform to the technical requirements of the contract, the 7 days will be counted beginning with receipt of a new invoice or notification. In either case, the Contractor is not entitled to any payment or interest unless actual acceptance by the Government occurs.

(c) Interest Penalty.

(1) An interest penalty shall be paid automatically by the Government, without request from the Contractor, if payment is not made by the due date.

(2) The interest penalty shall be at the rate established by the Secretary of the Treasury under Section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) that is in effect on the day after the due date. This rate is referred to as the 'Renegotiation Board Interest Rate,' and it is published in the Federal Register semiannually on or about January 1 and July 1. The interest penalty shall accrue daily on the payment amount approved by the Government and be compounded in 30-day increments inclusive from the first day after the due date through the payment date.

(3) Interest penalties will not continue to accrue after the filing of a claim for such penalties under the clause at 52.233-1, Disputes, or for more than 1 year. Interest penalties of less than \$1.00 need not be paid.

(4) Interest penalties are not required on payment delays due to disagreement between the Government and Contractor over the payment amount or other issues involving contract compliance or on amounts temporarily withheld or retained in accordance with the terms of the contract. Claims involving disputes, and any interest that may be payable, will be resolved in accordance with the clause at 52.233-1, Disputes.

INITIALS: THE & Gøyernment

#### 17.52.233-1 - DISPUTES (DEC 1991)

(a) This contract is subject to the Contract Disputes Act of 1978, as amended (41 USC 601–613).

-----

(b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved under this clause.

(c) "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to this contract. A claim arising under a contract, unlike a claim relating to that contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. However, a written demand or written assertion by the Contractor seeking the payment of money exceeding \$50,000 is not a claim under the Act until certified as required by subparagraph (d)(2) below. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(d) (1) A claim by the Contractor shall be made in writing and submitted to the Contracting Officer for a written decision. A claim by the Government against the Contractor shall be subject to a written decision by the Contracting Officer.

(2) For Contractor claims exceeding \$50,000, the Contractor shall submit with the claim a certification that-

(i) The claim is made in good faith;
 (ii) Supporting data are accurate and complete to the best of the Contractor's knowledge and

belief; and

(iii) The amount requested accurately reflects the contract adjustment for which the Contractor believes the Government is liable.

- (3) (1) If the Contractor is an individual, the certification shall be executed by that individual.
  - (ii) If the Contractor is not an individual, the certification shall be executed by-
  - (A) A senior company official in charge at the Contractor's plant or location involved; or
    - (B) An officer or general partner of the Contractor having overall responsibility for the conduct of the Contractor's affairs.

(e) For Contractor claims of \$50,000 or less, the Contracting Officer must, if requested in writing by the Contractor, render a decision within 60 days of the request. For Contractor certified claims over \$50,000, the Contracting Officer must, within 60 days, decide the claim or notify the Contractor of the date by which the decision will be made.

(f) The Contracting Officer's decision shall be final unless the Contractor appeals or files a suit as provided in the Act.

(g) At the time a claim by the Contractor is submitted to the Contracting Officer or a claim by the Government is presented to the Contractor, the parties, by mutual consent, may agree to use alternative means of dispute resolution. When using alternate dispute resolution procedures, any claim, regardless of amount, shall be accompanied by the certification described in paragraph (d)(2) of this clause, and executed in accordance with paragraph (d)(3) of this clause.

(h) The Government shall pay interest on the amount found due and unpaid from (1) the date the Contracting Officer receives the claim (properly certified if required), or (2) the date payment otherwise would be due, if that date is later, until the date of payment. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury as provided in the Act, which is applicable to the period which the Contracting Officer receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

(i) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the Contracting Officer.

INITIALS: MIG & AL

GSA FORM 3517 PAGE 14

#### 18. 52.222-26 - EQUAL OPPORTUNITY (APR 1984)

(Applicable to leases which exceed \$10,000.)

(a) If, during any 12-month period (including the 12 months preceding the award of this contract), the Contractor has been or is awarded nonexempt Federal contracts and/or subcontracts that have an aggregate value in excess of \$10,000, the Contractor shall comply with subparagraphs (b)(1) through (11) below. Upon request, the Contractor shall provide information necessary to determine the applicability of this clause.

(b) During performing this contract, the Contractor agrees as follows:

(1) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.

(2) The Contractor shall take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. This shall include, but not be limited to, (i) employment, (ii) upgrading, (iii) demotion, (iv) transfer, (v) recruitment or recruitment advertising, (vi) layoff or termination, (vii) rates of pay or other forms of compensation, and (viii) selection for training, including apprenticeship.

(3) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.

(4) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

without regard to race, color, religion, sex, or national origin. (5) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.

(6) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.

(7) The Contractor shall furnish to the contracting agency all information required by Executive Order 11246, as amended, and by the rules, regulations, and orders of the Secretary of Labor. Standard Form 100 (EEO–1), or any successor form, is the prescribed form to be filed within 30 days following the award, unless filed within 12 months preceding the date of award.

(8) The Contractor shall permit access to its books, records, and accounts by the contracting agency or the Office of Federal Contract Compliance Programs (OFCCP) for the purpose of investigation to ascertain the Contractor's compliance with the applicable rules, regulations, and orders.

(9) If the OFCCP determines that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts, under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law. (10)The Contractor shall include the terms and conditions of subparagraph (b)(1) through (11) of

(10) The Contractor shall include the terms and conditions of subparagraph (b)(1) through (11) of this clause in every subcontract or purchase order that is not exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor.

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

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

INITIALS: MAGA &\_

Attachment to GSA Form 3517, General Clauses

(This provision applies to leases with a contract value exceeding \$25,000 over the term, including options.)

### 19.552.203-71 Prohibited Conduct.

As prescribed in 503.104-10(a), insert the following provision:

PROHIBITED CONDUCT (SEP 1990)

(a) <u>Prohibited conduct</u>. The Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423), provides that during the conduct of any Federal agency procurement of property or services, no competing contractor or officer, employee, representative, agent, or consultant of any competing contractor shall knowingly --

 (1) Make, directly or indirectly, any offer or promise of future employment or business opportunity with, any procurement official of the agency, except as provided in FAR 3.104-6(b);

(2) Offer, give, or promise to offer or give, directly or indirectly, any money, gratuity, or other thing of value to any procurement official of the agency; or

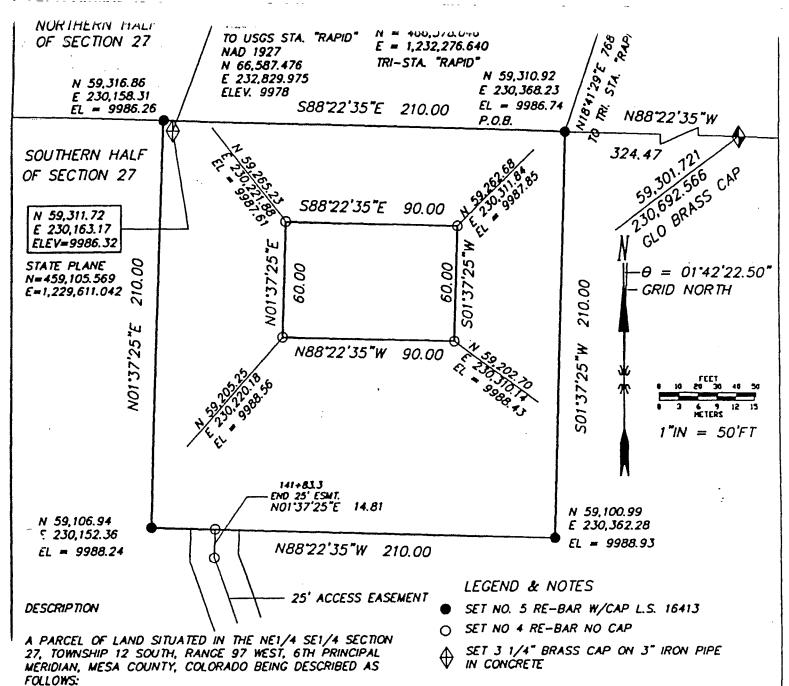
(3) Solicit or obtain, directly or indirectly, from any officer or employee of the agency, prior to the award of a contract any proprietary or source selection information regarding the procurement.

(b) <u>Penalties</u>. Civil penalties for violation of these prohibitions are up to \$100,000 for an individual or \$1,000,000 for an offeror or prospective offeror other than an individual. Criminal penalties are up to 5 years imprisonment and/or a fine in accordance with Title 18, United States Code.

(End of Provision)

Initials

Page 16



BEGINNING AT A POINT BEING 324.47 FEET N88'22'35"WBEARINGFROM THE E1/4 CORNER OF SEC. 27, T12S, R97W, 6TH P.M.N48'39'SAID POINT ALSO BEING 7681.70 FEET S18'41'29"W OF THESATIONSTRIANGULATION STATION "RAPID" HAVING GRID COORIDNATESOF N=466,587.476, E=1,232.829.975 OF THE CENTRAL ZONE OFCOORDINTHE COLORADO STATE PLANE COORDINATE SYSTEM ANDSTATE I

BEARINGS BASED ON GRID BEARINGS OF N48'39'11"E BETWEEN USGS TRIANGULATION SATIONS "RAPID" AND "GRAND"

COORDINATES ARE BASED ON MODIFIED COLORADO STATE PLANE COORDINATES HAVING A COMBINED SCALE EACTOR OF 999551175

#### DESCRIPTIONS

### INGRESS AND EGRESS EASEMENT

A strip of land for ingress and egress being described as follows:

Beginning at a point on the centerline of the existing Lands End Road being 3388.94 feet S44'51'02"W of the SE corner of Section 35, Township 11 South, Range 97 West of the 6th Principal Meridian having a grid coordinate of N=448,821.512 E=1,233,326.117 in the Central Zone of the Colorado State Pla Coordinate System, and considering the bearing between USGS STA. "Rapid" NAD 1927 with a grid coordinate of N=466,587.476 E=1,232,829.975 in the Cen Zone of the Colorado State Plane Coordinate System, and USGS STA. "Grand" N 1927 with a grid coordinate of N=454,515.439 E=1,219,111.318 in the Central Zone of the Colorado State Plane Coordinate System to bear S48'39'11"W and bearings contained herein to be relative thereto; thence along the centerline of a 25' wide easement the following (29) twentynine courses and distances:

twentynine courses and distances.
1. N24°05'36"E 487.26 FEET 2. N20°13'27"E 323.38 FEET
3. N12°13'58"E 627.82 FEET 4. N01°33'40"E 800.64 FEET
5. N04'08'30"W 297.95 FEET to the intersection with the North line c
Section 2 T12S, R97W, 6th P.M. also being the South line of Section 35 T11S
R97W, 6th P.M. being the boundary between the Grand Mesa National Forest an
the City of Grand Junction properties, also being 1946.89 feet N88°19'46"W
the SE corner of Section 35 T11S, R97W, 6th P.M.;
6. N04°08'30"W 251.50 FEET 7. N10°22'49"W 663.23 FEET
8. N16°34'27"E 267.54 FEET 9. N45°18'15"E 168.06 FEET
10. N10'12'21"E 1222.00 FEET 11. N26'00'47"E 246.51 FEET
12. N29°01'45"E 566.33 FEET 13. N15°30'16"E 206.85 FEET
14. N38'34'36"E 176.76 FEET 15. N55'04'50"E 457.75 FEET
16. N58'50'37"E 423.38 FEET 17. N20'51'10"W 235.11 FEET
18. N67'13'41"W 249.77 FEET 19. N45'25'41"W 219.04 FEET
20. N27°33'07"W 427.54 FEET
21. N41'46'01"W 544.37 FEET to the intersection with the North line
Section 35, TllS, R97W, 6th P.M. and being 1572.10 N88'19'14"W of the NE
corner of Section 35;
22. N47°14'16"W 431.49 FEET 23. N26°45'36"W 456.84 FEET
24. S87°09'48"W 475.24 FEET 25. S81°44'16"W 546.55 FEET
26. N82°04'30"W 413.09 FEET 27. N57°11'37"W 2314.00 FEET
28. N19°34'25"W 668.53 FEET 29. N01°37'25"E 14.81 FEET to the
of the 25' wide Ingress and Egress easement, the side lines of the easement
be extended or trimmed to meet the boundaries of adjoining parcels.
be extended of trimmed to meet the boundaries of adjoining parcers.

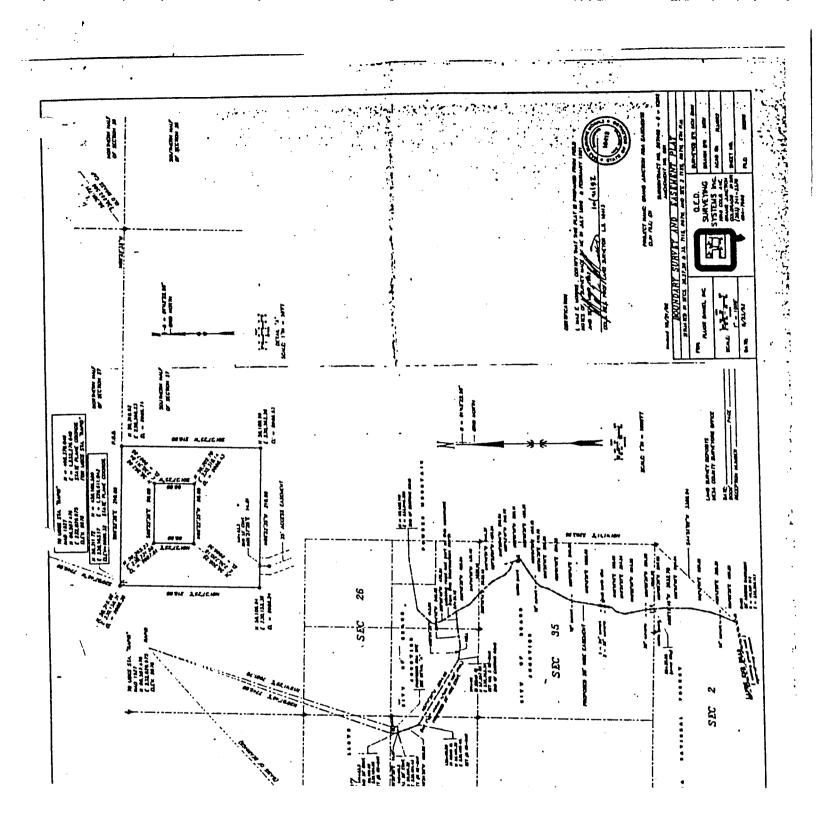


Exhibit A

#### LEGAL DESCRIPTION RIDER

PARCEL 1:

: ...

Lots 42, 43, 44 and 45 in Whitewater, according to the recorded plat thereof EXCEPT that part conveyed to Department of Highways, State of Colorado in Book 773 at Page 274.

TOWNSHIP 1 SOUTH, RANGE 2 EAST OF THE UTE MERIDIAN

Beginning at the Southwest corner of the Et SEt SWt, Section 9: thence North 0°29' West 3.14 chains, thence North 76°53' East 3.35 chains, thence North 04\*17' East 2.85 chains, thence North 0°34' East 1.60 chains, thence North 42°04' East 2.24 chains, thence North 80°46' East 2.43 chains, thence North 14°43' West 2.06 chains, thence North 72°12' West 3.43 chains, thence North 42\*04' West 2.34 chains, thence North 0°15' East 4.32 chains, thence North 85\*36' West 2.09 chains, thence South 80\*29' East to the Northeast corner of said SEY SWY. thence South to the Southeast corner of said SE4 SW4, thence West to Beginning. Section 10: SEY NEY. Section 17: That part of the NW4 NE4 lying South\_of the\_Orchard Mesa Canal No. 2, EXCEPT the East 330 feet thereof. Section 20: NWY SEY SWY. Section 28: SEY SWY SWY.

TOWNSHIP 2 SOUTH, RANGE 2 EAST OF THE UTE MERIDIAN

Section 10: SH SEH. Section 11: SH SEH, SH SWH.

PARCEL 2:

TOWNSHIP 2 SOUTH, RANGE 1 EAST OF THE UTE MERIDIAN

Section 1: NW4 SW4, Section 12: SW4 NE4,

CONTINUED ON NEXT PAGE

## TOWNSHIP 1 SOUTH, RANGE 2 EAST OF THE UTE MERIDIAN

• -{

-----

2

5. 14 - N

×		
Section	11:	The Ny SEY and NEY SWY.
Section		The NW4 SW4.
Section		The NW4 NE4 and NW4
Decention	201	EXCEPT Beginning at the Southeast corner of the Ny NEW
		NEY NWY of said Section 13,
		thence South 577 feet,
		thence North 88° West 529 feet,
		thence North 40° West 585 feet,
		thence North 19° West 131 feet,
		thence North 72° East 300 feet,
		thence South 105 feet to the Southwest corner of said
		NY NEY NEY NWY,
		thence East 660 feet to Beginning.
Section	20:	The Sh
		EXCEPT the SW4 SW4,
		AND EXCEPT the NW4 SE4 SW4.
Section	21:	The ES SWA, SEA NWA and NA NWA.
Section	22:	The SY NEY, SEY, NY SEY SWY, SEY SEY SWY and
		By SWY SEY SWY.
Section	23:	The ES SW4, NW4 SW4, E3/4 SW4 NW4 and W4 SE4.
Section	26:	The NY SWY, SWY SWY and SY NWY.
Section		ALL
		EXCEPT the NEW NEW,
		AND EXCEPT the SW4 SE4 and S4 SW4.
Section	28:	The NEY NEY, SY NEY, EY NWY NEY, SWY NWY, WY NEY NWY
		and the Sh,
		EXCEPT the SE4 SW4 SW4.
-Section -	797-	The SEA NEA.
Section		The N' NEt.
Section		ALL,
Dection	34.	EXCEPT the NEW SWY NEW, SWY and WY NWY.
Section	25.	The St NEt, Nt SEt, SEt SEt, NEt SW4, SEt NW4 and
Section	22:	$\begin{array}{c} \text{Ine 37 net, ng 5eq, 3eq 5eq, net 5ml, 5eq nml and \\ \text{Wg NN4.} \end{array}$
Section	26.	• •
Section	30:	The SWA NWA and the SWA.
TOWNSHIP		TE, RANGE 2 EAST OF THE UTE MERIDIAN
TOHIOHIT	- 3002	IN MIGE Z ENDI OF THE OIL FUNCTION
Section	1:	The SW4 NE4, S4, NW4 NW4 and S4 NW4.
Section		The NET SET and St SET.
Section		The St SW4 NW4, S3/4 Et NW4 and NW4 NE4 NW4.
Section	-	
pection	o :	The NW4 SE4 and SW4 NE4.

CONTINUED ON NEXT PAGE

Section 9: The NE4 SE4. The S4 NE4, NE4 SE4, N4 SW4 and SE4 NW4. Section 10: The NEY, NY SEY, NY SWY and SY NWY. Section 11: Section 12: The Ny. Section 17: The Wy NEY and NY NWY. TOWNSHIP 11 SOUTH, RANGE 97 WEST OF THE SIXTH PRINCIPAL MERIDIAN The Sh SEh, SEh SWh and Lot 4. Section 19: Section 20: The Sh SWh. Section 25: The Sk. EXCEPT the SH SEW and H of the SEW SWW lying North and East of a diagonal line running from the Northwest corner to the Southeast corner of said SE4 SW4. The SEY SEY, WY SEY and SWY. Section 26: Section 27: The Why and SEN. Section 28: The Sh. Section 29: The NY NEY, SEY SEY and WY. Section 30: The E3/4. The NEY and EY SEY. Section 31: Section 32: The Et NEt, W5 SEt and W5. Section 33: The N4, NE4 SW4 and SE4. Section 34: ALL. ALL. Section 35:

#### TOWNSHIP 12 SOUTH, RANGE 98 WEST OF THE SIXTH PRINCIPAL MERIDIAN

Section 14: Lots 2 and 3. ALL IN MESA COUNTY, COLORADO.

#### PARCEL 3:

Right to reasonable ingress and egress across all of Section 36, EXCEPT Ny NEW NEW in Township 11 South, Range 97 West of the 6th P.M. to other property owned by Midwest Resources, Inc. and to reasonable access to the reserved water rights as reserved in Quit Claim Deed recorded July 23, 1984 in Book 1502 at Page 995.

## **RESOLUTION NO.** <u>43-93</u>

## AUTHORIZING A 50-YEAR LEASE OF CITY PROPERTY TO THE UNITED STATES OF AMERICA FOR THE INSTALLATION OF A NATIONAL WEATHER SERVICE NEXRAD RADAR SITE

WHEREAS, the City of Grand Junction is the owner of a certain tract of land commonly known as the "Somerville Ranch" in the County of Mesa, State of Colorado, in an area known as the Grand Mesa; and

WHEREAS, the United States of America is desirous of securing a 50-year ground lease for the premises described on the attached Exhibit No. 1 for the installation of a National Weather Service Radar Site, together with the right to ingress and egress as shown on the attached Exhibits No. 2 and No. 3, all within ground owned by the City and being a part of the Somerville Ranch Property; and

WHEREAS, The City Council of the City of Grand Junction has determined that such action would be beneficial to health, safety and welfare of the inhabitants of the City of Grand Junction and the County of Mesa.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

That the City Manager is hereby authorized, on behalf of the City and as the act of the City, to execute and enter into the attached Lease Agreement with the United States of America allowing the use, operation, maintenance, improvement and repair of the real property therein described and for the purposes therein described.

PASSED and ADOPTED this 7th day of July, 1993.

President of the Council

Attest:

Stephane City Cler