



Transportation
Security
Administration

October 18, 2024

Hampton Dellinger
Special Counsel
Office of Special Counsel

RE: OSC File No. DI-23-001125

Dear Mr. Dellinger:

The attached report is in response to the October 19, 2023 referral of the above-captioned matter to the Secretary of the Department of Homeland Security regarding a disclosure received by your office. The Secretary's authority to approve this report has been delegated to the TSA Administrator.¹ The Secretary may delegate his "functions to any officer, employee, or organizational unit of the Department" unless delegation is specifically restricted by law.² The statutory authority for the Secretary's function of approving and signing reports of investigation to respond to referrals by OSC does not restrict the Secretary's authority to delegate that function.³ I am the designated official authorized to oversee the investigation, take any appropriate action determined to be necessary in accordance with the statute, and sign and transmit the resulting investigation report.⁴ The Department's findings are included in the attached Report of Investigation.

OSC characterized retired TSA Assistant Federal Security Director – Inspections, [REDACTED], disclosure as alleging that TSA George Bush Intercontinental Airport (IAH)

¹ See DHS Delegation No. 00002, DHS Delegation No. 00013, and TSA Management Directive No. 100.0.

² 6 U.S.C. § 112(b). "When a statute delegates authority to a federal officer or agency, subdelegation to a subordinate federal officer or agency is presumptively permissible absent affirmative evidence of a contrary congressional intent." *U.S. Telecom Ass'n v. FCC*, 359 F.3d 554, 565 (D.C. Cir. 2004).

³ See 5 U.S.C. § 1213(d).

⁴ See TSA Management Directive No. 100.0 which states "The Deputy Administrator reports directly to the Administrator and is authorized, in his/her own capacity and under his/her own title, to act for the Administrator and to perform any functions the Administrator is authorized to perform, including through delegation by the Administrator or a Management Directive."

employees have violated the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101⁵ and 48 C.F.R. § 3.101-2⁶. The allegations to be investigated were:

- TSA IAH leadership improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the airport operator, the Houston Airport System (HAS), a department of the city of Houston, Texas;
- This solicitation and acceptance violates the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2 because HAS is regulated by TSA under 49 C.F.R. § 1542; and
- Any additional, related allegations of wrongdoing discovered during the investigation of the foregoing allegations.

In response to OSC's request, TSA Investigations (INV) investigated the allegations raised by [REDACTED]. Regarding the first allegation, the investigation determined that while IAH airport leadership solicited and accepted no-cost parking from the HAS, this was done consistent with statutory authority granted to TSA. Regarding the second allegation, the investigation determined there was no violation of the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 or the Federal Acquisition Regulation (FAR) at 48 C.F.R. § 3.101-2.

Several TSA IAH employees in management and administrative positions work at an off-site office location, which is driving distance to the IAH airport. Because these employees' offices were not co-located with IAH, they required a place to park at the airport to attend meetings, deliver supplies to TSA employees at the security checkpoints, conduct airport inspections, and to perform other essential work duties relating to aviation security. When performing official duties at IAH airport, these employees used to park for no cost at what was referred to as the "limo lot," which underwent construction beginning in approximately early 2023 and became unavailable for off-site TSA employees. Following the start of this construction, IAH leadership negotiated with the HAS for free, on-site airport parking⁷ for these off-site TSA employees.

TSA has specific statutory authority to engage in a negotiation between the agency and airport sponsors to achieve agreement on "below-market" rates for items, including space, pursuant to Section 511 of the Department of Homeland Security Appropriations Act of 2005 (Pub. Law 108-334, 118 Stat. 1298 [Oct. 18, 2004]), which states:

⁵ 5 C.F.R. § 2635.101 contains the general principles of ethical conduct that all federal employees are expected to adhere to. These principles include, among other things, that federal employees are prohibited from soliciting or accepting anything of monetary value from a person or entity who conduct activities that are regulated by the employee's agency.

⁶ 48 C.F.R. § 3.101-2 provides that "[a]s a rule, no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee's agency, (b) conducts activities that are regulated by the employee's agency, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties. Certain limited exceptions are authorized in agency regulations."

⁷ Due to TSA's limited availability of government owned vehicles (GOVs) at IAH, these employees used both their privately owned vehicles and GOVs when transiting from their off-site offices to IAH for the purpose of performing official government business.

SEC. 511. For fiscal year 2005 and thereafter, none of the funds appropriated or otherwise made available by this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Transportation Security Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to aviation security: *Provided*, That the prohibition of funds in this section does not apply to— (1) negotiations between the agency and airport sponsors to achieve agreement on “below-market” rates for these items, or (2) space for necessary security checkpoints.

Although there is no requirement for airports to provide certain services such as expenses or space without cost to TSA, Section 511 of the Department of Homeland Security Appropriations Act of 2005 specifically allows TSA to negotiate below-market rates for these items. Congress imposed no limitation on what those below-market rates could be. Accordingly, TSA may, as was done in this case, negotiate for, and accept, no-cost parking.

The Office of Government Ethics’ regulation, 5 C.F.R. § 2635.101, provides the basic obligations of public service. Specifically, the regulation sets out 14 general principles that form the Standards of Ethical Conduct for Government Employees. We have reviewed each Standard and have found that the no-cost parking solicitation and acceptance does not violate the Standards of Ethical Conduct, specifically General Principle 4 which states:

(4) An employee shall not, except as permitted by subpart B of this part, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee’s agency, or whose interests may be substantially affected by the performance or nonperformance of the employee’s duties.

The solicitation and acceptance in this case does not violate Principle 4 because it is specifically excluded from being deemed a gift under 5 C.F.R. § 2635.203(b)(9)⁸, as the no-cost parking was “accepted by the Government under specific statutory authority,” namely Section 511 of the Department of Homeland Security Appropriations Act of 2005.

The purpose of Section 3.101 of the Federal Acquisition Regulation (FAR) is to avoid any conflicts of interest between the Government and its contractors. These rules ensure the integrity of the government procurement process by preventing government personnel from benefiting personally because of their official position. Additionally, the FAR prohibits solicitation of gratuities from an entity regulated by the employee’s agency.

Specifically, rules governing solicitation and acceptance of gratuities by Government personnel are found in 48 C.F.R. § 3.101-2, which reads as follows:

⁸ Gift includes any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of training, transportation, local travel, lodgings, and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred. The term excludes the following: Any gift accepted by the Government under specific statutory authority... 5 C.F.R. § 2635.203 (b) and (b)(9).

As a rule, no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee's agency, (b) conducts activities that are regulated by the employee's agency, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties. Certain limited exceptions are authorized in agency regulations.

Neither subsection (a) or (c) are applicable given the facts alleged in the disclosure because (1) the HAS is not seeking to obtain government business with the employee's agency, and (2) the HAS was not seeking to affect the performance of TSA employees. Subsection (b) regarding regulated entities is relevant as it captures the relationship between TSA and IAH with respect to the alleged facts.

Given the plain wording of Section 3.101-2(b), TSA would normally be prohibited from requesting free parking from IAH as that would constitute a solicitation of an item of monetary value from an entity (IAH) that conducts activities regulated by TSA. However, as noted above, Section 511 of the Department of Homeland Security Appropriations Act of 2005 specifically allows TSA to negotiate for below-market rates for construction, maintenance, utilities and expenses. With no definition of "expenses" found in the above referenced statute, TSA has reasonably interpreted items like parking fees to be included in that definition. It is a well-established principle that when there is a conflict between a regulation and a statute, the statutory provision governs.⁹ Section 511 allowed TSA employees to engage in the negotiation of parking fees, including and up to free parking and therefore, even if this were an acquisition, TSA did not violate the solicitation and acceptance prohibitions found in 48 C.F.R. § 3.101-2.

Based on the above analysis, the solicitation and acceptance of no-cost parking did not violate any law, rule, or regulation, nor was it an abuse of authority, as TSA has specific statutory authority to engage in a negotiation between the agency and airport sponsors to achieve agreement on below-market rates for items, including expenses and space.

As a result of the investigation, TSA plans to review its Delegation of Authorities to Federal Security Directors to ensure it is clear on properly obtaining "below-market" rates consistent with Section 511 of the Department of Homeland Security Appropriations Act of 2005. TSA also plans to draft and distribute a related guidance document to airport leadership.

Please note that this report contains Sensitive Security Information (SSI) that is controlled under 49 C.F.R. Parts 15 and 1520, must be handled and protected accordingly, and cannot be publicly released. TSA's SSI office will conduct a review and redaction of the report for public release which will be forwarded to you as soon as possible. Per the request of OSC, all employees are referenced by position title in the ROI.

⁹ See U.S. Const. art. VI, § 2

If you require further information regarding these matters, please do not hesitate to contact [REDACTED]
[REDACTED] Attorney Advisor, in Chief Counsel's Office at 571-279-1038.

Sincerely,

Holly Canevari

Holly Canevari
Deputy Administrator

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cc:

[REDACTED]
Executive Assistant Administrator
Security Operations

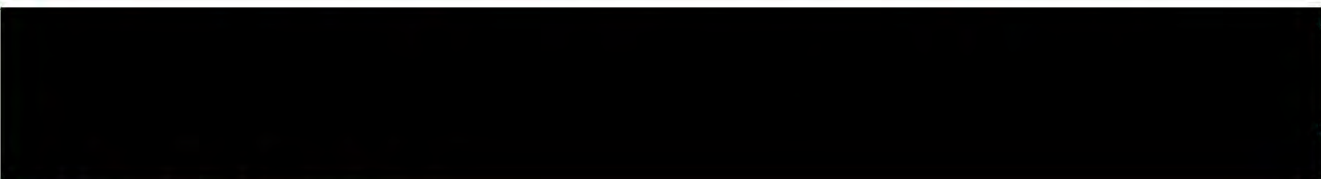
[REDACTED]
Executive Assistant Administrator
Enterprise Support



Transportation
Security
Administration

PRIVACY ACT COVER SHEET

WARNING: These documents contain information subject to the Privacy Act of 1974, 5 U.S.C. 552a, as amended. Please ensure appropriate measures are taken to safeguard these records.





**U.S. DEPARTMENT OF HOMELAND SECURITY
TRANSPORTATION SECURITY ADMINISTRATION
TSA INVESTIGATIONS**

REPORT OF INVESTIGATION

CASE NUMBER: I23-01253

TITLE: U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

CROSS REFERENCED CASES: F23-00979

SUBJECT(S):

Name: TSA IAH/HOU Leadership

Duty title: N/A

Pay band: N/A

Duty location: N/A

EOD: N/A

Administrative Status: N/A

ALLEGATION: 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2 – TSA George Bush Intercontinental Airport (IAH) leadership improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the airport operator, the Houston Airport System, a department of the city of Houston, Texas.

PERIOD OF INVESTIGATION: December 14, 2023, to October 11, 2024

CASE STATUS: Closed

INVESTIGATED BY: Special Agents [REDACTED] and Federal Air Marshal (FAM) [REDACTED]

REPORT BY: Special Agent [REDACTED]

[REDACTED]

[REDACTED]

Acting Special Agent in Charge
Dallas Field Office

Date

[REDACTED]



REPORT DISTRIBUTION

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- ☐ Executive Assistant Administrator, Security Operations
- ☐ Executive Assistant Administrator, Operations Support
- ☐ Executive Assistant Administrator, Enterprise Support
- ☐ Federal Security Director – _____
- ☐ Personnel Security Division
- ☐ Anti-Harassment Program
- ☐ Other _____
- ☒ File

Report of Investigation (ROI) Handling: The ROI and information contained herein are subject to the Privacy Act of 1974 (5 U.S.C. 552A, Public Law 93-579) and thus may not be released outside official channels. This material must be safeguarded from unauthorized disclosure, and should not be left unattended or discussed with unauthorized persons, and must be retained in a security container when not in use.

Origin:

On December 6, 2023, Transportation Security Administration (TSA) Investigations (INV) received a referral from TSA's Chief Counsel's Office indicating that the Department of Homeland Security's (DHS) Office of Inspector General (OIG) declined to investigate the Whistleblower Disclosure, Office of Special Counsel (OSC) File No. DI-23-001125, and referred it to TSA INV to investigate.

Retired TSA Assistant Federal Security Director – Inspections (AFSD-I) and former Houston Airport System (HAS) employee, [REDACTED], disclosed an allegation that TSA officials at George Bush Intercontinental Airport (IAH) in Houston, Texas, improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the airport operator, HAS, a department of the city of Houston, Texas. **(Exhibit 1)**

Summary of the information with respect to which the investigation was initiated:

On December 6, 2023, TSA INV was notified by TSA's Chief Counsel's Office of a whistleblower disclosure (OSC File No. DI-23-001125) alleging that TSA officials at IAH engaged in conduct that may constitute a violation of law, rule, or regulation and an abuse of authority by soliciting and accepting free parking at IAH from HAS. The disclosure was made by former HAS employee and retired AFSD-I, [REDACTED]. **(Exhibit 1)**

TSA's Chief Counsel's Office provided the following information to TSA INV: The whistleblower disclosed that TSA IAH employees have violated the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101¹ and 48 C.F.R. § 3.101-2². The allegations to be investigated were:

1. TSA IAH leadership improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the airport operator, the HAS, a department of the city of Houston, Texas;
2. This solicitation and acceptance violates the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2 because HAS is regulated by TSA under 49 C.F.R. § 1542; and
3. Any additional, related allegations of wrongdoing discovered during the investigation of the foregoing allegations.

¹ 5 C.F.R. § 2635.101 contains the general principles of ethical conduct that all federal employees are expected to adhere to. These principles include, among other things, that federal employees are prohibited from soliciting or accepting anything of monetary value from a person or entity who conduct activities that are regulated by the employee's agency.

² 48 C.F.R. § 3.101-2 provides that "[a]s a rule, no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee's agency, (b) conducts activities that are regulated by the employee's agency, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties. Certain limited exceptions are authorized in agency regulations."

[REDACTED]

Description of the conduct of the investigation:

INV interviewed the whistleblower, former HAS employee and retired TSA AFSD-I, [REDACTED], IAH Federal Security Director (FSD1), William P. Hobby International Airport (HOU) FSD (FSD2)³, IAH Deputy Federal Security Director (DFSD1), IAH AFSD-I (AFSD-I1), and IAH Stakeholder Manager (SHM1). Federal Air Marshal Service (FAMS) airport liaison (FAM1), TSA Senior Counsel (SC1), and TSA Attorney-Advisor (AA1) were also consulted. (Exhibits 2, 4, 5, 6, 7, 8, 9, 12)

INV also obtained and reviewed General Services Administration (GSA) leases for real property used by TSA at IAH and HOU, emails of TSA IAH leadership, and emails of the FSD of HOU. (Exhibits 3, 10, 11)

Summary of evidence obtained from the investigation:

The investigation revealed that TSA IAH leadership made requests for, and accepted, no-cost parking for official and personal vehicles at IAH for official government use. However, according to the subject matter experts from TSA Chief Counsel's Office, notwithstanding 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2, Section 511 of the DHS Appropriations Act of 2005 (Pub. Law 108-334, 118 Stat. 1298 [Oct. 18, 2004]) allows TSA to request and receive no-cost parking for official government purposes.

Listing of any violation or apparent violation of any law, rule or regulation:

INV found no violation or apparent violation of any law, rule, or regulation.

A description of an action taken or planned as a result of the investigation:

As a result of the investigation, TSA plans to review its Delegation of Authorities to Federal Security Directors to ensure it is clear on properly obtaining "below-market" rates consistent with Section 511 of the Department of Homeland Security Appropriations Act of 2005. TSA also plans to draft and distribute a related guidance document to airport leadership.

Allegation #1:

TSA IAH leadership improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the airport operator, the HAS, a department of the city of Houston, Texas.

Finding #1:

While the information obtained through this investigation determined that TSA IAH leadership solicited and accepted no-cost parking, it does not demonstrate that the solicitation and acceptance was improper.

The whistleblower alleged that in January 2022, DFSD1 and AFSD-I1 requested that HAS officials provide no-cost parking at IAH for official TSA vehicles, their personal vehicles, and the personal

³ During the March 26, 2024 interview with INV, FSD2 stated that he has no present knowledge of where TSA employees assigned to IAH are allowed to park. (Exhibit 6)

vehicles of FSD1 and SHM1⁴. The whistleblower further disclosed that as of March 2023, TSA IAH leadership received and were using twenty (20) parking tags from HAS at no cost. **(Exhibits 1 and 2)**

On March 4, 2024, Special Agent [REDACTED] requested that TSA INV's Investigative Analysis Unit review the emails of TSA IAH and HOU leadership for any indicators supporting the allegation that TSA officials at IAH engaged in activity relating to the solicitation and acceptance of free parking that may constitute a violation of law, rule, or regulation or an abuse of authority. A review of these emails revealed that TSA IAH leadership solicited and accepted no-cost parking at IAH for both official and personal vehicles from the HAS. **(Exhibit 3)**

TSA officials from IAH, and the FSD of HOU, were interviewed and asked to provide verbal and written documentation regarding the whistleblower's disclosure. **(Exhibits 4, 5, 6, 7, 8, 9)**

On March 26, 2024, INV interviewed DFSD1 regarding the allegations. During the interview, DFSD1 stated that an arrangement for TSA employees working at the off-site TSA office space to park in what is known as the IAH "limo lot" was in place when he arrived at IAH in 2014. He stated the issue of where off-site TSA employees (e.g., inspectors, K-9 officers) could park became an issue when the limo lot was no longer available for TSA and various vendors, air carriers, etc. to park due to ongoing construction at IAH. DFSD1 provided a March 27, 2023, email that he sent to the Chief Operating Officer (COO) of the HAS regarding parking. In the email, DFSD1 stated that TSA inspectors and the K-9 group require access to the airport to perform their official duties, and that the TSA warehouse group must make deliveries to ensure TSA checkpoints and baggage have the proper supplies to perform their screening duties. DFSD1's email to the COO stated that it does not matter to TSA where TSA's vehicles have to park, but that TSA has to have a place to park. **(Exhibit 4)**

On March 26, 2024, INV interviewed IAH AFSD-I1 regarding the allegations. During the interview, AFSD-I1 stated he asked HAS for free parking by requesting hangtags. He also stated that due to a reduction of GOVs, personal vehicles are preferred by management for traveling to and from IAH for official business because it frees up the limited number of GOVs for other uses. **(Exhibit 5)**

On April 1, 2024, INV interviewed FSD1 regarding the allegations. During the interview FSD1 stated it is common practice for him and others to park for free at IAH when conducting official government business. **(Exhibit 7)**

On April 1, 2024, and April 22, 2024, INV interviewed SHM1 regarding the allegations. SHM1 confirmed that HAS provided IAH TSA employees with no-cost parking hangtags at IAH. **(Exhibit 8)**

INV reviewed two lease agreements between the TSA and GSA for real property used by TSA at IAH. Both leases indicated there was no paid, on-site parking at IAH for TSA.⁵ **(Exhibit 10)**

While the interviews demonstrate that individuals from IAH leadership did accept and solicit no-cost parking for official government business, TSA has specific statutory authority to engage in a negotiation between the agency and airport sponsors to achieve agreement on below-market rates for

⁴ Exhibit 1 refers to SHM1 as a Transportation Security Inspector.

⁵ INV also reviewed two lease agreements for real property used by the United States at HOU. Both leases indicated there was no paid, on-site parking at HOU for TSA. **(Exhibit 11)**

items, including space, pursuant to Section 511 of the Department of Homeland Security Appropriations Act of 2005 (Pub. Law 108-334, 118 Stat. 1298 [Oct. 18, 2004]):

SEC. 511. For fiscal year 2005 and thereafter, none of the funds appropriated or otherwise made available by this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Transportation Security Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to aviation security: *Provided*, That the prohibition of funds in this section does not apply to— (1) negotiations between the agency and airport sponsors to achieve agreement on “below-market” rates for these items, or (2) space for necessary security checkpoints.

Prior to early 2023, TSA employees who required IAH airport parking on an intermittent basis to perform their essential work duties were permitted complementary parking in the IAH limo lot. While the IAH limo lot was under construction, FSD staff, pursuant to the authority found under Section 511 of the Department of Homeland Security Appropriations Act of 2005 (Pub. Law 108-334, 118 Stat. 1298 [Oct. 18, 2004]), sought to negotiate for below-market rate parking at IAH. Congress imposed no limitation on below-market rates. Accordingly, below-market is any rate that is less than the current market value, up to and including no-cost access.

Because of this specific statutory authority, TSA IAH leadership did not improperly solicit and accept no-cost parking at IAH. Based on the above analysis, the evidence does not demonstrate that TSA IAH leadership improperly solicited and accepted no-cost parking at IAH, per the whistleblower’s allegations.

Allegation #2:

TSA IAH leadership’s solicitation and acceptance of parking at IAH for both official and personal vehicles at no cost from the airport operator, the HAS, a department of the city of Houston, Texas, violates the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2 because HAS is regulated by TSA under 49 C.F.R. § 1542.

Finding #2:

The information obtained through this investigation does not demonstrate that TSA IAH leadership violated the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2, per the whistleblower’s allegations.

On October 11, 2024, INV received a legal memorandum from SC1 and AA1 of TSA’s Chief Counsel’s Office. In their memorandum, SC1 and AA1 advised that they reviewed the relevant facts and determined that the TSA IAH airport leadership did not violate the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 or the Federal Acquisition Regulation (FAR) at 48 C.F.R. § 3.101-2. **(Exhibit 12)**

TSA employees at IAH administrative offices are not co-located with the IAH airport, and require a place to park at the airport to conduct official duties, such as attending meetings, delivering supplies to TSA employees at the security checkpoints, conducting airport inspections, and performing other essential work duties relating to aviation security. In early 2023, IAH leadership negotiated for free,

on-site airport parking for off-site TSA employees when the IAH limo lot was no longer available for TSA IAH off-site employees to park due to ongoing construction at IAH. Also, due to TSA's limited availability of GOVs at IAH, these employees used both their POVs and GOVs when transiting from their off-site offices to IAH for the purpose of performing official government business.

TSA has specific statutory authority to engage in a negotiation between the agency and airport sponsors to achieve agreement on below-market rates for items, including space, pursuant to Section 511 of the Department of Homeland Security Appropriations Act of 2005 (Pub. Law 108-334, 118 Stat. 1298 [Oct. 18, 2004]), which reads as follows:

SEC. 511. For fiscal year 2005 and thereafter, none of the funds appropriated or otherwise made available by this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Transportation Security Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to aviation security: *Provided*, That the prohibition of funds in this section does not apply to— (1) negotiations between the agency and airport sponsors to achieve agreement on “below-market” rates for these items, or (2) space for necessary security checkpoints.

Prior to early 2023, TSA employees who required IAH airport parking on an intermittent basis to perform their essential work duties were permitted complementary parking in the IAH limo lot. While the IAH limo lot was under construction, FSD staff, pursuant to the authority found under Section 511 of the Department of Homeland Security Appropriations Act of 2005 (Pub. Law 108-334, 118 Stat. 1298 [Oct. 18, 2004]), sought to negotiate for below-market rate parking at IAH.

The Office of Government Ethics regulation, 5 C.F.R. § 2635.101, provides the basic obligations of public service. Specifically, the regulation sets out 14 general principles that form the Standards of Ethical Conduct for Government Employees. AA1 reviewed each Standard and found that the no-cost parking solicitation and acceptance does not violate the Standards of Ethical Conduct, specifically General Principle 4⁶ which states:

(4) An employee shall not, except as permitted by subpart B of this part, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.

The solicitation and acceptance in the instant case did not violate Principle 4 because it is specifically excluded from being deemed a gift under 5 C.F.R. § 2635.203(b)(9), as the no-cost parking was “accepted by the Government under specific statutory authority.”

⁶ 5 C.F.R. § 2635.101 refers to the 14 Principles of Ethical Conduct. SC1 and AA1 found that only General Principle 4 could be construed as applicable to the facts at issue, because Principle 4 includes language concerning solicitation and acceptance of items of monetary value.

[REDACTED]

The FAR applies to all TSA acquisitions of good and services.⁷ For purposes of the FAR, an acquisition is defined as “the acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the Federal Government through purchase or lease” (emphasis added).⁸ As there was no contract for the purchase of parking, nor the use of appropriated funds to acquire parking, the FAR is not applicable to the facts alleged in the disclosure. Notwithstanding the foregoing, TSA did not violate the standards of ethical conduct as set forth in Section 3.101 of the FAR even if the alleged facts were deemed to be an acquisition.

The purpose of Section 3.101 of the FAR is to avoid any conflicts of interest between the Government and its contractors. These rules ensure the integrity of the government procurement process by preventing government personnel from benefitting personally because of their official position. Additionally, the FAR prohibits solicitation of gratuities from an entity regulated by the employee’s agency. Specifically, rules governing solicitation and acceptance of gratuities by Government personnel are found in 48 C.F.R. § 3.101-2, which reads as follows:

As a rule, no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee’s agency, (b) conducts activities that are regulated by the employee’s agency, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee’s official duties. Certain limited exceptions are authorized in agency regulations.

Neither subsection (a) or (c) are applicable given the facts alleged in the disclosure because (1) the HAS is not seeking to obtain government business with the employee’s agency, and (2) the HAS was not seeking to affect the performance of TSA employees. Subsection (b) regarding regulated entities is relevant as it captures the relationship between TSA and IAH with respect to the alleged facts.

Given the plain wording of Section 3.101-2(b), TSA would normally be prohibited from requesting free parking from IAH as that would constitute a solicitation of an item of monetary value from an entity (IAH) that conducts activities regulated by TSA. However, as noted above, Section 511 of the Department of Homeland Security Appropriations Act of 2005 specifically allows TSA to negotiate for below-market rates for construction, maintenance, utilities and expenses. With no definition of “expenses” found in the above referenced statute, TSA has reasonably interpreted items like parking fees to be included in that definition. It is a well-established principle that when there is a conflict between a regulation and a statute, the statutory provision governs.⁹ Section 511 allowed TSA employees to engage in the negotiation of parking fees, including and up to free parking and therefore, even if this were an acquisition, TSA did not violate the solicitation and acceptance prohibitions found in 48 C.F.R. § 3.101-2. **(Exhibit 12)**

⁷ See Consolidated Appropriations Act of 2008, Pub. Law 110-161 (121 Stat. 2005); 48 C.F.R. § 1.104.

⁸ 48 C.F.R. § 2.101.

⁹ See U.S. Const. art. VI, § 2

[REDACTED]

I23-01253

Based on the above analysis, the evidence does not demonstrate that TSA IAH leadership violated the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2, per the whistleblower's allegations.

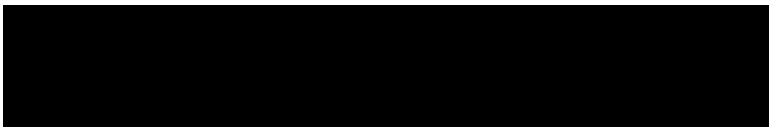
Exhibit Number	Description
1	Memorandum of Activity (MOA) dated January 18, 2024 - Review of Office of Special Counsel (OSC) memorandum dated December 6, 2023, with attachment
2	Memorandum of Interview (MOI) dated January 10, 2024 – Interview of [REDACTED], with attachment
3	MOA dated March 18, 2024 – Analysis of TSA email data for AFSD-II, DFSD1, IAH FSD1, and HOU FSD2
4	MOI dated March 26, 2024 – Interview of George Bush Intercontinental Airport (IAH) Deputy Federal Security Director (DFSD) DFSD1, with attachment
5	MOI dated March 26, 2024 – Interview of George Bush Intercontinental Airport (IAH) Assistant Federal Security Director of Inspections (AFSD-I) AFSD-II, with attachment
6	MOI dated March 26, 2024 – Interview of William P. Hobby Airport (HOU) Federal Security Director (FSD) 2, with attachment
7	MOI dated April 1, 2024 – Interview of George Bush Intercontinental Airport (IAH) Federal Security Director (FSD) 1, with attachment
8	MOI dated April 1, 2024 – Interview of George Bush Intercontinental Airport (IAH) Stakeholder Manager (SHM) SHM1, with attachments
9	MOI dated April 23, 2024 – Conversation with Federal Air Marshal (FAM) FAM1
10	MOA dated April 8, 2024 – Review of Leases Pertaining to George Bush Intercontinental Airport (IAH), with attachments
11	MOA dated April 8, 2024 – Review of Leases Pertaining to William P. Hobby Airport (HOU), with attachments
12	MOI dated October 11, 2024 – Legal Memorandum of Senior Counsel (SC) SC1 and Attorney-Advisor (AA) AA1, TSA Chief Counsel's Office, with attachment

I23-01253

Key	
Name	Role
[REDACTED]	Whistleblower
[REDACTED]	FSD1
[REDACTED]	DFSD1
[REDACTED]	SHM1
[REDACTED]	FSD2
[REDACTED]	AFSD-I1
[REDACTED]	FAM1
[REDACTED]	SC1
[REDACTED]	AA1
SFAM [REDACTED] [REDACTED]	SFAM1
AFSD-LE [REDACTED] [REDACTED]	AFSD-LE1



Exhibit 1





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity:

- ☐ Personal Interview
☐ Telephone Interview
☐ Records Review
☒ Other

Date:

January 18, 2024

Activity or Interview of:

Review of Office of Chief Counsel (OSC)
memorandum dated December 6, 2023

Conducted by:

Special Agent [REDACTED]

Location of Interview/Activity:

Dallas Field Office
8615 Freeport Pkwy
Suite 200
Irving, TX 75063

Subject Matter/Remarks

On January 18, 2024, Transportation Security Administration (TSA) Investigations (INV) conducted a review of OSC memorandum dated December 6, 2023. The following information was obtained by the review:

- On December 6, 2023, the TSA Office of Chief Counsel (OCC) Principal Deputy Chief Counsel notified TSA INV of an OSC whistleblower disclosure, OSC File No. DI-23-001125. The disclosure alleged that TSA officials at George Bush Intercontinental Airport (IAH) engaged in activity that may constitute a violation of law, rule, or regulation and an abuse of authority. Specific allegations include:
 - TSA IAH leadership improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the airport operator, the Houston Airport System (HAS).
 - The solicitation and acceptance of no cost parking violates the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2 because HAS is regulated by TSA under 49 C.F.R. § 1542

Attachment:

- Copy of memorandum from OCC Principal Deputy Chief Counsel to INV Assistant Administrator, dated December 6, 2023

Case Number
I23-01253

Case Title:
U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022

[REDACTED]

U.S. Department of Homeland Security
Chief Counsel's office
6595 Springfield Center Drive
Springfield, VA 22150



Transportation
Security
Administration

MEMORANDUM

To: [REDACTED]
Assistant Administrator
TSA Investigations (INV)

From: [REDACTED]
Principal Deputy Chief Counsel
Office of Chief Counsel

Date: December 6, 2023

Subject: Whistleblower Disclosure, OSC File No. DI-23-001125

On December 4, 2023, the DHS Office of General Counsel (OGC) notified the Chief Counsel's office of a whistleblower disclosure filed with the U.S. Office of Special Counsel (OSC). The disclosure alleges that Transportation Security Administration (TSA) officials at George Bush Intercontinental/Houston Airport (IAH) engaged in activity that may constitute a violation of law, rule, or regulation and an abuse of authority. The specific allegations made by whistleblower [REDACTED], a former Assistant Federal Security Director, are described in the attached letter from OSC to Secretary Alejandro Mayorkas. According to OSC, the allegations to be investigated are whether:

- (1) TSA IAH leadership improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the airport operator, the Houston Airport System (HAS), a department of the city of Houston, Texas;
- (2) This solicitation and acceptance violates the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2 because HAS is regulated by TSA under 49 C.F.R. § 1542; and
- (3) Any additional, related allegations of wrongdoing discovered during the investigation of the foregoing allegations.

Pursuant to 5 U.S.C. § 1213(c), the Special Counsel has determined there is a substantial likelihood the information provided to OSC discloses a violation of law, rule, or regulation and

[REDACTED]

[REDACTED]

an abuse of authority. Consequently, the agency is required to conduct an investigation of the allegations and prepare a report for the Special Counsel. 5 U.S.C. § 1213(c).

DHS OGC has informed us that the DHS Office of Inspector General has declined the opportunity to investigate this matter. Therefore, TSA Investigations is required to conduct an investigation.

OSC requires that the investigation include an interview of the whistleblower at the beginning of the investigation. In addition, the report of investigation must include:

- (1) a summary of the information with respect to which the investigation was initiated;
- (2) a description of the conduct of the investigation;
- (3) a summary of any evidence obtained from the investigation;
- (4) a listing of any violation or apparent violation of any law, rule or regulation; and
- (5) a description of an action taken or planned as a result of the investigation, such as:
 - a. changes in agency rules, regulations or practices;
 - b. the restoration of any aggrieved employee;
 - c. disciplinary action against any employee; and
 - d. referral to the Attorney General of any evidence of criminal violation.

The report of investigation must be submitted to OSC by February 20, 2024, unless an extension is requested by the agency and granted by OSC. Pursuant to 5 U.S.C. § 1213(e), OSC must transmit a copy of the report to the complainant, unless it contains evidence of a criminal violation, which has been referred to the Attorney General. I note that ultimately OSC will provide the report, among other things, to the President and the congressional committees with jurisdiction over DHS/TSA.

If you have any questions concerning this matter, please contact [REDACTED], an attorney in my office, who may be reached at [REDACTED]. Please also keep him apprised of the status of this investigation so that he may inform the DHS OGC and OSC of developments, as appropriate.

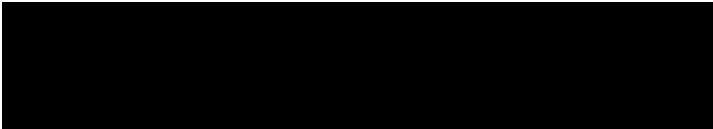
Attachment

cc: Holly Canevari
Deputy Administrator

[REDACTED]



Exhibit 2





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity:

- ☒ Personal Interview
☐ Telephone Interview
☐ Records Review
☐ Other

Date:

January 10, 2024

Activity or Interview of:

Interview of [REDACTED]

Conducted by:

Federal Air Marshal [REDACTED]
Special Agent [REDACTED]

Location of Interview/Activity:

Transportation Security Administration
3838 N. Sam Houston Parkway E., Suite 295
Houston, TX 77032

Subject Matter/Remarks

On January 10, 2024, INV interviewed [REDACTED] regarding the allegations. [REDACTED] agreed to be interviewed reference to the whistleblower disclosure he filed to the Office of Special Counsel (OSC) alleging that George Bush Intercontinental Airport (IAH) TSA employees have violated the standards of ethical conduct for government employees relating to solicited and accepted parking at IAH for both official and personal vehicles at no cost from the Houston Airport System (HAS). [REDACTED] was advised that the interview would be recorded. A copy of the recording was uploaded to ECMS.

[REDACTED] provided sworn statement reflects the information he provided in the interview.

During the interview it was explained that INV was assigned to investigate allegation 1 of his complaint and not allegation 2 that he presented to the DHS OIG (reference F23-00979) and he was interviewed by INV accordingly. At the conclusion of the interview, [REDACTED] insisted on leaving allegation 2 related documentation with INV and acknowledged understanding that INV was not investigating allegation 2.

Attachment:

- Copy of [REDACTED] Signed Sworn Statement, dated January 10, 2024

Case Number
I23-01253

Case Title:
U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022

[REDACTED]

DEPARTMENT OF HOMELAND SECURITY
Transportation Security Administration
Investigations



STATEMENT

I, [REDACTED] having been duly sworn, hereby make the following
(Printed Name)
statement to [REDACTED] who has been identified to me as an
Investigator with TSA. I am making this statement
of my own free will, without any duress or coercion.

*****SEE ATTACHED STATEMENT*****

I have read the foregoing statement consisting of 32 pages, each of which I have signed.
I have been given the opportunity to make any corrections necessary to make the statement
accurate. All of the information contained in this statement is true and accurate to the best of my
knowledge and belief. I understand that I may be prosecuted for perjury or making false
statements if I have intentionally misrepresented anything contained in this statement. I have not
intentionally omitted any information or knowledge I have that relates to the matters under
investigation or review. [REDACTED]

[REDACTED]
Signature

Subscribed and sworn before me this 10 day of January, 2024.
at 3838 N. Sam Houston Pkwy EAST, #295, Houston, TX 77032

AGENCY DESIGNATED INVESTIGATOR, WHO HAS AUTHORITY TO ADMINISTER OATHS

[REDACTED]
Name of Investigator

[REDACTED]
Investigator's Signature

1-10-24 6:18pm
Date/Time

[REDACTED]
Name of Witness

[REDACTED]
Witness' Signature

1-10-2024 / 18:18 hrs
Date/Time

FOR OFFICIAL USE ONLY

1 of 32 pages Initials [REDACTED]

[REDACTED] [REDACTED]
On January 10, 2024, I, [REDACTED] met with TSA Investigators [REDACTED] and [REDACTED] at their office. This was to discuss the allegations I had made to the DHS Office of Special Counsel about unethical and possible illegal behavior on the part of certain TSA Leadership, Namely: FSD [REDACTED] [REDACTED] DFSD [REDACTED] AFSD-I [REDACTED] among others on their team. In furtherance of our interview, and the documentation I provided to them during the interview, I am adding these statements in reference to certain question presented to me by S/As [REDACTED] and [REDACTED]

I began working for TSA in July 2014 and served as the Transportation Security Representative (TSAR) at the US Embassy in Mexico City, Mexico. I transitioned from that position back to the United States in February 2018 and began serving as the IAH Assistant Federal Security Director of Inspections (AFSD-I), where I worked until I retired from Federal Service in April 2021.

During the time I served as the AFSD-I at IAH there was an existing unwritten policy that TSA as well as other law enforcement agencies, stakeholders and air carrier leadership could park, for free, in what was called the Terminal-A Limo Lot for business reasons. Myself and my inspection team and others at IAH parked there. I have no knowledge of how or when the airport began allowing the aforementioned stakeholders to park in the Limo-Lot.

In April 2021, after I retired from TSA, I began working for the City of Houston as the Houston Airport System (HAS) Assistant Director and the Director of all Security Operations at George Bush Intercontinental Airport, William P. Hobby Airport, Ellington Field Airport and the new Houston Space Port. Shortly after I began working with HAS the IAH airport began working numerous airport renovations and expansion project, causing a nightmare in traffic and parking. In the summer of 2021, I began receiving calls from TSA leadership, namely [REDACTED] and [REDACTED] asking if I could assist his team with areas that his K-9 teams could park their K-9 vehicles. I then went to my leadership at HAS and presented them the inquiry from DFSD [REDACTED] and DAFSD-S [REDACTED], and worked it out to provide them four dedicated parking spots with signs that read "TSA K-9 Parking Only" in terminal C external parking lot.

On or about July 27, 2021, I was advised by Chief of Operations [REDACTED] and AD [REDACTED] (over landside/airside operations) that due to the ever increasing congestion at the curbs and throughput of traffic, there were going to be some changes in our previous open parking at Terminal-A Limo Lot, whereby the only vehicles that would be authorized to park in the Limo Lot would be Limos, Lyft and Uber. The only exceptions would be if an agency (ie... TSA) called the landside operations team and made a temporary request for a specific reason. If they received approval then they could park their official vehicles in the Limo Lot, if not, then they were not authorized and were subject to being ticketed and/or towed. I sent this information via email to FSD [REDACTED] DFSD [REDACTED] AFSD-S [REDACTED] [REDACTED] and AFSD-I [REDACTED]. I immediately began getting kick back from DFSD [REDACTED] and AFSD-I [REDACTED] telling me that this could have a negative effect on their doing their jobs. AFSD-I [REDACTED] even went as far as telling me that we (HAS airport) could not tell TSA where they can and can't park. This began a bit of a contentious communications between me and other members of HAS Leadership Team ([REDACTED] as well as AD [REDACTED] DM [REDACTED] and AD [REDACTED] of ground transportation.

On or about September 27, 2021, I sent an email to [REDACTED], [REDACTED] and [REDACTED] advising them that HAS was still getting reports from landside operations that TSA personnel (mainly TSA Inspectors but also K-9 and Screening personnel), were still parking in the Limo Lot. I explained that under the new policy and regulations of HAS that the Limos are paying for all those spots and this is affecting HAS and the Limos, Lyfts and Uber drivers. I closed by advising them to please refrain from parking in the Limo Lot [REDACTED]

[REDACTED] and follow the new HAS parking policy. FSD [REDACTED] and DFSD [REDACTED] then inquired if HAS could provide them garage parking hang tags to park IAH official vehicles for free. I advised them that was not going to be approved.

In November 2021, HAS leadership put out additional notifications to all stakeholders to please refrain from parking in the Limo Lot and restated the reasons as to congestions, traffic, etc... In this communication all stakeholders were advised that they would need to find alternative parking but they could choose to pay to park in the various HAS parking garages.

On or about January 19, 2022, I reached out to AFSD-I [REDACTED] as once again it was being reported that his Inspectors (TSIs) were still parking in the Limo Lot without requesting and receiving approval first. AFSD-I [REDACTED] responded and asked HAS to reconsider the issuance of Garage hangtags for the TSA official vehicles. He was very assertive and a bit rude, in the manner of his verbiage and stated that they have an operational need to park wherever they needed to, in order to effectively do their inspections. He also brought up that many of the TSIs use their personal vehicles (POVs) while working in the performance of their duties and wanted free hang tags for them as well to park in the airport garages. I advised [REDACTED] that this shouldn't be an issue as all TSA needs to do is pay for their official vehicles to park in the airport garages, and that the FSD could just add that to his budget if it was so critical that the TSIs be able to park at all airport terminals.

On or about January 20, 2022, I advised DFSD [REDACTED] and AFSD-I [REDACTED] that I had gone to the HAS Leadership to inquire on TSA's behalf, in the attempt to partner with them. HAS was initially against providing any garage parking hang tags. I reminded [REDACTED] that it is not an airport obligation to provide any parking of any kind to TSA and if and when they had in the past it was simply a courtesy. However with that being said, and the numerous solicitations by TSA at IAH, I did get it approved for them to park ~8-10 official vehicles in the A/B garage with hang tags. DFSD [REDACTED] then responded and on top of the ~8-10 garage hang tags that HAS was going to provide TSA-IAH at no charge, [REDACTED] then inquired if he could please have three additional garage hang tags to park FSD [REDACTED] personal vehicle, DFSD [REDACTED] personal vehicle and Stakeholder Manger [REDACTED] personal vehicle, all for free at no charge to TSA nor to them personally. I advised him that I would inquire.

On or about January 21, 2022, I had spoken to my leadership, namely [REDACTED] and [REDACTED] and presented DFSD [REDACTED] solicitation for free parking for himself, [REDACTED] and [REDACTED]. After going back and fourth among HAS leadership, it was agreed to allow [REDACTED] [REDACTED] and [REDACTED] to park their personal vehicles at no cost to them personally or to TSA in the A/B garage. As soon as I got that solicitation approved DFSD [REDACTED] then reached back out and asked for two additional garage hang tags at no cost for his Administrative Staff, and we (HAS) once again agreed to provide the additional parking garage hang tags at no cost. I later emailed DFD [REDACTED] without anyone else cc'd on it advising him that this is a very sensitive issue as HAS does charge 99.9 % of all stakeholders at IAH. DFSD [REDACTED] and I then spoke on the phone as to not put it in writing where I advised him that his solicitations for free parking is actually unethical and believed to be illegal. [REDACTED] acknowledged this and thanked me for going to battle for them.

Over the next several months, the solicitations for providing additional parking at no cost to TSA or their leadership came up. I advised FSD [REDACTED] and DFSD [REDACTED] that even though we have bent over backwards in trying to accommodate their solicitations that they keep asking for more and more. I also advised that even though we have provided them the free garage parking hang tags that we were regularly getting complaints from landside operations that TSA was continuing to park against our policies in the Limo Lot. This included a couple of TSA vehicles being ticketed by HAS landside operations. One was a [REDACTED]

visiting K-9 vehicle and one was a Lexus belonging to a TSA Screening Officer, who parked in and blocked an HAS loading dock.

During the summer and fall of 2022, AFSD-I [REDACTED] and his team performed an annual inspection of IAH. Where most airports across the United States including IAH only average 3-5 findings of non-compliance, AFSD-I [REDACTED] presented their findings with approximately 200 findings against HAS which would have cost HAS several million dollars in civil penalties. It was the belief of HAS leadership that this was nothing more than a punitive response against HAS for pushing back on their demands and illicit solicitations for free parking. The relationship between HAS and TSA-IAH had become very contentious ever since AFSD-I [REDACTED] arrived at IAH and took my previous position since my retirement from TSA-IAH. Now with the unheard outcome of the annual inspection the relationship became even more strained. This had not existed when I was the AFSD-I and HAS now felt that FSD [REDACTED] DFSD [REDACTED] and AFSD-I [REDACTED] were being punitive, unfair and even biased. HAS Director [REDACTED], Chief Operating Officer [REDACTED], Chief of Operations [REDACTED] as well as Division Manager [REDACTED] and myself met with DFSD [REDACTED] and AFSD-I [REDACTED] to talk about this relationship and how it had detreated over the past two years, and that we had checked and no airport in the history of TSA had ever gone from 3-5 findings to nearly 200 in an annual inspection, especially since many of the findings were of areas in the Airport Security Plan that had actually been approved by DFSD [REDACTED]

Even though I and my leadership team had continually attempted to assist TSA with parking even when their solicitations were known to be unethical and illicit, FSD [REDACTED] DFSD [REDACTED] and AFSD-I [REDACTED] continued to ask for more and more spots. I then went to HAS leadership and asked if it was possible to provide TSA with two dedicated parking spots with signs saying TSA Parking Only within the Terminal-A Limo Lot. With the constant pressure being put on HAS leadership we once again agreed and provided TSA with the two additional dedicated spots in the Limo Lot.

In my positon as AFSD-I with TSA and Director of Security for HAS, I was not aware of any parking agreements with the FAA. The only parking agreements I knew of was in the open parking lot known as PL6, which is where HPD officers, HSI Agents, DEA Agents, FBI Agents and as well as some United Airlines employees parked for free. The United Airlines employees had to pay to park in that lot, however HAS did not charge the law enforcement partners to park in the outside PL6 parking lot. We advised TSA that they could also have free access to that lot if needed, but they were adamant they wanted inside garage parking. All other Stakeholders parked in their own privately owned lots or in HAS parking lots and garages at the going rate of approximately \$75-\$80 per month.

NOTE: As the Director of Security at HAS, when all this pressure was placed on HAS by TSA for free parking I inquired what they did down at Hobby Airport (HOU). I was advised for many years the airport provided the FSD [REDACTED] free parking in the garage, however he had never personally or professionally solicited it, even though he did accept it when offered to him many years ago.

I have no first hand knowledge that TSA IAH employees have parked in the courtesy parking spots for personal reasons.

On March 15, 2023, I emailed [REDACTED] HAS Legal Counsel about the continued solicitations by TSA at IAH. I pointed out areas that I believed were being violated namely: 48 CFR 3.101.1 Standards of Conduct, 3.101.2 Solicitation and acceptance of gratuities by Government personnel, and 3.101.3 Agency Regulations. Ms. [REDACTED] responded via email and stated that in her professional legal opinion that in addition to what I found, she found Executive Order 12731, Principles of Ethical Conduct for Government Officers and Employees and 5 CFR 2635 Standards of Ethical Conduct for Employees of the Executive Branch is applicable to the TSA. In her email she expressly advised "Since HAS does not have [REDACTED]

[REDACTED]

[REDACTED]

a policy or practice of providing free parking to any particular group or class (ie... government, federal employees), I recommend that going forward we discontinue providing free parking as a courtesy to TSA only and cite the reference provisions." I then presented this to my chain of command [REDACTED] and [REDACTED] and advised that HAS legal counsel advised we needed to stop this immediately and by us giving into the solicitations by TSA for free parking we (HAS) were being complicit in their unethical and illicit solicitations for free parking, which was giving a financial gain to TSA as an agency and to those using POVs a financial gain to them personally. However, when I presented this information to my leadership team I was told by [REDACTED] to "drop it" as TSA is a key partner and we have to do what they ask of us or they could come down on us again like the 200 findings in the annual report.

Even though I had the best intentions of reporting this protected and unethical practice, I did as I was told and dropped it. Please let it be known I did not only bring this up after I was forced to resign from HAS on May 9, 2023. I had brought this forward and reported it as stated herein, months before.

By my signature below, I attest that the facts presented here are true and correct to the best of my knowledge.

[REDACTED]

[REDACTED]
[REDACTED]
Office of Special Counsel
1730 M Street, N.W., Suite 218
Washington, DC 20036-4505
Email: info@osc.gov

To Whom It May Concern:

I hereby submit this Complaint of Alleged Employee Misconduct and Malfeasance to the Office of Special Counsel. I have also submitted this to the Office of Inspector General (OIG), with the Department of Homeland Security (DHS). I understand that the Office of Special Counsel (OSC) is an independent federal investigative and prosecutorial agency, with your basic authorities coming from four federal statutes: the Civil Service Reform Act, the Whistleblower Protection Act, the Hatch Act, and the Uniformed Services Employment & Reemployment Rights Act (USERRA). I also understand that OSC's primary mission is to safeguard the merit system by protecting federal employees and applicants from prohibited personnel practices, especially reprisal for whistleblowing. Prohibited personnel practices (PPPs) are employment-related activities that are banned in the federal workforce because they violate the merit system through some form of employment discrimination, retaliation, improper hiring practices, or failure to adhere to laws, rules, or regulations that directly concern the merit system principles.

The names of the persons engaged or to be engaging in prohibited personnel practices, "employee misconduct, violations of any law, rule or regulation; gross mismanagement and abuse of authority" are all employees of the Transportation Security Administration (TSA) under the Department of Homeland Security and the City of Houston / Houston Airport System (HAS) and are identified as follows:

- [REDACTED] Federal Security Director, TSA-IAH Airport
- [REDACTED] Deputy Federal Security Director, TSA-IAH Airport
- [REDACTED] Assistant Federal Security Director-Inspections, TSA-IAH Airport
- [REDACTED] Transportation Security Inspector, TSA-IAH Airport
- As well as...
- [REDACTED] Director of the Houston Airport System (HAS), City of Houston, Texas
- [REDACTED] Chief Operating Officer, HAS, City of Houston, Texas
- [REDACTED] Chief of Operations, HAS, City of Houston, Texas

Background:

I served as an Assistant Director at the Houston Airport System (HAS), more specifically as the Director of Security Operations, whereby I oversaw all security operations at George Bush Intercontinental Airport, William P. Hobby Airport, Ellington Field and the Houston Spaceport from April 24, 2021 to May 9, 2023. Prior to that I served as the TSA Assistant Federal Security Director-Inspections at IAH Airport from February 2018 until my retirement in April 2021. Prior to that I served as the TSA Attaché (TSAR) assigned to the U.S. Embassy in Mexico City, Mexico from July 2014 until February 2018. Prior to that I served as the Senior Law Enforcement Advisor the U.S. Department of Defense's Joint Special Operations Command from May 2012 until July 2014. Prior to that I served with the U.S. Drug Enforcement Administration from August 1991 until I retired from DEA in May 2012. Throughout my career [REDACTED]

[REDACTED]

I was highly recognized, decorated, and awarded both domestically and internationally for my leadership and achievements. I also received nothing but Outstanding performance evaluations throughout my career to include TSA and the HAS. I say all this simply to show I am not a disgruntled employee, as I have been truly honored and committed to serving our Country for the past thirty years with unwavering integrity, and simply want to report several allegations of malfeasance on the part of those named above.

Allegation #1:

Over the past year, TSA Leadership at George Bush Intercontinental Airport in Houston, Texas, (FSD [REDACTED] DFSD [REDACTED] and AFSD-I [REDACTED] had asked me (HAS) to provide them parking for their official vehicles, as well as their personal vehicles at no cost (free) to them personally and/or professionally. I reported this to HAS Chief of Operations (CoO) [REDACTED] and advised him that I was going to speak to HAS Legal Department (ARRC) about this illicit activity and solicitations by TSA.

- On March 15, 2023, I contacted [REDACTED] Legal Counsel for HAS to report this alleged malfeasance to her, in order to confirm that this solicitation was in fact illegal and/or unethical. I sent her an email citing: 48 CFR §3.101.1; §3.101.2; and §3.101.3.

These regulations state:

- “As a rule, no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee’s agency, (b) conducts activities that are regulated by the employee’s agency, or (c) has interest that may be substantially affected by the performance or non-performance of the employee’s official duties. Certain limited exceptions are authorized in agency regulations.”
- On March 15, 2023, [REDACTED] responded via email, and advised that the provisions I had found were consistent in what she had found as well, whereby she cited: Executive Order 12731; and 5 CFR §2625.101.

Executive Order 12731 which states:

- (d) An employee shall not, except pursuant to such reasonable exceptions as are provided by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee’s agency, or whose interest may be substantially affected by the performance or non-performance of the employee’s duties.”
- [REDACTED] then advised in writing within her email response to me, “Since HAS does not have a policy or practice of providing free parking to any particular group or class (i.e., government/federal employees), I recommend that going forward we discontinue providing free parking as a courtesy to TSA only and cite the reference provisions.”
- I then went back to CoO [REDACTED] and advised him of what Senior Counsel [REDACTED] and I had found, and her recommendation to cease and desist allowing TSA to park for free as it puts us complicit in their illicit activity when we the airport authority, agree to allowing them to park their business and personal vehicles at a personal and professional financial [REDACTED]

gain to them. CoO [REDACTED] advised me that he would speak to COO [REDACTED] about it.

- On March 16, 2023, I met with Chief Operating Officer (COO) [REDACTED] and CoO [REDACTED] whereby I advised them of the illegal activity being committed by the Senior Leadership of TSA namely (FSD [REDACTED] DFSD [REDACTED] Stake Holder Manager [REDACTED] as well as their entire regulatory team supervised by [REDACTED]. I advised them that it was illegal for a Regulating Agency (TSA) to solicit gratuities in any form from a Regulated Entity (the airport operator), that would provide them personal and/or professional financial gain. I clearly laid out the law that they were breaking and advised that we needed to report this to TSA's HQS, Office of Investigations, and TSA/IAH Legal Counsel [REDACTED]. I advised them that [REDACTED] had agreed that this was illegal and she recommended we stop providing them free parking immediately. COO [REDACTED] advised me to drop it, and we will continue to give them free parking, as they are key partners of HAS. I advised them that these illicit gratuities are adding up to thousands of dollars they are gaining personally and professionally. COO [REDACTED] then repeated, "[REDACTED], drop it and let me make this perfectly clear, I'm telling you to back off of TSA, as they are a key partner to the airport, so we need to back off." I told him that I respectfully disagreed, as we need to treat everyone the same and no one is above the law or regulations, but would do as he directed.
- I complained to CoO [REDACTED] that being told to "drop it" means we are thereby turning a blind eye to a malfeasance being committed by TSA, and yet we hold everyone else accountable to the security rules, policies, regulations, and laws. I advised that TSA is not above the law, and should not receive special privileges or preferential treatment in any way, but especially when its breaking the law.

The TSA represents the U.S. Government and is responsible as per 49 CFR §1542 to regulate HAS as an airport operator. They have verbally and in writing solicited free parking benefiting not only TSA for their professional vehicles, but for those named herein for their personal vehicles, with a substantial financial gain to TSA and themselves personally. This is not only a violation of their own TSA Rules of Ethics and Conduct, this solicitation and receiving free parking by FSD [REDACTED] DFSD [REDACTED] Stake Holder Manager [REDACTED] and [REDACTED] are in violation of the following:

- Executive Order – 12731
 - (Principles of Ethical Conduct for Government Officers & Employees)
- 5 CFR §2635.101(b)(4)(7)
 - (Standards of Ethical Conduct for Employees of the Executive Branch)
- 48 CFR §3.101-1
 - (General)
- 48 CFR §3.101-2
 - (Solicitation and acceptance of gratuities by Government personnel)
- 48 CFR §3.101-3
 - (Agency Regulations)
- TSA Management Directive No. 100.73-5 [REDACTED]

8-05-32

o Employee Responsibilities and Conduct

Items of Proof:

- Numerous emails from/to/between: (Note: I have dates of most of the emails)
 - o FSD [REDACTED]
 - o DFSD [REDACTED]
 - o AFSD-I [REDACTED]
 - o [REDACTED]
 - o [REDACTED] Security Manager for IAH [REDACTED]
- Numerous Emails from/to/between:
 - o [REDACTED] and [REDACTED]
 - o [REDACTED]
 - o [REDACTED] HAS Legal Counsel [REDACTED]
 - o [REDACTED] HAS Chief legal Counsel [REDACTED]
- Copy of Email from [REDACTED] to [REDACTED] on 3/15/2023 (attached hereto).

Witnesses:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED] (HAS Director of Ground transportation/Parking)

Allegation #2:

Specifically, on or about April 10, 2023, my leadership team assigned over the Security Badging/Access Control Office, at George Bush Intercontinental Airport (IAH) came to me as their Director of Security Operations to report alleged misconduct, abuse of authority and falsifying information on the part of Transportation Security Inspector (TSI) [REDACTED] and AFSD-I [REDACTED]. They advised that on April 4, 2023, TSI [REDACTED] reported to the HAS Badging Office to renew his SIDA/ID Media Badge as it was expiring. When the badging personnel requested two forms of identification, they advised that TSI [REDACTED] behavior became aggressive and intimidating, whereby he demanded that he be treated as a law enforcement officer, all while pointing towards his TSA badge. They advised him that he was not law enforcement, and asked to see his valid Driver's License, and he refused to show it to them. One of the Badging Supervisors advised him that if he wanted driving privileges on his HAS ID Badge, he must show a valid Driver's License. Again, he refused and told them he will not show his license as he didn't want them to know where he lived. He finally showed his DL, but would not allow the Badging staff to make a copy of it, which is required by HAS policy and the Airport Security Plan that was even approved by DFSD [REDACTED] back on May 25, 2022.

The Security Team advised me that TSI [REDACTED] also had listed his work address in the section marked for Home Address. When they questioned him about this, he again aggressively advised them that he does not want them to know where he lived and he was not going to give his home address. The Badging Office CCTV camera actually showed TSI [REDACTED] reaching into the small glass opening on the badging counter whereby the badging agent reported that TSI [REDACTED] was aggressively pointing at her and aggressively telling her what to type into the HAS badging data [REDACTED]

base, which she found to be very intimidating and abuse of power. TSI [REDACTED] left the office with his new badge, all the while still never allowing them to make a copy of his DL, nor correcting the falsified address on the application.

The Airport Security Coordinator [REDACTED] directed one of her supervisors [REDACTED] to advise TSI [REDACTED] that they would remove his driving privileges if he did not return and allow them to make a copy of his valid DL. TSI [REDACTED] returned to the Badging Office on April 6, 2023 and reluctantly complied by allowing the office to make a copy of his DL, however he still refused to change the address on his application reflecting his actual home address, and he only maintained his work address. They advised him that this was falsifying information on the application, and he advised them that TSA gets exceptions to the rules.

When the Badging Office Leadership Team came to see me, they expressed a great deal of concern for the un professional behavior displayed by TSI [REDACTED] when he was at their badging office on April 4, 2023, to renew his SIDA/ID Media Badge. They made two allegations against TSI [REDACTED]:

1. His misconduct, intimidation, and aggressive demeanor, and abuse of authority towards the HAS badging staff.
2. He knowingly, willingly, and intentionally, falsified information on his HAS badge renewal application.

Items of Proof: Will be provided upon request.

- Signed statements by the Badging Staff.
- HAS CCTV Camera Footage from 04/04/2023
- HAS CCTV Camera Footage from 04/06/2023
- Emails from [REDACTED]

Witnesses:

- [REDACTED] Security Manager IAH Security Operations
- [REDACTED] Airport Security Coordinator – Badging/Access Control
- [REDACTED] Airport Operations Supervisor – Badging/Access Control
- [REDACTED] Airport Operations Supervisor – Badging/Access Control
- [REDACTED] Airport Operations Supervisor - Badging/Access Control
- [REDACTED] Airport Operations Assistant - Badging/Access Control
- [REDACTED] Airport Operations Assistant - Badging/Access Control

Now as to their second concern of falsifying information on the part of TSI [REDACTED]. TSI [REDACTED] knowingly put down his work address on the badging application where it stated to place his home address. When the badging staff advised him that he would need to use his home address, he became very aggressive and adamant that he was not going to use his home address as he did not want anyone to know where he lived. This could on the surface seem to not be that big of a deal, however for two points: 1) The greatest threat that airports face around the world, are the insider threats, and that is one of the many reasons the airport requires ALL applicants regardless who they are to truthfully include all the required data including their home address; 2) Directly above where all the applicants for badge renewals sign their names (including in this case TSI [REDACTED]) it states: [REDACTED]

- "The information I have provided on this application is true, complete, and correct to the best of my knowledge and belief and is provided in good faith. I understand that a knowing and willful false statement on this application can be punished by fine or imprisonment or both. In accordance with 49 CFR Part §1540.103, falsification of this document may cause this application to be rejected and may be grounds for future revocation of any access privileges granted. I have read and understand the Privacy Act Notice and the Agreements, Authorizations, and Representations section of this application."

This portion of the airport badging application was approved by TSA and is to hold all "persons" as defined in 49 CFR §1500.3, accountable to 49 CFR §1540.103 and §1540.105. TSA would hold the airport and/or anyone else that intentionally falsified information on the badge application accountable to this federal regulation, however, TSI [REDACTED] was not holding himself accountable to adhere to and comply with the same federal regulations, and as such he committed several violations. TSI [REDACTED] knowingly, willingly, and intentionally falsified information on his badging renewal application and he advised the badging staff that his boss AFSD-I [REDACTED] had full knowledge and even approved of his using his work address, knowing that it was not following two of the 49 CFR regulations that TSA is charged with enforcing in §1540.103 and §1540.105. It also violated the following:

- 18 U.S. Code §1001- False Statements
- TSA Management Directive No. 1100.73-5 Employees Responsibilities and Conduct.
- City of Houston and Houston Airport System Operating Instruction OI-05-02 – ID Badging.
 - "V(B) – Responsibility: It shall be the responsibility, duty and obligation of each and every individual (including HAS employees to who an ID Badge is issued, as a condition precedent to being issued and retaining an ID Badge, to know the limitations of their access, to know the laws, ordinances, policies, procedures, rules and regulations governing access, safety and security at the HAS airports and to timely and faithfully carryout their duties and obligations to the same, including, but not limited to, obeying each and every law, policy, procedure, rule and regulation and to strictly avoid any violation(s) of the same and by acceptance and/or retention of an ID Badge they represent that they have complied with these responsibilities, duties and obligations."
 - "VI – Violation: The failure to, in whole or in part, strictly perform in a faithful and timely manner any duty or obligation, whether or not the duty or obligation is to do or not to do a general or specific matter imposed upon an HAS ID Badge holder by any Federal, State, or Local (including HAS) law, ordinance, policy, procedure, rule or regulation."
- City of Houston and Houston Airport System Operating Instruction OI-05-03 – Violations – Offenses, Charging Instrument, Due Process:
 - "VII – Violations/Offenses/Consequences: (A) The violation, a/k/a, offense, whether by act or omission, of any Federal, State, or Local, law, ordinance, policy, procedure, rule or regulation or any part thereof, whether the violation is due to intentional, knowingly, reckless, or negligent conduct or a combination thereof is an offense and may result in consequences. All offenses covered by this O.I. are strict liability offenses, meaning that a certain state of mind, mens [REDACTED]"

[REDACTED]

reas, is not an element of the offense, unless otherwise specifically stated. Each I.D Badge holder is hereby personally charged with the duty and obligation to know all laws, ordinances, polices, procedures, rules, and regulations concerning safety, conduct, and/or security at an HAS airport or other HAS controlled facility. Any offense that is not specifically listed below shall be a violation of this O.I. and shall bear the consequences set forth herein."

On Monday, April 10, 2023, after my team reported the alleged fraud/falsifying information on an official HAS security document as well as alleged misconduct to me. I immediately directed them to make copies of the CCTV footage, and to have everyone involved with TSI [REDACTED] on this incident, write official statements of what had occurred.

- I then immediately reported the alleged fraud and misconduct of TSI [REDACTED] to CoO [REDACTED] and he advised that he would share the information with COO [REDACTED]. I told him that I was concerned, as COO [REDACTED] had only a month before directed me to back off of issues with TSA as related to their illicit solicitation of gratuities. I advised CoO [REDACTED] that I had nothing to do with this allegation, as my team brought it to me, and as their Director of Security, it was my duty to share it with HAS Leadership and to report it to TSA's Office of Inspections, OIG and their Leadership.
- On Friday, April 21, 2023, I hosted an HAS, TSA and Houston Police Department collaboration meeting. During the meeting AFSD-I [REDACTED] advised us that they were now going to direct all their personnel at TSA to start putting their office address down on the HAS badging applications. I advised him that they could not do that, as it would be falsifying information since it says "Home Address," and then the applicant must attest to all information be correct, and that it would be in violation of 49 CFR §1540.103 and §1540.105. He stated, well we will talk about it more later, and we then continued on with other agenda items of the meeting.
- On Monday, April 24, 2023, at 3pm, myself and Security Manager [REDACTED] met with HAS Chief Legal Counsel [REDACTED] and Senior Legal Counsel [REDACTED] for 2.5 hours. The purpose of the discussion was to deep dive into the regulations that TSA was allegedly breaking and if we should proceed with filing an official complaint against them with the Office of Investigations or Office of Inspector General for the Fraud and the misconduct.
 - Unbeknownst to SM [REDACTED] or myself on the same date, April 24, 2023, DFSD [REDACTED] delivered a letter to COO [REDACTED] that was addressed to Security Manager [REDACTED]. The essence of the letter was TSA telling HAS that they (TSA) are exempt from certain policies and regulations and to please respond if we the airport operator had any official regulations to the contrary of what his letter had stated.
- On Tuesday, April 25, 2023, COO [REDACTED] gave the letter that was delivered to him from DFSD [REDACTED] addressed to SM [REDACTED]. SM [REDACTED] and I then had a discussion with COO [REDACTED] and CoO [REDACTED] about the letter and how best to respond to the points made in DFSD [REDACTED] letter. COO [REDACTED] directly advised me to respond to DFSD [REDACTED] letter addressing the points that he had made. I advised CoO [REDACTED] that I was [REDACTED]

still concerned, as I began to notice what appeared to be a pattern, as every time I reported a wrong doing or malfeasance on the part of TSA, and reported it to my bosses, including him () and COO . I would either never hear back from them, or when I did hear back, I was told to drop it, because it was TSA, even when it was a clear wrong doing on their part.

- On or about April 26, 2023, COO called for a meeting whereby, CoO SM and I went to the Director's Conference Room. The meeting was in reference to the letter received by DFSD on April 24th. I advised COO of the points and regulations that we (HAS Security) agreed with that DFSD had made, and those which we did not agree with or a couple that would need additional clarifications from TSA's HQS/PP&E. I advised him that TSA at IAH did not believe that they are required to provide a valid Driver's License to obtain driving privileges at our airport. I then advised of all the City of Houston, as well as FAA regulations that say to the contrary anyone that drives in the AOA, Safety Area, or Movement Areas must have a valid DL. I also spoke to him about the falsifying of information and misconduct on the part of TSI. COO directed me to respond to the letter and advise TSA of our stance on the points made in DFSD letter and our counterpoints.

- On Thursday, May 4, 2023, I completed the response letter to TSA DFSD . I then emailed the letter and sent it as an attachment to the following:

- TSA FSD
- TSA DFSD
- TSA AFSD-I
- Executive Director of Large Hub Airports (boss)
- Assistant Director PP&E
- Assistant Director Global Compliance
- As well as :
- HAS COO
- HAS CoO
- HAS IAH Security Manager

The email had DFSD letter and my response letter attached therein.

- On Monday, May 8, 2023, CoO asked me if I had mailed the letter to TSA, and I affirmed that I had, and that I had cc'd him, COO and others. He advised me that COO was "pissed off and really upset about it." I asked why, and he said that someone from TSA contacted him about the letter that morning, and the allegation of falsifying information on the part of TSI, and they (TSA) were very upset about it. We then called COO, whereby he was very aggressive in his tone on the phone with me, and was asking me if I had sent the letter. I advised I had, just as he had directed me to and had cc'd him on the email. He said, "Who told you to include people from TSA HQS." I advised him no one, but no one had told me not to, and as their Director of Security I included those that needed to have situational awareness of my responses to DFSD letter, as well as to address a couple of the questions/concerns we had on the §1542.209 (M) exception. I asked him why he was so

[REDACTED] upset, and he said "you have stirred up a fucking bee's nest" by including the folks at TSA Headquarters, and mentioning the fact that TSI [REDACTED] had allegedly committed fraud. I proceeded to advise him that I only spoke and reported the truth, and if he read my letter, he would see that I made the point very professionally, that they (TSA) could not just independently make decisions to place false information on our security applications, and I used the [REDACTED] case as an example. COO [REDACTED] then said, "Well you shouldn't have told them." We then got off the phone, and I heard nothing else from COO [REDACTED] on this matter that day.

- I asked CoO [REDACTED] why COO [REDACTED] was upset, as we had directed me to respond to the letter. CoO [REDACTED] advised me that COO [REDACTED] was upset because I also included the information on TSI [REDACTED] falsifying the information thereby informing and reporting to them of a wrongdoing on their part, and that I had included three people from TSA HQS. I advised I was doing my job, and what I was supposed to do, and am now being admonished for it, which isn't right. CoO [REDACTED] kept saying to me that COO [REDACTED] is really pissed off. I responded with he was the one that directed me to respond, so I responded. I told the truth about the alleged fraud, appropriately responded to all the points that needed to be rebutted back to TSA, and included those that needed to have situational awareness, and now I am being aggressively retaliated against by being yelled at for doing the right thing, all because TSA called to complain to COO [REDACTED] about it, vs them thanking us for notifying them of the allegations and that they would investigate the allegations.
- On Tuesday, May 9, 2023, in the morning, SM [REDACTED] and I received an email from DFSD [REDACTED] whereby he stated that he had just had a meeting with COO [REDACTED] the previous day and they decided we needed to conduct joint inspections on the perimeter fence line due to the number of fence jumpers we had encountered. However, what I found odd was that DFSD [REDACTED] spoke of meeting with COO [REDACTED] the same morning (May 8th) that I had been admonished by COO [REDACTED] and his stating that he had been contacted by TSA complaining about my response letter.
 - Later that morning, I received an email invite from HAS Executive Director [REDACTED] to come to his office for a meeting at 2:00 pm that day. Also invited to the meeting were COO [REDACTED] Chief of WID/TM [REDACTED] and CoO [REDACTED]
- On Tuesday, May 9, 2023, at approximately 2:00 pm, I showed up to the [REDACTED] office as directed, whereby I was met by Director [REDACTED] COO [REDACTED], Ms. [REDACTED] and CoO [REDACTED]. They then slid a folder over to CoO [REDACTED] whereby he stated, "[REDACTED] we have decided that we no longer need your services." I was forced to either resign or be fired on the spot. I asked why as I had just been advised what a great job I had done since reporting to HAS as their Director of Security Operations.
- I said so you are going to terminate me, and not even tell me why? At that point Ms. [REDACTED] said, "[REDACTED] you are an Executive with the City of Houston, and this is an At-Will state, so we don't need a reason to fire you, nor do we need to tell you why." I said I realize it was an At-Will state, however there are two exceptions to that rule: termination [REDACTED]

[REDACTED] based on Discrimination and/or Retaliation, and it sure seems like this is retaliation since just the day before COO [REDACTED] was yelling at me in reference to a letter I sent to TSA, that he directed me to send, and he had just met with DFSD [REDACTED] that very morning. I then under a great deal of duress, stress, and pressure, signed the Letter of Resignation.

- o I made a protected disclosure based on a reasonable belief that wrongdoing had occurred on the part of TSA stated above. I made the disclosure to persons at TSA that were authorized to receive it, and after COO [REDACTED] was contacted by DFSD [REDACTED], I was fired the very next day.
- o My Attorney has filed a Wrongful Termination / Whistleblower Retaliation law suit against the City of Houston, Houston Airport System. He also filed an investigation with the City of Houston's Office of Inspector General to investigate the alleged wrongful termination and other acts of malfeasance on the part of HAS Leadership.
- o We have also filed a TPIA/FOIA for all official records, emails and text messages of those alleged of wrong doing. Once we receive the records via the TPIA/FOIA or via Discovery for court, we will be looking to see if the TSA leadership named herein knowingly, willingly and intentionally were complicit or took any part in my wrongful termination. If/when such records are provided/discovered we would then be looking into the Federal Tort Claims Act (FTCA) and any possible ways to hold the United States Government (TSA) accountable accordingly.

I therefore ask that the Office of Special Counsel investigate the aforementioned allegations of Prohibited Personnel Practices, to include crimes, fraud, and misconduct on the part of the TSA, especially those named herein. I have copies of most of the items of proof and others will be either provided in Discovery or via the TPIA/FOIA, or could also be received by your office via Internal demand letter and/or subpoena.

Items of Proof:

- Copy of Renewal Application by TSI [REDACTED]
- Copy of Email from [REDACTED] to TSA on May 4, 2023
- Copy of Letter from [REDACTED]
- Copy of Reply Letter from [REDACTED]

Respectfully,

I hereby affirm and attest that all facts and circumstances stated herein are true and correct, to the best of my knowledge.

[REDACTED]
September 4, 2023

[REDACTED]

TSA Parking Issues Timeline

[REDACTED]

- 07/06/2021: There was an issue at the Terminal-A Limo Lot, where several TSA K9 vehicles were blocking the curbs. LS-Ops advised them to move. The K9 Officers refused. LS-Ops called TSA DAFSD [REDACTED] ordered his team to move and follow the LS-Ops instructions. Due to this incident [REDACTED] took the initiative to work with LS-Ops and GT and got four (4) dedicated parking spots at Terminal-C Limo Lot.
 - [REDACTED] responded, thanking [REDACTED] and the HAS team.
 - 07/27/2021: [REDACTED] put out email to TSA advising of increased congestion at the curbs and traffic, causing some changes in our previous open parking at Terminal-A Limo Lot. We advised pending further notice only the FSD, DFSD, AFSDs, STSIs/TSIs and FAMS could park at Terminal-A. HAS also provided additional instructions for the four dedicated parking spots for TSA K9 only.
 - 09/07/2021: [REDACTED] sent an email to TSA, advising them that LS-Ops, Security and GT have reported TSA personnel have still been parking at the Terminal-A Limo Lot. This message spoke of not only official vehicles, but personal vehicles being parked in the Limo Lot, taking up spaces that the Limos are paying for. HAS asked TSA to please address this with their personnel and please refrain from parking in the A-Limo Lot, unless authorized.
 - In late November 2021: HAS put out information to all stakeholders that the Terminal-A Limo Lot was being reconfigured. The south side of the Lot would now be dedicated to ONLY Limos and HAS Operations vehicles, while on the northside of the Lot, it would be dedicated for only Uber/Lyft passenger transportation. HAS informed TSA and others that even though it was previously approved for certain TSA vehicles to park in the T-A Limo Lot, with the new configuration that was no longer authorized, and they would need to find parking elsewhere.
 - 01/19/2022: [REDACTED] contacted TSA AFSD-I [REDACTED] to advise that LS-Ops, Security and GT have reported some of his inspectors were still parking in the T-A Limo Lot. The email advised once again, to please refrain from parking in the Limo Lot and that they could contact AD [REDACTED] with GT to look at paying for parking in the A/B garages. [REDACTED] advised that HAS understands that this can cause a little inconvenience on the TSA team, but with all the construction and traffic problems we are having, it has had a ripple effect on all of us to be temporarily inconvenienced and are trying to assist them by authorizing Inspectors the A/B garage hangtags for their GOVs.
 - [REDACTED] responded and asked HAS to reconsider the issuance of Garage Parking Hangtags for official vehicles only and spoke of they have an operational need to use their POVs in the performance of their duties and needed to be able to park their POVs at the airport.
- [REDACTED]

- 01/20/2022: [REDACTED] responded to [REDACTED] and advised the situation with Terminal-A Limo Lot was not just closed to TSA vehicle parking but any/all parking that was not "Limo" or HAS Operations due to the new configuration of the parking lot. [REDACTED] responded to [REDACTED] statement about being able to park to do their jobs, and even though HAS understands, it shouldn't be an issue as all that TSA needs to do is pay to park their GOVs/POVs within the garages like other employees and stakeholders do, as the airport is not obligated to provide free parking. With that being said, [REDACTED] advised [REDACTED] that he would inquire from [REDACTED] if HAS could provide garage parking hangtags for TSAs official vehicles.
- [REDACTED] responded and advised "yes" that HAS could provide hangtags needed for TSA Government vehicles but would charge to park TSA employees' personal vehicles.
 - [REDACTED] responded advising [REDACTED] that the parking of any stakeholder's vehicles is not an airport obligation to provide for free. In the spirit of cooperation and partnership, [REDACTED] and [REDACTED] met with [REDACTED] about the parking issue. [REDACTED] agreed to furnish the Parking Garage hangtags at no cost to TSA, but only for their GOVs.
 - [REDACTED] responded and thanked [REDACTED] for working with them and to provide the Parking Garage hangtags for their GOVs at no cost to TSA. [REDACTED] then specifically asked for three exceptions to have hangtags provided to [REDACTED] and [REDACTED] to be able to use on their POVs at not cost to them. [REDACTED] then advised he would appreciate the courtesy being extended to the three of them.
- 01/21/2022: [REDACTED] responded to [REDACTED] email and advised him that [REDACTED] and he had spoke about the parking issues and to specifically address [REDACTED] request. [REDACTED] and [REDACTED] agreed to provide [REDACTED] and [REDACTED] the professional favor of having the hangtags for the three hangtags to be provide at no cost to [REDACTED] and [REDACTED] to use their personal vehicles. [REDACTED] advised [REDACTED] that HAS would be issuing eleven (11) total garage hangtags, which would be eight (8) for GOVs and three (3) for [REDACTED] and [REDACTED] POVs at no cost to them.
- [REDACTED] then responded and asked for two additional hangtags at no cost to be used for when any of his Admin Staff travels from the TSA office to the airport upping the total to thirteen hangtags at no cost, and we agreed to assist them if the two additional hangtags were for GOVs but could not provide any additional hangtags at no cost for anyone other than [REDACTED] and [REDACTED] to park their POVs at no cost
 - [REDACTED] responded thanking [REDACTED]

- 01/21/2022: [REDACTED] emailed [REDACTED] without anyone else co'd. This was to again extend the olive branch of cooperation towards TSA. [REDACTED] advised [REDACTED] that he spoke to [REDACTED] and [REDACTED] agreed with [REDACTED] to provide [REDACTED] and [REDACTED] the professional favor of having the hangtags for their three POVs, whereby they could park in the A/B garages as well as the PL6 Lot. [REDACTED] advised [REDACTED] "As you can imagine this is kind of a sensitive issue, since HAS does charge 99.9 percent of folks to park their POVs in the garages, so we believe the fewer people that know the better."
- 04/06/2022: [REDACTED] emailed [REDACTED] to ask for assistance at there were two unknown large TSA trucks parked in the Terminal-A Limo Lot. [REDACTED] inquired as to why since HAS has provided four dedicated K9 parking spots. [REDACTED] responded advising that they were not local TSA K9 but out of town K9 handlers at IAH to assist the local team. [REDACTED] advised he would advise them where to park. [REDACTED] advised [REDACTED] in trying to help them out if they needed to park there, he would notify LS-Ops and GT, of the temporary nature of the parking, but in the future TSA only needs to call the LS-Ops duty phone to coordinate when they have a specific need, but please in the future just coordinate with LS-Ops so we can have optics and awareness.
- 05/10/2022: [REDACTED] was contacted by LS-Ops Division Manager [REDACTED] advising that there was an issue along the Terminal-D curb. He advised that a large white van was parked along the curb and was hindering the traffic flow during a heavy push of traffic. He asked [REDACTED] to please speak with TSA as this was becoming an issue with the TSA vehicles just pulling up and parking where they wanted without any coordination or notice. He also advised when the TSA employee came back to their vehicle and were approached by LS-Ops that the TSA employee gave them attitude when they spoke to him about his parking along the curb.
 - [REDACTED] contacted [REDACTED] and explained the situation. [REDACTED] advised it was most likely their TSA warehouse delivering supplies. [REDACTED] advised [REDACTED] that is completely understandable, but what we (HAS) needs is for them to call the LS-Ops duty phone [REDACTED], and simply coordinate with LS-Ops and they can advise if it's a good time or not depending on the curb traffic.
 - [REDACTED] responded by stating, "We'll get them the number, please remember D has been a ghost town before noon for years. It's a change for them and everyone, Change is difficult for everyone."
- 05/24/2022: [REDACTED] received a call from AFSD-S [REDACTED] requesting assistance in having Administrative Staff being able to park in the Terminal-A Limo Lot to assist them with the summer rush.
 - 05/24/2022: [REDACTED] emailed [REDACTED] and advised her that in furtherance of her request, he spoke with [REDACTED] and [REDACTED] about it. He advised that unfortunately [REDACTED] advised that there is just no way to authorize the two vehicles parking in the T-A Limo Lot with the construction causing the traffic issues we have and very limited parking we are just not able to assist at this time. [REDACTED]

18-0F32

- o [REDACTED] also advised her that [REDACTED] is also concerned about providing free parking in general, as it gets around the airport quickly, and we don't want the carriers, concessionaires or other stakeholders believing that they are somehow entitled to free parking when they are under a summer rush or other specific need.
 - o [REDACTED] advised her that the best way forward was for TSA to simply pay for 2-3 HAS hangtags as a business expense, that could be checked out and used on an as needed basis and not assigned to a specific vehicle, whereby when TSA had a special need to come to the airport can park safely in the garage in either their GOV or POV, then return the hangtag to back to TSA for safe keeping.
 - o [REDACTED] responded by thanking [REDACTED] for trying and that she appreciated his efforts.
- 02/27/2023: [REDACTED] received information from LS-Ops as to unknown vehicles parked in the dedicated TSA K9 spots at Terminal-C Limo Lot. [REDACTED] reached to [REDACTED] to inquire if she knew whose vehicles they were. She responded advising that one of the vehicles was one of their K9 instructors and one was one of the K9 decoy program Assistants and was her personal vehicle. [REDACTED] advised her that according to LS-Ops the only concern is if they (TSA) are allowing other vehicles even if related to K9 to park in the designated K9 spots, would mean where now are all the K9 trucks parking? I told him that I was not as concerned about the K9 trucks if they are parking in the same locations that HPD parks as it's a great deterrent along the curbs. [REDACTED] agreed but said to please have anyone that is K9 related that needs to park in those spots to call the Landside Ops Duty Phone prior to parking there to advise of the vehicle type and drive contact info and they will approve them to be there.
- 03/01/2023: In follow-up from the conversation between [REDACTED] and [REDACTED] on 2/27/2023, they agreed that it would be beneficial if we could all meet to discuss further and look at options. Therefore, [REDACTED] took the initiative to send out a meeting invite to discuss some of the parking issues and look at the TSA wants/needs vs the HAS capabilities, policies and curb/traffic/parking problems. The invite was sent to [REDACTED]
[REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED]. When [REDACTED] never even responded to the invite, and [REDACTED] contacted [REDACTED] to advise he would be out on leave, [REDACTED] cancelled the meeting, as the intent of [REDACTED] and [REDACTED] wanting the meeting is to have all the key players at the table to be on the same sheet of music.
- 03/09/2023: DAFSD [REDACTED] sent an email to [REDACTED] and [REDACTED] in reference to an incident that occurred, where on March 8, 2023, a K9 vehicle had received a parking citation from LS-Ops for being illegally parked at Terminal-C loading doc without proper markings on the vehicle. In his email he stated that the "parking issues are impacting our K9 and decoy program and the four slots at Terminal C is insufficient for 15 K9 personnel. If we cannot get decoys for K9 training and explosive reinforcement then it will impact our K9 effectiveness, certification, and ultimately TSA Screening and Airline operations." He also stated, "Who do we contact to get this citation revoked and can we get a parking hang tag for K9?" [REDACTED]

[REDACTED] [REDACTED]
□ 03/09/2023: [REDACTED] sent a follow-up email directly to HAS COO [REDACTED] and [REDACTED] but did not include [REDACTED] nor [REDACTED]. [REDACTED] stated, "Our K-9 teams prevent wait times due to the lack of capacity daily at A-S, C-S, and FIS. Part of the requirement for a dog to be certified is to pass a "test" during their runs with a decoy (person who is unknown and doesn't work in the airport). If we can no longer bring in decoys who are volunteers to get them to the various work areas our K-9 operations will cease to be certified. We need this addressed to be able to provide this valuable screening capability and to keep wait times down. We need some help to address this before Spring Break. Thank you!"

There have been numerous phone calls over the past two years as well, that were intertwined with the aforementioned emails discussing parking issues in reference to TSA K9, Inspectors and other TSA employee parking their official and personal vehicles. It has been made clear to TSA that traffic congestion along the roadways, curbs and garages is a problem at IAH, and that is exacerbated with more and more construction projects and our enplanement continuing to increase in PAX numbers. This has caused a lot of changes in what HAS is allowing as to parking in the garages, as well as around the Terminals and especially our Limo Lots.

HAS Landside Operations, Security and GT have gone out of their way on numerous occasions as mentioned above (all emails are available to see if needed) to work with TSA in the spirit of cooperation and partnership, but there continues to be more and more violations where they are not following the HAS rules for parking in our specified lots and in and around our terminal curbs. We have not only given the four dedicated spots for TSA K9, we have allowed and encourage the K9 vehicles to park around the Terminal curbs but to do so as HPD does where they pull up and over the curb out of the curb traffic lanes, thereby not hindering traffic flows and still serving TSA K9 operations and the airport as a visual deterrent.

In the mindset of GT, Landside Operations and Security Operations this should not be an issue, as if TSA wants, needs and/or desires more and more parking, all they need to do is pay for the Terminal garage parking hangtags accordingly, just as other tenants and stakeholders all do. [REDACTED]

[REDACTED] [REDACTED]
The Law: (Also stipulated in the TSA/DHS Guide to Major Ethics Rules)

48 CFR § 3.101 - Standards of conduct. (This is also found within the TSA/DHS

48 CFR § 3.101-1 - General.

- **3.101-1 General.**

Government business shall be conducted in a manner above reproach and, except as authorized by statute or regulation, with complete impartiality and with preferential treatment for none. Transactions relating to the expenditure of public funds require the highest degree of public trust and an impeccable standard of conduct. The general rule is to avoid strictly any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships. While many Federal laws and regulations place restrictions on the actions of Government personnel, their official conduct must, in addition, be such that they would have no reluctance to make a full public disclosure of their actions.

48 CFR § 3.101-2 - Solicitation and acceptance of gratuities by Government personnel.

- **3.101-2 Solicitation and acceptance of gratuities by Government personnel.**

As a rule, no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee's agency, (b) conducts activities that are regulated by the employee's agency, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties. Certain limited exceptions are authorized in agency regulations.

48 CFR § 3.101-3 - Agency regulations.

- **3.101-3 Agency regulations.**

(a) Agencies are required by Executive Order 11222 of May 8, 1965, and 5 CFR part 735 to prescribe *Standards of Conduct*. These agency standards contain –

(1) Agency-authorized exceptions to 3.101-2; and

(2) Disciplinary measures for persons violating the standards of conduct.

(b) Requirements for employee financial disclosure and restrictions on private employment for former Government employees are in Office of Personnel Management and agency regulations implementing Public Law 95-521, which amended 18 U.S.C. 207. [REDACTED]

[REDACTED] - HAS

From: [REDACTED] - HAS
Sent: Wednesday, March 15, 2023 12:34 PM
To: [REDACTED] - HAS
Cc: [REDACTED] - HAS
Subject: RE: Solicitation of gratuities
Attachments: Part 2635 - Ethical Conduct.pdf; EO 12731 - Ethical Conduct.pdf

Good afternoon [REDACTED]

The provision you referenced is consistent with what I found in in the Code of Federal Regulations and in Executive Order (EO) 12731. 5 CFR 2635 entitled, *Standards of Ethical Conduct for Employees of the Executive Branch*, is applicable to the Transportation Security Administration (TSA) because it is a sub agency of the Executive Branch. Section (b)(4) of 5 CFR 2635.101 provides:

"(4) An employee shall not, except as permitted by subpart B of this part, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties." (see attached CFR).

Subpart B referenced above provides a few excepts to this provision and examples; none of which appear to be applicable in this instance, especially since I understand from our discussion that HAS does not have a policy or practice of providing free parking for all federal or government employees, tenants or contractors that work at the airport. (See 5 CFR 2635.204 (c), *Discounts and similar benefits*).

Executive Order 12731 - *Principles of Ethical Conduct for Government Officers and Employees*, has essentially the same provision in Part 1(d) of the EO. It states the following:

"(d) An employee shall not, except pursuant to such reasonable exceptions as are provided by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties." (See attached EO 12731).

Since HAS does not have a policy or practice of providing free parking to any particular group or class (i.e., government/federal employees), I recommend that going forward we discontinue providing free parking as a courtesy to TSA only and cite the referenced provisions.

Let me know if any additional information is needed.

Regards,

[REDACTED]
Houston Airports
Assistant Director
Aviation Risk & Regulatory Compliance

Office: [REDACTED]
Mobile: [REDACTED]

[REDACTED]
Fly2houston.com



From: [REDACTED] - HAS [REDACTED]

Sent: Wednesday, March 15, 2023 8:56 AM

To: [REDACTED] - HAS [REDACTED]

Cc: [REDACTED] - HAS [REDACTED]

Subject: Solicitation of gratuities

[REDACTED]

In follow-up of our discussion I found this on the Cornell Law School website. It is also found within the TSA/DHS Guide to Major Ethics Rules)...

Issue:

I meet with [REDACTED] on this issue tomorrow morning, and want to advise him that by their solicitation they are violating this Federal Regulation and the law, and by us agreeing to their illicit or unethical solicitation, even though it may on the surface appear to be a professional courtesy, we are in effect being complicit in this unethical behavior/conduct. The TSA represents the Federal Government and is responsible as per 49 CFR 1542, to regulate HAS as an airport operator. They have verbally and in writing been pressuring HAS by soliciting free parking for their official vehicles as well as the personal vehicles for certain TSA Leadership. This is in violation of the above Regulation and their own Rules of Ethics and Conduct, whereby they are seeking financial gain both for their agency and personally.

Federal Regulation / Law:

48 CFR § 3.101 - Standards of conduct. (This is also found within the TSA/DHS

48 CFR § 3.101-1 - General.

- **3.101-1 General.**

Government business shall be conducted in a manner above reproach and, except as authorized by statute or regulation, with complete impartiality and with preferential treatment for none. Transactions relating to the expenditure of public funds require the highest degree of public trust and an impeccable standard of conduct. The general rule is to avoid strictly any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships. While many Federal laws and regulations place restrictions on the actions of Government personnel, their official conduct must, in addition, be such that they would have no reluctance to make a full public disclosure of their actions.

48 CFR § 3.101-2 - Solicitation and acceptance of gratuities by Government personnel.

- **3.101-2 Solicitation and acceptance of gratuities by Government personnel.**

As a rule, no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee's agency, (b) conducts activities that are regulated by the employee's agency, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties. Certain limited exceptions are authorized in agency regulations.

[REDACTED]

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48 CFR § 3.101-3 - Agency regulations.

- 3.101-3 Agency regulations.

(a) Agencies are required by Executive Order 11222 of May 8, 1965, and 5 CFR part 735 to prescribe *Standards of Conduct*. These agency standards contain –

- (1) Agency-authorized exceptions to 3.101-2; and
- (2) Disciplinary measures for persons violating the standards of conduct.

(b) Requirements for employee financial disclosure and restrictions on private employment for former Government employees are in Office of Personnel Management and agency regulations implementing Public Law 95-521, which amended 18 U.S.C. 207.

Thoughts?

Director Security Operations
Houston Airport System (IAH, HOU, EFD/Spaceport)
Office: [REDACTED]
Cell: [REDACTED]
Email: [REDACTED]



"I like to see a man proud of the place in which he lives...
And I like to see a man live, so his place will be proud of him." - Abraham Lincoln

"Sec. 403. Delegation Regarding Civil Service. The Office of Personnel Management and the Office of Government Ethics, as appropriate, are delegated the authority vested in the President by 5 U.S.C. 7301 to establish general regulations for the implementation of this Executive order.

"PART V -- GENERAL PROVISIONS

"Sec. 501. Revocations. The following Executive orders are hereby revoked:

"(a) Executive Order No. 11222 of May 8, 1965.

"(b) Executive Order No. 12565 of September 25, 1986.

"Sec. 502. Savings Provisions.

"(a) All actions already taken by the President or by his delegates concerning matters affected by this order and in force when this order is issued, including any regulations issued under Executive Order 11222, Executive Order 12565, or statutory authority, shall, except as they are irreconcilable with the provisions of this order or terminate by operation of law or by Presidential action, remain in effect until properly amended, modified, or revoked pursuant to the authority conferred by this order or any regulations promulgated under this order. Notwithstanding anything in section 102 of this order, employees may carry out preexisting contractual obligations entered into before April 12, 1989.

"(b) Financial reports filed in confidence (pursuant to the authority of Executive Order No. 11222, 5 C.F.R. Part 735, and individual agency regulations) shall continue to be held in confidence.

"Sec. 503. Definitions. For purposes of this order, the term:

"(a) 'Contracting officers and procurement officials' means all such officers and officials as defined in the Office of Federal Procurement Policy Act Amendments of 1988.

"(b) 'Employee' means any officer or employee of an agency, including a special Government employee.

"(c) 'Agency' means any executive agency as defined in 5 U.S.C. 105, including any executive department as defined in 5 U.S.C. 101, Government corporation as defined in 5 U.S.C. 103, or an independent establishment in the executive branch as defined in 5 U.S.C. 104 (other than the General Accounting Office), and the United States Postal Service and Postal Rate Commission.

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"(d) 'Head of an agency' means, in the case of an agency headed by more than one person, the chair or comparable member of such agency.

"(e) 'Special Government employee' means a special Government employee as defined in 18 U.S.C. 202(a).

"Sec. 504. Judicial Review. This order is intended only to improve the internal management of the executive branch and is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person."

George Bush

The White House, [REDACTED]
October 17, 1990.

[REDACTED]
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requirements for approval of outside employment.

"PART II -- OFFICE OF GOVERNMENT ETHICS AUTHORITY

"Sec. 201. The Office of Government Ethics. The Office of Government Ethics shall be responsible for administering this order by:

"(a) Promulgating, in consultation with the Attorney General and the Office of Personnel Management, regulations that establish a single, comprehensive, and clear set of executive-branch standards of conduct that shall be objective, reasonable, and enforceable.

"(b) Developing, disseminating, and periodically updating an ethics manual for employees of the executive branch describing the applicable statutes, rules, decisions, and policies.

"(c) Promulgating, with the concurrence of the Attorney General, regulations interpreting the provisions of the post-employment statute, section 207 of title 18, United States Code; the general conflict-of-interest statute, section 208 of title 18, United States Code; and the statute prohibiting supplementation of salaries, section 209 of title 18, United States Code.

"(d) Promulgating, in consultation with the Attorney General and the Office of Personnel Management, regulations establishing a system of nonpublic (confidential) financial disclosure by executive branch employees to complement the system of public disclosure under the Ethics in Government Act of 1978. Such regulations shall include criteria to guide agencies in determining which employees shall submit these reports.

"(e) Ensuring that any implementing regulations issued by agencies under this order are consistent with and promulgated in accordance with this order.

"Sec. 202. Executive Office of the President. In that the agencies within the Executive Office of the President (EOP) currently exercise functions that are not distinct and separate from each other within the meaning and for the purposes of section 207(e) of title 18, United States Code, those agencies shall be treated as one agency under section 207(c) of title 18, United States Code.

"PART III -- AGENCY RESPONSIBILITIES

"Sec. 301. Agency Responsibilities. Each agency head is directed to:

"(a) Supplement, as necessary and appropriate, the comprehensive executive branch-wide regulations of the Office of Government Ethics, with regulations of special applicability to the particular functions and activities of that agency. Any supplementary agency regulations shall

be prepared as addenda to the branch-wide regulations and promulgated jointly with the Office of Government Ethics, at the agency's expense, for inclusion in Title 5 of the Code of Federal Regulations.

"(b) Ensure the review by all employees of this order and regulations promulgated pursuant to the order.

"(c) Coordinate with the Office of Government Ethics in developing annual agency ethics training plans. Such training shall include mandatory annual briefings on ethics and standards of conduct for all employees appointed by the President, all employees in the Executive Office of the President, all officials required to file public or nonpublic financial disclosure reports, all employees who are contracting officers and procurement officials, and any other employees designated by the agency head.

"(d) Where practicable, consult formally or informally with the Office of Government Ethics prior to granting any exemption under section 208 of title 18, United States Code, and provide the Director of the Office of Government Ethics a copy of any exemption granted.

"(e) Ensure that the rank, responsibilities, authority, staffing, and resources of the Designated Agency Ethics Official are sufficient to ensure the effectiveness of the agency ethics program. Support should include the provision of a separate budget line item for ethics activities, where practicable.

"PART IV -- DELEGATIONS OF AUTHORITY

"Sec. 401. Delegations to Agency Heads. Except in the case of the head of an agency, the authority of the President under sections 203(d), 205(e), and 208(b) of title 18, United States Code, to grant exemptions or approvals to individuals, is delegated to the head of the agency in which an individual requiring an exemption or approval is employed or to which the individual (or the committee, commission, board, or similar group employing the individual) is attached for purposes of administration.

"Sec. 402. Delegations to the Counsel to the President.

"(a) Except as provided in section 401, the authority of the President under sections 203(d), 205(e), and 208(b) of title 18, United States Code, to grant exemptions or approvals for Presidential appointees to committees, commissions, boards, or similar groups established by the President is delegated to the Counsel to the President.

"(b) The authority of the President under sections 203(d), 205(e), and 208(b) of title 18, United States Code, to grant exemptions or approvals for individuals appointed pursuant to 3 U.S.C. 105 and 3 U.S.C. 107(a), is delegated to the Counsel to the President.

Executive Order 12731 of October 17, 1990

"PRINCIPLES OF ETHICAL CONDUCT
FOR GOVERNMENT OFFICERS AND EMPLOYEES"

By virtue of the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to establish fair and exacting standards of ethical conduct for all executive branch employees, it is hereby ordered that Executive Order 12674 of April 12, 1989, is henceforth modified to read as follows:

"EXECUTIVE ORDER

"

"principles of ethical conduct for government officers and employees

"By virtue of the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to establish fair and exacting standards of ethical conduct for all executive branch employees, it is hereby ordered as follows:

"Part 1 -- PRINCIPLES OF ETHICAL CONDUCT

"Section 101. Principles of Ethical Conduct. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each Federal employee shall respect and adhere to the fundamental principles of ethical service as implemented in regulations promulgated under sections 201 and 301 of this order:

"(a) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws, and ethical principles above private gain.

"(b) Employees shall not hold financial interests that conflict with the conscientious performance of duty.

"(c) Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.

"(d) An employee shall not, except pursuant to such reasonable exceptions as are provided by regulation, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the [REDACTED]

employee's duties.

"(e) Employees shall put forth honest effort in the performance of their duties.

"(f) Employees shall make no unauthorized commitments or promises of any kind purporting to bind the Government.

"(g) Employees shall not use public office for private gain.

"(h) Employees shall act impartially and not give preferential treatment to any private organization or individual.

"(i) Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.

"(j) Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.

"(k) Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.

"(l) Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those -- such as Federal, State, or local taxes -- that are imposed by law.

"(m) Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.

"(n) Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards promulgated pursuant to this order.

"Sec. 102. Limitations on Outside Earned Income.

"(a) No employee who is appointed by the President to a full-time noncareer position in the executive branch (including full-time noncareer employees in the White House Office, the Office of Policy Development, and the Office of Cabinet Affairs), shall receive any earned income for any outside employment or activity performed during that Presidential appointment.

"(b) The prohibition set forth in subsection (a) shall not apply to any full-time noncareer employees employed pursuant to 3 U.S.C. 105 and 3 U.S.C. 107(a) at salaries below the minimum rate of basic pay then paid for GS-9 of the General Schedule. Any outside employment must comply with relevant agency standards of conduct, including any

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PART 2635 - STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE EXECUTIVE BRANCH

Authority: 5 U.S.C. 7301, 7351, 7353; 5 U.S.C. App. (Ethics in Government Act of 1978); E.O. 12674, 54 FR 15159, 3 CFR, 1989 Comp., p. 215, as modified by E.O. 12731, 55 FR 42547, 3 CFR, 1990 Comp., p. 306.

Source: 57 FR 35042, Aug. 7, 1992, unless otherwise noted.

Subpart A - General Provisions

§ 2635.101 Basic obligation of public service.

- (a) *Public service is a public trust.* Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.
- (b) *General principles.* The following general principles apply to every employee and may form the basis for the standards contained in this part. Where a situation is not covered by the standards set forth in this part, employees shall apply the principles set forth in this section in determining whether their conduct is proper.
 - (1) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain.
 - (2) Employees shall not hold financial interests that conflict with the conscientious performance of duty.
 - (3) Employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest.
 - (4) An employee shall not, except as permitted by subpart B of this part, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee's agency, or whose interests may be substantially affected by the performance or nonperformance of the employee's duties.
 - (5) Employees shall put forth honest effort in the performance of their duties.
 - (6) Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the Government.
 - (7) Employees shall not use public office for private gain.
 - (8) Employees shall act impartially and not give preferential treatment to any private organization or individual.
 - (9) Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.
 - (10) Employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities.
 - (11) Employees shall disclose waste, fraud, abuse, and corruption to appropriate authorities.

[REDACTED] (12) Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those - such as Federal, State, or local taxes - that are imposed by law.

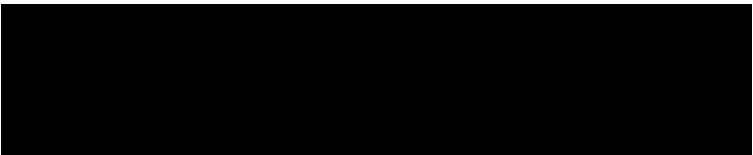
(13) Employees shall adhere to all laws and regulations that provide equal opportunity for all Americans regardless of race, color, religion, sex, national origin, age, or handicap.

(14) Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the ethical standards set forth in this part. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

(c) *Related statutes.* In addition to the standards of ethical conduct set forth in this part, there are conflict of interest statutes that prohibit certain conduct. Criminal conflict of interest statutes of general applicability to all employees, 18 U.S.C. 201, 203, 205, 208, and 209, are summarized in the appropriate subparts of this part and must be taken into consideration in determining whether conduct is proper. Citations to other generally applicable statutes relating to employee conduct are set forth in subpart I and employees are further cautioned that there may be additional statutory and regulatory restrictions applicable to them generally or as employees of their specific agencies. Because an employee is considered to be on notice of the requirements of any statute, an employee should not rely upon any description or synopsis of a statutory restriction, but should refer to the statute itself and obtain the advice of an agency ethics official as needed. [REDACTED]



Exhibit 3





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity: <input type="checkbox"/> Personal Interview <input type="checkbox"/> Telephone Interview <input type="checkbox"/> Records Review <input checked="" type="checkbox"/> Other	Date: March 18, 2024 Review conducted between 03/04/2024 – 03/18/2024
Activity or Interview of: Analysis of TSA email data for AFSD-I1, DFSD1, FSD1, and FSD2	Conducted by: Investigative Analysis Unit (IAU) Investigations (INV) Headquarters Operations Location of Interview/Activity: Alternate Work Location

Subject Matter/Remarks

On March 04, 2024, the Investigative Analysis Unit (IAU) received a request in support of case I23-01253. The “IAU Analysis Request” was to review the TSA emails of AFSD-I1, DFSD1, FSD1, and FSD2 for any indicators supporting the allegation that TSA officials at George Bush Intercontinental/Houston Airport (IAH) engaged in activity that may constitute a violation of law, rule, or regulation and an abuse of authority. According to OSC, the allegations to be investigated are whether:

(1) TSA IAH leadership improperly solicited and accepted parking at IAH for both official and personal vehicles at no cost from the airport operator, the Houston Airport System (HAS), a department of the city of Houston, Texas; (2) This solicitation and acceptance violates the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 and 48 C.F.R. § 3.101-2 because HAS is regulated by TSA under 49 C.F.R. § 1542; and (3) Any additional, related allegations of wrongdoing discovered during the investigation of the foregoing allegations.

The review of FSD2’s emails did not identify any activity related to the allegations listed above.

Case Number I23-01253	Case Title: U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)
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Revised March 6, 2024

[REDACTED]

MEMORANDUM OF INTERVIEW OR ACTIVITY (continuation sheet)

The review of FSD1 identified many emails discussing the parking issues at IAH and the TSA K9 Unit's use of parking spaces incorrectly. On 04/07/2023, DSO [REDACTED] sent an email to FSD1 and DFSD1 advising them of two dedicated parking spots at Terminal-A Limo Lot and four dedicated parking spots at Terminal-C for TSA K9 Unit.

The review of DFSD1 identified an email from DSO [REDACTED] on 01/21/2022 stating "Unfortunately, we cannot provide any additional tags for POVs at no-cost."

The review of AFSD-I1 identified an email on 01/22/2022 with the following language: "All this "professional" and "favor" nonsense that [REDACTED] is pulling is a twisted play or he's just not knowledgeable." An email sent by AFSD-I1 on 03/01/2023 sent to DFSD1 states "[REDACTED] used A LOT of words like "favors" to TSA, etc... in his calendar apt message. Should we bring [REDACTED] into this topic to look at it?"

An email sent from DSO [REDACTED] on 03/01/2023 to AFSD-I1, DFSD1, FSD1, and FSD2 et al states "In January 2022, HAS was asked by TSA leadership to please allow for eight (8) TSA official vehicles to be provided Terminal-A/PL6 Lot hangtags at no cost to TSA. HAS was also asked to please provide three (3) additional Terminal-A/PL6 Lot hangtags for the FSD, DFSD and the Stakeholder Manager, to park their personal vehicles at no cost to TSA or them individual. Again in the spirit of partnership, HAS agreed to provide the free parking for these eleven vehicle as a favor and courtesy to TSA. Since that time, we have been asked sever times if we would allow for the TSA Compliance Inspectors to be able to park their personal vehicles either in Terminal-A Limo Lot and/or Garage while performing their inspections, but we have had to deny those requests, again for the aforementioned reasons."

Case Number

I23-01253

Case Title:

U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022

[REDACTED]

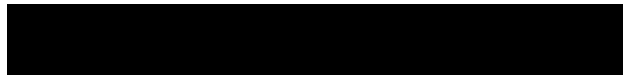
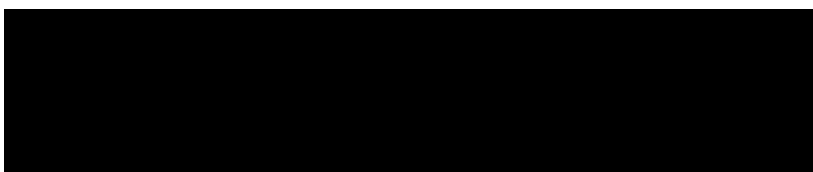


Exhibit 4





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity: <input checked="" type="checkbox"/> Personal Interview <input type="checkbox"/> Telephone Interview <input type="checkbox"/> Records Review <input type="checkbox"/> Other	Date: March 26, 2024 @ 0900 hours CST
Activity or Interview of: Interview of George Bush Intercontinental Airport (IAH) Deputy Federal Security Director (DFSD) – DFSD1	Conducted by: Special Agent [REDACTED] Special Agent [REDACTED] (Virtual)
	Location of Interview/Activity: Transportation Security Administration (TSA) 3838 N. Sam Houston Parkway E., Suite 295 Houston, TX 77032

Subject Matter/Remarks

On March 26, 2024, INV interviewed DFSD1 regarding the allegations. DFSD1 agreed to be interviewed in reference to the whistleblower disclosure filed to the Office of Special Counsel (OSC) alleging that IAH TSA employees violated the standards of ethical conduct for government employees relating to the solicitation and acceptance of parking at IAH for both official and personal vehicles at no cost from the Houston Airport System (HAS). DFSD1 was advised that the interview would be recorded. A copy of the recording was uploaded to ECMS.

DFSD1's provided sworn statement reflected the information he provided in the interview.

During the interview, DFSD1 denied any wrongdoing and denied using IAH parking for anything other than official government business. Furthermore, DFSD1 claimed that, as a disabled veteran of the US military, he was eligible to park for free at IAH and claimed there was no personal benefit of having free parking.

Attachment:

- Copy of DFSD1's Signed Sworn Statement, dated March 26, 2024

Case Number I23-01253	Case Title: U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)
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Revised May 10, 2022



Transportation
Security
Administration

SWORN STATEMENT

I, [REDACTED], having been duly sworn, hereby make the following statement to SA [REDACTED], who has been identified to me as an Investigator with TSA Investigations. I am making this statement of my own free will, without any duress or coercion.

*** SEE ATTACHED STATEMENT ***

I have read this entire statement consisting of 3 pages. I have been given the opportunity to make any corrections necessary to make the statement accurate. All of the information contained in this statement is true and accurate to the best of my knowledge and belief. I understand that I may be prosecuted for perjury or making false statements if I have intentionally misrepresented anything contained in this statement. I have not intentionally omitted any information or knowledge I have that relates to the matters under investigation or review.

[REDACTED]
Signature [REDACTED]

Signed and sworn to before me, this 26th day of March, 2024.

[REDACTED]
Witness [REDACTED]

[REDACTED]
Special Agent
Transportation Security Administration
Department of Homeland Security
Authority to administer oaths: 5 U.S.C. § 303

[REDACTED]

The former AFSD-Inspections, [REDACTED] retired from TSA sometime in 2021 and obtained a position with HAS later in 2021 as the Assistant Director of Security. The issues with parking at IAH began in 2023 after very rough year in 2022 due to roadway congestion, a drop in revenue in parking due to the demolition of so many spaces in Terminal E. The following will provide a historical perspective.

The issues around parking between the Houston Airports System (HAS) and TSA began in the early part of 2023. HAS had initiated construction of a new Terminal E which entailed demolishing the E parking garage which consisted of approximately 2,000 parking spaces. At that time all airport employees (various vendors, air carriers, etc...) had the ability to park on site at the airport to include TSA. There is also a lot adjacent to Terminal A which is now referred to as the "Limo Lot" as only limousine type vehicles are allowed to park in that lot to pick up passengers. Prior to that changing who could park in that lot, that lot was made available to all businesses that had the need to conduct business at the airport but did not have a requirement to be at the airport five days a week. TSA from at least 2014 (that is when I was assigned to IAH) was permitted to park in this lot for our offsite personnel conducting business at the airport. TSA officers and staff assigned to the airport are eligible for TSA subsidized parking at the airport and have assigned parking garages to park in. With that said the people who work for TSA at the FSD offsite do not have assigned parking locations at the airport, this includes but is not limited to our Inspections/ Regulatory group, Mission Support staff, some training staff, and the FSD and DFSD.

TSA has historically had a very good working relationship with HAS since I arrived at IAH. Parking had never been an issue that was ever raised to my level. TSA had spaces our vehicles could park in at Terminals A, B, C, D, and E as well as we had placards for specific vehicles and limited POVs to be able to park at curbside of all the terminals with the exception of D, we had two specific spots that were assigned to government vehicles as long as they had GSA tags or an approved parking placard used to identify POVs that were being used to conduct official TSA business.

Prior to the budget cuts in 2018-2019 TSA at IAH had 30 government owned vehicles (GSA license plates) so the placards for Personally Owned Vehicles (POVs) were rarely used. After those cuts we have only 9 GOVs assigned to IAH.

When Mr. [REDACTED] began working for the airport I initially thought it would be good thing for HAS and for TSA to have even a stronger relationship than we already had. Our conversations about improving the overall security posture were very encouraging to begin with. When [REDACTED] our current AFSD-I arrived and reported for duty I took him to the airport to introduce him to [REDACTED] and I thought the first meeting went very well. Mr. [REDACTED] had an impressive resume and had a solid endorsement from his previous FSD who both the FSD and I know to some degree. I thought we were off to very a good start.

Over the course of 2022 much of my attention was focused on screening operations because Terminal E had shut down for construction and that volume of passengers was shifted from Terminal E to Terminal C and the designed capacity was being exceeded during to the peaks so much of time was spent working with United Airlines and segments of HAS to help resolve those issue.

It was brought to my attention either late 2022 or early 2023 that parking for the employees who work at the offsite building, FSD staff office, they were getting pushback when they went to the airport to conduct inspections or other assigned duties. Mr. [REDACTED] and I had a meeting and I thought the parking

[REDACTED] issue would be resolved when they had a chance to identify where they wanted TSA to be able to park to be able to perform their duties. I have brought multiple emails that show the progression of the discussions to try and find a resolution to the challenge. (Please see the attached). [REDACTED]

In my opinion parking is not Mr. [REDACTED] true issue, his issue is based from his actions alone working with TSA and within the spirit of partnership that has existed since I was assigned to IAH in 2014. He was either terminated or forced to resign on or about May 9, 2023 due to his actions of circumventing his chain of command. [REDACTED]

The attached email dated May 4, 2023 12:33PM titled Houston Airport System-IAH Media/ Badging Issues was sent by Mr. [REDACTED] to TSA Security Operations leadership without the approval of his direct supervisor Mr. [REDACTED] COO of HAS. I read the email on May 5, 2023 and called [REDACTED] and got his voicemail. He texted my back later that evening and said he was traveling and asked me what was going on? I told him I needed to speak with him about Mr. [REDACTED] and he asked me if I could drop by his office first thing on Monday morning and I said yes. On Monday May 8, 2023 I met with Mr. [REDACTED] at 0800 in his office. I told him about the email and his response was surprise as he said "wait, what?" He then went to his desk picked up a folder and came back to the conference table and compared the sent email I had to the "draft email" that he had for review. At that point he said he understood why I wanted to meet so quickly. Mr. [REDACTED] said the folder was handed to him that morning as a draft to review and he did not know it had been sent. At that point he thanked me and said he would "take care of it". The next evening I received a call from HAS Director [REDACTED] informing me that Mr. [REDACTED] was no longer employed by the City of Houston and apologized and that he hoped Mr. [REDACTED] action did not damage our partnership or our working relationship. I told him this did not affect those in any way. [REDACTED]

[REDACTED] I am more than happy to answer any all questions about parking, I have supplied all the email exchanges I found between Mr. [REDACTED] myself, and the IAH TSA staff concerning all things related to "parking" in my emails. [REDACTED]

[REDACTED] Throughout all of this my only focus was to ensure the TSA team at IAH had the ability to do the work they are supposed to do. We do not have a financial vehicle to be able to enter into a contract to pay for GOV parking spaces, I personally am gaining nothing by having a HAS hang tag to have access to the parking facilities at IAH. I am a disabled veteran with an 80% disability rating and all state and city parking is free to disabled veterans with state issued DV tags. I paid for a parking ticket of one of my employees who received a parking ticket while performing her duties at the airport out of my own pocket. At no time am I aware of any TSA employee using their position to gain "free" parking for [REDACTED] anything other than to be able to perform their duties as prescribed by their position description. [REDACTED]

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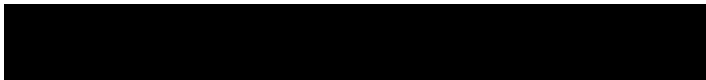
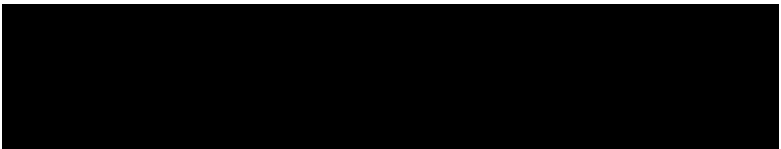


Exhibit 5





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity:

- ☒ Personal Interview
☐ Telephone Interview
☐ Records Review
☐ Other

Date:

March 26, 2024 @1300 hours CST

Activity or Interview of:

Interview of George Bush Intercontinental Airport (IAH) Assistant Federal Security Director of Inspections (AFSD-I) – AFSD-II

Conducted by:

Special Agent [REDACTED]
Special Agent [REDACTED] (Virtual)

Location of Interview/Activity:

Transportation Security Administration (TSA)
3838 N. Sam Houston Parkway E., Suite 295
Houston, TX 77032

Subject Matter/Remarks

On March 26, 2024, Special Agent (SA) [REDACTED] and SA [REDACTED] interviewed IAH AFSD-II regarding the allegations. AFSD-II agreed to be interviewed in reference to the whistleblower disclosure filed to the Office of Special Counsel (OSC) alleging that IAH TSA employees violated the standards of ethical conduct for government employees relating to the solicitation and acceptance of parking at IAH for both official and personal vehicles at no cost from the Houston Airport System (HAS). AFSD-II was advised that the interview would be recorded. A copy of the recording was uploaded to ECMS.

AFSD-II's provided sworn statement reflected the information he provided in the interview. (Note: Along with the sworn statement, AFSD-II provided copies of various emails to INV. These emails will be maintained in the casefile.)

During the interview, AFSD-II denied using IAH parking for anything other than official government business. Furthermore, AFSD-II stated that, while acting in his official capacity, his access to the airport could not be impeded. AFSD-II denied any wrongdoing.

Attachment:

- Copy of AFSD-II's Signed Sworn Statement, dated March 26, 2024

Case Number
I23-01253

Case Title:
U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022



Transportation
Security
Administration

SWORN STATEMENT

I, [REDACTED], having been duly sworn, hereby make the following statement to SA [REDACTED] TSA-NV, who has been identified to me as an Investigator with TSA Investigations. I am making this statement of my own free will, without any duress or coercion.

*** SEE ATTACHED STATEMENT ***

I have read this entire statement consisting of 11 pages. I have been given the opportunity to make any corrections necessary to make the statement accurate. All of the information contained in this statement is true and accurate to the best of my knowledge and belief. I understand that I may be prosecuted for perjury or making false statements if I have intentionally misrepresented anything contained in this statement. I have not intentionally omitted any information or knowledge I have that relates to the matters under investigation or review.

X [REDACTED]
Signature

Signed and sworn to before me, this 26 day of March, 2024.

Witness
[REDACTED]

[REDACTED]
Special Agent
Transportation Security Administration
Department of Homeland Security
Authority to administer oaths: 5 U.S.C. § 303

U.S. Department of Homeland Security
3838 N. Sam Houston Parkway, Suite 510
Houston, TX 77032



Transportation
Security
Administration

TO:

Special Agent, TSA Investigations

FROM:

Assistant Federal Security Director- Inspections

SUBJECT: Statement Related to Allegation from Former TSA Employee

DATE: March 26, 2024

On March 26, 2024, I met with you to discuss *allegations* of wrong doing related to obtaining parking for free at the George Bush Intercontinental Airport and increasing the number of IAH findings are some kind of penalty for IAH related to parking. The allegation was from former TSA employee, and Houston Airport System (HAS) employee, who *retired* from TSA sometime before July 2021 and *resigned* from HAS sometime in 2023.

Relevant history-

I started with TSA in 2002 shortly after the agency was created. At the end of 2003, I was then hired, in Alabama, as a job series code 1801, TSA Transportation Security Inspector (TSI). This position had previously been located in the Federal Aviation Administration (FAA) as a Special Agent. After TSA was created, and in 2002, the FAA Special Agent position was moved to TSA and was retitled as a TSI.

I was tasked with overseeing security regulations, security programs, security directives, emergency amendments etc... for hundreds of businesses in accordance with the Code of Federal Regulations (CFR) Title 49 CFR 1500's. These federal requirements acted as countermeasures to prevent threats from exploiting the entire transportation system, which if not enforced, could allow for another terrorist attack, similar to the events that took place on 9/11/2001.

(See TSA's oversight of businesses via regulations at: eCFR :: 49 CFR Chapter XII -- Transportation Security Administration, Department of Homeland Security)

I worked in this position for approximately five years and was promoted to Supervisory Transportation Security Inspector (STSI) in Arizona, where I spent three years supervising the same (CFR) work, but for all three types of transportation businesses: Aviation, Cargo and Surface. In 2012, I was promoted to Assistant Federal Security Director of Inspections (AFSD-I) in the TSA field office in Cleveland, Ohio. In 2015, TSA had a reorganization and combined several field offices into one, where I was in charge of regulatory oversight for the entire state of Ohio, with my office being in Columbus.

In 2021, I applied and was selected as the AFSD-I for Houston, Texas, specific to the IAH airport and approximately 300 other businesses in the geographic areas around Houston. This position was

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[REDACTED] vacated by [REDACTED] when he *retired* from TSA. I had not known [REDACTED] previously because he hadn't worked in domestic compliance with TSA previous to him taking the AFSD-I position in Houston.

In my entire federal career, starting in 1995, I have never received any discipline, not even received a Letter of Counseling. I have never *retired* or *resigned* in-lieu of disciplinary action against me. The reason why my history is relevant, is that I have been performing this exact line of TSA oversight work, of these specific regulations going back to 2003. I have a great deal of experience with the intent of the requirements, and the enforcement of the requirements placed on businesses. In fact, I have directly maintained TSA regulatory oversight of twenty different commercial airports at six different TSA domestic field offices, to include thousands of regulated businesses. In doing so, I have a vast and positive experience with multiple airport operations. I know how these complex regulations have been, and are to be, carried out by the airports (*and many other business types*).

[REDACTED] did not have the level of experience needed to perform the complex job of AFSD-I at TSA IAH, the position he held *briefly* before *retiring* from the agency; or perform his security role at HAS, the position he held *briefly* before *resigning*.

The allegation-

Attempting to gain free parking and increasing findings of IAH because TSA did not receive free parking, *or something to that effect*.

My reply-

Non-sense!

The allegation is *par for the course* from a disgruntled employee, [REDACTED] who either didn't understand TSA's authority as the transportation industry's regulator, or he has made false accusations based on his previous threats to do so, all in an effort to continue his attempts in making our professional lives burdensome.

As a badged and credentialed inspector of TSA with federal regulatory oversight responsibility of a commercial airport (and all other transportation businesses engaged in commerce), our credential states, as well as others, that we are "...entitled to full and unimpeded access to transportation facilities, buildings, lands, areas, sites, aircraft, vessels, vehicles, official records, conveyances, and infrastructure assets in the performance of official duties in accordance with the Aviation and Transportation Security Act and other laws and regulations." In other words, businesses do not charge the federal government a fee to regulate them. Doing so would impede *access*. I have had twenty commercial airports, and never been charged a parking fee to regulate any of these airports. It is worth noting that the TSA field personnel work for the FSD who has authority to conduct many activities with regulated entities, via the Delegation of Authority to Federal Security Directors, dated 2009. Those *official duties* are attached. Many of these duties are further delegated to other field personnel.

(See attachment DOATFSD)

In fact, currently I have approximately 300 transportation businesses, to include: flight schools, truck companies (such as Crane Worldwide Logistics), an airport (IAH), domestic aircraft carriers (such as Delta), repair stations, foreign air carriers, canine companies, certified cargo screening facilities such as a museum, full all-cargo businesses (such as UPS), etc... that grant full and unimpeded access to [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

their land, records, facility, etc... in order to be inspected by TSA, so that they may continue to operate.

If my duty station (my office) were located on the property of a regulated business, in other words, if I reported to IAH as my duty location, then I would pay IAH to park like other tenant employees who do the same, such as the airline personnel. That is not the case here. FSD staff personnel in Houston, have offices that are not located at IAH. We are in an office building and TSA pays rent for the space/ parking spot at that location already.

TSA greatly reduced the number of government vehicles (GOVs). TSIs regulate businesses and conduct investigations over a large geographic footprint, at many businesses far away from IAH. This has caused an issue with GOV availability. Personal vehicles are preferred by management for use traveling to/from IAH, for official business, because it frees up GOVs for other TSA personnel to use far away from IAH.

This vehicle parking topic was an issue when I arrived in Houston in July 2021, and [REDACTED] certainly knew it was an issue since he held the same position that I now have, AFSD-I. The problem of where to park at IAH has been an issue, until [REDACTED] resigned from HAS. IAH has designated two spots for TSA parking in a lot close to the IAH business offices at Terminal A. TSA has a placard that is put on the dash of the vehicle while it is parked in those locations. We have never required a specific *place* to park at IAH, only that IAH provides *unimpeded access* to conduct official business. Our credentials allow us *full and unimpeded access to transportation facilities, buildings, lands...* The *access* is required, in the TSIs case, to perform official regulatory oversight work. The parking place is on a regulated business' *land*. Charging a fee to regulate is impeding access.

Of particular note- I have never parked at IAH in a GOV or POV, for personal reasons. I have never been informed that a TSA employee has parked at IAH in a GOV or POV, for personal reasons.

I believe that this disgruntled employee is taking one last shot at TSA because he feels like he had to resign from his position at HAS because of TSA for some reason. I have no proof of that, but he did make a threat he would "need to let someone know (about) our handshake over free parking" *AFTER* I brought up IAH findings at our meeting on October 25, 2022. In my summary of the meeting, I told [REDACTED] that we don't get free parking. I thought that was an attempt of a threat based on TSA discovering the IAH findings, but didn't think much of it because we are authorized full and unimpeded access to conduct business. Of note toward [REDACTED] character- is a statement that I made in email to the FSD and DFSD where at the same meeting, regarding a finding where the airport was required to perform a vetting process for any Law Enforcement Officer (LEO) who IAH was going to issue an airport badge, "[REDACTED] made a comment that... these are LEOs not some 8th grade educated LTSOs (Lead Transportation Security Officer)." "I told [REDACTED] that our TSOs are not just 8th grade educated and it was low. Frankly it was derogatory." This was [REDACTED] method of operation when he was corner. He would routinely try and make others feel like they were less important. In my opinion, to attempt to dodge his own failures. In the same email that I sent to the FSD and DFSD, I advised them that "[REDACTED] reminded me, that he and I are not on the same level." The purpose of that statement, in my opinion, was his attempt to belittle me in front of my team, who was also at that meeting discussing IAH's failures. Present at that meeting was: TSI [REDACTED] TSI [REDACTED] TSI [REDACTED] and Supervisory TSI [REDACTED]. They were all very upset that [REDACTED] was acting in this manner. I'm positive that each of them would recall that meeting.
(See attached email October 25, 2022) [REDACTED]

Another relevant email is a summary of a meeting between me, DFSD [REDACTED] and [REDACTED], DFSD [REDACTED] sent the email to the FSD to update him. DFSD [REDACTED] started by explaining that his opinion of the meeting, was the meeting was set up to target me (in front of the DFSD and [REDACTED] supervisor, [REDACTED]) and [REDACTED] threatened legal action related to one of our findings for LEO response to our testing. [REDACTED] advised that he had reached out to other airports asking for their number of findings and discovered they were much less than IAH's. Of note- one of the airport's he mentioned was Phoenix, where I was stationed for three years and corrected their security posture, before I moved to Cleveland as the AFSD-I. So they *would* have fewer findings in Phoenix, if the TSA field office had continued to implement the inspection oversight that I started previously. DFSD [REDACTED] in his email, stated "[REDACTED] is outing [REDACTED] in his new role and exposing that [REDACTED] is not as much of an expert in compliance as he may have led [REDACTED] (HAS Director who hired [REDACTED]) to believe and he feels threatened. With that said, his only response is to attack [REDACTED] and his method of gaining compliance. In yesterday's meeting [REDACTED] did an outstanding job of correcting [REDACTED] when he twisted [REDACTED] words and I was quite frankly impressed as [REDACTED] ability to keep his head and not outwardly display any emotional responses." My comments about the same meeting are also attached and relevant to the allegation. *In part*, I wrote "My opinion is that we are doing our job, trying to use the tools we have been given by HQ, and least enforcement necessary to obtain compliance, to get a regulated entity to comply and "keep people alive" by ensuring security countermeasures are in place. They don't like it because IAH will be more liable when we succeed. Basically, we are being met with threats for doing what TSA hired us to do, while trying to work with a regulated entity who does not want to partner with us or comply with TSA regulatory requirements, following the: CFRs, SDs and National Amendments. As a side bar- I reached out to our (HQ) National Inspector, [REDACTED], for a gut check to see if, by chance, I'm off base, and she advised that I'm not. In addition, she offered to loop in OCC Compliance POC [REDACTED] to have a meeting with IAH, if you want that. She advised that she wouldn't do that unless you advised of the need."

(See attached email November 1, 2022)

An email from [REDACTED] to DFSD [REDACTED], which was sent on November 2, 2022, is again showing that [REDACTED] is incompetent or playing a game. He states that a vulnerability that my team brought up related to needing a barrier [REDACTED] to prevent unauthorized access [REDACTED] should be assessed by someone other than my team, someone from "TSA HQ" and "if they find it a plausible vulnerability, *even though they never have in the past*, then we will look into mitigation factors, if they find it not an issue, then it's a non-issue". I replied to DFSD [REDACTED] in blue text that "This topic is already addressed as a vulnerability [REDACTED] in the most recent JVA by a non-bias team, page 22. *Consider replacing [REDACTED] with bullet resistant glass that would [REDACTED]*

Lastly, increase law enforcement and security patrols [REDACTED] These measures will help prevent a directed attack [REDACTED]

Our TSIs looked at this topic from the perspective of the CFR requirement as well, which is why it was recording as a finding, separately than just a vulnerability, as identified by the JVA team. In this instance, the topic is both a finding and vulnerability." I think there are a few important points here. First, The Joint Vulnerability Assessment (JVA) that I quoted, took place and was presented to TSA IAH when [REDACTED] was the AFSD-I. The field's effort to mitigate JVA findings with an airport, are the responsibility of the AFSD-I, which would have been [REDACTED] [REDACTED] should have known that a non-bias "TSA HQ" assessment had already been conducted and came to the same conclusion that my team did related to the [REDACTED]

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vulnerability. It just so happened that my team conducted an inspection and discovered the finding. You can review the rest of [REDACTED] email and our efforts to provide a unified reply to his statement for context, and I hope you do. When I got to IAH in 2021, no countermeasures had been pursued to mitigate the "TSA HQ" JVA vulnerabilities, an effort that should have been pursued by the former AFSD-I [REDACTED]

(See attachment November 3, 2022)

I recalled a previous email where [REDACTED] used the words "professional favor of having the hangtags for your three POVs". I believe the use of the phrase "professional favor" was used for a potential setup in the future, because he knew that he was over his head related to all the findings we were discovering. By this time, I had figured out that there were severe security failures at IAH and the root cause was [REDACTED] and his security department's lack of knowledge, as well as their negative attitude toward TSA compliance. There is a lot of commentary between me, the FSD and DFSD about [REDACTED] in this email, and at 6:53, I provide some guidance on the parking topic that is relevant. Also note that [REDACTED] indicates that TSA can't park overnight. As a previous AFSD-I, [REDACTED] should have known that TSA conducts inspection activity at all hours of the day and night. It's worth noting that these kinds of parking issues are no longer a problem, now that [REDACTED] resigned from HAS.

(See attached email January 21, 2022)

I've attached four emails specific to parking at IAH. You will be able to see that the parking issue was going on before I arrived at IAH and lots of confusion about where TSA (non-airport based) employees can park in order to conduct official duties.

(See attachments: August 31, 2021; September 7, 2021; January 31, 2022; January 20, 2022)

I think it's worth mentioning that when I arrived in Houston, TSI [REDACTED] advised that as [REDACTED] was leaving TSA, [REDACTED] told [REDACTED] that TSA FSD was now going to have to do what he ([REDACTED]) told them (TSA) to do. It was well known that [REDACTED] did not get along with the TSA FSD. [REDACTED] advised that TSIs [REDACTED] also heard [REDACTED] make this comment at a team meeting.

On March 1, 2023, [REDACTED] sent a calendar invitation related to "TSA Parking Meeting" which he "used A LOT of words like "favors" to TSA, etc..." and I sent an email to DFSD [REDACTED] asking if we should bring [REDACTED] (TSA Field Counsel) into this topic to look at it?" DFSD [REDACTED] then forwarded my suggestion to [REDACTED] via the attached email. Of note here is that my concern wasn't parking. My concern was that, again, [REDACTED] was using the word "favor" and that I believed he was trying to setup TSA for a future allegation of ethics violations of who knows what else. Unfortunately, I can't find the calendar invitation, perhaps the system deleted it after a certain time, or perhaps others have a copy of the actual calendar appointment from [REDACTED]. Regardless, my comment/concern related to that calendar invitation is attached.

(See attached email March 1, 2023)

The allegation of increased findings *because* we didn't get parking is non-sense and typical behavior of this disgruntled employee. When I arrived in July of 2021, with almost 20 years of TSA regulatory enforcement experience, I got to know my new TSI team, then set to work gauging the security posture within the Federal Security Director's (FSD) Area of Responsibility (AOR), which is *doing my job* (see chart below). The most important aviation business in the AOR, is the commercial airport, because it is the infrastructure that exists to allow all the *other* aviation transportation businesses to operate. If there are *vulnerabilities* (failure of required security regulatory requirements), then *threats* can exploit the network and cause drastic *consequences*. My job is also to reduce *risk* by identifying vulnerabilities and enforcing these requirements with businesses, which is

a condition of the government continuing to allow the businesses to operate. My first focus was IAH, using the Aviation TSIs. I secondarily focused on trucking companies for the Cargo TSIs in an effort to determine the security posture of that industry type.

I began systematically looking at the layers of security at IAH and comparing them with the requirements in the CFR along with my twenty years' experience, starting at the perimeter fence inward toward the sterile area. I also noted that a review of the Airport Security Program (ASP) had not been conducted in a while, so that also was a focal point. I immediately observed severe instances of non-compliance of IAH, which were putting the public at risk. In observing how my new team operated, I noted that airport oversight was being accomplished by one TSI as a *collateral* duty. The resources were not being focused to identify non-compliance. I set forth to create a team of TSIs and educated them on the complex regulations. I asked the lead TSI, [REDACTED], why these non-compliant issues had not been resolved before I arrived. [REDACTED] stated, that the team never got the support from the previous AFSD-I, and that he didn't know what he was doing. The previous AFSD-I was [REDACTED]

I attached an email showing dialog between me and [REDACTED]. My replies to his comments are in blue text. I believe that this shows an example of my effort to help him understand TSA regulations and a law that we enforce.

(See attachment November 8, 2022)

I knew that we would be recording many findings, after I read the IAH Airport Security Program (ASP). In addition to my normal duties and history in TSA compliance, I used to be on a HQ team that would go to other airports and review the ASP for issues of non-compliance. I asked TSI [REDACTED] to request a HQ Compliance ASP Review Work Group "surge" to be part of our local team and have a non-bias ASP review. Those discussions were with HQ National Inspector, [REDACTED]. Ultimately, [REDACTED] could not get the surge request approved because I was told that surges were now meant for operational aspects of determining compliance vs administrative aspects, such as reviewing documents.

(See attachment April 13-14, 2022)

As the newly formed "Airport Team" began their work, we discovered *many* new findings that had previously gone undiscovered, so the number of findings went up due to my arrival, but had *nothing* to do with parking. The reason was because we cared enough about the public to properly perform our duty to the public. I won't go into details, due to this statement being non-SSI; however, my team identified *many* findings, even months after [REDACTED] resigned and the parking issue was resolved. In fact, we are about to offer IAH another Action Plan for newly identified findings. These findings have nothing to do with parking or [REDACTED], they never have.

Relevant Finding Data from PARIS (Pulled by TSI [REDACTED])

The Calendar Year (CY) findings chart below (for the Airport, Domestic Carriers, Foreign Carriers, Trucking Companies, Certified Cargo Screening Facilities CCSFs) proves that *doing my job*, wasn't limited to just the airport. I replicated the same level of assessment, mentioned above, with most other businesses within the FSDs AOR.

I arrived to IAH in July of 2021, from being an AFSD-I in Ohio for ten years.

For CY 2020 (during AFSD-I [REDACTED] time): [REDACTED]

- Airport (IAH) had 16 findings
- Domestic Carriers had 17
- Foreign Carriers had 41
- Trucking had 41
- CCSFs had 3

For CY 2021 (I arrived at the *end* of July):

- Airport IAH had 33 findings
- Domestic Carriers had 13
- Foreign Carriers had 26
- Trucking had 55
- CCSFs had 2

For CY 2022 (My first full year in Houston):

- Airport IAH had 74 findings
- Domestic Carriers had 58
- Foreign Carriers had 37
- Trucking had 70
- CCSFs had 11

This data is important because it shows my level of effort in identifying non-compliance across *all* these entity types. I did not single out IAH. The transportation network is intertwined and complex. A finding in one business type can cause vulnerability in other types of businesses. I used the limited resources that I had to assess and mitigate risk across modes and business types.

Between CY 2020 and 2021, I arrived in July 2021 and started assessing the AOR with attention on the airport and trucking:

Airport non-compliance *increased* +106%
 Carrier non-compliance decreased -24%
 Foreign Carrier non-compliance decreased -37%
 Trucking non-compliance *increased* +34%
 CCSFs non-compliance decreased -2%

Between CY 2021 and 2022, my team identified many new findings, not just for the airport (IAH):

Airport non-compliance *increased* +124%
 Carrier non-compliance *increased* +346%
 Foreign Carrier non-compliance *increased* +42%
 Trucking non-compliance *increased* +27%
 CCSFs non-compliance *increased* +450%

Note- In 2023, the percent of findings reduced for IAH. That's because I decided not to inspect the same topics that we knew were still out of compliance from previous year, because IAH had entered into *several* Action Plans with TSA to correct the non-compliance.

The level of non-compliance was detected by my team at much higher percentage rates for Carriers and CCSFs than for IAH. All businesses grant us unimpeded access to regulate them. *This has nothing to do with parking.*

CY	Airport	% change	Carriers	% change	Foreign	% change	Trucking	% change	CCSFs	% change
----	---------	----------	----------	----------	---------	----------	----------	----------	-------	----------

2020	16		17		41		41		3	
2021	33	106%	13	-24%	26	-37%	55	34%	2	-33%
2022	74	124%	58	346%	37	42%	70	27%	11	450%
2023	23	-69%	26	-55%	28	-24%	71	1%	10	-9%

(See attached Raw Data with current SSI password)

Multiple instances of my team's effort to partner with IAH and reduce their number of their findings-

- Advised IAH to amend the ASP in *their favor* for cyber security POC changes. IAH submitted an amendment, per a HQ national amendment, but did not incorporate the requirement to notify the FSD of cyber security POC changes within **14 days** of the change. By not adding this into their ASP, IAH is required to follow Title 49 CFR 1542.107 and notify the FSD of personnel change within **6 hours**.
 - This increased IAH's flexibility in notifying the FSD of these changes from 6 *hours* to 14 *days*.
 - IAH has not sent the amendment.
 - This would help IAH avoid the potential for TSA findings.
- TSA streamlined the 6-hour notice of changed condition CFR requirement and combined it with the 72 hour written notification requirement. When IAH has a changed condition such as a person driving through a fence, all IAH has to do is notify the TSA CC. No written follow up notice is required within 72 hours.
 - This increased IAHs efficiency, effectiveness and reduced IAHs regulatory burden.
 - This helps IAH avoid the potential for TSA findings.
- TSA advised IAH to take "clear zones" out of the ASP, since there is no TSA "requirement" to have these in the ASP.
 - This reduces IAH's oversight burden.
 - This would help IAH avoid the potential for TSA findings.
- Implemented IAHs request to deviate from the CFR, and notify the FSD of denied badges every 2 weeks vs "immediately".
 - This increased IAH's flexibility in making notifications and allowed IAH more time to focus on other tasks.
 - This helps IAH avoid the potential for TSA findings.
- At [REDACTED] request, I drafted, and the FSD signed, a letter of support to the IAH Director, for IAH building a Consolidated Receiving and Distribution Center (CRDC) which would have helped IAH limit their TSA findings.

(See attached Support for CRDC)

- Advised IAH to add a Rap Back effective date to their ASP as part of a national amendment.
 - This helped IAH avoid numerous TSA findings as Rap Back was implemented at IAH.
- TSA makes notifications to IAH of our test failures related to challenge/display of badges and badge holders who attempt to bring prohibited items into the sterile area.
 - This allows IAH to take action they deem appropriate against the badge holder.
 - IAH decided not to reciprocate and notify TSA of badge holders IAH discover not properly challenging etc. as an example.

- TSA reviewed a submitted amendment for the checkpoint C layout and noticed that *if* the LEO podium was moved a few feet and positioned facing the checkpoint, IAH could claim grant money (\$20 per hour) from the TSA LEO reimbursement program for hours that the LEO was at the podium; free money for IAH.
 - IAH declined.
- TSA offered to assist IAH amend their ASP (we would basically do it for them) related to findings discovered during the 2022 comprehensive inspection. IAH decided to hire a contractor to rewrite the ASP, costing \$280,000.00. TSA would have helped amend the ASP for free.
 - IAH has declined the offer.
 - TSA didn't require a rewrite. TSA required only amendments.
 - TSA could have saved IAH up to \$280,000.00.
 - This would have been a great opportunity to partner and build a business relationship.
- TSA extended the 2022 comprehensive inspection so IAH could resolve findings and so that TSA could close those findings with "Resolved with Counseling"
 - This avoided more findings associated with "Violation with Investigation".
- TSA offered numerous times to assist in the development of IAH's (CFR required) LEO training requirement, when [REDACTED] was the Security Director. On multiple occasions, document examples were provided to IAH security.
 - This would have been a great opportunity for TSA to partner with IAH and create a solid training program for LEOs.
 - Since [REDACTED] departure, the new Security Director has engaged our TSA Airport Team and we have approved IAH's final training for LEOs.
 - I will also be giving a presentation to all IAH based LEOs, in an effort to partner with IAH.
- TSA offered to have IAH security join our ASP review team to help determine compliance with their ASP. We meet each Wednesday for many months totaling hundreds of hours.
 - IAH Security attended 1 day for 3 hours.
 - This would have been a great opportunity for TSA to partner with IAH and create a solid business relationship.
- TSA moved 150 ASP findings to 2 general findings and rescinded the LOI so IAH would move forward with an action plan.
 - This allowed IAH to avoid the optics of a poor security program with their City of Houston leadership.
- TSA has made multiple attempts to educate the IAH security department about TSA regulations (which act as countermeasures to mitigate vulnerability). TSA has determined that the security department is deficient in their knowledge of the TSA requirements and that lack of knowledge, unfortunately, is putting IAH in a liable position for TSA findings which creates security vulnerability for passengers.
 - TSA has consistently been met with non-cooperative and non-compliant attitude by the IAH security department, toward TSA's effort in making IAH a secure environment for both employees and passengers, while Houston remains a target of opportunity for threats. We have seen that recent leadership changes with the IAH Security Department, [REDACTED] resigned, improved both our relationship and security countermeasures at IAH.
- TSA decreased IAH's potential liability by improving the temporary amendment (TA) review/approval process, as stated in Title 49 CFR 1540.5, 1542.3 and 1542.105. [REDACTED]

- o Once IAH enacts the changes, the TA's will allow TSA to better understand how IAH ASC's oversee their security program. It will also allow better opportunity for IAH to mitigate their liability for TSA findings, in which TSA would be better positioned to investigate people vs the airport for failures.
- TSA has not fined IAH since I have been the AFSD-I. Instead, our team has agreed to enter into Action Plans and issued Warning Notices for IAH's issues of non-compliance with the CFRs.

Closing-

I did not increase findings for IAH due to anything related to parking. The findings increased because TSA performed inspections according to our national inspection protocols/standards and found the many businesses out of compliance with their regulatory requirements. My team and I have been focused on the identification of non-compliance, which was not focused on by my predecessor, [REDACTED]. The parking issue at IAH has been a mess since before I arrived and seemed to get worse; however, I contributed those issues to the major construction projects at the airport. Those parking issues have been resolved now that [REDACTED] resigned from HAS.

The findings chart above shows that I was doing my job across multiple business types and not singling out one regulated entity or entity type. TSA, *when conducting official business* has full and unimpeded access to transportation facilities, areas and land (parking). Our credentials don't stipulate that we have to be in a GOV. Our authority to conduct official business goes with us, regardless of vehicle used. Our office is not on-site at IAH. The use of a POV vs GOV is necessary due to lack of resources and the need to timely respond to regulated businesses. A regulated business must grant TSA access to facilities and lands in order to conduct official business. Our authority to do so is not contingent on the use of a GOV.

We have approximately 300 businesses in our geographic area around IAH. We don't pay businesses to allow us to regulate them or to ensure they are following the CFRs. We would bankrupt the agency if every TSI in the nation were charged a parking fee every time they arrived at a regulated business to determine the businesses' compliance with TSA regulations. These businesses voluntarily agree to be regulated in order for the federal government to continue to allow them to operate in commerce.

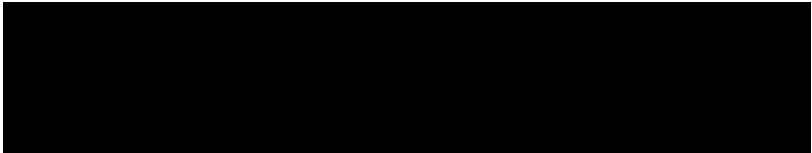
This allegation is no more than a personal vendetta by a disgruntled employee.

Thank you for the opportunity to respond. [REDACTED]

[REDACTED]
AFSD-I



Exhibit 6





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity: <input checked="checked" type="checkbox"/> Personal Interview <input type="checkbox"/> Telephone Interview <input type="checkbox"/> Records Review <input type="checkbox"/> Other	Date: March 26, 2024 @ 1500 hours CST
Activity or Interview of: Interview of William P. Hobby Airport (HOU) Federal Security Director (FSD) – FSD2	Conducted by: Special Agent [REDACTED] Special Agent [REDACTED] (Virtual)
	Location of Interview/Activity: Transportation Security Administration (TSA) 3838 N. Sam Houston Parkway E., Suite 295 Houston, TX 77032

Subject Matter/Remarks

On March 26, 2024, INV interviewed FSD2 regarding the allegations. FSD2 agreed to be interviewed in reference to the whistleblower disclosure filed to the Office of Special Counsel (OSC) alleging that George Bush Intercontinental Airport (IAH) TSA employees violated the standards of ethical conduct for government employees relating to the solicitation and acceptance of parking at IAH for both official and personal vehicles at no cost from the Houston Airport System (HAS). FSD2 was advised that the interview would be recorded. A copy of the recording was uploaded to ECMS.

FSD2's provided sworn statement reflected the information he provided in the interview.

During the interview, FSD2 admitted that TSA was provided eight parking spaces at HOU by the HAS free of charge. FSD2 also stated that he was the Deputy FSD at IAH from 2003 to 2014 and HAS also provided a number of free parking spaces to TSA during that time. FSD2 stated he did not know who arranged for free parking during that time.

Attachment:

- Copy of FSD2's Signed Sworn Statement, dated March 26, 2024

Case Number I23-01253	Case Title: U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)
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Revised May 10, 2022

SENSITIVE SECURITY INFORMATION



Transportation
Security
Administration

SWORN STATEMENT

I, [REDACTED], having been duly sworn, hereby make the following statement to SA [REDACTED] TSA-INV, who has been identified to me as an Investigator with TSA Investigations. I am making this statement of my own free will, without any duress or coercion.

* * * SEE ATTACHED STATEMENT * * *

I have read this entire statement consisting of 2 pages. I have been given the opportunity to make any corrections necessary to make the statement accurate. All of the information contained in this statement is true and accurate to the best of my knowledge and belief. I understand that I may be prosecuted for perjury or making false statements if I have intentionally misrepresented anything contained in this statement. I have not intentionally omitted any information or knowledge I have that relates to the matters under investigation or review.

[REDACTED]
Signature

Signed and sworn to before me, this 26th day of March, 2024.

[REDACTED]
Witness

[REDACTED]
Special Agent
Transportation Security Administration
Department of Homeland Security
Authority to administer oaths: 5 U.S.C. § 303

Page 1 of 2

[REDACTED]

[REDACTED] am the Federal Security Director for William P. Hobby International Airport in Houston, Texas. I met with Special Agent [REDACTED] who informed me that he was looking into a complaint about parking at IAH airport. [REDACTED]

I was asked how Hobby Airport handles TSA parking. Hobby TSA parking is provided by the airport. We are given 8 parking spaces in the employee parking lot adjacent to the airport terminal. The parking spaces are for the government vehicles from TSA compliance section, training, FAMs and logistic section. These spaces are utilized by TSA employees while on duty in government vehicles. At times when we have no government vehicles at the office we drive our own privately owned vehicle and park at one of this spaces but only for a short time and when on government official business only. [REDACTED]

I was asked if I have any awareness about TSA parking at IAH. I was assigned to IAH as the Deputy Federal Security Director from 2003 to 2014, but have no present knowledge of where they now park or where they are allowed to park at IAH. [REDACTED]

I was asked if I believe TSA used undue influence or accepted improper gratuities in the form of free parking at IAH? I don't know and have not heard that this has happened. [REDACTED]

Not Used

Not Used

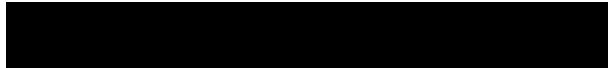
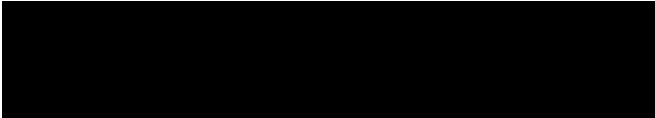


Exhibit 7





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity:

- ☒ Personal Interview
☐ Telephone Interview
☐ Records Review
☐ Other

Date:

April 1, 2024 @ 1400 hours CST

Activity or Interview of:

Interview of George Bush Intercontinental Airport
(IAH) Federal Security Director (FSD) – FSD1

Conducted by:

Special Agent [REDACTED] (Virtual)
Special Agent [REDACTED]

Location of Interview/Activity:

Transportation Security Administration (TSA)
3838 N. Sam Houston Parkway E., Suite 295
Houston, TX 77032

Subject Matter/Remarks

On April 1, 2024, INV interviewed FSD1 regarding the allegations. FSD1 agreed to be interviewed in reference to the whistleblower disclosure filed to the Office of Special Counsel (OSC) alleging that IAH TSA employees violated the standards of ethical conduct for government employees relating to the solicitation and acceptance of parking at IAH for both official and personal vehicles at no cost from the Houston Airport System (HAS). FSD1 was advised that the interview would be recorded. A copy of the recording was uploaded to ECMS.

FSD1 provided sworn statement reflected the information he provided in the interview.

During the interview, FSD1 denied all allegations of wrongdoing involving the solicitation or acceptance of free parking at IAH. FSD1 denied using IAH parking for anything other than official government business. FSD1 also denied there was any retaliation against IAH. Furthermore, FSD1 claimed that, as a disabled veteran of the US military, he was eligible to park for free at IAH, along with other airports in the state of Texas, and claimed there was no personal benefit of having free parking.

Attachment:

- Copy of FSD1's Signed Sworn Statement, dated April 4, 2024

Case Number

I23-01253

Case Title:

U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022

DEPARTMENT OF HOMELAND SECURITY
Transportation Security Administration
Investigations



STATEMENT

I, [REDACTED] having been duly sworn, hereby make the following
(Printed Name)
statement to SAs [REDACTED] and SA [REDACTED], who has been identified to me as an
Investigator with TSA Investigations. I am making this statement
of my own free will, without any duress or coercion.

*****SEE ATTACHED STATEMENT*****

I have read the foregoing statement consisting of 4 pages, each of which I have signed.
I have been given the opportunity to make any corrections necessary to make the statement
accurate. All of the information contained in this statement is true and accurate to the best of my
knowledge and belief. I understand that I may be prosecuted for perjury or making false
statements if I have intentionally misrepresented anything contained in this statement. I have not
intentionally omitted any information or knowledge I have that relates to the matters under
investigation or review.

[REDACTED]
Subscribed and sworn before me this 4th day of April, 2024.
at IAH FSD's Office.

AGENCY DESIGNATED INVESTIGATOR, WHO HAS AUTHORITY TO ADMINISTER OATHS

SA [REDACTED]
Name of Investigator

SA [REDACTED]
Name of Witness

[REDACTED]
Signature

April 4, 2024
Date/Time

April 4, 2024
Date/Time

FOR OFFICIAL USE ONLY

1 of 4 pages Initials [REDACTED]

[REDACTED]

April 1, 2024

[REDACTED]

[REDACTED]

My name is [REDACTED], and I am the Federal Security Director (FSD) at George Bush Intercontinental Airport (IAH), in Houston, Texas. My current pay band is TSES. I have been assigned to Houston IAH for 5 years and 5 months, having arrived in November, 2018.

In my role as the FSD, I am in charge of all TSA Operations at IAH.

I am writing this statement in response to allegations that IAH employees are receiving gratuities from a regulated entity, namely "Free Parking" from the Houston Airports System (HAS).

While I have been the FSD at IAH for nearly 5 and ½ years, I previously served at IAH in another role – Deputy Assistant Federal Security Director. My first tour of duty at IAH began in June or July of 2012. I share this information to share that when I was at IAH in 2012, the parking situation has not really changed. I did not pay for parking back in 2012, and as long as I can remember, no employees were required to pay for parking at the airport in the performance of their official duties. I remember being assigned a TSA placard for display on the dash, and if responding to the airport, I used to park curbside. There never was an issue, or concern, with parking curbside. When I returned to IAH in 2018, I remember parking for TSA employees that worked offsite was arranged at the Terminal A lot – also known as the Limo Lot. For identification purposes, I was issued a hang tag for the lot. This was to identify that my personal vehicle was authorized to park in the lot.

At no time, did I ever park for free for personal travels, or any other personal gain. I am also not aware of any other TSA employee misusing this official parking authorization, and using it for personal use. I would add that because I am a disabled veteran, with DV license plates, Texas permits veterans with DV plates to park for free; this includes airports. As such, I have the option of parking in the regular parking lot for all other passengers, and not pay for parking. Therefore, I would ask why would I, or any other disabled veteran with special license plates, pressure the airport for free parking. And, as the FSD, I would not allow anyone else to pressure any regulated entity for any favors. It is unethical.

I would also note that in my TSA career, which spans more than 21 years, I have never paid to park at an airport when conducting official business. I have worked at some of the busiest airports, and the parking situation is quite similar. In El Paso, my office was not located at the airport, and when I conducted business at the airport, I parked in the employee lot and I did not pay for parking. This was the designated spot provided by the airport authority. In New York JFK, I parked curbside, as authorized by the New York Port Authority. I was only asked to display a TSA designed placard to identify my vehicle. I did not pay for parking while conducting official business at the airport. During my tour at Detroit Metropolitan Airport, I was authorized to park curbside and also did not pay for parking. And, when I returned to Houston

[REDACTED]
[REDACTED]
[REDACTED]

IAH, the parking was similar. I did not pay for parking. I simply displayed a placard to identify my vehicle.

I would add, and note that the Airport Security Director [REDACTED] was a former TSA Employee, with oversight of all regulatory and compliance enforcement. As the TSA Assistant Federal Security for Inspections, he knew the ethical requirements and prohibition of accepting free gifts, and he also utilized the exact same parking arrangements when conducting his official duties at the airport. With this allegation against TSA, gratuities of free parking, how can this now be viewed as being pressured to provide free parking to TSA. I have to believe that this a form of retaliation for him losing his job at HAS because of his lack of professional engagements with the TSA, and not wanting to partner with his TSA counterparts.

The parking issue raised by Mr. [REDACTED] began just a few days after (Feb 9, 2023) a misunderstanding of Temporary Amendments submitted by HAS being denied. This was not the case; however, additional information was being requested. Mr. [REDACTED] appeared to have an issue with responding and/or working with the TSA, and persistently challenged the actions of the TSA. In fact, [REDACTED] had a tendency to try to give direction to the TSA team, and would get upset when I would not respond to his emails. I did not respond to his emails because he usually had a tendency of being passive-aggressive. In one hand he was challenging, argumentative and not willing to collaborate; then, he would end his multi-page emails with an attempt to say that he was doing, or saying what he sent, was in the spirit of partnership. If I had any concerns regarding the airport operations and/or security of, my approach was to speak with the Aviation Director, Mr. [REDACTED]. I expected that my AFSD-I, [REDACTED] and Deputy FSD [REDACTED] would work with Mr. [REDACTED] and the airport to ensure compliance.

So, as stated, this was February 9th, when he had a disagreement on the Temporary Amendments. Then, on February 13, 2023, we began to see parking issues being brought to our attention from Mr. [REDACTED]. He was very directive in nature, and ensuring that he brought to our attention that parking in the Terminal-A Limo Lot, as well as the ramps, was not authorized – “even if that was previously agreed upon”. He also made sure to inform us that his landside team had “already begun issuing parking violation tickets, regardless of who they belong to”. He wanted to ensure that we knew he was in charge of parking. I found this interesting, but this “direction” was sent only to TSA and not to all airport tenants. This was not a display of partnership, but more so a perceived form of retaliation against the TSA. Then on March 20, 2024, he didn’t hesitate to issue a parking citation to one of our employees.

Additional allegations regarding an increased number of regulatory violations against the airport are false. It could be perceived as a coincidental. However, I attribute any increase in identified violations to be based on the knowledgeable AFSD-Inspections, with Mr. [REDACTED]. [REDACTED] has many years of experience in Compliance, whereas his predecessor, [REDACTED] lacked the knowledge and drive to improve security. It was not one person, Mr. [REDACTED] that identified several violations, but rather it was the IAH Compliance team under new [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] leadership and guidance. My belief is that Mr. [REDACTED] felt threatened by the many violations, and he had a tendency to challenge the TSA team [REDACTED]

[REDACTED]

[REDACTED]
Federal Security Director
George Bush Intercontinental Airport (IAH)

Not used

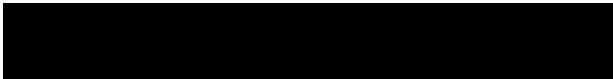
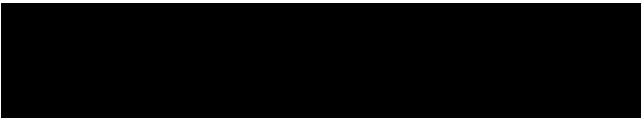


Exhibit 8





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity: <input checked="" type="checkbox"/> Personal Interview <input type="checkbox"/> Telephone Interview <input type="checkbox"/> Records Review <input type="checkbox"/> Other	Date: April 1, 2024 @1200 hours CST
Activity or Interview of: Interview of George Bush Intercontinental Airport (IAH) Stakeholder Manager – SHM1	Conducted by: Special Agent [REDACTED] (Virtual) Special Agent [REDACTED] Location of Interview/Activity: Transportation Security Administration 3838 N. Sam Houston Parkway E., Suite 295 Houston, TX 77032

Subject Matter/Remarks

On April 1, 2024, INV interviewed SHM1 regarding the allegations. SHM1 agreed to be interviewed in reference to the whistleblower disclosure filed to the Office of Special Counsel (OSC) alleging that IAH TSA employees violated the standards of ethical conduct for government employees relating to the solicitation and acceptance of parking at IAH for both official and personal vehicles at no cost from the Houston Airport System (HAS). SHM1 was advised that the interview would be recorded. A copy of the recording was uploaded to ECMS.

SHM1's provided sworn statement reflected the information he provided in the interview.

During the interview, SHM1 denied any knowledge of wrongdoing by IAH TSA leadership. SHM1 stated to his knowledge, non-revenue parking hangtags were split between TSA leadership and the Federal Air Marshal Service (FAMS). SHM1 denied using IAH free parking for anything other than official government purposes and was not aware of anyone doing so. SHM1 stated he was unaware of any retaliation by any TSA employee against IAH or HAS, based on non-revenue parking, or otherwise. SHM1 also turned over various emails he believed to be pertinent to the case and attached them to his sworn statement.

On April 15, 2024, SHM1 contacted INV and requested to make a clarifying statement. On April 22, 2024, SHM1 provided INV with a second sworn statement in which SHM1 clarified he recalled being issued a non-

Case Number I23-01253	Case Title: U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)
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Revised May 10, 2022

[REDACTED]

MEMORANDUM OF INTERVIEW OR ACTIVITY (continuation sheet)

revenue IAH parking hangtag. SHM1 also provided a current listing of non-revenue hangtags assigned to TSA at IAH from SG Plus, which is attached.

Attachment:

- Copy of SHM1's Signed Sworn Statement, dated April 1, 2024
(Note: Along with the sworn statement, pages 1-2, SHM1 provided copies of various emails to INV, pages 3-14. These emails will be maintained in the casefile.)
- Copy of SHM1's second Signed Sworn Statement, dated April 22, 2024
- Copy of current TSA Non-Revenue Parking Hangtags, dated April 16, 2024

Case Number:

I23-01253

Case Title:

U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022

DEPARTMENT OF HOMELAND SECURITY
Transportation Security Administration
Investigations



STATEMENT

I, [REDACTED] having been duly sworn, hereby make the following
(Printed Name)
statement to SA [REDACTED] and SA [REDACTED], who has been identified to me as an
Investigator with TSA Investigation. I am making this statement
of my own free will, without any duress or coercion.

*****SEE ATTACHED STATEMENT*****

I have read the foregoing statement consisting of 14 pages, each of which I have signed.
I have been given the opportunity to make any corrections necessary to make the statement
accurate. All of the information contained in this statement is true and accurate to the best of my
knowledge and belief. I understand that I may be prosecuted for perjury or making false
statements if I have intentionally misrepresented anything contained in this statement. I have not
intentionally omitted any information or knowledge I have that relates to the matters under
investigation or review [REDACTED]

Subscribed and sworn before me this 15 day of April, 2024
at 3838 N SAM HOUSTON PKWY E, HOUSTON, TX

AGENCY DESIGNATED INVESTIGATOR, WHO HAS AUTHORITY TO ADMINISTER OATHS

SA [REDACTED]
Name of Investigator

[REDACTED]
Name of Witness

04/01/2024
Date/Time

4-1-24 / 14:55 PM
Date/Time

FOR OFFICIAL USE ONLY



Transportation
Security
Administration

IAH TSA STATEMENT FORM

Name:	[REDACTED]	
Scheduled Shift:	M-F 1730-1600	Work Phone Number: [REDACTED]
Date/Time of Event:	2023	2023
Location:	Select... Other: IAH	

Describe Event /
Type Statement:

On April 1, 2023, at 1200, I met, via teleconference, with [REDACTED] Also, in the room was [REDACTED] The reason for the meeting was to discuss non revenue parking at the airport, IAH. Below is my statement:

TSA has received non revenue parking for individuals working at the 3838 North Terminal Road for as long as I can recall. Placards are issued to those parking at the airport. The assigned areas were the limo lots and the U ramps throughout the airport. I do not remember when I first took notice but I was aware the previous stakeholder managers have always had this access. This would go back to at least 2016.

In March/April of 2023, HAS notified TSA that, due to construction, the aforementioned parking would need to cease. An agreement was made to allow TSA to have 2 spaces in the terminal A limo lot which require a placard. U ramp parking would be allowed if prior notification to landside operations was informed and approved.

I had filled out my application for revenue parking. When I had made an inquiry, I was informed I had a non revenue parking hang tag waiting for me.

To my knowledge, no promises or threats were made to persuade HAS in granting non revenue parking at the airport.

To my knowledge no changes in inspections practices were made due to HAS granting non revenue parking at the airport.

To my knowledge no individual is using non revenue parking for personal use.

I am unaware of the parking practices outside of IAH.

I am unaware of parking arrangements of any organization, public or private, outside of TSA.

Signature of Individual Making Statement: [REDACTED]

(I [REDACTED] to the best of my knowledge)
Date: 4-1-2024



**Transportation
Security
Administration**

**Transportation Security Administration
Investigations (INV)
Statement Form**

Name: [REDACTED]	22 April 2024
Duty Assignment: IAH	
Current Position: Stakeholder Manager	
Pay Band: J	
Telephone Number: [REDACTED]	
Investigators: [REDACTED]	
I, [REDACTED], hereby make the following statement to <u>S/A [REDACTED]</u> who has identified him/herself to me as an Investigator with TSA Investigations. (Below print your Statement of facts including; WHO, WHAT, WHEN, WHERE, HOW, and WHY.)	
<p>I am amending my statement to clarify a contradiction in statements. In my original statement, I stated I was unaware of a hangtag being assigned to me. This was to the best of my knowledge. While collecting related email documentation, I discovered an email referencing a cancelled meeting regarding TSA parking at IAH. In the body of the meeting cancellation, it states that there was a request for a non-revenue hangtag for the stakeholder. I do not remember having read that sentence in the email.</p> <p>I was able to provide a more current listing of non-revenue hangtags assigned to TSA at IAH from the parking company, SG Plus. This list includes three hangtags for FAMS, one hangtag for the FSD, one hangtag for the DFSD and eight hangtags assigned to IAH TSA Government vehicles. One additional hangtag is assigned to myself, [REDACTED], but is not listed on the parking company, SG Plus's, "TSA Management Listing" file. A total of 14 non-revenue hangtags are assigned to TSA at IAH.</p> <p>End of statement</p>	

I have read this entire statement consisting of: Three (3) pages. I have been given the opportunity to make corrections. All of the information contained in this statement is true and accurate to the best of my knowledge and belief. I understand that I may be prosecuted for perjury or making false statements if I have intentionally misrepresented anything contained in this statement. I have not intentionally omitted any information or knowledge I have that relates to the matters under investigation or review.

I swear or affirm that the testimony I have provided in this electronic statement is the truth, the whole truth, and nothing but the truth.

I certify that I am making this statement of my own free will, without any duress or coercion. The electronic signature below is the equivalent of my handwritten signature.

Signature:

[REDACTED]

For TSA INV Use Only

I issued this Statement Form and electronically received the electronically signed record above.

The electronic signature below is the equivalent of my handwritten signature.

Signature of Primary Investigator:

4/22/2024

X

TSA INV

Signed by:

[REDACTED]

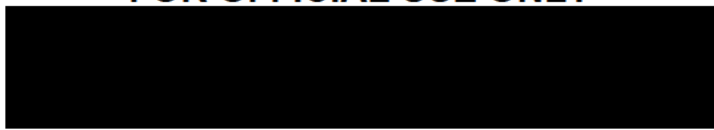


For TSA INV Use Only

The electronic signature below is the equivalent of my handwritten signature.

Signature of Witness:

X N/A



Card Listing - By Account

SPPLUS

Facility No: 4990116 Period Start:05/01/2024

Facility Name: PL 6 (Area 4 - T/B East Surface)

Period End:05/31/2024

Account Name	Account No	Name	Card No	Space	Deposit	Start Date	Cat	Rate	Dept	Bill
TSA FAM Management/TSA Vehicle	1843		6009050			02/16/2014	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843		6009051			02/16/2014	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843		6009047			02/16/2014	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843		6009056			02/29/2024	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843		6029737			01/10/2022	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843	TSA, VEHICLE 1	6030003			02/01/2022	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843	TSA, VEHICLE 2	6030004			02/01/2022	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843	TSA, VEHICLE 3	6030005			02/01/2022	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843	TSA, VEHICLE 4	6030006			02/01/2022	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843	TSA, VEHICLE 5	6030007			02/01/2022	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843	TSA, VEHICLE 6	6030008			02/01/2022	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843	TSA, VEHICLE 7	6030009			02/01/2022	Non-Res	.00		Yes
TSA FAM Management/TSA Vehicle	1843	TSA, VEHICLE 8	6030010			02/01/2022	Non-Res	.00		Yes

Total employees for Non-Res : 13

Total employees for TSA FAM Management/TSA Vehicle : 13

Printed: 04/16/2024 10:50:22 Central

Page: 1

Total Cards for report : 13 ---- Deposits: .00

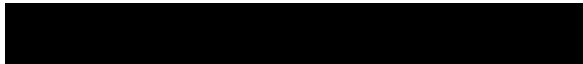
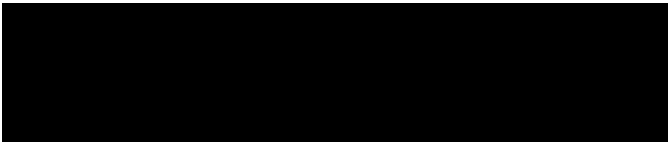


Exhibit 9





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity:

- ☐ Personal Interview
☒ Telephone Interview
☐ Records Review
☐ Other

Date:

April 23, 2024

Activity or Interview of:

Conversation with Federal Air Marshal (FAM) –
FAM1

Conducted by:

Special Agent [REDACTED]

Location of Interview/Activity:

Dallas Field Office
8615 Freeport Pkwy
Suite 200
Irving, TX 75063

Subject Matter/Remarks

On April 23, 2024, INV spoke with Federal Air Marshal (FAM) Airport Liaison FAM1 to confirm which FAMs, if any, were assigned parking hangtags. FAM1 confirmed part of his duties consisted of maintaining parking and airport access for all FAMs in Houston, TX.

During the conversation, [REDACTED] reported that FAMs were assigned three hangtags for parking. The individuals assigned these hangtags were: a Supervisory Federal Air Marshal - SFAM1, William P. Hobby Airport (HOU) Assistant Federal Security Director –Law Enforcement - AFSD-LE1, and himself. These hangtags are for the performance of official duties only. FAM1 reported that he has no knowledge of anyone using their hangtags or non-revenue parking for personal gain.

FAM1 reported, to his knowledge, this parking agreement was established in 2014 and the account was developed by New South Parking, which is now SP Plus Parking.

Case Number

I23-01253

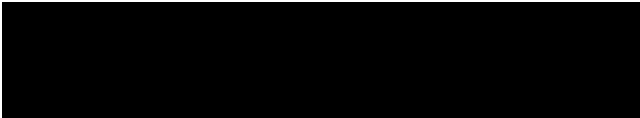
Case Title:

U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022



Exhibit 10





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity: <input type="checkbox"/> Personal Interview <input type="checkbox"/> Telephone Interview <input checked="" type="checkbox"/> Records Review <input type="checkbox"/> Other	Date: April 8, 2024
Activity or Interview of: Review of Leases Pertaining to George Bush Intercontinental Airport (IAH)	Conducted by: Special Agent [REDACTED]
	Location of Interview/Activity: Dallas Field Office 8615 Freeport Pkwy Suite 200 Irving, TX 75063

Subject Matter/Remarks

On April 8, 2024, INV reviewed two lease agreements between the Department of Homeland Security (DHS) Transportation Security Administration (TSA) and General Services Administration (GSA). The review of these leases was to determine what parking, if any, was allocated for TSA use at George Bush Intercontinental Airport (IAH).

The first lease agreement, ATX10324, dated "01/25/2023" is for space located at 3838 N Sam Houston Pkwy E, Houston, TX. Pages one, paragraph one states: "DHS Transportation Security Administration (Code7054) will occupy 14,651.00 usable (16,848.00 rentable) square feet of space and 8 Structured spaces and 47 Surface spaces at (3838 N Sam Houston Pkwy E, Houston, TX) for a period of 60 months commencing on or about 12/01/2022."

The second lease agreement, ATX08445, dated "04/06/2023" is for space located at George Bush Intercontinental Airport (IAH). Page one, paragraph one states: "DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054) will occupy 15,321.00 usable (15,321.00 rentable) square feet of space and 0 structured parking spaces and 0 surface parking spaces at George Bush Intercontinental Airport (IAH) (TX2597) located at 16930 JOHN F KENNEDY BLVD, HOUSTON, TX, for a period of 60 months commencing on or about 04/01/2023."

These leases indicated there is no paid, on-site parking at IAH for TSA.

Case Number I23-01253	Case Title: U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)
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Revised May 10, 2022

[REDACTED]

MEMORANDUM OF INTERVIEW OR ACTIVITY (continuation sheet)

Attachment:

- Copy of Lease ATX10324, dated 01/25/2023
- Copy of Lease ATX08445, dated 04/06/2023

Case Number:

I23-01253

Case Title:

U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022

[REDACTED]

igned Agreement and Financial Summary**OCCUPANCY AGREEMENT****Between****DHS TRANSPORTATION SECURITY ADMINISTRATION (7054)****And****GENERAL SERVICES ADMINISTRATION**

ATX10324	Draft	Version:	1	Date Last Modified:	25-Jan-2023
TX2502ZZ		LTX01276			

DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054) will occupy 14,651.00 usable (16,848.00 rentable) square feet of space and 8 structured parking spaces and 47 surface parking spaces at 3838 N. SAM HOUSTON PARKWAY E. (TX2502) located at 3838 N Sam Houston Pkwy E, HOUSTON, TX, for a period of 60 months commencing on or about 12/01/2022.

DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054) will pay the General Services Administration rent in accordance with the attached page(s). The rental will be adjusted annually for operating cost and real estate taxes.

DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054) will pay the General Services Administration additional rent for prorated share of joint use space associated with this location, if any.

Additional/reduced services are shown on the attached Occupancy Agreement Financial Summary.

Mandatory Clauses**Promoting Efficient Spending****Reduce the Footprint**

The Office of Management and Budget Memorandum, "Promoting Efficient Spending to Support Agency Operations" issued on May 11, 2012 and Management Procedures Memorandum issued on March 25, 2015, have established a Reduce the Footprint policy for executive agencies. DHS TRANSPORTATION SECURITY ADMINISTRATION is responsible for making sure their space request is consistent with any applicable square foot reduction targets and can contact [REDACTED] for help developing agency-wide space design standards that optimize their space usage.

Leased Specific Mandatory Clauses**Alterations by Tenant Agency**

The tenant agency agrees that it will undertake no alterations to the real property governed by this OA without prior approval from PBS. Further, any alterations that might obligate PBS under a lease must be approved by the responsible PBS contracting officer.

Building Services

Building services to be provided to the tenant agency for the operating expense portion of the Rent are specified in the PBS Request for Lease Proposal (RLP) that is made part of the lease contract. A copy of the lease contract is provided to the tenant agency. Additional or upgraded services beyond those identified in the RLP are provided by PBS or the lessor on a reimbursable basis. Charges for certain recurring

OA #: ATX10324 OA Status: Draft Version: 1 Loc Code: TX2502ZZ

reimbursable services may be billed on the PBS Bill. Recurring charges for overtime utilities, enhance custodial services, mechanical O&M HVAC, mechanical O&M Other and additional guard services are eligible for billing on the PBS Bill provided the tenant agency has been designated as a "participating agency". The charges must be initiated by the tenant agency and renewed annually. The recurring RWA processing fee will be assessed against each service billed.

Financial Terms

While this occupancy agreement (OA) addresses financial terms that cover multiple fiscal years, the parties agree that: The tenant agency may relinquish space upon four (4) months' notice at any point after the first twelve (12) months of occupancy. Thus, after the first twelve (12) months of occupancy, the tenant agency's financial obligation can be reduced to four (4) months of Rent, plus the unamortized balance of any tenant improvements financed through PBS, plus any rent concession not yet earned. Any free Rent or other concession given at the beginning of the occupancy term must be allocated on a pro-rata basis over the entire OA term, and the unearned balance repaid to PBS.

The tenant's financial obligations for years beyond the current year do not mature until the later year(s) are reached. Thus, there is no requirement that the tenant agency certify that current year funds are available to defray future year obligations. The tenant's future years obligation to pay Rent is subject to the availability of funds, but the tenant agrees to make a good faith effort to meet its obligations as they arise.

Lease Contract Rent

The underlying lease contract rent will be passed through to the tenant agency. For a non-fully serviced lease, the cost of operating services not covered by the lease will also be passed through to the tenant agency. The PBS fee in leased space, calculated at 7% of the annual lease contract cost plus the cost of separately contracted operating services, will also apply. Charges for security and GSA-installed improvements may apply as well.

Charges for operating expenses, joint use space, parking, security and real estate taxes may be adjusted on an annual basis.

Move Cost Responsibilities

At the end of this OA term, if the tenant cannot remain in the space covered by this OA, the tenant is responsible for funding the physical move to new space. In the event PBS displaces or allows another user to displace the tenant before the expiration of the OA term, PBS must fund, or require the new user to fund, the tenant's physical move, and relocation of the tenant's telecommunications equipment. PBS must also reimburse, or require the new user to reimburse, the tenant for the undepreciated value of any lump sum payments the tenant made toward tenant improvements and the Rent differential at the new location until the displaced agency has time to budget. The Rent differential is calculated on all elements of Rent except the amortized tenant improvement cost.

Obligation to Pay Rent

The Tenant agency's obligation to pay rent for the space governed by this OA commences when both of the following occur: the space is substantially complete and operationally functional. Occupancy and rent start will be coordinated with the Tenant.

1. The space is ready for occupancy of personal property, typically the substantial completion date. Substantial completion is signaled in the case of leased space by the granting of an occupancy permit by the proper authority and/or by PBS's acceptance of the space as substantially complete in accordance with the lease. "Substantially complete" and "substantial completion" mean that the work, the common and other areas of the building, and all other things necessary for the Government's access to the premises and occupancy, possession, use and enjoyment thereof, as provided in the lease, have been completed or obtained, excepting only such minor matters as do not interfere with or materially diminish such access,

OA #: ATX10324 OA Status: Draft Version: 1 Loc Code: TX2502ZZ

occupancy, possession, use and enjoyment.

PBS will offer to an authorized representative of the Tenant the opportunity to participate in a walk-through of the space prior to final acceptance of the space as substantially complete by PBS. The authorized representative of the Tenant will make himself or herself available so as to not delay the walk-through of the space. The authorized representatives of PBS and the Tenant will itemize any defects and omissions (D&Os, or "punch list") of the construction project that will need to be corrected prior to final contract payment. Provided that the D&Os are minor matters not materially diminishing use of the space, the authorized representative of PBS, acting on behalf of the Government and its Tenant, will determine substantial completion.

2. The space is operationally functional. Operationally functional means that the building systems included in this lease must function and Lessor-provided building-specific safety and security features must be operational. Related space that is necessary for a Tenant to function due to workflow adjacencies must be complete before rent commences.

For large projects that entail phased occupancy of the Tenant's space, rent will commence on the individual blocks of space when they are substantially complete and operationally functional. The blocks will be added to the Occupancy Agreement (OA) incrementally. In the case of phased occupancy with separate OAs (example, different Agency/Bureau codes), the rent start date for each OA will occur when the space associated with it is substantially complete and operationally functional.

If there is a substantial punch list for the space that would interfere with the Tenant's full access, occupancy, possession, use and enjoyment of the space, and the Tenant chooses to move in anyway, GSA will negotiate a rent discount with the Lessor while the punch list work is being completed. If after hours work is required, GSA will ensure that adequate security is provided while the contractor is in the Tenant's space.

Once the above "substantially complete" and "operationally functional" requirements have been met, rent will commence. GSA does not provide tenant agencies a grace period prior to rent commencement to accomplish the physical move into the space or to allow for the installation of personal property such as phones, furniture, computers, etc. However, rent should not start until those personal property items that have been included in the lease contract, such as telephone and data systems or audio/video systems, are operational unless the Tenant chooses to move into the space pursuant to the preceding paragraph.

Occupancy Agreement Iterations

The parties hereby agree that iterations of OAs prepared before selection of and award to a lessor, contain preliminary financial terms only. Financial terms in preliminary OAs are estimates for budgeting purposes, and are updated through additional OA versions as business terms evolve throughout the space acquisition. Accordingly, execution by the tenant agency on preliminary OAs constitutes that agency's commitment to the project, and is required prior to PBS awarding any lease contract and/or lease modification or amendment. Until lease award, the tenant agency has the right to cancel the proposed project without financial obligation.

Occupancy After Lease Expiration

In the event of a continued occupancy after lease expiration, the tenant agency will continue to be financially responsible for the pass-through of the lease contract rent, the PBS lease fee, and any additional costs incurred by PBS resulting from lease renewal, extension, replacement, holdover or condemnation. The tenant agency rights to relinquish space as specified in this OA remain in effect.

PBS Services

The services that PBS provides to its customers may be found in the fifth edition of the Pricing Desk Guide. Unless PBS provides otherwise in writing, the cost of these services is included in PBS's rents and fees. Any

OA #: ATX10324 OA Status: Draft Version: 1 Loc Code: TX2502ZZ

ervice be d th e identified in the Pricing De k Guide are provided by PBS for an additional c arge.

Payment of Tenant Improvements

The tenant agency must pay for tenant improvements in excess of the allowance by RWA. The tenant agency also has the right to pay lump sum for tenant improvements below the allowance threshold. The ability to **make** lump sum payments below the allowance threshold is only available at assignment inception, and only for the customization component of the allowance in new space. In backfill or relet space, if the tenant can accept existing tenant improvements "as is" or with modifications, the tenant can elect to waive all or part of the general allowance. Further, once the tenant allowance is set, if the agency then wishes to **make a lump** sum payment for improvements which are charged against the allowance, PBS cannot accept payments below the allowance threshold by RWA.

Replacement Responsibilities

The lessor bears the responsibility for replacement and renewal of shell items. PBS will also oblige the lessor to fund cyclic paint and carpeting within the tenant's space, as provided in the lease contract.

Tenant Agency Appeal

The tenant agency can appeal to the PBS asset manager in cases in which the agency's assigned tenant improvement allowance is inadequate to provide basic functionality for the space.

Tenant Agency Move

In the event the space covered by this OA involves a tenant agency move, once a design and construction rider or schedule has been made part of a lease contract, the rider/schedule must be incorporated into this OA. Once part of this OA, the schedule/rider becomes binding upon the tenant agency as well as upon PBS. Delay in project completion caused by either a) tenant agency failure to meet the review and approval times provided in the lease rider, or b) tenant changes to project scope, will be borne by the tenant agency. As a consequence of tenant-caused delay, the lessor may decline to postpone the scheduled substantial completion date (thereby advancing Rent commencement for the space) by the duration of the tenant-caused delay, on a day to day basis; this may result in rent charges at two locations simultaneously for the tenant. Additional direct expenses caused through tenant-caused delay or changes in project scope are chargeable against the tenant allowance; in the event the tenant allowance has been exhausted, the tenant must pay the lump sum cost by RWA. In summary, the tenant is responsible for the delay claim of the affected contractor and for rent that GSA budgeted to start on the date included in the Occupancy Agreement. If partial occupancy of the building is not possible due to one agency change, that agency is liable for the other tenant's rent who are unable to occupy their space on the date contained in their Occupancy Agreement. The rent start date should be adjusted for delay of occupancy caused by the lessor failing to deliver the real property on time. The rent start date should not be adjusted for delay of occupancy caused by a contractor failing to install personal property on time with one exception. For those personal property items that have been included in the lease contract, such as telephone and data systems, or audio/video systems, and the systems are not ready, the rent start date should be adjusted. Delayed furniture delivery and installation, which is not part of the lease contract, is not reason for delaying the rent start date. In its role as tenant representative, PBS may also be the cause of delay. Expenses associated with PBS-caused delay incurred by the tenant, for such things as additional storage for furniture, re-procurement expense, or additional consulting fees, will be credited against the tenant's rent obligation to PBS for the new space. In the case of lessor-caused delay, if there is a liquidated damages clause in the lease, PBS will pursue the lessor for the value of the damages. In the case of excusable delay (e.g., force majeure or any other delay the cause of which is beyond the reasonable control of either PBS or the tenant agency), neither PBS nor the tenant agency may pursue the other for the consequences of the delay.

Environmental and Safety Standards and Regulations

The tenant agency will comply with all applicable Federal, State, and local environmental, health & safety laws and regulations, such as but not limited to those issued by the U.S. Environmental Protection Agency (EPA) under Title 40 of the Code of Federal Regulations (CFR); the U.S. Occupational Safety and Health

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Administration (O HA) under Title 29 of the CFR; the Federal Management Regulation sections that relate to safety and environmental management (41 CFR part 102-80, subpart B); and all applicable laws and regulations set by State and local regulatory agencies.

Other Mandatory Clauses

Security Services

Beginning in FY 2005, payment for FPS provided Basic and Building Specific Operating Security will be made to the Federal Protective Service (FPS), Department of Homeland Security (DHS) and will be separate from rental payments to GSA (OMB Object Class 23.1). Charges for FPS provided security are determined by, and may be obtained from, FPS.

Optional Clauses

Ad Hoc Clauses

I agree to the initial terms with the understanding modifications will be made over time.

Approved [Redacted]	Approved <div>DocuSigned by: [Redacted]</div>
Agency Representative [Redacted]	GSA Representative [Redacted]
Title Section Chief Realty Services	Title Project Manager
Date 8 FEB 2023	Date 1/25/2023

[Redacted]

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Version: 1

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unsuccessful case

ATX10324

7054

Draft

DHS TRANSPORTATION SECURITY ADMINISTRATION

TX2502ZZ

OA Start Date: 01-Dec-2022

OA End Date: 30-Nov-2027

Version: 1

Date Last Modified: 25-Jan-2023

LTX01276

Fiscal Year: 2023 Partial

Period: 01-Dec-2022 to 30-Sep-2023

	Charge Basis	Period Charge	Annual Rate
1. Shell Rental Rate #			
. General	16,848	\$207,791.66	\$14.799976000
3. Operating Costs ##	16,848	\$90,670.81	\$6.458035000
A. Market Rent SubTotal	16,848	\$298,462.47	\$21.258011000
9. Parking			
. Structured (number of spaces)	8		
b. Surface (number of spaces)	47		
11. BS Fee	16,848	\$20,892.37	\$1.488060814
B. Agency Rent SubTotal	16,848	\$20,892.37	\$1.488060814
C. Joint Use SubTotal		\$0.00	
D. Total Annual Rent (A+B+C)	16,848	\$319,354.85	
E. Adjustments SubTotal		\$0.00	
F. Total Rent Bill(D+E)		\$319,354.85	
G. Total Antenna Bill		\$0.00	
H. Total Reimbursable Services Bill		\$0.00	
I. Total PBS Bill (F+G+H)		\$319,354.85	
J. LUMP SUM ITEMS			
# Parking is included in Shell Rent 1	Customization Tier		2
## Operating Cost Escalation Applies	Amortization Terms (in months)		60
	PBS Fee is		7%

Note: ANSI Rentable of 16,848 is 14,651 Assigned Usable Space PLUS 2,197 Common Space. R/U Factor is 1.149955634

OA #: ATX10324 OA Status: Draft Version: 1 Loc Code: TX2502ZZ

unsuccessful case
ATX10324 Draft
7054 DHS TRANSPORTATION SECURITY ADMINISTRATION
TX2502ZZ
OA Start Date: 01-Dec-2022
OA End Date: 30-Nov-2027

Version: 1
LTX01276

Page: 2 of 6
Date Last Modified: 25-Jan-2023
Fiscal Year: 2024
Period: 01-Oct-2023 to 30-Sep-2024

	Charge Basis	Annual Charge	Annual Rate
1. Shell Rental Rate #			
. General	16,848	\$249,350.00	\$14.799976000
3. Operating Costs ##	16,848	\$111,525.10	\$6.619485875
A. Market Rent SubTotal	16,848	\$360,875.09	\$21.419461875
9. Parking			
. Structured (number of spaces)	8		
b. Surface (number of spaces)	47		
11. BS Fee	16,848	\$25,261.26	\$1.499362376
B. Agency Rent SubTotal	16,848	\$25,261.26	\$1.499362376
C. Joint Use SubTotal		\$0.00	
D. Total Annual Rent (A+B+C)	16,848	\$386,136.35	
E. Adjustments SubTotal		\$0.00	
F. Total Rent Bill(D+E)		\$386,136.35	
G. Total Antenna Bill		\$0.00	
H. Total Reimbursable Services Bill		\$0.00	
I. Total PBS Bill (F+G+H)		\$386,136.35	
# Parking is included in Shell Rent 1	Customization Tier		2
## Operating Cost Escalation Applies	Amortization Terms (in months)		60
	PBS Fee is		7%

Note: ANSI Rentable of 16,848 is 14,651 Assigned Usable Space PLUS 2,197 Common Space. R/U Factor is 1.149955634

OA #: ATX10324

OA Status: Draft

Version: 1

Loc Code: TX2502ZZ

unsuccessful case

ATX10324

7054

Draft

DHS TRANSPORTATION SECURITY ADMINISTRATION

TX2502ZZ

OA Start Date: 01-Dec-2022

OA End Date: 30-Nov-2027

Version: 1

Date Last Modified: 25-Jan-2023

LTX01276

Fiscal Year: 2026

Period: 01-Oct-2025 to 30-Sep-2026

	Charge Basis	Annual Charge	Annual Rate
1. Shell Rental Rate #			
a. General	16,848	\$249,350.00	\$14.799976000
3. Operating Costs ##	16,848	\$118,316.98	\$7.022612565
A. Market Rent SubTotal	16,848	\$367,666.97	\$21.822588565
9. Parking			
a. Structured (number of spaces)	8		
b. Surface (number of spaces)	47		
11. BS Fee	16,848	\$25,736.69	\$1.527581246
B. Agency Rent SubTotal	16,848	\$25,736.69	\$1.527581246
C. Joint Use SubTotal		\$0.00	
D. Total Annual Rent (A+B+C)	16,848	\$393,403.66	
E. Adjustments SubTotal		\$0.00	
F. Total Rent Bill(D+E)		\$393,403.66	
G. Total Antenna Bill		\$0.00	
H. Total Reimbursable Services Bill		\$0.00	
I. Total PBS Bill (F+G+H)		\$393,403.66	
# Parking is included in Shell Rent 1	Customization Tier		2
## Operating Cost Escalation Applies	Amortization Terms (in months)		60
	PBS Fee is		7%

Note: ANSI Rentable of 16,848 is 14,651 Assigned Usable Space PLUS 2,197 Common Space. R/U Factor is 1.149955634

OA #: ATX10324 OA Status: Draft Version: 1 Loc Code: TX2502ZZ

succeeding case
 ATX10324 Draft
 7054 DHS TRANSPORTATION SECURITY ADMINISTRATION
 TX2502ZZ LTX01276
 OA Start Date: 01-Dec-2022
 OA End Date: 30-Nov-2027
 Version: 1
 Date Last Modified: 25-Jan-2023
 Fiscal Year: 2027
 Period: 01-Oct-2026 to 30-Sep-2027

	Charge Basis	Annual Charge	Annual Rate
1. Shell Rental Rate #			
. General	16,848	\$249,350.00	\$14.799976000
3. Operating Costs ##	16,848	\$121,866.49	\$7.233290942
A. Market Rent SubTotal	16,848	\$371,216.48	\$22.033266942
9. Parking			
. Structured (number of spaces)	8		
b. Surface (number of spaces)	47		
11. BS Fee	16,848	\$25,985.15	\$1.542328733
B. Agency Rent SubTotal	16,848	\$25,985.15	\$1.542328733
C. Joint Use SubTotal		\$0.00	
D. Total Annual Rent (A+B+C)	16,848	\$397,201.64	
E. Adjustments SubTotal		\$0.00	
F. Total Rent Bill(D+E)		\$397,201.64	
G. Total Antenna Bill		\$0.00	
H. Total Reimbursable Services Bill		\$0.00	
I. Total PBS Bill (F+G+H)		\$397,201.64	
# Parking is included in Shell Rent 1	Customization Tier		2
## Operating Cost Escalation Applies	Amortization Terms (in months)		60
	PBS Fee is		7%

Note: ANSI Rentable of 16,848 is 14,651 Assigned Usable Space PLUS 2,197 Common Space. R/U Factor is 1.149955634

OA #: ATX10324

OA Status: Draft

Version: 1

Loc Code: TX2502ZZ

ucceeding case

ATX10324

7054

Draft

DHS TRANSPORTATION SECURITY ADMINISTRATION

TX2502ZZ

Version: 1

LTX01276

ge:

Date Last Modified: 25-Jan-2023

6 of 6

OA Start Date: 01-Dec-2022

OA End Date: 30-Nov-2027

Fiscal Year: 2028 Partial

Period: 01-Oct-2027 to 30-Nov-2027

	Charge Basis	Period Charge	Annual Rate
1. Shell Rental Rate #			
. General	16,848	\$41,558.33	\$14.799976000
3. Operating Costs ##	16,848	\$20,410.16	\$7.268575288
A. Market Rent SubTotal	16,848	\$61,968.49	\$22.068551288
9. Parking			
. Structured (number of spaces)	8		
b. Surface (number of spaces)	47		
11. BS Fee	16,848	\$4,337.79	\$1.544798638
B. Agency Rent SubTotal	16,848	\$4,337.79	\$1.544798638
C. Joint Use SubTotal		\$0.00	
D. Total Annual Rent (A+B+C)	16,848	\$66,306.29	
E. Adjustments SubTotal		\$0.00	
F. Total Rent Bill(D+E)		\$66,306.29	
G. Total Antenna Bill		\$0.00	
H. Total Reimbursable Services Bill		\$0.00	
I. Total PBS Bill (F+G+H)		\$66,306.29	
# Parking is included in Shell Rent 1	Customization Tier		2
## Operating Cost Escalation Applies	Amortization Terms (in months)		60
	PBS Fee is		7%

Note: ANSI Rentable of 16,848 is 14,651 Assigned Usable Space PLUS 2,197 Common Space. R/U Factor is 1.149955634

[REDACTED]

Signed Agreement and Financial Summary

OCCUPANCY AGREEMENT
Between
DHS TRANSPORTATION SECURITY ADMINISTRATION (7054)
And
GENERAL SERVICES ADMINISTRATION

ATX08445	Final	Version:	15	Date Last Modified:	06-Apr-2023
TX2597ZZ		LTX17261		Extension of Term	

DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054) will occupy 15,321.00 usable (15,321.00 rentable) square feet of space and 0 structured parking spaces and 0 surface parking spaces at George Bush Intercontinental Airport (IAH) (TX2597) located at 16930 JOHN F KENNEDY BLVD, HOUSTON, TX, for a period of 60 months commencing on or about 04/01/2023.

DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054) will pay the General Services Administration rent in accordance with the attached page(s).

DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054) will pay the General Services Administration additional rent for prorated share of joint use space associated with this location, if any.

Additional/reduced services are shown on the attached Occupancy Agreement Financial Summary.

Mandatory Clauses

Promoting Efficient Spending

Reduce the Footprint

The Office of Management and Budget Memorandum, "Promoting Efficient Spending to Support Agency Operations" issued on May 11, 2012 and Management Procedures Memorandum issued on March 25, 2015, have established a Reduce the Footprint policy for executive agencies. DHS TRANSPORTATION SECURITY ADMINISTRATION is responsible for making sure their space request is consistent with any applicable square foot reduction targets and can contact [REDACTED] for help developing agency-wide space design standards that optimize their space usage.

Leased Specific Mandatory Clauses

Alterations by Tenant Agency

The tenant agency agrees that it will undertake no alterations to the real property governed by this OA without prior approval from PBS. Further, any alterations that might obligate PBS under a lease must be approved by the responsible PBS contracting officer.

Building Services

Building services to be provided to the tenant agency for the operating expense portion of the Rent are specified in the PBS Request for Lease Proposal (RLP) that is made part of the lease contract. A copy of the lease contract is provided to the tenant agency. Additional or upgraded services beyond those identified in the RLP are provided by PBS or the lessor on a reimbursable basis. Charges for certain recurring reimbursable services may be billed on the PBS Bill. Recurring charges for overtime utilities, enhanced

custodial services, mechanical O&M HVAC, mechanical O&M Other and additional guard services are eligible for billing on the PBS Bill provided the tenant agency has been designated as a "participating agency". The charges must be initiated by the tenant agency and renewed annually. The recurring RWA processing fee will be assessed against each service billed.

Financial Terms

While this occupancy agreement (OA) addresses financial terms that cover multiple fiscal years, the parties agree that:

The tenant's financial obligations for years beyond the current year do not mature until the later year(s) are reached. Thus, there is no requirement that the tenant agency certify that current year funds are available to defray future year obligations.

The tenant's future years' obligation to pay Rent is subject to the availability of funds, but the tenant agrees to make a good faith effort to meet its obligations as they arise.

Lease Contract Rent

The underlying lease contract rent will be passed through to the tenant agency. For a non-fully serviced lease, the cost of operating services not covered by the lease will also be passed through to the tenant agency. The PBS fee in leased space, calculated at 5% of the annual lease contract cost plus the cost of separately contracted operating services, will also apply. Charges for security and GSA-installed improvements may apply as well.

Charges for operating expenses, joint use space, parking, security and real estate taxes may be adjusted on an annual basis.

Move Cost Responsibilities

At the end of this OA term, if the tenant cannot remain in the space covered by this OA, the tenant is responsible for funding the physical move to new space. In the event PBS displaces or allows another user to displace the tenant before the expiration of the OA term, PBS must fund, or require the new user to fund, the tenant's physical move, and relocation of the tenant's telecommunications equipment. PBS must also reimburse, or require the new user to reimburse, the tenant for the undepreciated value of any lump sum payments the tenant made toward tenant improvements and the Rent differential at the new location until the displaced agency has time to budget. The Rent differential is calculated on all elements of Rent except the amortized tenant improvement cost.

Obligation to Pay Rent

The Tenant agency's obligation to pay rent for the space governed by this OA commences when both of the following occur: the space is substantially complete and operationally functional. Occupancy and rent start will be coordinated with the Tenant.

1. The space is ready for occupancy of personal property, typically the substantial completion date. Substantial completion is signaled in the case of leased space by the granting of an occupancy permit by the proper authority and/or by PBS's acceptance of the space as substantially complete in accordance with the lease. "Substantially complete" and "substantial completion" mean that the work, the common and other areas of the building, and all other things necessary for the Government's access to the premises and occupancy, possession, use and enjoyment thereof, as provided in the lease, have been completed or obtained, excepting only such minor matters as do not interfere with or materially diminish such access, occupancy, possession, use or enjoyment.

PBS will offer to an authorized representative of the Tenant the opportunity to participate in a walk-through of the space prior to final acceptance of the space as substantially complete by PBS. The authorized

representative of the Tenant will make himself or herself available so as to not delay the walk-through of the space. The authorized representatives of PBS and the Tenant will itemize any defects and omissions (D&Os, or "punch list") of the construction project that will need to be corrected prior to final contract payment. Provided that the D&Os are minor matters not materially diminishing use of the space, the authorized representative of PBS, acting on behalf of the Government and its Tenant, will determine substantial completion.

2. The space is operationally functional. Operationally functional means that the building systems included in this lease must function and Lessor-provided building-specific safety and security features must be operational. Related space that is necessary for a Tenant to function due to workflow adjacencies must be complete before rent commences.

For large projects that entail phased occupancy of the Tenant's space, rent will commence on the individual blocks of space when they are substantially complete and operationally functional. The blocks will be added to the Occupancy Agreement (OA) incrementally. In the case of phased occupancy with separate OAs (example, different Agency/Bureau codes), the rent start date for each OA will occur when the space associated with it is substantially complete and operationally functional.

If there is a substantial punch list for the space that would interfere with the Tenant's full access, occupancy, possession, use and enjoyment of the space, and the Tenant chooses to move in anyway, GSA will negotiate a rent discount with the Lessor while the punch list work is being completed. If after hours work is required, GSA will ensure that adequate security is provided while the contractor is in the Tenant's space.

Once the above "substantially complete" and "operationally functional" requirements have been met, rent will commence. GSA does not provide tenant agencies a grace period prior to rent commencement to accomplish the physical move into the space or to allow for the installation of personal property such as phones, furniture, computers, etc. However, rent should not start until those personal property items that have been included in the lease contract, such as telephone and data systems or audio/video systems, are operational unless the Tenant chooses to move into the space pursuant to the preceding paragraph.

Occupancy Agreement Iterations

The parties hereby agree that iterations of OAs prepared before selection of and award to a lessor, contain preliminary financial terms only. Financial terms in preliminary OAs are estimates for budgeting purposes, and are updated through additional OA versions as business terms evolve throughout the space acquisition. Accordingly, execution by the tenant agency on preliminary OAs constitutes that agency's commitment to the project, and is required prior to PBS awarding any lease contract and/or lease modification or amendment. Until lease award, the tenant agency has the right to cancel the proposed project without financial obligation.

Occupancy After Lease Expiration

In the event of a continued occupancy after lease expiration, the tenant agency will continue to be financially responsible for the pass-through of the lease contract rent, the PBS lease fee, and any additional costs incurred by PBS resulting from lease renewal, extension, replacement, holdover or condemnation. The tenant agency rights to relinquish space as specified in this OA remain in effect.

PBS Services

The services that PBS provides to its customers may be found in the fifth edition of the Pricing Desk Guide. Unless PBS provides otherwise in writing, the cost of these services is included in PBS's rents and fees. Any service beyond those identified in the Pricing Desk Guide are provided by PBS for an additional charge.

Payment of Tenant Improvements

The tenant agency must pay for tenant improvements in excess of the allowance by RWA. The tenant agency also has the right to pay lump sum for tenant improvements below the allowance threshold. The ability to make lump sum payments below the allowance threshold is only available at assignment inception, and only for the customization component of the allowance in new space. In backfill or relet space, if the tenant can accept existing tenant improvements "as is" or with modifications, the tenant can elect to waive all or part of the general allowance. Further, once the tenant allowance is set, if the agency then wishes to make a lump sum payment for improvements which are charged against the allowance, PBS cannot accept payments below the allowance threshold by RWA.

Replacement Responsibilities

The lessor bears the responsibility for replacement and renewal of shell items. PBS will also oblige the lessor to fund cyclic paint and carpeting within the tenant's space, as provided in the lease contract.

Tenant Agency Appeal

The tenant agency can appeal to the PBS asset manager in cases in which the agency's assigned tenant improvement allowance is inadequate to provide basic functionality for the space.

Tenant Agency Move

In the event the space covered by this OA involves a tenant agency move, once a design and construction rider or schedule has been made part of a lease contract, the rider/schedule must be incorporated into this OA. Once part of this OA, the schedule/rider becomes binding upon the tenant agency as well as upon PBS. Delay in project completion caused by either a) tenant agency failure to meet the review and approval times provided in the lease rider, or b) tenant changes to project scope, will be borne by the tenant agency. As a consequence of tenant-caused delay, the lessor may decline to postpone the scheduled substantial completion date (thereby advancing Rent commencement for the space) by the duration of the tenant-caused delay, on a day to day basis; this may result in rent charges at two locations simultaneously for the tenant. Additional direct expenses caused through tenant-caused delay or changes in project scope are chargeable against the tenant allowance; in the event the tenant allowance has been exhausted, the tenant must pay the lump sum cost by RWA. In summary, the tenant is responsible for the delay claim of the affected contractor and for rent that GSA budgeted to start on the date included in the Occupancy Agreement. If partial occupancy of the building is not possible due to one agency change, that agency is liable for the other tenant's rent who are unable to occupy their space on the date contained in their Occupancy Agreement. The rent start date should be adjusted for delay of occupancy caused by the lessor failing to deliver the real property on time. The rent start date should not be adjusted for delay of occupancy caused by a contractor failing to install personal property on time with one exception. For those personal property items that have been included in the lease contract, such as telephone and data systems, or audio/video systems, and the systems are not ready, the rent start date should be adjusted. Delayed furniture delivery and installation, which is not part of the lease contract, is not reason for delaying the rent start date. In its role as tenant representative, PBS may also be the cause of delay. Expenses associated with PBS-caused delay incurred by the tenant, for such things as additional storage for furniture, re-procurement expense, or additional consulting fees, will be credited against the tenant's rent obligation to PBS for the new space. In the case of lessor-caused delay, if there is a liquidated damages clause in the lease, PBS will pursue the lessor for the value of the damages. In the case of excusable delay (e.g., force majeure or any other delay the cause of which is beyond the reasonable control of either PBS or the tenant agency), neither PBS nor the tenant agency may pursue the other for the consequences of the delay.

Environmental and Safety Standards and Regulations

The tenant agency will comply with all applicable Federal, State, and local environmental, health & safety laws and regulations, such as but not limited to those issued by the U.S. Environmental Protection Agency (EPA) under Title 40 of the Code of Federal Regulations (CFR); the U.S. Occupational Safety and Health Administration (OSHA) under Title 29 of the CFR; the Federal Management Regulation sections that relate to safety and environmental management (41 CFR part 102-80, subpart B); and all applicable laws and

regulations set by State and local regulatory agencies.

Other Mandatory Clauses

Non-Cancelable Space

This is NON-CANCELABLE SPACE and DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054) agrees to continue to pay rent on space that is vacated and returned to PBS. DHS TRANSPORTATION SECURITY ADMINISTRATION's (Code 7054) obligation to pay Rent will cease when one of the following occur: The expiration of this OA, the termination of the lease as permitted under the lease terms and conditions, or occupancy by a backfill tenant to the extent to which the backfill tenant agency's Rent (not including TIs) covers the total rent obligation of DHS TRANSPORTATION SECURITY ADMINISTRATION (Code 7054).

Security Services

Beginning in FY 2005, payment for FPS provided Basic and Building Specific Operating Security will be made to the Federal Protective Service (FPS), Department of Homeland Security (DHS) and will be separate from rental payments to GSA (OMB Object Class 23.1). Charges for FPS provided security are determined by, and may be obtained from, FPS.

Optional Clauses

Optional Lease ONLY Clauses

Lease Extension

This OA is being extended based on the terms of a GSA negotiated lease extension. There have been no changes to the square footage or increase in the financial terms of your current assignment. Only the term has been extended while GSA continues to work on your follow-on lease procurement. GSA will continue to bill you for your space at this assignment. This OA is considered FINAL and does not require agency signature. Please notify GSA within 60 days if you disagree with any of the terms and conditions expressed in this agreement.

Protecting Government's Financial Interest - Succeeding Lease/Lease Renewal/Extension

This OA reflects the continuing occupancy at this location beginning 04/01/2023 for 60 months. The Rent is a pass-through of the underlying lease contract that was negotiated to protect the government's financial interest plus PBS lease fee and any other applicable charges stated in this OA. The square footage has not increased and there are no additional tenant improvement costs. This OA is considered FINAL and does not require agency signature. Please notify GSA within 60 days if you disagree with any of the terms and conditions expressed in this agreement.

Ad Hoc Clauses

I agree to the initial terms with the understanding modifications will be made over time.

Approved [REDACTED]	Approved
Agency Representative [REDACTED]	GSA Representative
Title Section Chief FSB	Title
Date 2 May 2023	Date

Period: 01-Apr-2023 to 30-Sep-2023

	Charge Basis	Period Charge	Annual Rate
1.	Shell Rental Rate		
	a. General	15,321	\$304,581.48
3.	Operating Costs	15,321	\$319,979.09
A.	Market Rent SubTotal	15,321	\$624,560.56
11.	PBS Fee	15,321	\$31,228.03
B.	Agency Rent SubTotal	15,321	\$31,228.03
C.	Joint Use SubTotal		\$0.00
D.	Total Annual Rent (A+B+C)	15,321	\$655,788.59
E.	Adjustments SubTotal		\$0.00
F.	Total Rent Bill(D+E)		\$655,788.59
G.	Total Antenna Bill		\$0.00
H.	Total Reimbursable Services Bill		\$0.00
I.	Total PBS Bill (F+G+H)		\$655,788.59
J.	LUMP SUM ITEMS		
	Customization Tier		2
	Amortization Terms (in months)		60
	PBS Fee is		5%

Note: ANSI Rentable of 15,321 is 15,321 Assigned Usable Space PLUS 0 Common Space. R/U Factor is 1.0000000000

5 Year Extension
 ATX08445 Final
 7054 DHS TRANSPORTATION SECURITY ADMINISTRATION
 TX2597ZZ LTX17261
 OA Start Date: 01-Apr-2023
 OA End Date: 31-Mar-2028
 Page: 2 of 6
 Date Last Modified: 06-Apr-2023
 Extension of Term
 Fiscal Year: 2024
 Period: 01-Oct-2023 to 30-Sep-2024

	Charge Basis	Annual Charge	Annual Rate
1. Shell Rental Rate			
a. General	15,321	\$609,162.96	\$39.760000000
3. Operating Costs	15,321	\$639,958.17	\$41.770000000
A. Market Rent SubTotal	15,321	\$1,249,121.13	\$81.530000000
11. PBS Fee	15,321	\$62,456.06	\$4.076500000
B. Agency Rent SubTotal	15,321	\$62,456.06	\$4.076500000
C. Joint Use SubTotal		\$0.00	
D. Total Annual Rent (A+B+C)	15,321	\$1,311,577.19	
E. Adjustments SubTotal		\$0.00	
F. Total Rent Bill(D+E)		\$1,311,577.19	
G. Total Antenna Bill		\$0.00	
H. Total Reimbursable Services Bill		\$0.00	
I. Total PBS Bill (F+G+H)		\$1,311,577.19	
	Customization Tier	2	
	Amortization Terms (in months)	60	
	PBS Fee is	5%	

Note: ANSI Rentable of 15,321 is 15,321 Assigned Usable Space PLUS 0 Common Space. R/U Factor is 1.000000000

Period: 01-Oct-2024 to 30-Sep-2025

	Charge Basis	Annual Charge	Annual Rate
1.	Shell Rental Rate		
	a. General	15,321	\$609,162.96
3.	Operating Costs	15,321	\$639,958.17
A.	Market Rent SubTotal	15,321	\$1,249,121.13
11.	PBS Fee	15,321	\$62,456.06
B.	Agency Rent SubTotal	15,321	\$62,456.06
C.	Joint Use SubTotal		\$0.00
D.	Total Annual Rent (A+B+C)	15,321	\$1,311,577.19
E.	Adjustments SubTotal		\$0.00
F.	Total Rent Bill(D+E)		\$1,311,577.19
G.	Total Antenna Bill		\$0.00
H.	Total Reimbursable Services Bill		\$0.00
I.	Total PBS Bill (F+G+H)		\$1,311,577.19
	Customization Tier		2
	Amortization Terms (in months)		60
	PBS Fee is		5%

Note: ANSI Rentable of 15,321 is 15,321 Assigned Usable Space PLUS 0 Common Space. R/U Factor is 1.0000000000

Period: 01-Oct-2025 to 30-Sep-2026

	Charge Basis	Annual Charge	Annual Rate
1.	Shell Rental Rate		
	a. General	15,321	\$609,162.96
3.	Operating Costs	15,321	\$639,958.17
A.	Market Rent SubTotal	15,321	\$1,249,121.13
11.	PBS Fee	15,321	\$62,456.06
B.	Agency Rent SubTotal	15,321	\$62,456.06
C.	Joint Use SubTotal		\$0.00
D.	Total Annual Rent (A+B+C)	15,321	\$1,311,577.19
E.	Adjustments SubTotal		\$0.00
F.	Total Rent Bill(D+E)		\$1,311,577.19
G.	Total Antenna Bill		\$0.00
H.	Total Reimbursable Services Bill		\$0.00
I.	Total PBS Bill (F+G+H)		\$1,311,577.19
	Customization Tier		2
	Amortization Terms (in months)		60
	PBS Fee is		5%

Note: ANSI Rentable of 15,321 is 15,321 Assigned Usable Space PLUS 0 Common Space. R/U Factor is 1.0000000000

5 Year Extension
 ATX08445 Final
 7054 DHS TRANSPORTATION SECURITY ADMINISTRATION
 TX2597ZZ LTX17261
 OA Start Date: 01-Apr-2023
 OA End Date: 31-Mar-2028
 Page: 5 of 6
 Date Last Modified: 06-Apr-2023
 Extension of Term
 Fiscal Year: 2027
 Period: 01-Oct-2026 to 30-Sep-2027

	Charge Basis	Annual Charge	Annual Rate
1. Shell Rental Rate			
a. General	15,321	\$609,162.96	\$39.760000000
3. Operating Costs	15,321	\$639,958.17	\$41.770000000
A. Market Rent SubTotal	15,321	\$1,249,121.13	\$81.530000000
11. PBS Fee	15,321	\$62,456.06	\$4.076500000
B. Agency Rent SubTotal	15,321	\$62,456.06	\$4.076500000
C. Joint Use SubTotal		\$0.00	
D. Total Annual Rent (A+B+C)	15,321	\$1,311,577.19	
E. Adjustments SubTotal		\$0.00	
F. Total Rent Bill(D+E)		\$1,311,577.19	
G. Total Antenna Bill		\$0.00	
H. Total Reimbursable Services Bill		\$0.00	
I. Total PBS Bill (F+G+H)		\$1,311,577.19	
	Customization Tier	2	
	Amortization Terms (in months)	60	
	PBS Fee is	5%	

Note: ANSI Rentable of 15,321 is 15,321 Assigned Usable Space PLUS 0 Common Space. R/U Factor is 1.000000000

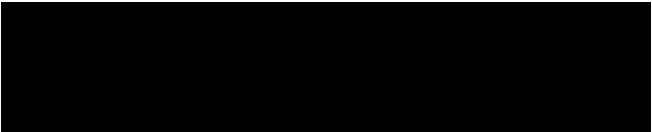
5 Year Extension
 ATX08445 Final
 7054 DHS TRANSPORTATION SECURITY ADMINISTRATION
 TX2597ZZ LTX17261
 OA Start Date: 01-Apr-2023
 OA End Date: 31-Mar-2028
 Page: 6 of 6
 Date Last Modified: 06-Apr-2023
 Extension of Term
 Fiscal Year: 2028 Partial
 Period: 01-Oct-2027 to 31-Mar-2028

	Charge Basis	Period Charge	Annual Rate
1. Shell Rental Rate			
a. General	15,321	\$304,581.48	\$39.760000000
3. Operating Costs	15,321	\$319,979.09	\$41.770000000
A. Market Rent SubTotal	15,321	\$624,560.56	\$81.530000000
11. PBS Fee	15,321	\$31,228.03	\$4.076500000
B. Agency Rent SubTotal	15,321	\$31,228.03	\$4.076500000
C. Joint Use SubTotal		\$0.00	
D. Total Annual Rent (A+B+C)	15,321	\$655,788.59	
E. Adjustments SubTotal		\$0.00	
F. Total Rent Bill(D+E)		\$655,788.59	
G. Total Antenna Bill		\$0.00	
H. Total Reimbursable Services Bill		\$0.00	
I. Total PBS Bill (F+G+H)		\$655,788.59	
	Customization Tier	2	
	Amortization Terms (in months)	60	
	PBS Fee is	5%	

Note: ANSI Rentable of 15,321 is 15,321 Assigned Usable Space PLUS 0 Common Space. R/U Factor is 1.000000000



Exhibit 11





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity: <input type="checkbox"/> Personal Interview <input type="checkbox"/> Telephone Interview <input checked="" type="checkbox"/> Records Review <input type="checkbox"/> Other	Date: April 8, 2024
Activity or Interview of: Review of Lease's Pertaining to William P. Hobby Airport (HOU)	Conducted by: Special Agent [REDACTED]
	Location of Interview/Activity: Dallas Field Office 8615 Freeport Pkwy Suite 200 Irving, TX 75063

Subject Matter/Remarks

On April 8, 2024, INV reviewed two lease agreements between the "City of Houston, TX and the Government of the United States of America." The review of these leases was to determine what parking, if any, was allocated for the Transportation Security Administration (TSA) use at William P. Hobby Airport (HOU).

The first lease agreement, Lease No. GS07P-LTX00548, dated "09/30/2019" is for space located at 8876 Gulf Freeway SE., Houston, TX, 77017) and is valid for a duration of ten years/eight years firm. Section 1.2 EXPRESS APPURTENANT RIGHTS (SEP 2013), Subsection A. states: "Parking: 56 parking spaces for Government Owned Vehicles (GOV) as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 56 shall be surface/outside, secured and lighted in accordance to the security level II parking requirement. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property."

The second lease agreement, Lease No. GS-07P-LTX00520, dated "11/30/2020" is for space located at William P. Hobby Airport (7800 Airport Blvd., Houston, TX, 77061-4145) and is valid for a duration of ten years. Section 1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013), Subsection A. states: "Parking: 0 parking spaces as depicted on the plan attached hereto as Exhibit C, resented for the exclusive use of the Government, of which 0 shall be structured inside parking spaces and 0 shall be surface outside parking spaces. In addition,

Case Number I23-01253	Case Title: U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)
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Revised May 10, 2022

MEMORANDUM OF INTERVIEW OR ACTIVITY (continuation sheet)

the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.”

These leases indicated there is no paid, on-site parking at HOU for TSA.

Attachment:

- Copy of Lease No. GS07P-LTX00548, dated 09/30/2019
- Copy of Lease No. GS-07P-LTX00520, dated 11/30/2020

Case Number:

I23-01253

Case Title:

U.S. Office of Special Counsel (OSC) Disclosure Case (DI-23-001125)

Revised May 10, 2022

LEASE NO. GS-07P-LTX00548

AAAP GLOBAL Lease
GSA FORM L100_AAAP (October 2018)

This Lease is made and entered into between

Gulf Towers Houston L.L.C.

(Lessor), whose principal place of business is 11661 San Vicente Blvd., Suite 800, Los Angeles, CA 90049 and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

**8876 Gulf Freeway SE
Houston, TX 77017**

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years, 8 Years Firm,

subject to termination rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSOR:

e-Signed by _____
on 2019-09-27
Name: _____
Title: **CEO**
Entity: **Hayman Properties**
Date: **2019-09-27**

FOR THE GOVERNMENT:

e-Signed by _____
on 2019-09-30
Name: _____
Title: **Supervisory Lease Contracting Officer**
General Services Administration, Public Building Services
Date: **2019-09-30**

WITNESSED FOR THE LESSOR BY:

e-Signed by _____
on 2019-09-27
Name: _____
Title: **General Counsel**
Date: **2019-09-27**

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

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[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

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SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.1 THE PREMISES (OCT 2016)

The Premises are described as follows:

- A. Office and Related Space: 15,916 rentable square feet (RSF), yielding 13,764 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1st & 5th floor(s) and known as Suite(s) 110, 125, 550, and 559/560, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.
- B. Common Area Factor: The Common Area Factor (CAF), defined under Section 2 of the Lease, is established as 1.16. This factor, rounded to the nearest whole factor, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.2 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

- A. Parking: 56 parking spaces for Government Owned Vehicles (GOV) as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 56 shall be surface/outside, secured and lighted in accordance to the security level II parking requirement. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.
- B. Antennas, Satellite Dishes, and Related Transmission Devices: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.3 RENT AND OTHER CONSIDERATION (AAP VARIATION (OCT 2018))

- A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	12/1/2020 TO 11/30/2028	12/1/2028 TO 11/30/2030
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$196,549.92	\$212,516.16
OPERATING COSTS ²	\$ 121,673.76	\$ 121,673.76
TENANT IMPROVEMENTS RENT ³	\$ 8,017.32	\$0.00
PARKING ⁴	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT	\$326,241.00	\$334,189.92

¹Shell rent calculation:

(Years 1 through 8) \$14.28 per ABOA SF multiplied by the ABOA SF stated under Paragraph 1.01 (converts to a rate of approximately \$12.35 per RSF)

(Years 9 through 10) \$15.44 per ABOA SF multiplied by the ABOA SF stated under Paragraph 1.01 (converts to a rate of approximately \$13.35 per

RSF)

²Operating Costs rent calculation: \$8.84 per ABOA SF multiplied by the ABOA SF stated under Paragraph 1.01 (converts to a rate of approximately \$7.64 per RSF)

³Tenant Improvements principle amount of \$44,029.44 [are amortized at a rate of ten (10) percent per annum over 8 years.

⁴Parking costs described under sub-paragraph B below

- A. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 13,764 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- B. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.
- C. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

- [REDACTED]
- D. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.
- E. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.
- F. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:
1. The leasehold interest in the Property described herein in the paragraph entitled "The Premises."
 2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.
 3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

1.4 TERMINATION RIGHTS (OCT 2016)

The Government may terminate this Lease, in whole or in parts, at any time effective after the Firm Term of this Lease, by providing not less than **90 days'** prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.5 DOCUMENTS INCORPORATED IN THE LEASE (AAAP VARIATION (OCT 2018))

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	2	A
PARKING PLAN(S)	1	B
GSA FORM 3517B GENERAL CLAUSES	15	C
LEVEL II SECURITY REQUIREMENTS	8	D
GSA FORM 3518 SAM	2	E

1.6 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AAAP VARIATION (OCT 2018))

- A. The Tenant Improvement Allowance (TIA) for purposes of this Lease is **\$3.198884** per ABOA SF for 13,764 ABOA SF of Government occupied space (total allowance \$44,029.44). The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the first eight (8) years of this Lease at an annual interest rate of **10 percent**.
- B. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the first eight (8) years of the Lease.
- C. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and within the first eight (8) years of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the first eight (8) years of the Lease.
- D. If it is anticipated that the Government will spend more than the identified TIA, the Government may elect to:
1. Reduce the TI requirements;
 2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
 3. Negotiate an increase in the rent.

1.7 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	\$2.00
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	5%

1.8 BUILDING SPECIFIC AMORTIZED CAPITAL ((AAP VARIATION (OCT 2018)) DELETED INTENTIONALLY

1.9 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (AAP VARIATION (OCT 2018)) DELETED INTENTIONALLY

1.10 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (OCT 2018)

- A. As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is **17.88** percent. The Percentage of Occupancy is derived by dividing the total Government Space of **15,916** RSF by the total Building space of **89,024** RSF. The tax parcel number is **91-047-123-000-0064**.
- B. All relevant tax adjustment documentation (e.g., copies of paid tax receipts, invoices) must be submitted online via the GSA Real Estate Tax Portal at RET.GSA.GOV.

1.11 OPERATING COST BASE (OCT 2016)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be **\$7.64** per RSF.

1.12 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by **\$2.00** per ABOA SF of Space vacated by the Government.

1.13 HOURLY OVERTIME HVAC RATES (OCT 2016)

- A. The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"
- \$ 50** per hour for the entire Space.
- B. There is no overtime charge during the following weekend hours:
- Saturday: 8am to 1pm
- Sunday: N/A

1.14 BUILDING IMPROVEMENTS (MAR 2016) DELETED INTENTIONALLY

1.15 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR2012)

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.

1.16 LESSOR'S DUNS NUMBER (OCT 2017)

Lessor's Dun & Bradstreet DUNS Number: **079584735**.

SECTION 2 GENERAL TERMS, CONDITIONS, AND STANDARDS

2.1 DEFINITIONS AND GENERAL TERMS (OCT 2016)

Unless otherwise specifically noted, all terms and conditions set forth in this Lease shall be interpreted by reference to the following definitions, standards, and formulas:

- A. Appurtenant Areas. Appurtenant Areas are defined as those areas and facilities on the Property that are not located within the Premises, but for which rights are expressly granted under this Lease, or for which rights to use are reasonably necessary or reasonably anticipated with respect to the Government's enjoyment of the Premises and express appurtenant rights.
- B. Broker. If GSA awarded this Lease using a contract real estate broker, Broker shall refer to GSA's broker.
- C. Building. Building(s) situated on the Property in which the Premises are located.
- D. INTENTIONALLY DELETED
- E. Common Area Factor. The "Common Area Factor" (CAF) is a conversion factor determined by the Building owner and applied by the owner to the ABOA SF to determine the RSF for the leased Space. The CAF is expressed as a percentage of the difference between the amount of rentable SF and ABOA SF, divided by the ABOA SF. For example 11,500 RSF and 10,000 ABOA SF will have a CAF of 15% $[(11,500 \text{ RSF} - 10,000 \text{ ABOA SF}) / 10,000 \text{ ABOA SF}]$. For the purposes of this Lease, the CAF shall be determined in accordance with the applicable ANSI/BOMA standard for the type of space to which the CAF shall apply.
- F. Contract. "Contract" shall mean this Lease.
- G. Contractor. "Contractor" shall mean Lessor.
- H. Days. All references to "day" or "days" in this Lease shall mean calendar days, unless specified otherwise.
- I. FAR. All references to the FAR shall be understood to mean the Federal Acquisition Regulation, codified at 48 CFR Chapter 1.
- J. Firm Term/Non-Firm Term. The Firm Term is that part of the Lease term that is not subject to termination rights. The Non-Firm Term is that part of the Lease term following the end of the Firm Term.
- K. GSAR. All references to the GSAR shall be understood to mean the GSA supplement to the FAR, codified at 48 CFR Chapter 5.
- L. Lease Term Commencement Date. The date on which the lease term commences.
- M. Lease Award Date. The date the LCO executes the Lease and mails or otherwise furnishes written notification of the executed Lease to the successful Offeror (date on which the parties' obligations under the Lease begin).
- N. Premises. The Premises are defined as the total Office Area or other type of Space, together with all associated common areas, described in Section 1 of this Lease, and delineated by plan in the attached exhibit. Parking and other areas to which the Government has rights under this Lease are not included in the Premises.
- O. Property. Defined as the land and Buildings in which the Premises are located, including all Appurtenant Areas (e.g., parking areas) to which the Government is granted rights.
- P. Rentable Space or Rentable Square Feet (RSF). Rentable Space is the area for which a tenant is charged rent. It is determined by the Building owner and may vary by city or by building within the same city. The Rentable Space may include a share of Building support/common areas such as elevator lobbies, Building corridors, and floor service areas. Floor service areas typically include restrooms, janitor rooms, telephone closets, electrical closets, and mechanical rooms. The Rentable Space does not include vertical building penetrations and their enclosing walls, such as stairs, elevator shafts, and vertical ducts. Rentable Square Feet is calculated using the following formula for each type of Space (e.g., office, warehouse, etc.) included in the Premises: $\text{ABOA SF of Space} \times (1 + \text{CAF}) = \text{RSF}$.
- Q. Space. The Space shall refer to that part of the Premises to which the Government has exclusive use, such as Office Area, or other type of Space. Parking areas to which the Government has rights under this Lease are not included in the Space.
- R. Office Area. For the purposes of this Lease, Space shall be measured in accordance with the standard (Z65.1-1996) provided by American National Standards Institute/Building Owners and Managers Association (ANSI/BOMA) for Office Area, which means "the area where a tenant normally houses personnel and/or furniture, for which a measurement is to be computed." References to ABOA mean ANSI/BOMA Office Area.
- S. Working Days. Working Days shall mean weekdays, excluding Saturdays and Sundays and Federal holidays.

2.2 AUTHORIZED REPRESENTATIVES (OCT 2016)

Signatories to this Lease shall have full authority to bind their respective principals with regard to all matters relating to this Lease. No other persons shall be understood to have any authority to bind their respective principals, except to the extent that such authority may be explicitly delegated by notice to the other party, or to the extent that such authority is transferred by succession of interest. The Government shall have the right to substitute its Lease Contracting Officer (LCO) by notice, without an express delegation by the prior LCO.

2.3 ALTERATIONS REQUESTED BY THE GOVERNMENT (OCT 2018)

- A. The Government may request the Lessor to provide alterations during the term of the Lease. Alterations will be ordered by issuance of a Lease Amendment, GSA Form 300, Order for Supplies or Services, or a tenant agency-approved form when specifically authorized to do so by the LCO. The General Services Administration Acquisition Manual ("GSAM") clause, 552.270-31, Prompt Payment, including its invoice requirements, shall apply to orders for alterations. All orders are subject to the terms and conditions of this Lease and may be placed by the LCO or a warranted contracting officer's representative (COR) in GSA or the tenant agency when specifically authorized to do so by the LCO, subject to the threshold limitation below.
- B. Orders for alterations issued by an authorized COR are limited to no more than \$250,000 (LCOs are not subject to this threshold). This threshold will change according to future adjustments of the simplified acquisition threshold (see FAR 2.101). The LCO will provide the Lessor with a list of tenant agency officials authorized to place orders and will specify any limitations on the authority delegated to tenant agency officials. The tenant agency officials are not authorized to deal with the Lessor on any other matters.
- C. Payments for alterations ordered by the tenant agency under the authorization described in sub-paragraph B will be made directly by the tenant agency placing the order.

2.4 WAIVER OF RESTORATION (OCT 2018)

Lessor shall have no right to require the Government to restore the Premises upon expiration or earlier termination (full or partial) of the Lease, and waives all claims against the Government for waste, damages, or restoration arising from or related to (a) the Government's normal and customary use of the Premises during the term of the Lease (including any extensions thereof), as well as (b) any initial or subsequent alteration to the Premises regardless of whether such alterations are performed by the Lessor or by the Government. At its sole option, the Government may abandon property in the Space following expiration or earlier termination (full or partial) of the Lease, in which case the property will become the property of the Lessor and the Government will be relieved of any liability in connection therewith.

2.5 CHANGE OF OWNERSHIP (OCT 2017)

- A. If during the term of the Lease, title to the Property is transferred, the Lease is assigned, or the Lessor changes its legal name, the Lessor and its successor shall comply with the requirements of FAR Subpart 42.12. If title is transferred, the Lessor shall notify the Government within five days of the transfer of title.
- B. The Government and the Lessor may execute a Change of Name Agreement if the Lessor is changing only its legal name, and the Government's and the Lessor's respective rights and obligations remain unaffected. A sample form is found at FAR 42.1205.
- C. If title to the Property is transferred, or the Lease is assigned, the Government, the original Lessor (Transferor), and the new owner or assignee (Transferee) shall execute a Novation Agreement providing for the transfer of Transferor's rights and obligations under the Lease to the Transferee. When executed on behalf of the Government, a Novation Agreement will be made part of the Lease via Lease Amendment.
- D. In addition to all documents required by FAR 42.1204, the LCO may request additional information (e.g., copy of the deed, bill of sale, certificate of merger, contract, court decree, articles of incorporation, operation agreement, partnership certificate of good standing, etc.) from the Transferor or Transferee to verify the parties' representations regarding the transfer, and to determine whether the transfer of the Lease is in the Government's interest.
- E. If the LCO determines that recognizing the Transferee as the Lessor will not be in the Government's interest, the Transferor shall remain fully liable to the Government for the Transferee's performance of obligations under the Lease, notwithstanding the transfer. Under no condition shall the Government be obligated to release the Transferor of obligations prior to (a) the rent commencement date; and (b) any amounts due and owing to the Government under the Lease have been paid in full or completely set off against the rental payments due under the Lease.
- F. As a condition for being recognized as the Lessor and entitlement to receiving rent, the Transferee must register in the System for Award Management (SAM) for purposes of "All Awards" (See FAR 52.232-33) and complete all required representations and certifications within SAM.
- G. If title to the Property is transferred, or the Lease is assigned, rent shall continue to be paid to the original Lessor, subject to the Government's rights as provided for in this Lease. The Government's obligation to pay rent to the Transferee shall not commence until the Government has received all information reasonably required by the LCO under sub-paragraph D, the Government has determined that recognizing the Transferee as the Lessor is in the Government's interest (which determination will be prompt and not unreasonably withheld), and the Transferee has met all conditions specified in sub-paragraph F.

2.6 REAL ESTATE TAX ADJUSTMENT (JUN 2012)

A. Purpose: This paragraph provides for adjustment in the rent (tax adjustment) to account for increases or decreases in Real Estate Taxes for the Property after the establishment of the Real Estate Tax Base, as those terms are defined herein. Tax adjustments shall be calculated in accordance with this paragraph.

B. Definitions: The following definitions apply to the use of the terms within this paragraph:

Property is defined as the land and Buildings in which the Premises are located, including all Appurtenant Areas (e.g., parking areas to which the Government is granted rights).

Real Estate Taxes are those taxes that are levied upon the owners of real property by a Taxing Authority (as hereinafter defined) of a state or local Government on an ad valorem basis to raise general revenue for funding the provision of government services. The term excludes, without limitation, special assessments for specific purposes, assessments for business improvement districts, and/or community development assessments.

Taxing Authority is a state, commonwealth, territory, county, city, parish, or political subdivision thereof, authorized by law to levy, assess, and collect Real Estate Taxes.

Tax Year refers to the 12-month period adopted by a Taxing Authority as its fiscal year for assessing Real Estate Taxes on an annual basis.

Tax Abatement is an authorized reduction in the Lessor's liability for Real Estate Taxes below that determined by applying the generally applicable real estate tax rate to the Fully Assessed (as hereinafter defined) valuation of the Property.

Unadjusted Real Estate Taxes are the full amount of Real Estate Taxes that would be assessed for the Property for one full Tax Year without regard to the Lessor's entitlement to any Tax Abatements (except if such Tax Abatement came into effect after the date of award of the Lease), and not including any late charges, interest or penalties. If a Tax Abatement comes into effect after the date of award of the Lease, "unadjusted Real Estate Taxes" are the full amount of Real Estate Taxes assessed for the Property for one full Tax Year, less the amount of such Tax Abatement, and not including any late charges, interest, or penalties.

Real Estate Tax Base is the unadjusted Real Estate Taxes for the first full Tax Year following the commencement of the Lease term. If the Real Estate Taxes for that Tax Year are not based upon a Full Assessment of the Property, then the Real Estate Tax Base shall be the Unadjusted Real Estate Taxes for the Property for the first full Tax Year for which the Real Estate Taxes are based upon a Full Assessment. Such first full Tax Year may be hereinafter referred to as the Tax Base Year. Alternatively, the Real Estate Tax Base may be an amount negotiated by the parties that reflects an agreed upon base for a Fully Assessed value of the Property.

The Property is deemed to be Fully Assessed (and Real Estate Taxes are deemed to be based on a Full Assessment) only when a Taxing Authority has, for the purpose of determining the Lessor's liability for Real Estate Taxes, determined a value for the Property taking into account the value of all improvements contemplated for the Property pursuant to the Lease, and issued to the Lessor a tax bill or other notice of levy wherein the Real Estate Taxes for the full Tax Year are based upon such Full Assessment. At no time prior to the issuance of such a bill or notice shall the Property be deemed Fully Assessed.

Percentage of Occupancy refers to that portion of the Property exclusively occupied or used by the Government pursuant to the Lease. For Buildings, the Percentage of Occupancy is determined by calculating the ratio of the RSF occupied by the Government pursuant to the Lease to the total RSF in the Building or Buildings so occupied, and shall not take into account the Government's ancillary rights including, but not limited to, parking or roof space for antennas (unless facilities for such ancillary rights are separately assessed). This percentage shall be subject to adjustment to take into account increases or decreases for Space leased by the Government or for rentable space on the Property.

C. Adjustment for changes in Real Estate Taxes. After the Property is Fully Assessed, the Government shall pay its share of any increases and shall receive its share of any decreases in the Real Estate Taxes for the Property, such share of increases or decreases to be referred to herein as "tax adjustment." The amount of the tax adjustment shall be determined by multiplying the Government's Percentage of Occupancy by the difference between the current year Unadjusted Real Estate Taxes and the Real Estate Tax Base, less the portion of such difference not paid due to a Tax Abatement (except if a Tax Abatement comes into effect after the date of award of the Lease). If a Tax Abatement comes into effect after the date of award of the Lease, the amount of the tax adjustment shall be determined by multiplying the Government's Percentage of Occupancy by the difference between the current year Unadjusted Real Estate Taxes and the Real Estate Tax Base. The Government shall pay the tax adjustment in a single annual lump sum payment to the Lessor. In the event that this tax adjustment results in a credit owed to the Government, the Government may elect to receive payment in the form of a rental credit or lump sum payment.

If the Property contains more than one separately assessed parcel, then more than one tax adjustment shall be determined based upon the Percentage of Occupancy, Real Estate Tax Base, and Real Estate Taxes for each respective parcel.

After commencement of the Lease term, the Lessor shall provide to the LCO copies of all real estate tax bills for the Property, all documentation of Tax Abatements, credits, or refunds, if any, and all notices which may affect the assessed valuation of the Property, for the Tax Year prior to the commencement of the Lease Term, and all such documentation for every year following. Lessor acknowledges that the LCO shall rely on the completeness and accuracy of these submissions in order to establish the Real Estate Tax Base and to determine tax adjustments. The LCO may memorialize the establishment of the Real Estate Tax Base by issuing a

[REDACTED]

unilateral administrative lease amendment indicating the base year, the amount of the Real Estate Tax Base, and the Government's Percentage of Occupancy.

The Real Estate Tax Base is subject to adjustment when increases or decreases to Real Estate Taxes in any Tax Year are attributable to (a) improvements or renovations to the Property not required by this Lease, or (b) changes in net operating income for the Property not derived from this Lease. If either condition results in a change to the Real Estate Taxes, the LCO may re-establish the Real Estate Tax Base as the Unadjusted Real Estate Taxes for the Tax Year the Property is reassessed under such condition, less the amount by which the Unadjusted Real Estate Taxes for the Tax Year prior to reassessment exceeds the prior Real Estate Tax Base.

If this Lease includes any options to renew the term of the Lease, or be otherwise extended, the Real Estate Tax Base for determining tax adjustments during the renewal term or extension shall be the last Real Estate Tax Base established during the base term of the Lease.

If any Real Estate Taxes for the Property are retroactively reduced by a Taxing Authority during the term of the Lease, the Government shall be entitled to a proportional share of any tax refunds to which the Lessor is entitled, calculated in accordance with this Paragraph. Lessor acknowledges that it has an affirmative duty to disclose to the Government any decreases in the Real Estate Taxes paid for the Property during the term of the Lease. Lessor shall annually provide to the LCO all relevant tax records for determining whether a tax adjustment is due, irrespective of whether it seeks an adjustment in any Tax Year.

If the Lease terminates before the end of a Tax Year, or if rent has been suspended, payment for the real estate tax increase due because of this section for the Tax Year will be prorated based on the number of days that the Lease and the rent were in effect. Any credit due the Government after the expiration or earlier termination of the Lease shall be made by a lump sum payment to the Government or as a rental credit to any succeeding Lease, as determined in the LCO's sole discretion. Lessor shall remit any lump sum payment to the Government within 15 calendar days of payment or credit by the Taxing Authority to Lessor or Lessor's designee. If the credit due to the Government is not paid by the due date, interest shall accrue on the late payment at the rate established by the Secretary of the Treasury under Section 12 of the Contract Disputes Act of 1978, as amended (41 USC § 611), that is in effect on the day after the due date. The interest penalty shall accrue daily on the amount of the credit and shall be compounded in 30-day increments inclusive from the first day after the due date through the payment date. The Government shall have the right to pursue the outstanding balance of any tax credit using all such collection methods as are available to the United States to collect debts. Such collection rights shall survive the expiration of this Lease.

In order to obtain a tax adjustment, the Lessor shall furnish the LCO with copies of all paid tax receipts, or other similar evidence of payment acceptable to the LCO, and a proper invoice (as described in GSA Form 3517, General Clauses, 552.270-31, Prompt Payment) for the requested tax adjustment, including the calculation thereof. All such documents must be received by the LCO within 60 calendar days after the last date the real estate tax payment is due from the Lessor to the Taxing Authority without payment of penalty or interest. FAILURE TO SUBMIT THE PROPER INVOICE AND EVIDENCE OF PAYMENT WITHIN SUCH TIME FRAME SHALL CONSTITUTE A WAIVER OF THE LESSOR'S RIGHT TO RECEIVE A TAX ADJUSTMENT PURSUANT TO THIS PARAGRAPH FOR THE TAX YEAR AFFECTED.

Tax Appeals. If the Government occupies more than 50 percent of the Building by virtue of this and any other Government Lease(s), the Government may, upon reasonable notice, direct the Lessor to initiate a tax appeal, or the Government may elect to contest the assessed valuation on its own behalf or jointly on behalf of Government and the Lessor. If the Government elects to contest the assessed valuation on its own behalf or on behalf of the Government and the Lessor, the Lessor shall cooperate fully with this effort, including, without limitation, furnishing to the Government information necessary to contest the assessed valuation in accordance with the filing requirements of the Taxing Authority, executing documents, providing documentary and testimonial evidence, and verifying the accuracy and completeness of records. If the Lessor initiates an appeal at the direction of the Government, the Government shall have the right to approve the selection of counsel who shall represent the Lessor with regard to such appeal, which approval shall not be unreasonably withheld, conditioned or delayed, and the Lessor shall be entitled to a credit in the amount of its reasonable expenses in pursuing the appeal.

2.7 ADJUSTMENT FOR VACANT PREMISES (OCT 2017)

- A. If the Government fails to occupy any portion of the leased Premises or vacates the Premises in whole or in part prior to expiration of the term of the Lease, the rental rate and the base for operating cost adjustments will be reduced using the figure specified in the "Rate for Adjustment for Vacant Leased Premises" paragraph of this Lease.
- B. If no rate reduction has been established in this Lease, the rate will be reduced by that portion of the costs per ABOA SF of operating expenses not required to maintain the Space.
- C. Said reduction shall occur after the Government gives 30 calendar days' prior notice to the Lessor and shall continue in effect until the Government occupies the vacant Premises or the Lease expires or is terminated.

2.8 OPERATING COSTS ADJUSTMENT (JUN 2012)

- A. Beginning with the second year of the Lease and each year thereafter, the Government shall pay annual incremental adjusted rent for changes in costs for cleaning services, supplies, materials, maintenance, trash removal, landscaping, water, sewer charges, heating, electricity, and certain administrative expenses attributable to occupancy.

- [REDACTED]
- B. The amount of adjustment will be determined by multiplying the base rate by the annual percent of change in the Cost of Living Index. The percent change will be computed by comparing the index figure published for the month prior to the Lease Term Commencement Date with the index figure published for the month prior which begins each successive 12-month period. For example, a Lease which commences in June of 2005 would use the index published for May of 2005, and that figure would be compared with the index published for May of 2006, May of 2007, and so on, to determine the percent change. The Cost of Living Index will be measured by the Department of Labor revised Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), U.S. city average, all items, (1982 to 1984 = 100) published by the Bureau of Labor Statistics. Payment will be made with the monthly installment of fixed rent. Rental adjustments will be effective on the anniversary date of the Lease; however, payment of the adjusted rental rate will become due on the first workday of the second month following the publication of the Cost of Living Index for the month prior to the commencement of each 12-month period.
 - C. In the event of any decreases in the Cost of Living Index occurring during the term of the occupancy under the Lease, the rental amount will be reduced accordingly. The amount of such reductions will be determined in the same manner as increases in rent provided under this paragraph.
 - D. If the Government exercises an option to extend the Lease term at the same rate as that of the original term, the option price will be based on the adjustment during the original term. Annual adjustments will continue.

2.9 ADDITIONAL POST-AWARD FINANCIAL AND TECHNICAL DELIVERABLES (JUN 2012)

- A. If the Lessor is a HUBZone small business concern (SBC) that did not waive the price evaluation preference, the Lessor shall provide a certification within 10 days after Lease award to the LCO (or representative designated by the LCO) that the Lessor was an eligible HUBZone SBC on the date of award. If it is determined within 20 days after award that a HUBZone SBC Offeror that has been awarded the Lease was not an eligible HUBZone SBC at the time of award, and the HUBZone SBC Lessor failed to provide the LCO with information regarding a change to its HUBZone eligibility prior to award, then the Lease shall be subject, at the LCO's discretion, to termination, and the Government will be relieved of all obligations to the Lessor in such an event and not be liable to the Lessor for any costs, claims or damages of any nature whatsoever.
- B. Within **15** days after Lease award, the Lessor shall provide to the LCO (or representative designated by the LCO) evidence of:
 - 1. A firm commitment of funds in an amount sufficient to perform the work.
 - 2. The names of at least two proposed construction contractors, as well as evidence of the contractors' experience, competency, and performance capabilities with construction similar in scope to that which is required herein.
 - 3. The license or certification to practice in the state where the Building is located from the individual(s) and/or firm(s) providing architectural and engineering design services.
- C. The Government shall have the right to withhold approval of design intent drawings (DIDs) until the conditions specified in sub-paragraphs A and B have been satisfied.
- D. Within ten (10) calendar days after the LCO issues the Notice To Proceed (NTP) for TI construction, the Lessor shall provide to the LCO evidence of:
 - 1. Award of a construction contract for TIs with a firm completion date. This date must be in accordance with the construction schedule for TIs as described in the "Schedule for Completion of Space" paragraph of this Lease.
 - 2. Issuance of required permits for construction of the TIs.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

SECTION 3 CONSTRUCTION STANDARDS AND SHELL COMPONENTS

3.1 LABOR STANDARDS (OCT 2016)

If the Lessor proposes to satisfy the requirements of this Lease through the construction of a new Building or the complete rehabilitation or reconstruction of an existing Building, and the Government will be the sole or predominant tenant such that any other use of the Building will be functionally or quantitatively incidental to the Government's use and occupancy, the following FAR clauses shall apply to all work (including shell and TIs) performed prior to the Government's acceptance of space as substantially complete. Full text versions of these clauses are available upon request from the LCO. Full text versions are also available at [HTTPS://WWW.ACQUISITION.GOV/?Q=BROWSEFAR](https://www.acquisition.gov/?Q=BROWSEFAR).

- 52.222-4 Contract Work Hours and Safety Standards Act—Overtime Compensation
- 52.222-5 Construction Wage Rate Requirements - Secondary Site of the Work
- 52.222-6 Construction Wage Rate Requirements
- 52.222-7 Withholding of Funds
- 52.222-8 Payrolls and Basic Records
- 52.222-9 Apprentices and Trainees
- 52.222-10 Compliance with Copeland Act Requirements
- 52.222-11 Subcontracts (Labor Standards)
- 52.222-12 Contract Termination—Debarment
- 52.222-13 Compliance with Construction Wage Rate Requirements and Related Regulations
- 52.222-14 Disputes Concerning Labor Standards
- 52.222-15 Certification of Eligibility

3.2 WORK PERFORMANCE (JUN 2012)

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

3.3 ENVIRONMENTALLY PREFERABLE PRODUCT REQUIREMENTS (OCT 2017)

- A. The Lessor must provide environmentally preferable products as detailed throughout individual paragraphs of this Lease (e.g., Plumbing Fixtures: Water Conservation).
- B. When individual paragraphs of this Lease do not contain specific requirements for environmentally preferable products, the Lessor must provide products meeting at least one of the environmentally preferable criteria as outlined under the Green Procurement Compilation at WWW.SFTOOL.GOV/GREENPROCUREMENT to determine whether any of these criteria are applicable for a product category.
- C. The Lessor, if unable to comply with the environmentally preferable products requirements above, must submit a waiver request for each material within the TI pricing submittal. The waiver request shall be based on the following exceptions:
 - 1. Product cannot be acquired competitively within a reasonable performance schedule.
 - 2. Product cannot be acquired that meets reasonable performance requirements.
 - 3. Product cannot be acquired at a reasonable price.
 - 4. An exception is provided by statute.

The price shall be deemed unreasonable when the total life cycle costs are significantly higher for the sustainable product versus the non-sustainable product. Life cycle costs are determined by combining the initial costs of a product with any additional costs or revenues generated from that product during its entire life.

3.4 EXISTING FIT-OUT, SALVAGED, OR REUSED BUILDING MATERIAL (JUN2012)

- A. Items and materials existing in the Premises, or to be removed from the Premises during the demolition phase, are eligible for reuse in the construction phase of the project. The reuse of items and materials is preferable to recycling them; however, items considered for reuse shall be in re-furnished condition and shall meet the quality standards set forth by the Government in this Lease. In the absence of definitive quality standards, the Lessor is responsible to confirm that the quality of the item(s) in question shall meet or exceed accepted industry or trade standards for first quality commercial grade applications.
- B. The Lessor shall submit a reuse plan to the LCO. The Government will not pay for existing fixtures and other TIs accepted in place. However, the Government will reimburse the Lessor, as part of the TIA, the costs to repair or improve such fixtures or improvements identified on the reuse plan and approved by the LCO.

3.5 CONSTRUCTION WASTE MANAGEMENT (OCT 2017)

- A. Recycling construction waste is mandatory for initial space alterations for TIs and subsequent alterations under the Lease.
- B. SUBMITTAL REQUIREMENT: Prior to construction commencement, a proposed plan following industry standards to recycle construction waste. The construction waste management plan shall quantify material diversion goals and maximize the materials to be recycled and/or salvaged (at least 50 percent) from construction, demolition, and packaging debris. Where the small quantity of material, the extraordinarily complex nature of the waste disposal method, or prohibitive expense for recycling would represent a genuine hardship, the Government, upon written request of the Lessor and approval of the LCO, may permit alternative means of disposal.
- C. The Lessor shall recycle the following items during both the demolition and construction phases of the project, subject to economic evaluation and feasibility: Ceiling grid and tile, light fixtures, including proper disposal of any transformers, ballasts, and fluorescent light bulbs, duct work and HVAC equipment, wiring and electrical equipment, aluminum and/or steel doors and frames, hardware, drywall, steel studs carpet, carpet backing and carpet padding, wood, insulation, cardboard packaging, pallets, windows and glazing materials, all miscellaneous metals (as in steel support frames for filing equipment), and all other finish and construction materials.
- D. If any waste materials encountered during the demolition or construction phase are found to contain lead, asbestos, polychlorinated biphenyls (PCBs) (such as fluorescent lamp ballasts), or other harmful substances, they shall be handled and removed in accordance with Federal and state laws and requirements concerning hazardous waste.
- E. In addition to providing "one time" removal and recycling of large scale demolition items such as carpeting or drywall, the Lessor shall provide continuous facilities for the recycling of incidental construction waste during the initial construction.
- F. Construction materials recycling records shall be maintained by the Lessor and shall be accessible to the LCO. Records shall include materials recycled or land-filled, quantity, date, and identification of hazardous wastes.

3.6 WOOD PRODUCTS (OCT 2016)

- A. For all new installations of wood products, the Lessor is encouraged to use independently certified forest products. For information on certification and certified wood products, refer to the Forest Stewardship Council United States ([HTTPS://US.FSC.ORG/EN-US](https://us.fsc.org/en-us)), or the Sustainable Forestry Initiative ([HTTP://WWW.SFIPROGRAM.ORG/](http://www.sfiprogram.org/)).
- B. New installations of wood products used under this contract shall not contain wood from endangered wood species, as listed by the Convention on International Trade in Endangered Species. The list of species can be found at [HTTP://WWW.WOOD-DATABASE.COM/WOOD-ARTICLES/RESTRICTED-AND-ENDANGERED-WOOD-SPECIES/](http://www.wood-database.com/wood-articles/restricted-and-endangered-wood-species/) or [HTTPS://WWW.FWS.GOV/INTERNATIONAL/PLANTS/CURRENT-CITES-LISTINGS-OF-TREE-SPECIES.HTML](https://www.fws.gov/international/plants/current-cites-listings-of-tree-species.html).
- C. Particle board, strawboard, and plywood materials shall comply with Department of Housing and Urban Development (HUD) standards for formaldehyde emission controls. Plywood materials shall not emit formaldehyde in excess of 0.2 parts per million (ppm), and particleboard materials shall not emit formaldehyde in excess of 0.3 ppm.
- D. All materials comprised of combustible substances, such as wood plywood and wood boards, shall be treated with fire retardant chemicals by a pressure impregnation process or other methods that treats the materials throughout as opposed to surface treatment.

3.7 ADHESIVES AND SEALANTS (OCT 2017) DELETED INTENTIONALLY

3.8 BUILDING SHELL REQUIREMENTS (OCT 2016)

- A. The Building Shell shall be designed, constructed, and maintained in accordance with the standards set forth herein and completed prior to acceptance of Space. For pricing, fulfillment of all requirements not specifically designated as TIs, Building Specific Amortized Capital, Operating Costs, or other rent components as indicated shall be deemed included in the Shell Rent.
- B. Base structure and Building enclosure components shall be complete. All common areas accessible by the Government, such as lobbies, fire egress corridors and stairwells, elevators, garages, and service areas, shall be complete. Restrooms shall be complete and operational. All newly installed Building shell components, including but not limited to, heating, ventilation, and air conditioning (HVAC), electrical, ceilings, sprinklers, etc., shall be furnished, installed, and coordinated with TIs. Circulation corridors are provided as part of the base Building only on multi-tenanted floors where the corridor is common to more than one tenant. On single tenant floors, only the fire egress corridor(s) necessary to meet code is provided as part of the shell.
- C. The Building Shell rental rate shall also include, but is not limited to, costs listed under Section II of GSA Form 1217, Lessor's Annual Cost Statement, including insurance, taxes, lease commission and management, in addition to profit, and loan financing costs for the Building.

3.9 RESPONSIBILITY OF THE LESSOR AND LESSOR'S ARCHITECT/ENGINEER (JUN 2012)

- [REDACTED]
- A. The Lessor shall be responsible for the professional quality, technical accuracy, and the coordination of all designs, drawings, specifications, and other services furnished by the Lessor under this contract. The Lessor shall, without additional compensation, correct or revise any errors or deficiencies in its designs, drawings, specifications, or other services.
 - B. THE LESSOR REMAINS SOLELY RESPONSIBLE FOR DESIGNING, CONSTRUCTING, OPERATING, AND MAINTAINING THE LEASED PREMISES IN FULL ACCORDANCE WITH THE REQUIREMENTS OF THE LEASE. The Government retains the right to review and approve many aspects of the Lessor's design, including without limitation, review of the Lessor's design and construction drawings, shop drawings, product data, finish samples, and completed base building and TI construction. Such review and approval is intended to identify potential design flaws, to minimize costly misdirection of effort, and to assist the Lessor in its effort to monitor whether such design and construction comply with applicable laws and satisfy all Lease requirements.
 - C. Neither the Government's review, approval or acceptance of, nor payment through rent of the services required under this contract, shall be construed to operate as a waiver of any rights under this contract or of any cause of action arising out of the performance of this contract, and the Lessor shall be and remain liable to the Government in accordance with applicable law for all damages to the Government caused by the Lessor's negligent performance of any of the services required under this Lease.
 - D. Design and construction and performance information is contained throughout several of the documents which comprise this Lease. The Lessor shall provide to space planners, architects, engineers, construction contractors, etc., all information required whether it is found in this Lease, special requirements and attachments, price lists, or design intent drawings. Reliance upon one of these documents to the exclusion of any other may result in an incomplete understanding of the scope of the work to be performed and/or services to be provided.

3.10 QUALITY AND APPEARANCE OF BUILDING (JUN 2012)

The Building in which the Premises are located shall be designed, built and maintained in good condition and in accordance with the Lease requirements. If not new or recent construction, the Building shall have undergone by occupancy, modernization, or adaptive reuse for office space with modern conveniences. The Building shall be compatible with its surroundings. Overall, the Building shall project a professional and aesthetically pleasing appearance including an attractive front and entrance way.

3.11 VESTIBULES (APR 2011)

- A. Vestibules shall be provided at public entrances and exits wherever weather conditions and heat loss are important factors for consideration. In the event of negative air pressure conditions, provisions shall be made for equalizing air pressure.
- B. The Lessor shall provide permanent entryway systems (such as grilles or grates) to control dirt and particulates from entering the Building at all primary exterior entryways.

3.12 MEANS OF EGRESS (MAY 2015)

- A. Prior to occupancy, the Premises and any parking garage areas shall meet or will be upgraded to meet, either the applicable egress requirements in the National Fire Protection Association, Life Safety Code (NFPA 101), or the International Code Council, International Building Code (IBC), each current as of the Lease Award Date, or use an alternative approach or method that achieves an equivalent level of safety deemed acceptable by the Government.
- B. The Space shall have unrestricted access to a minimum of two remote exits on each floor of Government occupancy.
- C. Interlocking or scissor stairs located on the floor(s) where Space is located shall only count as one exit stair.
- D. A fire escape located on the floor(s) where Space is located shall not be counted as an approved exit stair.
- E. Doors shall not be locked in the direction of egress unless equipped with special locking hardware in accordance with requirements of NFPA 101 or the IBC.

3.13 AUTOMATIC FIRE SPRINKLER SYSTEM (SEP 2013)

- A. Any portion of the Space located below-grade, including parking garage areas, and all areas in a Building referred to as "hazardous areas" (defined in National Fire Protection Association (NFPA) 101) that are located within the entire Building (including non-Government areas) shall be protected by an automatic fire sprinkler system or an equivalent level of safety.
- B. For Buildings in which any portion of the Space is on or above the sixth floor, then, at a minimum, the Building up to and including the highest floor of Government occupancy shall be protected by an automatic fire sprinkler system or an equivalent level of safety.
- C. For Buildings in which any portion of the Space is on or above the sixth floor, and lease of the Space will result, either individually or in combination with other Government Leases in the Building, in the Government leasing 35,000 or more ANSI/BOMA Office Area SF of Space in the Building, then the entire Building shall be protected throughout by an automatic fire sprinkler system or an equivalent level of safety.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

- [REDACTED]
- D. Automatic fire sprinkler system(s) shall be installed in accordance with the requirements of NFPA 13, Standard for the Installation of Sprinkler Systems that was in effect on the actual date of installation.
 - E. Automatic fire sprinkler system(s) shall be maintained in accordance with the requirements of NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-based Fire Protection Systems (current as of the Lease Award Date).
 - F. "Equivalent level of safety" means an alternative design or system (which may include automatic fire sprinkler systems), based upon fire protection engineering analysis, which achieves a level of safety equal to or greater than that provided by automatic fire sprinkler systems.

3.14 FIRE ALARM SYSTEM (SEP 2013)

- A. A Building-wide fire alarm system shall be installed in the entire Building in which any portion of the Space is located on the 3rd floor or higher.
- B. The fire alarm system shall be installed in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code, that was in effect on the actual date of installation.
- C. The fire alarm system shall be maintained in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code (current as of the Lease Award Date).
- D. The fire alarm system shall transmit all fire alarm signals to the local fire department via any of the following means: directly to the local fire department, to the (911) public communications center, to a central station, to a remote supervising station, or to a proprietary supervising station.
- E. If the Building's fire alarm control unit is over 25 years old as of the date of award of this Lease, Lessor shall install a new fire alarm system in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code (current as of the Lease Award Date), prior to Government acceptance and occupancy of the Space.

3.15 ENERGY INDEPENDENCE AND SECURITY ACT (NOV 2018)

A. Energy-related Requirements:

1. The Energy Independence and Security Act (EISA) establishes the following requirements for Government Leases in Buildings that have not earned the ENERGY STAR® Label conferred by the Environmental Protection Agency (EPA) within one year prior to the due date for final proposal revisions ("most recent year").
2. If this Lease was awarded under any of EISA's Section 435 statutory exceptions, the Lessor shall either:
 - a. Earn the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease); or
 - b. (i) Complete energy efficiency and conservation improvements if any, agreed to by Lessor in lieu of earning the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease); and
(ii) Obtain and publicly disclose the Building's current ENERGY STAR® score (using EPA's Portfolio Manager tool), unless the Lessor cannot access whole building utility consumption data, or there is no building category within Portfolio Manager to benchmark against, including spaces—
 - I. That are located in States with privacy laws that provide that utilities shall not provide such aggregated information to multitenant building owners; and
 - II. For which tenants do not provide energy consumption information to the commercial building owner in response to a request from the building owner. (A Federal agency that is a tenant of the space shall provide to the building owner, or authorize the owner to obtain from the utility, the energy consumption information of the space for the benchmarking and disclosure required by this subparagraph D).
 - III. That cannot be benchmarked (scored) using EPA's Portfolio Manager tool because of excessive vacancy; in which case Lessor agrees to obtain the score and publicly disclose it within 120 days of the eligibility to obtain a score using the EPA Portfolio Manager tool.

Note: "public disclosure" means posting the Energy Star® score on state or local websites in those areas that have applicable disclosure mandates, and reporting the score to the Government via Portfolio Manager. In the absence of an applicable state or local disclosure mandate, Lessor shall either generate and display the Energy Star® score in a public space at the building location or post the score on Lessor's or Lessor's Parent/Affiliate website.

[REDACTED]

- [REDACTED]
3. If this Lease was awarded to a Building to be built or to a Building predominantly vacant as of the due date for final proposal revisions and was unable to earn the ENERGY STAR® label for the most recent year (as defined above) due to insufficient occupancy, but was able to demonstrate sufficient evidence of capability to earn the ENERGY STAR® label, then Lessor must earn the ENERGY STAR® label within 18 months after occupancy by the Government.
 4. If this Lease was awarded to an existing Building that was unable to earn the ENERGY STAR® label for the most recent year (as defined above) during EPA's temporary suspension in the issuance of ENERGY STAR® labels, then the Lessor must earn the ENERGY STAR® label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease), subject to a time extension as described under sub-paragraph A.6 below.
 5. The Lessor is encouraged to purchase at least 50 percent of the Government tenant's electricity from renewable sources.
 6. Notwithstanding the post-award timeframes specified above for achieving the ENERGY STAR® label, the LCO shall grant an additional time extension to the Lessor in instances where the Lessor is unable to obtain an ENERGY STAR® label due to EPA's review and temporary suspension in certification, provided the Lessor has demonstrated, to the satisfaction of the LCO, that such suspension delayed their ability to obtain the ENERGY STAR® label in a timely manner. Such time extension, which shall be the Lessor's sole remedy, shall not exceed the length of time associated with the EPA suspension for the affected property category.

B. Hydrology-related Requirements:

1. Per EISA Section 438, the sponsor of any development or redevelopment project involving a Federal facility with a footprint that exceeds 5,000 square feet shall use site planning, design, construction, and maintenance strategies for the property to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the Property with regard to the temperature, rate, volume, and duration of flow. If the Lessor proposes to satisfy the Government's space requirements through a development or redevelopment project, and the Government will be the sole or predominant tenant such that any other use of the Property will be functionally or quantitatively incidental to the Government's use, the Lessor is required to implement hydrology maintenance and restoration requirements as required by EISA Section 438.
 - a. For the purposes of applying EISA Section 438 in this lease, "sponsor" shall mean "Lessor", and "exceeds 5,000 square feet" shall mean construction that disturbs 5,000 square feet or more of land area at the Property or on adjoining property to accommodate the Government's requirements, or at the Property for whatever reason. Information regarding implementation of the hydrology maintenance and restoration requirements can be found at:
[HTTP://WWW.EPA.GOV/GREENINGE/TECHNICAL-GUIDANCE-IMPLEMENTING-STORMWATER-RUNOFF-REQUIREMENTS-FEDERAL-PROJECTS](http://www.epa.gov/greeninge/technical-guidance-implementing-stormwater-runoff-requirements-federal-projects)
 - b. Lessor is required to implement these hydrology maintenance and restoration requirements to the maximum extent technically feasible, prior to acceptance of the Space, (or not later than one year after the Lease Award Date or Lease Term Commencement Date, whichever is later, of a succeeding or superseding Lease). Additionally, this Lease requires EISA Section 438 storm water compliance not later than one year from the date of any applicable disturbance (as defined in EISA Section 438) of more than 5,000 square feet of ground area if such disturbance occurs during the term of the Lease if the Government is the sole or predominant tenant. In the event the Lessor is required to comply with EISA Section 438, Lessor shall furnish the Government, prior to the filing for permits for the associated work, with a certification from Lessor's engineer that the design meets the hydrology maintenance and restoration requirements of EISA Section 438.

3.16 ELEVATORS (OCT 2016)

- A. The Lessor shall provide suitable passenger elevator and, when required by the Government, freight elevator service to any of the Premises not having ground level access. Service shall be available during the normal hours of operation specified in the in this Lease. However, one passenger elevator and, when required by the Government, one freight elevator shall be available at all times for Government use. When a freight elevator is required by the Government, it shall be accessible to the loading areas. When possible, the Government shall be given 24-hour advance notice if the service is to be interrupted for more than 1-1/2 hours. Normal service interruption shall be scheduled outside of the Government's normal working hours. The Lessor shall also use best efforts to minimize the frequency and duration of unscheduled interruptions.
- B. Code: Elevators shall conform to the current requirements of the American Society of Mechanical Engineers ASME A17.1/CSA B44, Safety Code for Elevators and Escalators (current as of the Lease Award Date). Elevators shall be provided with Phase I emergency recall operation and Phase II emergency in-car operation in accordance with ASME A17.1/CSA B44. Fire alarm initiating devices (e.g., smoke detectors) used to initiate Phase I emergency recall operation shall be installed in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code. The elevators shall be inspected and maintained in accordance with the current edition of the ASME A17.2, Inspector's Manual for Elevators. Except for the reference to ASME A17.1 in ABAAS, Section F105.2.2, all elevators must meet ABAAS requirements for accessibility in Sections 407, 408, and 409 of ABAAS.
- C. Safety Systems: Elevators shall be equipped with telephones or other two-way emergency communication systems. The system used shall be marked and shall reach an emergency communication location staffed 24 hours per day, 7 days per week.
- D. Speed: The passenger elevators shall have a capacity to transport in 5 minutes 15 percent of the normal population of all upper floors (based on 150 SF per person). Further, the dispatch interval between elevators during the up-peak demand period shall not exceed 35 seconds.
- E. Interior Finishes: Elevator cab walls shall be hardwood, marble, granite, or an equivalent pre-approved by the LCO. Elevator cab floors shall be marble, granite, terrazzo, or an equivalent pre-approved by the LCO.

[REDACTED]

3.17 BUILDING DIRECTORY (APR 2011)

A tamper-proof directory with lock shall be provided in the Building lobby listing the Government agency. It must be acceptable to the LCO.

3.18 FLAGPOLE (SEP 2013)

If the Government is the sole occupant of the Building, a flagpole shall be provided at a location to be approved by the LCO. The flag of the United States of America will be provided by the Lessor, as part of shell rent, and replaced at all times during the Lease term when showing signs of wear.

3.19 DEMOLITION (JUN 2012)

The Lessor shall remove existing abandoned electric, telephone, and data cabling and devices, as well as any other improvements or fixtures in place to accommodate the Government's requirements. Any demolition of existing improvements that is necessary to satisfy the Government's layout shall be done at the Lessor's expense.

3.20 ACCESSIBILITY (FEB 2007)

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

3.21 CEILINGS (AAP VARIATION (OCT 2017))

A complete acoustical ceiling system (which includes grid and lay-in tiles or other Building standard ceiling system as approved by the LCO) throughout the Space and Premises shall be required. The acoustical ceiling system shall be furnished, installed, and coordinated with TIs.

- A. Ceilings shall be at a minimum 8 feet and 0 inches and no more than 12 feet and 0 inches measured from floor to the lowest obstruction. Areas with raised flooring shall maintain these ceiling-height limitations above the finished raised flooring. At the discretion of the Government, the Government may eliminate space with ceiling heights that are less than 9 feet 0 inches, as measured from the floor to the lowest obstruction. Bulkheads and hanging or surface mounted light fixtures which impede traffic ways shall be avoided. Ceilings shall be uniform in color and appearance throughout the Space, with no obvious damage to tiles or grid.
- B. Prior to closing the ceiling, the Lessor shall coordinate with the Government for the installation of any items above the ceiling.
- C. Should the ceiling be installed in the Space prior to construction of the TIs, then the Lessor shall be responsible for all costs in regard to the disassembly, storage during construction, and subsequent re-assembly of any of the ceiling components which may be required to complete the TIs. The Lessor shall also bear the risk for any damage to the ceiling or any components thereof during the construction of the TIs.
- C. Ceilings shall be a flat plane in each room and shall be suspended and finished as follows unless an alternate equivalent is pre-approved by the LCO:
 1. Restrooms. Plastered or spackled and taped gypsum board.
 2. Offices and conference rooms. Mineral and acoustical tile or lay in panels with textured or patterned surface and tegular edges or an equivalent pre-approved by the LCO. Newly installed tiles or panels shall at least one of the environmentally preferable criteria as outlined under the Green Procurement Compilation at [HTTPS://SFTOOL.GOV/GREENPROCUREMENT](https://SFTOOL.GOV/GREENPROCUREMENT).
 3. Corridors and eating/galley areas. Plastered or spackled and taped gypsum board or mineral acoustical tile.

3.22 EXTERIOR AND COMMON AREA DOORS AND HARDWARE (SEP 2013)

- A. Exterior Building doors and doors necessary to the lobbies, common areas, and core areas shall be required. This does not include suite entry or interior doors specific to TIs.
- B. Exterior doors shall be weather tight and shall open outward. Hinges, pivots, and pins shall be installed in a manner which prevents removal when the door is closed and locked. These doors shall have a minimum clear opening of 32" clear wide x 80" high (per leaf). Doors shall be heavy duty, flush, (1) hollow steel construction, (2) solid core wood, or (3) insulated tempered glass. As a minimum requirement, hollow steel doors shall be fully insulated, flush, #16-gauge hollow steel. Solid-core wood doors and hollow steel doors shall be at least 1-3/4 inches thick. Door assemblies shall be of durable finish and shall have an aesthetically pleasing appearance acceptable to the LCO. The opening dimensions and operations shall conform to the governing building, fire safety, accessibility, and energy codes and/or requirements. Fire door assemblies shall be listed and labeled. Labels on fire door assemblies shall be

[REDACTED]

maintained in a legible condition. Fire door assemblies and their accompanying hardware, including frames and closing devices shall be installed in accordance with the requirements of NFPA 80, Standard for Fire Doors and Other Opening Protectives.

- C. Exterior doors and all common area doors shall have door handles or door pulls with heavyweight hinges. All doors shall have corresponding doorstops (wall or floor mounted) and silencers. All public use doors and restroom doors shall be equipped with kick plates. All doors shall have automatic door closers. All Building exterior doors shall have locking devices installed to reasonably deter unauthorized entry.

3.23 DOORS: IDENTIFICATION (APR 2011)

All signage required in common areas unrelated to tenant identification shall be provided and installed by the Lessor.

3.24 WINDOWS (APR 2011)

- A. Office Space shall have windows in each exterior bay unless waived by the LCO.
- B. All windows shall be weather tight. Operable windows that open shall be equipped with locks. Off-street, ground-level windows and those accessible from fire escapes, adjacent roofs, and other structures that can be opened must be fitted with a sturdy locking device. Windows accessible from fire escapes must be readily operable from the inside of the Building.

3.25 PARTITIONS: GENERAL (APR 2015)

Partitions in public areas shall be marble, granite, hardwood, or drywall covered with durable wall covering or high performance coating, or equivalent pre-approved by the LCO. Newly installed gypsum board material must be Greenguard Gold Certified or have 0 grams per liter of VOCs.

3.26 PARTITIONS: PERMANENT (APR 2015)

Permanent partitions shall extend from the structural floor slab to the structural ceiling slab. They shall be provided by the Lessor as part of shell rent as necessary to surround the Space, stairs, corridors, elevator shafts, restrooms, all columns, and janitor closets. They shall have a flame spread rating of 25 or less and a smoke development rating of 450 or less (ASTM E-84). Stairs, elevators, and other floor openings shall be enclosed by partitions and shall have the fire resistance required by the applicable building code, fire code and ordinances adopted by the jurisdiction in which the Building is located (such as the International Building Code, etc.) current as of the Lease Award Date. Newly installed gypsum board material must be Greenguard Gold Certified or have 0 grams per liter of VOCs.

3.27 INSULATION: THERMAL, ACOUSTIC, AND HVAC (SEP 2013)

- A. All insulation products shall contain recovered materials as required by EPA's CPG and related recycled content recommendations.
- B. No insulation installed with this project shall be material manufactured using chlorofluorocarbons (CFCs), nor shall CFCs be used in the installation of the product.
- C. All insulation containing fibrous materials exposed to air flow shall be rated for that exposure or shall be encapsulated.
- D. Insulating properties for all materials shall meet or exceed applicable industry standards. Polystyrene products shall meet American Society for Testing and Materials (ASTM) C578 91.
- E. All insulation shall be low emitting with not greater than .05 ppm formaldehyde emissions.
- F. The maximum flame spread and smoke developed index for insulation shall meet the requirements of the applicable local codes and ordinances (current as of the Lease Award Date) adopted by the jurisdiction in which the Building is located.

3.28 WALL FINISHES – SHELL (SEP 2015)

- A. All restrooms within the Building common areas of Government-occupied floors shall have 1) ceramic tile, recycled glass tile, or comparable wainscot from the finished floor to a minimum height of 4'-6" and 2) semigloss paint on remaining wall areas, or other finish approved by the Government.
- B. All elevator areas that access the Space and hallways accessing the Space shall be covered with wall coverings not less than 20 ounces per square yard, high performance paint, or an equivalent.

3.29 PAINTING – SHELL (OCT 2017)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- A. The Lessor shall bear the expense for all painting associated with the Building shell. These areas shall include all common areas. Exterior perimeter walls and interior core walls within the Space shall be spackled and prime painted with a primer that meets or is equivalent to the Green Seal GS-11 standard. If any Building shell areas are already painted prior to TIs, then the Lessor shall repaint, at the Lessor's expense, as necessary during TIs.
 - B. The costs for cyclical painting requirements as outlined in Section 6 shall be included in the shell rent.

3.30 FLOORS AND FLOOR LOAD (APR 2015)

- A. All adjoining floor areas shall be of a common level not varying more than 1/4 inch over a 10-foot horizontal run in accordance with the American Concrete Institute standards, non-slip, and acceptable to the LCO.
- B. Under-floor surfaces shall be smooth and level. Office areas shall have a minimum live load capacity of 50 pounds per ABOA SF plus 20 pounds per ABOA SF for moveable partitions. Storage areas shall have a minimum live load capacity of 100 pounds per ABOA SF, including moveable partitions. Lessor may be required to provide a report by a registered structural engineer showing the floor load capacity, at the Lessor's expense. Calculations and structural drawings may also be required.

3.31 FLOOR COVERING AND PERIMETERS – SHELL (SEP 2013)

- A. Exposed interior floors in primary entrances and lobbies shall be marble, granite, or terrazzo. Exposed interior floors in secondary entrances, elevator lobbies, and primary interior corridors shall be high-grade carpet, marble, granite, or terrazzo. Resilient flooring shall be used in telecommunications rooms. Floor perimeters at partitions shall have wood, rubber, vinyl, marble, or carpet base.
- B. Terrazzo, unglazed ceramic tile, recycled glass tile, and/or quarry tile shall be used in all restroom and service areas of Government-occupied floors.
- C. Any alternate flooring must be pre-approved by the LCO.
- D. The costs for cyclical carpet replacement requirements as outlined in Section 6 shall be included in the shell rent.

3.32 MECHANICAL, ELECTRICAL, PLUMBING: GENERAL (APR 2011)

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

3.33 BUILDING SYSTEMS (APR 2011)

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

3.34 ELECTRICAL (JUN 2012)

- A. The Lessor shall be responsible for meeting the applicable requirements of local codes and ordinances. When codes conflict, the more stringent standard shall apply. Main service facilities shall be enclosed. The enclosure may not be used for storage or other purposes and shall have door(s) fitted with an automatic deadlocking latch bolt with a minimum throw of 1/2 inch. Main distribution for standard office occupancy shall be provided at the Lessor's expense. All floors shall have 120/208 V, 3-phase, 4-wire with bond, 60 hertz electric service available. In no event shall such power distribution (not including lighting and HVAC) for the Space fall below 4 watts per ABOA SF.
- B. Main power distribution switchboards and distribution and lighting panel boards shall be circuit breaker type with copper buses that are properly rated to provide the calculated fault circuits. All power distribution panel boards shall be supplied with separate equipment ground buses. All power distribution equipment shall be required to handle the actual specified and projected loads and 10 percent spare load capacity. Distribution panels are required to accommodate circuit breakers for the actual calculated needs and 10 percent spare circuits that will be equivalent to the majority of other circuit breakers in the panel system. Fuses and circuit breakers shall be plainly marked or labeled to identify circuits or equipment supplied through them.
- C. Convenience outlets shall be installed in accordance with NFPA Standard 70, National Electrical Code, or local code, whichever is more stringent. The Lessor shall provide duplex utility outlets in restrooms, corridors, and dispensing areas.

3.35 PLUMBING (JUN 2012) DELETED INTENTIONALLY

[REDACTED]

3.36 DRINKING FOUNTAINS (OCT 2018)

On each floor of Government-occupied Space, the Lessor shall provide a minimum of two drinking fountains with chilled potable water within 200 feet of travel from any Government-occupied area on the floor. The fountains shall comply with Section F211 of the Architectural Barriers Act Accessibility Standard. Potable is defined as water meeting current EPA primary drinking water standards or more stringent, applicable state or local regulations. The Lessor shall serve as first responder to any occupant complaints about drinking water. The Lessor shall promptly investigate any such complaints and implement the necessary controls to address the complaints and maintain potable water conditions.

3.37 RESTROOMS (OCT 2016)

- A. If this Lease is satisfied by new construction or major alterations, Lessor shall provide water closets, sinks and urinals on each floor that is partially or fully occupied by the government per the following schedule. The schedule is per floor and based on a density of one person for each 135 ABOA SF of office Space, allocated as 50% women and 50% men. If major alterations to the restrooms occur during the term of this Lease, the number of fixtures then must meet the schedule as part of the major alterations.

ESTIMATED NUMBER OF EACH GENDER PER FLOOR			(WOMEN'S) WATER CLOSETS	(WOMEN'S) SINKS	(MEN'S) WATER CLOSETS	(MEN'S) URINALS	(MEN'S) SINKS
1	to	8	2	1	1	1	1
9	to	24	3	2	2	1	1
25	to	36	3	2	2	1	2
37	to	56	5	3	3	2	2
57	to	75	6	4	4	2	2
76	to	96	6	5	4	2	3
97	to	119	7	5	5	2	3
120	to	134	9	5	6	3	4
Above 135			3/40	1/24	1/20	1/40	1/30

- B. If no new construction or major renovation of a restroom is occurring, compliance with local code is sufficient. Separate restroom facilities for men and women shall be provided in accordance with local code or ordinances, on each floor occupied by the Government in the Building. The facilities shall be located so that employees will not be required to travel more than 200 feet on one floor to reach the restrooms. Each restroom shall have sufficient water closets enclosed with modern stall partitions and doors, urinals (in men's room), and hot (set in accordance with applicable building codes) and cold water. Water closets and urinals shall not be visible when the exterior door is open.
- C. Each main restroom shall contain the following:
1. A mirror and shelf above the lavatory.
 2. A toilet paper dispenser in each water closet stall that will hold at least two rolls and allow easy, unrestricted dispensing.
 3. A coat hook on the inside face of the door to each water closet stall and on several wall locations by the lavatories.
 4. At least one modern paper towel dispenser, soap dispenser, and waste receptacle for every two lavatories.
 5. A coin-operated sanitary napkin dispenser in women's restrooms with a waste receptacle in each water closet stall.
 6. A disposable toilet seat cover dispenser.
 7. A counter area of at least 2 feet, 0 inches in length, exclusive of the lavatories (however, it may be attached to the lavatories) with a mirror above and a ground-fault interrupter-type convenience outlet located adjacent to the counter area. The counter should be installed to minimize pooling or spilling of water at the frontedge.
 8. A floor drain.
 9. For new installations and major renovations, restroom partitions shall be made from recovered materials as listed in EPA's CPG.

3.38 PLUMBING FIXTURES: WATER CONSERVATION (OCT 2016)

The specifications listed under sub-paragraphs A through C apply for:

1. New installations of plumbing fixtures,
 2. Replacement of existing plumbing fixtures, or
 3. Existing non-conforming fixtures where the Government occupies the full floor.
- A. Water closets must conform to EPA WaterSense or fixtures with equivalent flush volumes must be utilized.
- B. Urinals must conform to EPA WaterSense or fixtures with equivalent flush volumes must be utilized. Waterless urinals are acceptable.
- C. Faucets must conform to EPA WaterSense or fixtures with equivalent flow rates must be utilized.

Information on EPA WaterSense fixtures can be found at [HTTP://WWW.EPA.GOV/WATERSENSE/](http://www.epa.gov/watersense/).

3.39 JANITOR CLOSETS (SEP 2015)

Janitor closets shall meet all local codes and ordinances. When not addressed by local code, Lessor shall provide containment drains plumbed for appropriate disposal of liquid wastes in spaces where water and chemical concentrate mixing occurs for maintenance purposes. Disposal is not permitted in restrooms.

3.40 HEATING, VENTILATION, AND AIR CONDITIONING - SHELL (OCT 2016)

- A. Central HVAC systems shall be installed and operational, including, as appropriate, main and branch lines, VAV boxes, dampers, flex ducts, and diffusers, for an open office layout, including all Building common areas. The Lessor shall provide conditioned air through medium pressure duct work at a rate of .75 cubic feet per minute per ABOA SF and systems shall be designed with sufficient systems capacity to meet all requirements in this Lease.
- B. Areas having excessive heat gain or heat loss, or affected by solar radiation at different times of the day, shall be independently controlled.
- C. Equipment Performance. Temperature control for office Spaces shall be provided by concealed central heating and air conditioning equipment. The equipment shall maintain Space temperature control over a range of internal load fluctuations of plus 0.5 W/SF to minus 1.5 W/SF from initial design requirements of the tenant.
- D. Ductwork Re-use and Cleaning. Any ductwork to be reused and/or to remain in place shall be cleaned, tested, and demonstrated to be clean in accordance with the standards set forth by NADCA. The cleaning, testing, and demonstration shall occur immediately prior to Government occupancy to avoid contamination from construction dust and other airborne particulates.
- E. During working hours in periods of heating and cooling, ventilation shall be provided in accordance with the latest edition of the American National Standards Institute, American Society of Heating, Refrigeration and Air-Conditioning Engineers (ANSI/ASHRAE) Standard 62.1, Ventilation for Acceptable Indoor Air Quality.
- F. Heating and air-conditioning air distribution systems (air handling units, VAV boxes, fan coil units, etc.) for the Space shall be equipped with particulate matter air filters that meet the Minimum Efficiency Reporting Value (MERV) specified in the current edition of ANSI/ASHRAE Standard 62.1. Locations that do not meet the EPA National Ambient Air Quality Standards (NAAQS) for particulates (PM 10 or PM 2.5) must be equipped with additional filtration on outdoor air intakes as required in ANSI/ASHRAE Standard 62.1. NAAQS information can be found at <HTTPS://WWW3.EPA.GOV/AIRQUALITY/GREENBOOK/INDEX.HTML>.
- G. Restrooms shall be properly exhausted, with a minimum of 10 air changes per hour.
- H. INTENTIONALLY DELETED

3.41 TELECOMMUNICATIONS: DISTRIBUTION AND EQUIPMENT (SEP 2015)

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

3.42 TELECOMMUNICATIONS: LOCAL EXCHANGE ACCESS (JUN 2012)

- A. The Government may elect to contract its own telecommunications (voice, data, video, Internet or other emerging technologies) service in the Space. The Government may contract with one or more parties to have INS wiring (or other transmission medium) and telecommunications equipment installed.
- B. The Lessor shall allow the Government's designated telecommunications providers access to utilize existing Building wiring to connect its services to the Government's Space. If the existing Building wiring is insufficient to handle the transmission requirements of the Government's designated telecommunications providers, the Lessor shall provide access from the point of entry into the Building to the Government's floor Space, subject to any inherent limitations in the pathway involved.

- [REDACTED]
- C. The Lessor shall allow the Government's designated telecommunications providers to affix telecommunications antennas (high frequency, mobile, microwave, satellite, or other emerging technologies), subject to weight and wind load conditions, to roof, parapet, or Building envelope as required. Access from the antennas to the Premises shall be provided.
 - D. The Lessor shall allow the Government's designated telecommunications providers to affix antennas and transmission devices throughout the Space and in appropriate common areas frequented by the Government's employees to allow the use of cellular telephones and communications devices necessary to conduct business.

3.43 LIGHTING: INTERIOR AND PARKING - SHELL (OCT 2016)

NOTE: FOR PRICING ESTIMATING PURPOSES, FIXTURES WILL BE INSTALLED AT THE AVERAGE RATIO OF 1 FIXTURE PER 80 ABOA SF.

- A. **INTERIOR FIXTURES:** High efficiency T-8, T-5, or LED light fixtures (and associated ballasts or drivers) shall be installed as either ceiling grid or pendant mounted for an open-office plan. Ceiling grid fixtures shall be either 2' wide by 4' long or 2' wide by 2' long. Lessor shall provide, as part of Shell Rent, a minimum overall lighting fixture efficiency of 85 percent. Lamps shall maintain a uniform color level throughout the lease term.
- B. **LIGHTING LEVELS:** Fixtures shall have a minimum of two tubes and shall provide 50 foot-candles at desktop level (30" above finished floor) with a maximum uniformity ratio of 1.5:1. Lessor shall provide, as part of Shell Rent, 10 average foot-candles in all other Building areas within the Premises with a uniformity ratio of 4:1. Emergency egress lighting levels shall be provided in accordance with the local applicable building codes (but not less than 1 foot-candle) by either an onsite emergency generator or fixture mounted battery packs.
- C. **POWER DENSITY:**

Existing Buildings: The maximum fixture power density shall not exceed 1.4 watts per ABOA SF.
New Construction: The maximum fixture power density shall not exceed 1.1 watts per ABOA SF.
- D. **DAYLIGHTING CONTROLS:** If the Lease is more than 10,000 ABOA SF, the Lessor shall provide daylight dimming controls in atriums or within 15 feet of windows and skylights where daylight can contribute to energy savings. Daylight harvesting sensing and controls shall be either integral to the fixtures or ceiling mounted and shall maintain required lighting levels in work spaces.
- E. **OCCUPANCY/VACANCY SENSORS:** The Lessor shall provide ceiling mount occupancy sensors, or vacancy sensors (preferred), or scheduling controls through the building automation system (BAS) throughout the Space in order to reduce the hours that the lights are on when a particular space is unoccupied. No more than 1,000 square feet shall be controlled by any one sensor. Occupancy sensors in enclosed rooms shall continue to operate after the BAS has shutdown the building at the end of the workday.
- F. **BUILDING PERIMETER:**
 - 1. Exterior parking areas, vehicle driveways, pedestrian walks, and the Building perimeter lighting levels shall be designed per Illuminating Engineering Society (IES) standards. Provide 5 foot-candles for doorway areas, 3 foot-candles for transition areas and at least 1 foot-candle at the surface throughout the parking lot. Parking lot fixtures shall provide a maximum to minimum uniformity ratio of 15:1 and a maximum to average uniformity ratio of 4:1.
 - 2. If the leased space is 100 percent occupied by Government tenants, all exterior parking lot fixtures shall be "Dark Sky" compliant with no property line trespass.
- G. **PARKING STRUCTURES:** The minimum illuminance level for parking structures is 5 foot-candles as measured on the floor with a uniformity ratio of 10:1.
- H. **PARKING SENSORS:** If the leased space is 100 percent occupied by Government tenants, exterior parking area and parking structure lighting shall be sensor or BAS controlled in order that it may be programmed to produce reduced lighting levels during non-use. This non-use time period will normally be from 11:00 pm to 6:00 am.
- I. **EXTERIOR POWER BACKUP:** Exterior egress, walkway, parking lot, and parking structure lighting must have emergency power backup to provide for safe evacuation of the Building.

3.44 ACOUSTICAL REQUIREMENTS (JUN 2012)

- A. Reverberation Control. Private office and conference rooms using suspended acoustical ceilings shall have a noise reduction coefficient (NRC) of not less than 0.65 in accordance with ASTM C-423. Open office using suspended acoustical ceilings shall have an NRC of not less than 0.75. Private offices, conference rooms, and open offices using acoustical cloud or acoustical wall panels with a minimum of 70% coverage shall have an NRC of not less than 0.85.
- B. Ambient Noise Control. Ambient noise from mechanical equipment shall not exceed noise criteria curve (NC) 35 in accordance with the ASHRAE Handbook of Fundamentals in offices and conference rooms; NC 40 in corridors, cafeterias, lobbies, and restrooms; NC 50 in other spaces.

[REDACTED]

- C. Noise Isolation. Rooms separated from adjacent spaces by ceiling high partitions (not including doors) shall not be less than the following noise isolation class (NIC) standards when tested in accordance with ASTM E-336:

Conference rooms: NIC 40
Offices: NIC 35

- D. Testing. The LCO may require, at Lessor's expense, test reports by a qualified acoustical consultant showing that acoustical requirements have been met.

3.45 INDOOR AIR QUALITY DURING CONSTRUCTION (OCT 2017)

- A. The Lessor shall provide to the Government safety data sheets (SDS) or other appropriate documents upon request, but prior to installation or use for the following products, including but not limited to, adhesives, caulking, sealants, insulating materials, fireproofing or fire stopping materials, paints, carpets, floor and wall patching or leveling materials, lubricants, clear finishes for wood surfaces, janitorial cleaning products, and pest control products.
- B. The LCO may eliminate from consideration products with significant quantities of toxic, flammable, corrosive, or carcinogenic material and products with potential for harmful chemical emissions. Materials used often or in large quantities will receive the greatest amount of review.
- C. To the greatest extent possible, the Lessor shall sequence the installation of finish materials so that materials that are high emitters of volatile organic compounds (VOCs) are installed and allowed to cure before installing interior finish materials, especially soft materials that are woven, fibrous, or porous in nature, that may adsorb contaminants and release them over time.
- D. Where demolition or construction work occurs adjacent to occupied Space, the Lessor shall erect appropriate barriers (noise, dust, odor, etc.) and take necessary steps to minimize interference with the occupants. This includes maintaining acceptable temperature, humidity, and ventilation in the occupied areas during window removal, window replacement, or similar types of work.
- E. HVAC during Construction: If air handlers are used during construction, the Lessor shall provide filtration media with a MERV of 8 at each return air grill, as determined by the latest edition of ASHRAE Standard 52.2, Method of Testing General Ventilation Air Cleaning Devices for Removal Efficiency by Particle Size. The permanent HVAC system may be used to move both supply and return air during the construction process only if the following conditions are met:
1. A complete air filtration system with 60 percent efficiency filters is installed and properly maintained;
 2. No permanent diffusers are used;
 3. No plenum type return air system is employed;
 4. The HVAC duct system is adequately sealed to prevent the spread of airborne particulate and other contaminants; and
 5. Following the Building "flush out," all duct systems are vacuumed with portable high-efficiency particulate arrestance (HEPA) vacuums and documented clean in accordance with National Air Duct Cleaners Association (NADCA) specifications.
- F. Flush-Out Procedure:
1. HVAC flush-out shall commence after construction ends and the Building has been completely cleaned. All interior finishes, such as millwork, doors, paint, carpet, acoustic tiles, and movable furnishings (e.g., workstations, partitions), must be installed, and major VOC punch list items must be finished.
 2. Prior to occupancy, Lessor shall install new filtration media and perform a building flush-out by supplying a total air volume of 14,000 cubic feet of outdoor air per square foot of gross floor area while maintaining an internal temperature of at least 60°F (15°C) and no higher than 80°F (27°C) and relative humidity no higher than 60%.
 3. If the LCO determines that occupancy is required before flush-out can be completed, the Space may be occupied only after delivery of a minimum of 3,500 cubic feet of outdoor air per square foot of gross floor area while maintaining an internal temperature of at least 60°F (15°C) and no higher than 80°F (27°C) and relative humidity no higher than 60%. Once the Space is occupied, it must be ventilated at a minimum rate of 0.30 cubic foot per minute (cfm) per square foot of outdoor air or greater. During each day of the flush-out period, ventilation must begin at least three hours before occupancy and continue during occupancy. These conditions must be maintained until a total of 14,000 cubic feet per square foot of outdoor air (4 270 liters of outdoor air per square meter) has been delivered to the space.

3.46 SYSTEMS COMMISSIONING (APR 2011)

The Lessor shall incorporate commissioning requirements to verify that the installation and performance of energy consuming systems meet the Government's project requirements. The commissioning shall cover only work associated with TIs or alterations or at a minimum: heating, ventilating, air conditioning and refrigeration (HVAC&R) systems and associated controls, lighting controls, and domestic hot water systems.

3.47 NATIONAL HISTORIC PRESERVATION ACT REQUIREMENTS - LEASE (SEP 2014) DELETED INTENTIONALLY

SECTION 4 DESIGN, CONSTRUCTION, AND POST AWARD ACTIVITIES

4.1 SCHEDULE FOR COMPLETION OF SPACE (AAAP VARIATION (OCT 2017))

Design and construction activities for the Space shall commence upon Lease award. The Lessor shall schedule the following activities to achieve timely completion of the work required by this Lease:

- A. Lessor-Provided Design Intent Drawings (DIDs): The Lessor must submit to GSA, as part of the shell cost, complete DIDs conforming to the requirements of this Lease and other Government-supplied information related to the tenant agency's interior build-out requirements not later than **[see Attachment #2 – Construction Schedule]** Working Days following the Lease Award Date, provided that the Government supplies such information and direction as reasonably required for Lessor to timely complete DIDs. The Government (GSA and the tenant agency) shall attend two meetings at the Lessor's request for the purpose of providing information and direction in the development of DIDs. The Lessor should anticipate at least two submissions of DIDs before receiving approval. At the sole discretion of the Government, the Lessor may be required to submit a budget proposal based on the TIs and associated work as shown on the DIDs. This budget proposal shall be completed, as part of the shell cost, within **10** Working Days of the Government's request. After award, the Government may elect to provide DIDs, in which instance both parties will negotiate a rental credit.
- B. DIDs. For the purposes of this Lease, DIDs are defined as layout line drawings of the leased Space, reflecting all Lease requirements, showing partitions and doors; schematic demolition; voice, data, and electrical outlet locations; finishes; generic furniture layout, and any additional details necessary to communicate the design intent to the lessor's architect for the purpose of preparing the construction documents (CDs). A full DID set shall include the following elements:

Level 1 (included in shell rent):

1. Cover Sheet;
2. Demolition Plan (if applicable);
3. Construction (Partition) Plan;
4. Power/Communication (Electrical) Plan;
5. Furniture Plan; and
6. Finish Plan.

Level 2 (reimbursable):

After Lease Award, the Government may request the Lessor to submit a separate price proposal to provide Level 2 DIDs in addition to the Level 1 DIDs which are already priced as part of the shell rent. If requested, Level 2 DIDs must include the following Level 2 elements:

1. Reflected Ceiling Plan;
2. Interior Elevations;
3. Interior Sections;

4. Partition Type/ Section Plan; and
5. Door/Hardware Schedule

- C. Government review and approval of Lessor-provided DIDs: The Government must notify the Lessor of DID approval not later than [see Attachment #2 – Construction Schedule] Working Days following submission of DIDs conforming to the requirements of this Lease as supplied by the Government. Should the DIDs not conform to these requirements, the Government must notify the Lessor of such non-conformances within the same period; however, the Lessor shall be responsible for any delay to approval of DIDs occasioned by such non-conformance. The Government's review and approval of the DIDs is limited to conformance to the specific requirements of the Lease as they apply to the Space.
- D. The Lessor's preparation and submission of construction documents (CDs): The Lessor as part of the TI must complete CDs conforming to the approved DIDs not later than [see Attachment #2 – Construction Schedule] Working Days following the approval of DIDs. The pricing for this work is included under the A/E fees established under Section 1 of the Lease. If during the preparation of CDs the Lessor becomes aware that any material requirement indicated in the approved DIDs cannot be reasonably achieved, the Lessor shall promptly notify GSA, and shall not proceed with completion of CDs until direction is received from the LCO. The LCO shall provide direction within 15 Working Days of such notice, but the Government shall not be responsible for delays to completion of CDs occasioned by such circumstances. For the purpose of this paragraph, a "material requirement" shall mean any requirement necessary for the Government's intended use of the Space as provided for in, or reasonably inferable from, the Lease and the approved DIDs (e.g., number of workstations and required adjacencies).
- E. Government review of CDs: The Government shall have [see Attachment #2 – Construction Schedule] Working Days to review CDs before Lessor proceeds to prepare a TI price proposal for the work described in the CDs. At any time during this period of review, the Government shall have the right to require the Lessor to modify the CDs to enforce conformance to Lease requirements and the approved DIDs.
- F. The Lessor's preparation and submission of the TI price proposal: The Lessor shall prepare and submit a complete TI price proposal in accordance with this Lease within [see Attachment #2 – Construction Schedule] Working Days following the end of the Government CD review period.
- G. The Lessor's preparation and submission of the BSAC price proposal: The Lessor shall prepare and submit a complete BSAC price proposal in accordance with this Lease within [see Attachment #2 – Construction Schedule] Working Days following the end of the Government CD review period.
- H. Negotiation of TI and BSAC price proposals and issuance of notice to proceed (NTP): The Government shall issue NTP within [see Attachment #2 – Construction Schedule] Working Days following the submission of the TI and BSAC price proposals, provided that both the TI and BSAC price proposals conform to the requirements of the Lease and the parties negotiate a fair and reasonable price.
- I. Construction of TIs and completion of other required construction work: The Lessor shall complete all work required to prepare the Premises as required in this Lease ready for use not later than [see Attachment #2 – Construction Schedule] Working Days following issuance of NTP.

4.2 CONSTRUCTION DOCUMENTS (SEP 2012)

The Lessor's CDs shall include all mechanical, electrical, plumbing, fire protection, life safety, lighting, structural, security, and architectural improvements scheduled for inclusion into the Space. CDs shall be annotated with all applicable specifications. CDs shall also clearly identify TIs already in place and the work to be done by the Lessor or others. Notwithstanding the Government's review of the CDs, the Lessor is solely responsible and liable for their technical accuracy and compliance with all applicable Lease requirements.

4.3 TENANT IMPROVEMENTS PRICE PROPOSAL (OCT 2016)

- A. The Lessor's TI price proposal shall be supported by sufficient cost or pricing data to enable the Government to evaluate the reasonableness of the proposal, or documentation that the Proposal is based upon competitive proposals (as described below) obtained from entities not affiliated with the Lessor. Any work shown on the CDs that is required to be included in the Building shell rent or already priced as BSAC shall be clearly identified and excluded from the TI price proposal. After negotiation and acceptance of the TI price, GSA shall issue a NTP to the Lessor.
- B. Under the provisions of FAR Subpart 15.4, the Lessor shall submit a TI price proposal with information that is adequate for the Government to evaluate the reasonableness of the price or determining cost realism for the TIs within the time frame specified in this section. The TI price proposal shall use the fee rates specified in the "Tenant Improvement Fee Schedule" paragraph of this Lease. The Lessor shall exclude from the TI price proposal all costs for fixtures and/or other TIs already in place, provided the Government has accepted same. However, the Lessor will be reimbursed for costs to repair or improve the fixture(s) and/or any other improvements already in place. The Lessor must provide certified cost or pricing data for TI proposals exceeding the threshold in FAR 15.403-4, to establish a fair and reasonable price. For TI proposals that do not exceed the threshold in FAR 15-403-4, the Lessor shall submit adequate documentation to support the reasonableness of the price proposal as determined by the LCO.
- C. The TIs scope of work includes the Lease, the DIDs, the CDs, and written specifications. In cases of discrepancies, the Lessor shall immediately notify the LCO for resolution. All differences will be resolved by the LCO in accordance with the terms and conditions of the Lease.

- [REDACTED]
- D. In lieu of requiring the submission of detailed cost or pricing data as described above, the Government (in accordance with FAR 15.403) is willing to negotiate a price based upon the results of a competitive proposal process. A minimum of two qualified General Contractors (GCs) shall be invited by the Lessor to participate in the competitive proposal process. Each participant shall compete independently in the process. In the absence of sufficient competition from the GCs, a minimum of two qualified subcontractors from each trade of the Tenant Improvement Cost Summary (TICS) Table (described below) shall be invited to participate in the competitive proposal process.
 - E. Each TI proposal shall be (1) submitted by the proposed General Contractors (or subcontractors) using the TICS Table in CSI Masterformat; (2) reviewed by the Lessor prior to submission to the Government to ensure compliance with the scope of work (specified above) and the proper allocation of shell and TI costs; and (3) reviewed by the Government. General Contractors shall submit the supporting bids from the major subcontractors along with additional backup to the TICS Table in a format acceptable to the Government. Backup will follow the TICS table Master format cost elements and be to level 5 as described in P-120, Project Estimating Requirements for the Public Buildings Service.
 - F. Unless specifically designated in this Lease as a TI or BSAC cost, all construction costs shall be deemed to be included in the Shell Rent. Any costs in the GC's proposal for Building shell items shall be clearly identified on the TICS Table separately from the TI costs.
 - G. The Government reserves the right to determine if bids meet the scope of work, that the price is reasonable, and that the Lessor's proposed contractors are qualified to perform the work. The Government reserves the right to reject all bids at its sole discretion. The Government reserves the right to attend or be represented at all negotiation sessions between the Lessor and potential contractors.
 - H. The Lessor shall demonstrate to the Government that best efforts have been made to obtain the most competitive prices possible, and the Lessor shall accept responsibility for all prices through direct contracts with all contractors. The LCO shall issue to the Lessor a NTP with the TIs upon the Government's sole determination that the Lessor's proposal is acceptable. The Lessor shall complete the work within the time frame specified in this section of the Lease.

4.4 BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) PRICE PROPOSAL (SEP 2015)

The Lessor's BSAC price proposal shall be supported by sufficient cost or pricing data to enable the Government to evaluate the reasonableness of the proposal, or documentation that the Proposal is based upon competitive proposals. The pricing shall be submitted using the Security Unit Price List (SecUP).

4.5 GREEN LEASE SUBMITTALS (OCT 2017)

The Lessor shall submit to the LCO:

- A. Product data sheets for floor coverings, paints and wall coverings, ceiling materials, all adhesives, wood products, suite and interior doors, subdividing partitions, wall base, door hardware finishes, window coverings, millwork substrate and millwork finishes, lighting and lighting controls, and insulation to be used within the leased Space. This information must be submitted NO LATER THAN the submission of the DIDs, if applicable.
- B. SDS or other appropriate documents upon request for products listed in the Lease. All SDS shall comply with Occupational Safety and Health Administration (OSHA) requirements for the Globally Harmonized System of Classification and Labeling of Chemicals (GHS). The Lessor and its agents shall comply with all recommended measures in the SDS to protect the health and safety of personnel.
- C. Re-use plan required in accordance with the "Existing Fit-out, Salvaged, or Re-used Building Material" paragraph in the Lease.
- D. Any waiver needed when not using materials from the Green Procurement Compilation list of acceptable products in accordance with the "Environmentally Preferable Product Requirements" paragraph in the Lease.
- E. Radon test results as may be required by the "Radon in Air" and "Radon in Water" paragraphs in the Lease.
- F. Construction waste management plan: Prior to construction commencement, a proposed plan following industry standards to recycle construction waste. The construction waste management plan shall quantify material diversion goals and maximize the materials to be recycled and/or salvaged (at least 50 percent) from construction, demolition, and packaging debris. Where the small quantity of material, the extraordinarily complex nature of the waste disposal method, or prohibitive expense for recycling would represent a genuine hardship, the Government, upon written request of the Lessor and approval of the LCO, may permit alternative means of disposal.
- G. Building recycling service plan: A Building recycling service plan with floor plans annotating recycling area(s) as part of DIDs, if applicable, to be reflected on the CD submission.
- H. A signed statement from the Lessor for the leased Space explaining how all HVAC systems serving the leased Space will achieve the desired ventilation of the Space during the flush-out period called for in the Lease.
- I. A written commissioning plan submitted to the LCO prior to the completion of DIDs, if applicable, that includes:

[REDACTED]

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1. A schedule of systems commissioning (revised as needed during all construction phases of the project, with such revisions provided to the LCO immediately); and
 2. A description of how commissioning requirements will be met and confirmed.

J. INTENTIONALLY DELETED

K. If renewable source power is purchased, documentation within 9 months of occupancy.

4.6 CONSTRUCTION SCHEDULE AND INITIAL CONSTRUCTION MEETING (APR 2011) DELETED INTENTIONALLY

4.7 PROGRESS REPORTS (JUN 2012) DELETED INTENTIONALLY

4.8 CONSTRUCTION INSPECTIONS (SEP 2015) DELETED INTENTIONALLY

4.9 ACCESS BY THE GOVERNMENT PRIOR TO ACCEPTANCE (SEP 2013)

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

4.10 ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY (SEP 2015)

- A. Ten (10) Working Days prior to the completion of the Space, the Lessor shall issue written notice to the Government to schedule the inspection of the Space for acceptance. The Government shall accept the Space only if the construction of Building shell and TIs conforming to this Lease and the approved DIDs, if applicable, is substantially complete, a Certificate of Occupancy (C of O) has been issued as set forth below, and the Building improvements necessary for acceptance as described in the paragraph "Building Improvements" are completed.
- B. The Space shall be considered substantially complete only if the Space may be used for its intended purpose, and completion of remaining work will not interfere unreasonably with the Government's enjoyment of the Space. Acceptance shall be final and binding upon the Government with respect to conformance of the completed TIs to the approved DIDs, with the exception of items identified on a punch list generated as a result of the inspection, concealed conditions, latent defects, or fraud, but shall not relieve the Lessor of any other Lease requirements.
- C. The Lessor shall provide a valid C of O, issued by the local jurisdiction, for the intended use of the Government. If the local jurisdiction does not issue C of O's or if the C of O is not available, the Lessor may satisfy this condition by providing a report prepared by a licensed fire protection engineer that indicates the Space and Building are compliant with all applicable local codes and ordinances and all fire protection and life safety-related requirements of this Lease.
- D. The Government will not be required to accept space prior to the schedule outlined in this Lease.

4.11 LEASE TERM COMMENCEMENT DATE AND RENT RECONCILIATION (JUN 2012) DELETED INTENTIONALLY

4.12 AS-BUILT DRAWINGS (JUN 2012)

Not later than **25** days after the acceptance of the Space, the Lessor, at Lessor's expense, shall furnish to the Government a complete set of Computer Aided Design (CAD) files of as-built floor plans showing the Space under Lease, as well as corridors, stairways, and core areas. The plans shall have been generated by a CAD program which is compatible with the latest release of AutoCAD. The required file extension is ".DWG." Clean and purged files shall be submitted on CD-ROM. They shall be labeled with Building name, address, list of drawing(s), date of the drawing(s), and Lessor's architect and architect's phone number. The Lessor's operator shall demonstrate the submission on GSA equipment, if requested by the LCO.

4.13 SEISMIC RETROFIT (SEP 2013)

The following requirements apply to Leases requiring seismic retrofit:

- A. The Lessor shall provide a final construction schedule, all final design and construction documents for the seismic retrofit, including structural calculations, drawings, and specifications to the Government for review and approval prior to the start of construction. When required by local building code, a geotechnical report shall be made available to the Government.

- [REDACTED]
- B. The Lessor's registered civil or structural engineer shall perform special inspections to meet the requirements of Chapter 17 of the International Building Code (IBC).
 - C. For Leases requiring seismic retrofit, the Space will not be considered substantially complete until a Seismic Form E - Certificate Of Seismic Compliance - Retrofitted Building, certifying that the Building meets the Basic Safety Objective of ASCE/SEI 41, executed by a registered civil or structural engineer, has been delivered to the LCO.

4.14 LESSOR'S PROJECT MANAGEMENT FEE (SEP 2013)

- A. The Lessor's project management fee shall cover all of the Lessor's project management costs associated with the delivery of Tenant Improvements, including, but not limited to:
 - 1. Legal fees
 - 2. Travel costs
 - 3. Insurance
 - 4. Home office overhead and other indirect costs
 - 5. Carrying costs, exclusive of the TI amortization rate. Carrying costs are those costs of capital incurred for the delivery of TI, for the period starting from Lessor's outlay of funds, until the Lease Term Commencement Date.
 - 6. Municipal, county, or state fees (not related to sales tax)
 - 7. TI proposal preparation costs
 - 8. Lessor's labor costs related to the management of the TI build-out.
- B. At a minimum, the Lessor shall be responsible for performing the following services in order to receive the project management fee:
 - 1. Provide assistance and expertise to the Government project team in the form of coordination, management, and administration of the design and construction process;
 - 2. Monitor performance of the general contractor and other contractors, control schedules, and oversee financial accounts;
 - 3. Conduct and document design and construction project meetings;
 - 4. Perform administrative tasks, including documentation, record keeping (issuing meeting minutes), and payment validation in addition to submittal and change order processing;
 - 5. Maintain Request for Information (RFI), submittal, and change order logs; and
 - 6. Provide technical expertise (e.g. testing, estimating, resolving claims, or responding to inquiries).

[REDACTED]

SECTION 5 TENANT IMPROVEMENT COMPONENTS

5.1 TENANT IMPROVEMENT REQUIREMENTS (OCT 2016)

The TIs shall be designed, constructed, and maintained in accordance with the standards set forth in this Lease. For pricing, only those requirements designated within this Section 5, or designated as TIs within the attached agency requirements and Security Requirements, shall be deemed to be TI costs.

5.2 FINISH SELECTIONS (SEP 2015)

The Lessor must consult with the Government prior to developing a minimum of three (3) finish options to include coordinated samples of finishes for all interior elements such as paint, wall coverings, base coving, carpet, window treatments, laminates, and flooring. All samples provided must comply with specifications set forth elsewhere in this Lease. All required finish option samples must be provided at no additional cost to the Government within 10 Working Days after initial submission of DIDs, if applicable. GSA must deliver necessary finish selections to the Lessor within 10 Working Days after receipt of samples. The finish options must be approved by GSA prior to installation. The Lessor may not make any substitutions after the finish option is selected.

5.3 WINDOW COVERINGS (JUN 2012) DELETED INTENTIONALLY

5.4 DOORS: SUITE ENTRY (SEP 2013)

Suite entry doors shall be provided as part of the TIs and shall have a minimum clear opening of 32" wide x 84" high (per leaf). Doors shall meet the requirements of being a flush, solid core, 1-3/4-inch thick, wood door with a natural wood veneer face or an equivalent pre-approved by the Government. Hollow core wood doors are not acceptable. They shall be operable by a single effort; and shall meet the requirement of NFPA 101, Life Safety Code or the International Building Code (current as of the Lease Award Date). Doors shall be installed in a metal frame assembly which is primed and finished with a low VOC semi-gloss oil-based paint finish with no formaldehyde.

5.5 DOORS: INTERIOR (SEP 2013)

Doors within the Space shall be provided as part of the TIs and shall have a minimum clear opening of 32" wide x 80" high. Doors shall be flush, solid core, wood with a natural wood veneer face or an equivalent door pre-approved by the LCO. Hollow core wood doors are not acceptable. They shall be operable with a single effort, and shall meet the requirements of NFPA 101, Life Safety Code or the International Building Code (current as of the Lease Award Date). Doors shall be installed in a metal frame assembly which is primed and finished with a low VOC semi-gloss oil-based paint with no formaldehyde.

5.6 DOORS: HARDWARE (SEP 2013)

Doors shall have door handles or door pulls with heavyweight hinges. The Lessor is encouraged to avoid the use of chrome-plated hardware. All doors shall have corresponding doorstops (wall- or floor-mounted) and silencers. All door entrances leading into the Space from public corridors and exterior doors shall have automatic door closers. Doors designated by the Government shall be equipped with 5-pin, tumbler cylinder locks and strike plates. All locks shall be master keyed. Furnish at least two master keys for each lock to the Government. Any exterior entrance shall have a high security lock, with appropriate key control procedures, as determined by Government specifications. Hinge pins and hasps shall be secured against unauthorized removal by using spot welds or pinned mounting bolts. The exterior side of the door shall have a lock guard or astragal to prevent tampering of the latch hardware. Doors used for egress only shall not have any operable exterior hardware. All security-locking arrangements on doors used for egress shall comply with requirements of NFPA 101 or the International Building Code current as of the Lease Award Date.

5.7 DOORS: IDENTIFICATION (JUN 2012) DELETED INTENTIONALLY

5.8 PARTITIONS: SUBDIVIDING (SEP 2015)

- A. Office subdividing partitions shall comply with applicable building codes and local requirements and ordinances and shall be provided as part of the TIs. Partitioning shall extend from the finished floor to the finished ceiling and shall be designed to provide a minimum sound transmission class (STC) of 37. Partitioning shall be installed by the Lessor at locations to be determined by the Government as identified in the DIDs, if applicable. They shall have a flame spread rating of 25 or less and a smoke development rating of 450 or less (ASTM E-84).
- B. HVAC shall be rebalanced and lighting repositioned, as appropriate, after installation of partitions.
- C. If installed in accordance with the "Automatic Fire Sprinkler System" and "Fire Alarm System" paragraphs, sprinklers and fire alarm notification appliances shall be repositioned as appropriate after installation of partitions to maintain the level of fire protection and life safety.

- [REDACTED]
- D. Partitioning requirements may be satisfied with existing partitions if they meet the Government's standards and layout requirements.
 - E. Newly installed gypsum board material must be Greenguard Gold Certified or have 0 grams per liter of VOCs.

5.9 WALL FINISHES (JUN 2012)

If the Government chooses to install a wall covering, the minimum standard is vinyl-free, chlorine-free, plasticizer-free wall covering with recycled content or bio-based commercial wall covering weighing not less than 13 ounces per square yard or equivalent. If the Government chooses to install a high-performance paint coating, it shall comply with the VOC limits of the Green Seal Standard GS-11.

5.10 PAINTING – TI (OCT 2017)

- A. Prior to acceptance, all surfaces within the Space which are designated by GSA for painting shall be newly finished in colors acceptable to the Government.
- B. The Lessor shall provide interior paints, primers, coatings, stains, and sealers that meet or are equivalent to the Green Seal GS-11 standard that incorporates environmental, health, and performance criteria.
- C. The Lessor shall use reprocessed latex paint in accordance with EPA's CPG (Comprehensive Procurement Guidelines) on all painted surfaces where feasible. The type of paint shall be acceptable to the Government.

5.11 FLOOR COVERINGS AND PERIMETERS (OCT 2017)

- A. Broadloom carpet or carpet tiles shall meet the requirements set forth in the specifications below. Floor perimeters at partitions shall have wood, rubber, vinyl, or carpet base. Floor covering shall be installed in accordance with manufacturing instructions to lay smoothly and evenly.
- B. The use of existing carpet may be approved by the Government; however, existing carpet shall be repaired, stretched, and cleaned before occupancy and shall meet the static buildup requirement as stated in the specifications below.
- C. Any alternate flooring shall be pre-approved by the Government.

D. SPECIFICATIONS FOR CARPET TO BE NEWLY INSTALLED OR REPLACED

- 1. Product sustainability and environmental requirements. Floor covering and perimeter products must meet at least one of the environmentally preferable criteria within the non-federal, multi-attribute standards and ecolabels categories, as outlined under the Green Procurement Compilation at WWW.SFTOOL.GOV/GREENPROCUREMENT.
- 2. Face fiber content. Face yarn must be 100 percent nylon fiber. Loop Pile shall be 100 percent Bulk Continuous Filament (BCF); cut and loop shall be 100 percent BCF for the loop portion and may be BCF or staple for the cut portion; cut pile carpet shall be staple or BCF.
- 3. Performance requirements for broadloom and modular tile:
 - a. Static: Less than or equal to 3.5 kV when tested by AATCC Test Method 134 (Step Test Option).
 - b. Flammability: Meets CPSC-FF-1-70, DOC-FF-1-70 Methenamine Tablet Test criteria.
 - c. Flooring Radiant Panel Test: Meets NFPA 253 Class I or II depending upon occupancy and fire code when tested under ASTM E-648 for glue down installation.
 - d. Smoke Density: NBS Smoke Chamber - Less than 450 Flaming Mode when tested under ASTM E-662.

NOTE: Testing must be performed in a NVLAP accredited laboratory.

- 4. Texture Appearance Retention Rating (TARR). Carpet must meet a TARR rating of at least 3.0 TARR for moderate traffic areas such as private offices, and heavy traffic areas such as training space, conference rooms, courtrooms, etc., and at least 3.5 TARR for severe traffic areas, including open office space, cafeteria, corridors and lobbies. The carpet must be evaluated using ASTM D-5252 Hexapod Drum Test as per the commercial carpet test procedure and the TARR classification determined using ASTM D-7330.
- 5. Carpet reclamation. Reclamation of existing carpet to be determined with potential vendor. When carpet is replaced, submit certification documentation from the reclamation facility to the LCO.
- 6. Warranty. Submit a copy of the manufacturer's standard warranty to the LCO within the first 60 days of Government occupancy. The Government is to be a beneficiary of the terms of this warranty.

5.12 HEATING AND AIR CONDITIONING (JUN 2012)

[REDACTED]

Zone Control. Provide individual thermostat control for office Space with control areas not to exceed 1,500 ABOA SF. Interior spaces must be separately zoned. Specialty occupancies (conference rooms, kitchens, etc.) must have active controls capable of sensing Space use and modulating HVAC system in response to Space demand. Areas that routinely have extended hours of operation shall be environmentally controlled through dedicated heating and air conditioning equipment. Special purpose areas (such as photocopy centers, large conference rooms, computer rooms, etc.) with an internal cooling load in excess of 5 tons shall be independently controlled. Provide concealed package air conditioning equipment to meet localized spot cooling of tenant special equipment. Portable space heaters are prohibited.

5.13 ELECTRICAL: DISTRIBUTION (SEP 2015)

- A. All electrical, telephone, and data outlets within the Space shall be installed by the Lessor in accordance with the DIDs, if applicable. All electrical outlets shall be installed in accordance with NFPA Standard 70.
- B. All outlets within the Space shall be marked and coded for ease of wire tracing; outlets shall be circuited separately from lighting. All floor outlets shall be flush with the plane of the finished floor. Outlet cover colors shall be coordinated with partition finish selections.
- C. The Lessor shall in all cases safely conceal outlets and associated wiring (for electricity, voice, and data) to the workstation(s) in partitions, ceiling plenums, in recessed floor ducts, under raised flooring, or by use of a method acceptable to the Government.

5.14 TELECOMMUNICATIONS: DISTRIBUTION AND EQUIPMENT (JUN 2012) DELETED INTENTIONALLY

5.15 TELECOMMUNICATIONS: LOCAL EXCHANGE ACCESS (AUG 2008) DELETED INTENTIONALLY

5.16 DATA DISTRIBUTION (OCT 2017)

The Government shall be responsible for the cost of purchasing and installing data cable, unless the Government requests this as part of the TI. The Lessor shall safely conceal data outlets and the associated wiring used to transmit data to workstations in floor ducts, walls, columns, or below access flooring. The Lessor shall provide as part of the TI, outlets with rings and pull strings to facilitate the installation of the data cable. When cable consists of multiple runs, the Lessor shall provide ladder type or other acceptable cable trays to prevent Government-provided cable coming into contact with suspended ceilings or sprinkler piping. Cable trays shall form a loop around the perimeter of the Space such that they are within a 30-foot horizontal distance of any single drop.

5.17 ELECTRICAL, TELEPHONE, DATA FOR SYSTEMS FURNITURE (OCT 2017)

- A. The Lessor shall provide as part of the TIs separate data, telephone, and electric junction boxes for the base feed connections to Government provided modular or systems furniture, when such feeds are supplied via wall outlets or floor penetrations. When overhead feeds are used, junction boxes shall be installed for electrical connections. Raceways shall be provided throughout the furniture panels to distribute the electrical, telephone, and data cable. The Lessor shall provide all electrical service wiring and connections to the furniture at designated junction points. Each electrical junction shall contain an 8-wire feed consisting of 3 general purpose 120-V circuits with 1 neutral and 1 ground wire, and a 120-V isolated ground circuit with 1 neutral and 1 isolated ground wire. A 20-ampere circuit shall have no more than 8 general purpose receptacles or 4 isolated ground "computer" receptacles.
- B. The Government shall be responsible for the cost of purchasing data and telecommunications cable, unless the Government requests this as part of the TI. Said cable shall be installed and connected to systems furniture by the Lessor/contractor with the assistance and/or advice of the Government or computer vendor. The Lessor shall provide wall mounted data and telephone junction boxes, which shall include rings and pull strings to facilitate the installation of the data and telecommunications cable. When cable consists of multiple runs, the Lessor shall provide ladder-type or other acceptable cable trays to prevent Government provided cable coming into contact with suspended ceilings or sprinkler piping. Cable trays shall form a loop around the perimeter of the Space such that they are within a 30-foot horizontal distance of any single drop. Said cable trays shall provide access to both telecommunications data closets and telephone closets.
- C. The Lessor shall furnish and install suitably sized junction boxes near the "feeding points" of the furniture panels. All "feeding points" shall be shown on Government approved design intent drawings. The Lessor shall temporarily cap off the wiring in the junction boxes until the furniture is installed. The Lessor shall make all connections in the power panel and shall keep the circuit breakers off. The Lessor shall identify each circuit with the breaker number and shall identify the computer hardware to be connected to it. The Lessor shall identify each breaker at the panel and identify the devices that it serves.
- D. The Lessor's electrical contractor must connect power poles or base feeds in the junction boxes to the furniture electrical system and test all pre-wired receptacles in the systems furniture. Other Government contractors will be installing the data cable in the furniture panels for the terminal and printer locations, installing the connectors on the terminal/printer ends of the cable, and continuity testing each cable. Work shall be coordinated and performed in conjunction with the furniture, telephone, and data cable installers. Much of this work may occur over a weekend on a schedule that requires flexibility and on-call visits. The Lessor must coordinate the application of Certification of Occupancy with furniture installation.

[REDACTED]

5.18 LIGHTING: INTERIOR AND PARKING – TI (SEP 2015)

- A. **FIXTURES:** Once the design intent drawings are approved, the Lessor shall design and provide interior lighting to comply with requirements under the paragraph, "Lighting: Interior and Parking – Shell." Any additional lighting fixtures and/or components required beyond what would have been provided for an open office plan (shell) are part of the TIs.
- B. **PENDANT STYLE FIXTURES:** If pendant style lighting fixtures are used, the increase between the number of fixtures required in the Building shell and the Space layout is part of the TIs.
- C. **MIXED FIXTURES:** DIDs, if applicable, may require a mixed use of recessed or pendant style fixtures in the Space.
- D. **BUILDING PERIMETER:** There may be additional requirements for lighting in exterior parking areas, vehicle driveways, pedestrian walkways, and Building perimeter in the Security Requirements attached to this Lease.

5.19 AUTOMATIC FIRE SPRINKLER SYSTEM - TI (OCT 2016)

Where sprinklers are required in the Space, sprinkler mains and distribution piping in a "protection" layout (open plan) with heads turned down with an escutcheon or trim plate shall be provided as part of Shell rent. Any additional sprinkler fixtures and/or components required in the Space beyond what would have been provided for an open office plan (shell) are part of the TIs.

SECTION 6 UTILITIES, SERVICES, AND OBLIGATIONS DURING THE LEASE TERM

6.1 PROVISION OF SERVICES, ACCESS, AND NORMAL HOURS (JUN 2012)

- A. The Government's normal hours of operations are established as **6:00 AM to 6:00 PM**, Monday through Friday, with the exception of Federal holidays. Services, maintenance, and utilities shall be provided during these hours. The Government shall have access to the Premises and its Appurtenant Areas at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators, restrooms, lights, and electric power. Cleaning shall be performed during normal hours.
- B. The Lessor and the Lessor's representatives, employees and contractors shall demonstrate a cooperative, positive, welcoming, respectful, professional and business-like demeanor and shall present a neat, clean, job-appropriate (professional) appearance.

6.2 UTILITIES (APR 2011)

The Lessor is responsible for providing all utilities necessary for base Building and tenant operations as part of the rental consideration.

6.3 UTILITY CONSUMPTION REPORTING (SEP 2015)

Upon the effective date of the Lease, only for leases over 10,000 RSF, the Lessor shall provide regular quarterly reports for the amount of utilities (including water) consumed at the Building broken down by utility type per month for the duration of the Lease. Lessors shall report this utility consumption data within 45 calendar days of the end of each calendar quarter in the Environmental Protection Agency (EPA) Portfolio Manager online tool [HTTPS://WWW.ENERGYSTAR.GOV/](https://www.energystar.gov/). Data reported includes, but is not limited to, the number of actual units consumed, by utility type per month, and associated start and end date(s) for that consumption.

(Refer to the following link for reporting guidance: www.gsa.gov/ucr)

6.4 HEATING AND AIR CONDITIONING (AAAP VARIATION (OCT 2017))

- A. In all office areas, temperatures shall conform to local commercial equivalent temperature levels and operating practices in order to maximize tenant satisfaction. These temperatures shall be maintained throughout the leased Premises and service areas, regardless of outside temperatures, during the hours of operation specified in the Lease. The Lessor shall perform any necessary systems start-up required to meet the commercially equivalent temperature levels prior to the first hour of each day's operation. At all times, humidity shall be maintained below 60% relative humidity.
- B. During non-working hours, heating temperatures shall be set no higher than 55° Fahrenheit, and air conditioning shall not be provided except as necessary to return Space temperatures to a suitable level for the beginning of working hours. Thermostats shall be secured from manual operation by key or locked cage. A key shall be provided to the Government's designated representative.
- C. Thermal comfort. During all working hours, comply with the latest edition of ASHRAE Standard 55, Thermal Comfort Conditions for Human Occupancy.
- D. Warehouse or garage areas require heating and ventilation only. Cooling of this Space is not required. Temperature of warehouse or garage areas shall be maintained at a minimum of 50° Fahrenheit.
- E. The Lessor shall conduct HVAC system balancing after any HVAC system alterations during the term of the Lease and shall make a reasonable attempt to schedule major construction outside of office hours.
- F. Normal HVAC systems' maintenance shall not disrupt tenant operations.
- G. Up to 500 ABOA SF of the Premises shall receive cooling at all times (24 hrs. a day, 365 days a year) for purposes of cooling the designated server room. The British Thermal Unit (BTU) output of this room will be up to 24,000 BTUs per hour. The temperature of this room shall be maintained at 72 degrees F, at all times, with humidity control not to exceed 60% relative humidity, regardless of outside temperature or seasonal changes.

6.5 OVERTIME HVAC USAGE (OCT 2018)

- A. If there is to be a charge for heating or cooling outside of the Building's normal hours, such services shall be provided at the hourly rates set forth elsewhere in the Lease. Overtime usage services may be ordered by the Government's authorized representative only.
- B. When the cost of service is \$3,500 or less, the service may be ordered orally. An invoice shall be submitted to the official placing the order for certification and payment.

- [REDACTED]
- C. Orders for services costing more than \$3,500 shall be placed using GSA Form 300, Order for Supplies or Services, or other approved service requisition procurement document. An invoice conforming to the requirements of this Lease shall be submitted to the official placing the order for certification and payment.
 - D. Failure to submit a proper invoice within 120 days of providing overtime utilities shall constitute a waiver of the Lessor's right to receive any payment for such overtime utilities pursuant to this Lease.

6.6 JANITORIAL SERVICES (JUN 2012)

The Lessor shall maintain the Premises and all areas of the Property to which the Government has routine access in a clean condition and shall provide supplies and equipment for the term of the Lease. The following schedule describes the level of services intended. Performance will be based on the LCO's evaluation of results, not the frequency or method of performance.

- A. Daily. Empty trash receptacles. Sweep entrances, lobbies, and corridors. Spot sweep floors, and spot vacuum carpets. Clean drinking fountains. Sweep and damp mop or scrub restrooms. Clean all restroom fixtures, and replenish restroom supplies. Dispose of all trash and garbage generated in or about the Building. Wash inside and out or steam clean cans used for collection of food remnants from snack bars and vending machines. Dust horizontal surfaces that are readily available and visibly require dusting. Spray buff resilient floors in main corridors, entrances, and lobbies. Clean elevators and escalators. Remove carpet stains. Police sidewalks, parking areas, and driveways. Sweep loading dock areas and platforms. Clean glass entry doors to the Space.
- B. Three times a week. Sweep or vacuum stairs.
- C. Weekly. Damp mop and spray buff all resilient floors in restrooms and health units. Sweep sidewalks, parking areas, and driveways (weather permitting).
- D. Every two weeks. Spray buff resilient floors in secondary corridors, entrance, and lobbies. Damp mop and spray buff hard and resilient floors in office Space.
- E. Monthly. Thoroughly dust furniture. Completely sweep and/or vacuum carpets. Sweep storage Space. Spot clean all wall surfaces within 70 inches of the floor.
- F. Every two months. Damp wipe restroom wastepaper receptacles, stall partitions, doors, window sills, and frames. Shampoo entrance and elevator carpets.
- G. Three times a year. Dust wall surfaces within 70 inches of the floor, vertical surfaces and under surfaces. Clean metal and marble surfaces in lobbies. Wet mop or scrub garages.
- H. Twice a year. Wash all interior and exterior windows and other glass surfaces. Strip and apply four coats of finish to resilient floors in restrooms. Strip and refinish main corridors and other heavy traffic areas.
- I. Annually. Wash all venetian blinds, and dust 6 months from washing. Vacuum or dust all surfaces in the Building more than 70 inches from the floor, including light fixtures. Vacuum all draperies in place. Strip and refinish floors in offices and secondary lobbies and corridors. Shampoo carpets in corridors and lobbies. Clean balconies, ledges, courts, areaways, and flat roofs.
- J. Every two years. Shampoo carpets in all offices and other non-public areas.
- K. Every five years. Dry clean or wash (as appropriate) all draperies.
- L. As required. Properly maintain plants and lawns. Provide initial supply, installation, and replacement of light bulbs, tubes, ballasts, and starters. Provide and empty exterior ash cans and clean area of any discarded cigarette butts.
- M. Pest control. Control pests as appropriate, using Integrated Pest Management techniques, as specified in the GSA Environmental Management Integrated Pest Management Technique Guide (E402-1001).

6.7 SELECTION OF CLEANING PRODUCTS (OCT 2016)

The Lessor shall use cleaning products (including general purpose cleaners, floor cleaners, hand soap, etc.) that comply with either the Green Seal standard, the UL/EcoLogo standard, EPA's Safer Choice designation, or a substitute acceptable to the LCO. Hand soap products shall also be USDA Certified BioPreferred.

6.8 SELECTION OF PAPER PRODUCTS (APR 2015)

The Lessor shall select paper and paper products (e.g., restroom tissue and paper towels) conforming to the Green Seal Standard (GS-1), or a substitute acceptable to the LCO.

6.9 SNOW REMOVAL (APR 2011)

[REDACTED]

Lessor shall provide snow removal services for the Government on all days for which this Lease has designated normal hours. Lessor shall clear parking lots if the accumulation of snow exceeds two inches. Lessor shall clear sidewalks, walkways and other entrances before accumulation exceeds 1.5 inches. The snow removal shall take place no later than 5:00 AM, without exception. Should accumulation continue throughout the day, the Lessor shall provide such additional snow removal services to prevent accumulation greater than the maximums specified in this paragraph. In addition to snow removal, the Lessor shall keep walkways, sidewalks and parking lots free of ice during the normal hours. The Lessor shall remove excess buildup of sand and/or ice melt to minimize slipping hazards. If the Building entrance(s) has a northern exposure, then Lessor shall take additional measures to protect the safety of pedestrians.

6.10 MAINTENANCE AND TESTING OF SYSTEMS (SEP 2013)

- A. The Lessor is responsible for the total maintenance and repair of the leased Premises. Such maintenance and repairs include the site and private access roads. All equipment and systems shall be maintained to provide reliable, energy efficient service without unusual interruption, disturbing noises, exposure to fire or safety hazards, uncomfortable drafts, excessive air velocities, or unusual emissions of dirt. The Lessor's maintenance responsibility includes initial supply and replacement of all supplies, materials, and equipment necessary for such maintenance. Maintenance, testing, and inspection of appropriate equipment and systems shall be done in accordance with current applicable codes, and inspection certificates shall be displayed as appropriate. Copies of all records in this regard shall be forwarded to the Government's designated representative.
- B. At the Lessor's expense, the Government reserves the right to require documentation of proper operations, inspection, testing, and maintenance of fire protection systems, such as, but not limited to, fire alarm, fire sprinkler, standpipes, fire pump, emergency lighting, illuminated exit signs, emergency generator, prior to occupancy to ensure proper operation. These tests shall be witnessed by the Government's designated representative.

6.11 MAINTENANCE OF PROVIDED FINISHES (AAAP VARIATION (OCT 2017))

- A. Paint wall coverings. Lessor shall maintain all wall coverings and high performance paint coatings in "like new" condition for the life of the Lease. All painted surfaces shall be repainted at the Lessor's expense, including the moving and returning of furnishings, any time during the occupancy by the Government if the paint is peeling or permanently stained, except where damaged due to the negligence of the Government. All work shall be done after normal working hours as defined elsewhere in this Lease. In addition to the foregoing requirement,
 - 1. Lessor shall repaint common areas at least every three years.
 - 2. Lessor shall perform cyclical repainting of the Space every 5 years of occupancy. This cost, including the moving and returning of furnishings, as well as disassembly and reassembly of systems furniture per manufacturer's warranty, shall be at the Lessor's expense.
- B. Carpet and flooring.
 - 1. Except when damaged by the Government, the Lessor shall repair or replace flooring at any time during the Lease term when:
 - a. Backing or underlayment is exposed;
 - b. There are noticeable variations in surface color or texture;
 - c. It has curls, upturned edges, or other noticeable variations in texture;
 - d. Tiles are loose; or,
 - e. Tears or tripping hazards are present.
 - 2. Notwithstanding the foregoing, as part of the rental consideration, for leases with a full term of at least 15 years, the Lessor shall replace all carpet and base coving in the Space in the 10th year, with a product which meets the requirements in the "Floor Coverings and Perimeters" paragraph in this Lease.
 - 3. Repair or replacement shall include the moving and returning of furnishings, including disassembly and reassembly of systems furniture per manufacturer's warranty, if necessary. Work shall be performed after the normal hours established elsewhere in this Lease.

6.12 ASBESTOS ABATEMENT (APR 2011)

If asbestos abatement work is to be performed in the Space after occupancy, the Lessor shall submit to the Government the occupant safety plan and a description of the methods of abatement and re-occupancy clearance, in accordance with OSHA, EPA, DOT, state, and local regulations and guidance, at least 4 weeks prior to the abatement work.

6.13 ONSITE LESSOR MANAGEMENT (APR 2011)

The Lessor shall provide an onsite Building superintendent or a locally designated representative available to promptly respond to deficiencies, and immediately address all emergency situations.

[REDACTED]

6.14 IDENTITY VERIFICATION OF PERSONNEL (OCT 2016)

- A. The Government reserves the right to verify identities of personnel with routine and/or unaccompanied access to the Government's Space, including both pre and post occupancy periods. The Lessor shall comply with the agency personal identity verification procedures below that implement [Homeland Security Presidential Directive-12](#) (HSPD-12), Office of Management and Budget (OMB) guidance [M-05-24](#) and [M-11-11](#), and Federal Information Processing Standards Publication (FIPS PUB) Number 201, as amended. These policies require the Government to conduct background investigations and make HSPD-12 compliant suitability determinations for all persons with routine or unaccompanied access to Government leased Space. By definition, this includes at a minimum each employee of the Lessor, as well as employees of the Lessor's contractors or subcontractors who will provide building operating services requiring routine access to the Government's leased Space for a period greater than six (6) months. The Government may also require this information for the Lessor's employees, contractors, or subcontractors who will be engaged to perform alterations or emergency repairs in the Government's Space.
- B. Application Process: The background investigation will be done using the Government's prescribed process. The Lessor must provide information on each of their contractor/personnel meeting the above criteria to the Government, whereupon each identified contractor/personnel will be notified with instructions for completing the identity verification application within a given time frame. The application process will include completing supplemental information forms that must be inputted into the identity verification system in order for the application to be considered complete. Additionally, the Lessor must ensure prompt completion of the fingerprint process for their contractor/personnel. Email notifications will be sent with instructions on the steps to be taken to schedule an appointment for fingerprinting at an approved regional location along with instructions on how to complete the background investigation application.
- C. The Lessor must ensure the Lease Contracting Officer (or the Lease Contracting Officer's designated representative) has all of the requested documentation timely to ensure the completion of the investigation.
- D. Based on the information furnished, the Government will conduct background investigations. The Lease Contracting Officer will advise the Lessor in writing if a person fails the investigation, and, effective immediately, that person will no longer be allowed to work or be assigned to work in the Government's Space.
- E. Throughout the life of the Lease, the Lessor shall provide the same data for any new employees, contractors, or subcontractors who will be assigned to the Government's Space in accordance with the above criteria. In the event the Lessor's contractor or subcontractor is subsequently replaced, the new contractor or subcontractor is not required to have persons re-apply who were cleared through this process while associated with the former contractor or subcontractor in accordance with GSA policy. The Lessor shall require each cleared person to re-apply and obtain a new clearance in accordance with GSA policy.
- F. The Lessor is accountable for not allowing contractors to start work without the successful completion of the appropriate background investigation as required by GSA policy.
- G. Access Card Retrieval/Return: Upon an Entry on Duty notification, the Government will issue a Personal Identity Verification (PIV) credential that is sometimes referred to as a GSA Access card. Lessors are responsible for all PIV credential issued to their contractors/personnel pursuant to this Lease. Lessors are specifically responsible for ensuring that all GSA PIV access cards are returned to the Lease Contracting Officer or their designee whenever their employees or a contractor no longer require access to the Space (such as When no longer needed for contract performance, upon completion of the Contractor employee's employment, and upon contract completion or termination). Additionally, the Lessor must notify the Lease Contracting Officer or their designee whenever a GSA PIV Access card is lost or stolen in which event the Lessor may be responsible for reimbursing the Government for replacement credentials at the current cost per PIV HSPD12 credential. Unreturned PIV Access cards will be considered as lost or stolen cards.
- H. The Government reserves the right to conduct additional background checks on Lessor personnel and contractors with routine access to Government leased Space throughout the term of the Lease who may have access to the Premises.
- I. The Lease Contracting Officer may delay final payment under a contract if the Contractor fails to comply with these requirements.
- J. The Lessor shall insert this paragraph in all subcontracts when the subcontractor is required to have physical access to a federally controlled facility or access to a federal information system.

6.15 SCHEDULE OF PERIODIC SERVICES (JUN 2012)

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

6.16 LANDSCAPING (OCT 2016)

- A. Landscape management practices shall prevent 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.

- [REDACTED]
- B. The Lessor shall use landscaping products with recycled content as required by EPA's CPG for landscaping products. Refer to EPA's CPG web site, [HTTPS://WWW.EPA.GOV/SMM/COMPREHENSIVE-PROCUREMENT-GUIDELINE-CPG-PROGRAM](https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program)

C. INTENTIONALLY DELETED

6.17 LANDSCAPE MAINTENANCE (APR 2011)

Landscape maintenance shall be performed during the growing season at not less than a weekly cycle and shall consist of watering, weeding, mowing, and policing the area to keep it free of debris. Pruning and fertilization shall be done on an as-needed basis. In addition, dead, dying, or damaged plants shall be replaced.

6.18 RECYCLING (JUN 2012)

- A. For Leases greater than 10,000 rentable SF, with a Lease term greater than six months, the Lessor shall establish a recycling program for (at a minimum) paper, corrugated cardboard, glass, plastics, and metals where local markets for recovered materials exist.
- B. Where state or local law, code, or ordinance requires recycling programs for the Premises, Lessor shall comply with such state and/or local law, code, or ordinance.
- C. When implementing any recycling program, the Lessor shall provide an easily accessible, appropriately sized area (2 SF per 1,000 SF of Building gross floor area) that serves the Space for the collection and storage of materials for recycling. Telecom rooms are not acceptable as recycling space. During the Lease term, the Lessor agrees, upon request, to provide the Government with additional information concerning recycling programs maintained in the Building and in the Space.

6.19 RANDOLPH-SHEPPARD COMPLIANCE (SEP 2013)

During the term of the Lease, the Lessor may not establish vending facilities within the leased Space that will compete with any Randolph-Sheppard vending facilities.

6.20 SAFEGUARDING AND DISSEMINATION OF SENSITIVE BUT UNCLASSIFIED (SBU) BUILDING INFORMATION (OCT 2017)

This paragraph applies to all recipients of SBU Building information, including, bidders, awardees, contractors, subcontractors, Lessors, suppliers, and manufacturers.

- A. MARKING SBU. Contractor-generated documents that contain Building information must be reviewed by GSA to identify any SBU content, before the original or any copies are disseminated to any other parties. If SBU content is identified, the LCO may direct the contractor, as specified elsewhere in this contract, to imprint or affix SBU document markings to the original documents and all copies, before any dissemination.
- B. AUTHORIZED RECIPIENTS. Building information considered SBU must be protected with access strictly controlled and limited to those individuals having a need to know such information. Those with a need to know may include Federal, state, and local government entities, and nongovernment entities engaged in the conduct of business on behalf of or with GSA. Nongovernment entities may include architects, engineers, consultants, contractors, subcontractors, suppliers, and others submitting an offer or bid to GSA or performing work under a GSA contract or subcontract. Contractors must provide SBU Building information when needed for the performance of official Federal, state, and local government functions, such as for code compliance reviews and for the issuance of Building permits. Public safety entities such as fire and utility departments may require access to SBU Building information on a need to know basis. This paragraph must not prevent or encumber the dissemination of SBU Building information to public safety entities.
- C. DISSEMINATION OF SBU BUILDING INFORMATION:

1. BY ELECTRONIC TRANSMISSION. Electronic transmission of SBU information outside of the GSA firewall and network must use session (or alternatively file encryption). Sessions (or files) must be encrypted with an approved NIST algorithm, such as Advanced Encryption Standard (AES) or Triple Data Encryption Standard (3DES), in accordance with Federal Information Processing Standards Publication (FIPS PUB) 140-2, Security Requirements for Cryptographic Modules. Encryption tools that meet FIPS 140-2 are referenced on the NIST web page found at the following URL: <http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/1401vend.htm>. All encryption products used to satisfy the FIPS 140-2 requirement should have a validation certificate that can be verified at the <http://csrc.nist.gov/groups/STM/cmvp/validation.html#02>. (Not all vendors of security products that claim conformance with FIPS 140-2 have validation certificates.) Contractors must provide SBU Building information only to authorized representatives of state, Federal, and local government entities and firms currently registered as "active" in the SAM database at <https://www.acquisition.gov> that have a need to know such information. If a subcontractor is not registered in SAM and has a need to possess SBU Building information, the subcontractor shall provide to the contractor its DUNS number or its tax ID number and a copy of its business license.
2. BY NON-ELECTRONIC FORM OR ON PORTABLE ELECTRONIC DATA STORAGE DEVICES. Portable electronic data storage devices include but are not limited to CDs, DVDs, and USB drives. Non-electronic forms of SBU Building information include paper documents.

- [REDACTED]
- a. By mail. Utilize only methods of shipping that provide services for monitoring receipt such as track and confirm, proof of delivery, signature confirmation, or return receipt.
 - b. In person. Contractors must provide SBU Building information only to authorized representatives of state, Federal, and local government entities and firms currently registered as "active" in the SAM database that have a need to know such information.
3. RECORD KEEPING. Contractors must maintain a list of the state, Federal, and local government entities and the firms to which SBU is disseminated under sections C1 and C2 of this paragraph. This list must include at a minimum
- a. The name of the state, Federal, or local government entity or firm to which SBU has been disseminated;
 - b. The name of the individual at the entity or firm who is responsible for protecting the SBU Building information, with access strictly controlled and limited to those individuals having a need to know such information;
 - c. Contact information for the named individual; and
 - d. A description of the SBU Building information provided.

Once work is completed, or for leased Space with the submission of the as built drawings, the contractor must collect all lists maintained in accordance with this paragraph, including those maintained by any subcontractors and suppliers, and submit them to the LCO.

- D. RETAINING SBU DOCUMENTS. SBU Building information (both electronic and paper formats) must be protected, with access strictly controlled and limited to those individuals having a need to know such information.
- E. DESTROYING SBU BUILDING INFORMATION. SBU Building information must be destroyed such that the marked information is rendered unreadable and incapable of being restored, or returned to the LCO, when no longer needed, in accordance with guidelines provided for media sanitization available at <http://csrc.nist.gov/publications/PubsTC.html#Forensics>. At the Web site, locate SP 800-88, Guidelines for Media Sanitization, available at HTTP://CSRC.NIST.GOV/PUBLICATIONS/NISTPUBS/800-88/NISTSP800-88_REV1.PDF and click on the file name NISTSP800-88_REV1.pdf. From there, you can choose to "Save" or "Download" the file. If SBU Building information is not returned to the LCO, examples of acceptable destruction methods for SBU Building information are burning or shredding hardcopy; physically destroying portable electronic storage devices such as CDs, DVDs, and USB drives; deleting and removing files from electronic recycling bins; and removing material from computer hard drives using a permanent-erase utility such as bit-wiping software or disk crushers.
- F. NOTICE OF DISPOSAL. The contractor must notify the LCO that all SBU Building information has been destroyed, or returned to the LCO, by the contractor and its subcontractors or suppliers in accordance with section (e) of this paragraph, with the exception of the contractor's record copy. This notice must be submitted to the LCO at the completion of the contract in order to receive final payment. For Leases, this notice must be submitted to the LCO at the completion of the Lease term.
- G. INCIDENTS. All improper disclosures of SBU Building information must be reported immediately to the LCO and the GSA Incident Response Team Center at [REDACTED]. If the contract provides for progress payments, the LCO may withhold approval of progress payments until the contractor provides a corrective action plan explaining how the contractor will prevent future improper disclosures of SBU Building information. Progress payments may also be withheld for failure to comply with any provision in this paragraph until the contractor provides a corrective action plan explaining how the contractor will rectify any noncompliance and comply with the paragraph in the future.
- H. SUBCONTRACTS. The Contractor must insert the substance of this paragraph in all subcontracts.

6.21 INDOOR AIR QUALITY (OCT 2016)

- A. The Lessor shall control airborne contaminants at the source and/or operate the Space in such a manner that the GSA indicator levels for asbestos, mold, carbon monoxide (CO), carbon dioxide (CO₂), and formaldehyde are not exceeded. The indicator levels for office areas shall be: Asbestos 70 s/mm²; mold (see paragraph entitled "Mold"); CO 9 ppm; CO₂ 700 ppm above outdoor air; formaldehyde 0.016 ppm.
- B. The Lessor shall use available odor-free or low odor products when applying paints, glues, lubricants, and similar wet products. When such equivalent products are not available, lessor shall use the alternate products outside normal working hours. Except in an emergency, the Lessor shall provide at least 72 hours advance notice to the Government before applying chemicals or products with noticeable odors in occupied Spaces and shall adequately ventilate those Spaces during and after application.
- C. The Lessor shall serve as first responder to any occupant complaints about indoor air quality (IAQ). The Lessor shall promptly investigate such complaints and implement the necessary controls to address each complaint. Investigations shall include testing as needed, to ascertain the source and severity of the complaint.
- D. The Government reserves the right to conduct independent IAQ assessments and detailed studies in Space that it occupies, as well as in space serving the Space (e.g., common use areas, mechanical rooms, HVAC systems, etc.). The Lessor shall assist the Government in its assessments and detailed studies by:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

checklists. Use a laboratory rated proficient in the EPA RMP to analyze the devices. Submit the results and supporting data (sample location, device type, duration, radon measurements, laboratory proficiency certification number, and the signature of a responsible laboratory official) within 30 days after the measurement.

2. Short Test. Place alpha track detectors for at least 14 days, or charcoal canisters for 2 days to 3 days, throughout the required area so that each covers no more than 2,000 ABOA SF, starting not later than 7 days after award. Use only devices listed in the EPA RMP application device checklists. Use a laboratory rated proficient in the EPA RMP to analyze the devices. Submit the results and supporting data within 30 days after the measurement. In addition, complete the standard test not later than 150 days after Government occupancy.

6.23 RADON IN WATER (JUN 2012) INTENTIONALLY DELETED

6.24 HAZARDOUS MATERIALS (SEP 2013)

- A. The leased Space shall be free of hazardous materials, hazardous substances, and hazardous wastes, as defined by and according to applicable Federal, state, and local environmental regulations. Should there be reason to suspect otherwise, the Government reserves the right, at Lessor's expense, to require documentation or testing to confirm that the Space is free of all hazardous materials.
- B. Lessor shall, to the extent of its knowledge, notify Government of the introduction of any hazardous materials onto the Property by Lessor or others, including but not limited to, co-tenants occupying Space in the Building.

6.25 MOLD (OCT 2018)

- A. Actionable mold is either visible mold or airborne mold of types and concentrations in excess of that found in the local outdoor air or non-problematic control areas elsewhere in the same building, whichever is lower. The Lessor shall safely remediate all actionable mold in accordance with sub-paragraph C below.
- B. The Lessor shall provide Space to the Government that is free from ongoing water leaks or moisture infiltration. The Space and ventilation zones serving the Space shall also be free of actionable mold.
- C. Within 72 hours following a flood, plumbing leak or heavy rain whereby the Government Space or air zones serving the Space may have become moisture damaged, the Lessor shall repair any leakage sources and remediate the moisture damage. Whenever moisture damage or infiltration persists such that: mold is visible, mold odors are present, or occupants register complaints about mold, the Lessor shall employ a board-certified, industrial hygienist or equivalently qualified consultant to inspect and evaluate the Space and air zones serving the Space for visible and/or actionable mold presence; inspection shall take place no later than 15 calendar days following identification of a potential mold issue as described above. The Lessor shall promptly furnish these inspection results to the Government. After all Leases have been identified and corrected the Lessor shall safely remediate all visible moldy and/or water damaged materials identified by the consultant using a qualified remediation contractor following the methods identified in "Mold Remediation in Schools and Commercial Buildings" (EPA 402-K-01-001, September 2008) and all applicable state laws pertaining to mold remediation practices. Remediation shall also remove actionable mold levels. Remediation shall be completed within a time frame acceptable to the Lease Contracting Officer which shall be no later than 90 calendar days following confirmation of the presence of actionable mold.
- D. The presence of actionable mold in the Premises may be treated as a Casualty, as determined by the Government, in accordance with the Fire and Other Casualty clause contained in the General Clauses of this Lease. In addition to the provisions of the Fire and Other Casualty clause of this Lease, should a portion of the Premises be determined by the Government to be un-tenantable due to an act of negligence by the Lessor or his agents, the Lessor shall provide reasonably acceptable alternative Space at the Lessor's expense, including the cost of moving, and any required alterations.

6.26 OCCUPANT EMERGENCY PLANS (SEP 2013)

The Lessor is required to cooperate, participate and comply with the development and implementation of the Government's Occupant Emergency Plan (OEP) and if necessary, a supplemental Shelter-in Place (SIP) Plan. Periodically, the Government may request that the Lessor assist in reviewing and revising its OEP and SIP. The Plan, among other things, must include an annual emergency evacuation drill, emergency notification procedures for the Lessor's Building engineer or manager, Building security, local emergency personnel, and Government agency personnel.

6.27 FLAG DISPLAY (OCT 2016)

If the Lessor has supplied a flagpole on the Property as a requirement of this Lease, the Lessor shall be responsible for flag display on all workdays and Federal holidays. The Lessor may illuminate the flag in lieu of raising and lowering the flag daily. The Lessor shall register with the Federal Protective Service (FPS) MegaCenter in order to receive notifications regarding when flags shall be flown at half-staff, as determined by Executive Order.

SECTION 7 ADDITIONAL TERMS AND CONDITIONS

7.1 SECURITY REQUIREMENTS (OCT 2016)

The Lessor agrees to the requirements of Federal Security Level 2 attached to this Lease.

7.2 ADDENDUM TO GSA FORM 3517B, GENERAL CLAUSES, NO FEDERALLY ELECTED OFFICIALS TO BENEFIT (OCT 2018) [APPLIES TO PROSPECTUS-LEVEL LEASES ONLY]

The following clause is added to GSA Form 3517B, General Clauses:

No Federally Elected Officials to Benefit

- A. No person holding a Federally-elected office may directly or indirectly, regardless of whether such person took office before or after execution of the Lease, participate in or benefit from the Lease or any part thereof.
- B. The foregoing prohibition shall not apply if the Lease is entered into with a publicly-held corporation or publicly-held entity for the general benefit of such corporation or entity.
- C. Any violation of this clause shall render the Lease void, and the Government shall have no obligation to the Lessor in consequence thereof following the date the Lease is deemed void.
- D. In the event the Lease is voided pursuant to this clause, the Lessor shall be and remain liable to the Government for any and all costs associated with relocating and housing Government occupants from the leased premises to replacement premises. Such costs shall include, but not be limited to:
1. moving and other physical relocation costs,
 2. furniture, fixtures and equipment costs related to occupancy of replacement premises,
 3. replication of tenant build-out costs at replacement premises,
 4. excess rental costs at replacement premises for the remainder of the firm term of the terminated Lease, and
 5. all other direct and consequential damages and costs associated with the Government relocating occupants from the leased premises to replacement premises, whether Federally-owned or leased.
- E. Nothing in this clause shall be deemed or interpreted to waive, modify, alter or limit any provision of existing law, including 41 U.S.C. § 6306 and 18 U.S.C. §§ 431-433.
- F. Lessor's obligation to be and remain liable for the costs and damages specified in this clause shall survive any voiding of the Lease pursuant to this clause or any provision of existing law.

7.3 Carpet and Paint

Lessor's obligation to provide new carpet and fresh paint in the Government occupied Suites 550 and 560 at an agreed upon cost will be memorialized in a forthcoming Lease Amendment. The procedural requirement for the installation of new carpet and fresh paint will be as follows.

- 1.) Painting: The Lessor shall provide all the labor and materials to re-paint all wall surfaces within the leased premise including, but not limited to, the removal of all items on the walls, cleaning of all wall surfaces prior to painting, the repair of any damage on the wall surfaces, the painting of all wall surfaces, and the replacement of all items back on to the walls.
- 2.) Carpeting: The Lessor shall provide all the labor and materials to replace all carpeting throughout the leased premise including, but not limited to, the moving of the furniture and/or equipment, the removal and disposal of the old carpet, the placement of the new carpet, and the replacement of the furniture and/or the equipment.
- 3.) Lessor shall coordinate with the occupying agency on the selection of the color of the paint based upon the paint standards that are within the lease agreement. Additionally, the Lessor shall coordinate with the occupying agency on the type and color of the carpet based on the standards set out by the lease agreement.
- 4.) The Lessor shall coordinate with the occupying agency on the dates and times of the installation of the carpet and painting activity. All activities shall be completed on or before ninety (90) calendar days from the commencement date of the rental payments.

Exhibit A

Highlighted in yellow

HOUSTON EXAM
PREP CENTER
SUITE 150
569 NUA
659 NRA
666 LNR
EXP: 03/31/20

GSA-TSA
SUITE 110
4,884 NUA
5,648 NRA
EXP: 11/30/20

HOUSTON EXAM
PREP CENTER
SUITE 120
2,009 NUA
2,329 NRA
2,357 LNR
EXP: 03/31/20

MAINTENANCE SHOP /
JANITORIAL SUPPLY ROOM
SUITE 126
433 NUA
573 NRA
301 LNR
EXP: 12/31/22

CARRASCO INSURANCE
SUITE 122
877 NUA
1,017 NRA
EXP: 09/30/21

D 2018
D 2019
D 2020
D 2021
D 2022
D 2023
D VACANT

GSA-TSA
SUITE 125
3,267 NUA
3,787 NRA
EXP: 11/30/20

O'BRIEN COUNSELING SERVICES
SUITE 175
861 NUA
1,037 NRA
EXP: 08/31/19

SUSAN DOMMAR & KALIVILORIA
SUITE 100
492 NUA
573 NRA
578 NRA
EXP: 01/31/20

MAGDALENO BANDA
SUITE 101
2,131 NUA
2,473 NRA
EXP: 04/30/21

Floor plans are for conceptual purposes only; they are not to scale and may not reflect existing conditions. As-builts must be verified. Not for regulatory approval, permitting, or construction.

CONTACT
NAI PARTNERS P:
NAIPARTNERS.COM

Lessor: Government

Vibe™
E3HOBBY

G
Atchafalaya Development
5165 Westheimer Rd.
Houston, Texas 77056
www.cd-douglas-rye.com
CB 18322.01 - DC
SEPT. 7, 2018

[Redacted]

GSA-TSA
SUITE 550
2,387 N/A
2,768 NRA
EXP: 11/30/20

WESTEX
SECURITY SERVICES
SUITE 540
3,016 N/A
3,400 NRA
EXP: 10/31/18

LEARNING DESIGNS, INC.
SUITE 555
1,259 N/A
1,552 NRA
EXP: 09/30/21

CHJ MANAGEMENT LTD., LLP.
SUITE 565
1,398 N/A
1,615 NRA
EXP: 07/31/21

GSA-TSA
SUITE 559/560
3,192 N/A
3,713 NRA
EXP: 11/30/20

SERAMPORE INDUSTRIES
INDUSTRIES PRIVATE, LTD.
SUITE 500
5,027 N/A
5,802 LRA
EXP: 09/04/22

D 2018
D 2019
D 2020
D 2021
D 2022
D 2023
D VACANT

Floor plans are for conceptual purposes only; they are not to scale and may not reflect existing conditions. As-built must be verified. Not for regulatory approval, permitting, or construction.

Vibe™
E3HOBBY

[Redacted]

CONTACT
NAIL PARTNERS
NAIL PARTNERS.COM
Lessor: _____ Government: _____

5065 Westheimer Rd.
Suite#1100
Houston, Texas 77056
www.dcdouglasspyva.com
CB 18322-01 - DC
SEPT. 7, 2018

0 5 10 20

Exhibit "B"



Lessor: [REDACTED] Government: [REDACTED]

Exhibit C

GENERAL CLAUSES (Acquisition of Leasehold Interests in Real Property)

CATEGORY	CLAUSE NO.	48 CFR REF.	CLAUSE TITLE
GENERAL	1		SUBLETTING AND ASSIGNMENT
	2	552.270-11	SUCCESSORS BOUND
	3	552.270-23	SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN
	4	552.270-24	STATEMENT OF LEASE
	5	552.270-25	SUBSTITUTION OF TENANT AGENCY
	6	552.270-26	NO WAIVER
	7		INTEGRATED AGREEMENT
	8	552.270-28	MUTUALITY OF OBLIGATION
PERFORMANCE	9		DELIVERY AND CONDITION
	10		DEFAULT BY LESSOR
	11	552.270-19	PROGRESSIVE OCCUPANCY
	12		MAINTENANCE OF THE PROPERTY, RIGHT TO INSPECT
	13		FIRE AND CASUALTY DAMAGE
	14		COMPLIANCE WITH APPLICABLE LAW
	15	552.270-12	ALTERATIONS
	16		ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY
PAYMENT	17	52.204-7	SYSTEM FOR AWARD MANAGEMENT
	18	52.204-13	SYSTEM FOR AWARD MANAGEMENT MAINTENANCE
	19	552.270-31	PROMPT PAYMENT
	20	52.232-23	ASSIGNMENT OF CLAIMS
	21		PAYMENT
	22	52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER—SYSTEM FOR AWARD MANAGEMENT
STANDARDS OF CONDUCT	23	52.203-13	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT
	24	552.270-32	COVENANT AGAINST CONTINGENT FEES
	25	52-203-7	ANTI-KICKBACK PROCEDURES
	26	52-223-6	DRUG-FREE WORKPLACE
	27	52.203-14	DISPLAY OF HOTLINE POSTER(S)
ADJUSTMENTS	28	552.270-30	PRICE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY
	29	52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA
	30	552.270-13	PROPOSALS FOR ADJUSTMENT
	31		CHANGES
AUDITS	32	552.215-70	EXAMINATION OF RECORDS BY GSA
	33	52.215-2	AUDIT AND RECORDS—NEGOTIATION

LESSOR: _____ GOVERNMENT: _____

[REDACTED]

DISPUTES	34	52.233-1	DISPUTES
LABOR STANDARDS	35	52.222-26	EQUAL OPPORTUNITY
	36	52.222-21	PROHIBITION OF SEGREGATED FACILITIES
	37	52.219-28	POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION
	38	52.222-35	EQUAL OPPORTUNITY FOR VETERANS
	39	52.222-36	EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES
	40	52.222-37	EMPLOYMENT REPORTS ON VETERANS
SUBCONTRACTING	41	52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
	42	52.215-12	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA
	43	52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS
	44	52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN
	45	52.219-16	LIQUIDATED DAMAGES—SUBCONTRACTING PLAN
	46	52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST- TIER SUBCONTRACT AWARDS
	47	552.219-73	GOALS FOR SUBCONTRACTING PLAN

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

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

GENERAL CLAUSES
(Acquisition of Leasehold Interests in Real Property)

1. SUBLETTING AND ASSIGNMENT (JAN 2011)

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

2. 552.270-11 SUCCESSORS BOUND (SEP 1999)

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

3. 552.270-23 SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT (SEP 1999)

(a) Lessor warrants that it holds such title to or other interest in the premises and other property as is necessary to the Government's access to the premises and full use and enjoyment thereof in accordance with the provisions of this lease. Government agrees, in consideration of the warranties and conditions set forth in this clause, that this lease is subject and subordinate to any and all recorded mortgages, deeds of trust and other liens now or hereafter existing or imposed upon the premises, and to any renewal, modification or extension thereof. It is the intention of the parties that this provision shall be self-operative and that no further instrument shall be required to effect the present or subsequent subordination of this lease. Government agrees, however, within twenty (20) business days next following the Contracting Officer's receipt of a written demand, to execute such instruments as Lessor may reasonably request to evidence further the subordination of this lease to any existing or future mortgage, deed of trust or other security interest pertaining to the premises, and to any water, sewer or access easement necessary or desirable to serve the premises or adjoining property owned in whole or in part by Lessor if such easement does not interfere with the full enjoyment of any right granted the Government under this lease.

(b) No such subordination, to either existing or future mortgages, deeds of trust or other lien or security instrument shall operate to affect adversely any right of the Government under this lease so long as the Government is not in default under this lease. Lessor will include in any future mortgage, deed of trust or other security instrument to which this lease becomes subordinate, or in a separate 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 Contracting Officer promptly upon demand.

(c) In the event of any sale of the premises or any portion thereof by foreclosure of the lien of any such mortgage, deed of trust or other security instrument, or the giving of a deed in lieu of foreclosure, the Government will be deemed to have attorned to any purchaser, purchasers, transferee or transferees of the premises or any portion thereof and its or their successors and assigns, and any such purchasers and transferees will be deemed to have assumed all obligations of the Lessor under this lease, so as to establish direct privity of estate and contract between Government and such purchasers or transferees, with the same force, effect and relative priority in time and right as if the lease had initially been entered into between such purchasers or transferees and the Government; provided, further, that the Contracting Officer and such purchasers or transferees shall, with reasonable promptness following any such sale or deed delivery in lieu of foreclosure, execute all such revisions to this lease, or other writings, as shall be necessary to document the foregoing relationship.

(d) None of the foregoing provisions may be deemed or construed to imply a waiver of the Government's rights as a sovereign.

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]

4. 552.270-24 STATEMENT OF LEASE (SEP 1999)

(a) The Contracting Officer will, within thirty (30) days next following the Contracting Officer's receipt of a joint written request from Lessor and a prospective lender or purchaser of the building, execute and deliver to Lessor a letter stating that the same is issued subject to the conditions stated in this clause and, if such is the case, that (1) the lease is in full force and effect; (2) the date to which the rent and other charges have been paid in advance, if any; and (3) whether any notice of default has been issued.

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

(1) That they are based solely upon a reasonably diligent review of the Contracting Officer's lease file as of the date of issuance;

(2) That the Government shall not be held liable because of any defect in or condition of the premises or building;

(3) That the Contracting Officer does not warrant or represent that the premises or building comply with applicable Federal, State and local law; and

(4) That the Lessor, and each prospective lender and purchaser are deemed to have constructive notice of such facts as would be ascertainable by reasonable pre-purchase and pre-commitment inspection of the Premises and Building and by inquiry to appropriate Federal, State and local Government officials.

5. 552.270-25 SUBSTITUTION OF TENANT AGENCY (SEP 1999)

The Government may, at any time and from time to time, substitute any Government agency or agencies for the Government agency or agencies, if any, named in the lease.

6. 552.270-26 NO WAIVER (SEP 1999)

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

7. INTEGRATED AGREEMENT (JUN 2012)

This Lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, express or implied, shall be admissible to contradict the provisions of the Lease. Except as expressly attached to and made a part of the Lease, neither the Request for Lease Proposals nor any pre-award communications by either party shall be incorporated in the Lease.

8. 552.270-28 MUTUALITY OF OBLIGATION (SEP 1999)

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

9. DELIVERY AND CONDITION (JAN 2011)

(a) Unless the Government elects to have the space occupied in increments, the space must be delivered ready for occupancy as a complete unit.

(b) The Government may elect to accept the Space notwithstanding the Lessor's failure to deliver the Space substantially complete; if the Government so elects, it may reduce the rent payments.

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

10. DEFAULT BY LESSOR (APR 2012)

(a) The following conditions shall constitute default by the Lessor, and shall give rise to the following rights and remedies for the Government:

(1) Prior to Acceptance of the Premises. Failure by the Lessor to diligently perform all obligations required for Acceptance of the Space within the times specified, without excuse, shall constitute a default by the Lessor. Subject to provision of notice of default to the Lessor, and provision of a reasonable opportunity for the Lessor to cure its default, the Government may terminate the Lease on account of the Lessor's default.

(2) After Acceptance of the Premises. Failure by the Lessor to perform any service, to provide any item, or satisfy any requirement of this Lease, without excuse, shall constitute a default by the Lessor. Subject to provision of notice of default to the Lessor, and provision of a reasonable opportunity for the Lessor to cure its default, the Government may perform the service, provide the item, or obtain satisfaction of the requirement by its own employees or contractors. If the Government elects to take such action, the Government may deduct from rental payments its costs incurred in connection with taking the action. Alternatively, the Government may reduce the rent by an amount reasonably calculated to approximate the cost or value of the service not performed, item not provided, or requirement not satisfied, such reduction effective as of the date of the commencement of the default condition.

(3) Grounds for Termination. The Government may terminate the Lease if:

(i) The Lessor's default persists notwithstanding provision of notice and reasonable opportunity to cure by the Government, or

(ii) The Lessor fails to take such actions as are necessary to prevent the recurrence of default conditions,

and such conditions (i) or (ii) substantially impair the safe and healthful occupancy of the Premises, or render the Space unusable for its intended purposes.

(4) Excuse. Failure by the Lessor to timely deliver the Space or perform any service, provide any item, or satisfy any requirement of this Lease shall not be excused if its failure in performance arises from:

(i) Circumstances within the Lessor's control;

(ii) Circumstances about which the Lessor had actual or constructive knowledge prior to the Lease Award Date that could reasonably be expected to affect the Lessor's capability to perform, regardless of the Government's knowledge of such matters;

(iii) The condition of the Property;

(iv) The acts or omissions of the Lessor, its employees, agents or contractors; or

(v) The Lessor's inability to obtain sufficient financial resources to perform its obligations.

(5) The rights and remedies specified in this clause are in addition to any and all remedies to which the Government may be entitled as a matter of law.

11. 552.270-19 PROGRESSIVE OCCUPANCY (SEP 1999)

The Government shall have the right to elect to occupy the space in partial increments prior to the substantial completion of the entire leased premises, and the Lessor agrees to schedule its work so as to deliver the space incrementally as elected by the Government. The Government shall pay rent commencing with the first business day following substantial completion of the entire leased premise unless the Government has elected to occupy the leased premises incrementally. In case of incremental occupancy, the Government shall pay rent pro rata upon the first

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]

business day following substantial completion of each incremental unit. Rental payments shall become due on the first workday of the month following the month in which an increment of space is substantially complete, except that should an increment of space be substantially completed after the fifteenth day of the month, the payment due date will be the first workday of the second month following the month in which it was substantially complete. The commencement date of the firm lease term will be a composite determined from all rent commencement dates.

12. MAINTENANCE OF THE PROPERTY, RIGHT TO INSPECT (APR 2015)

The Lessor shall maintain the Property, including the building, building systems, and all equipment, fixtures, and appurtenances furnished by the Lessor under this Lease, in good repair and tenantable condition so that they are suitable in appearance and capable of supplying such heat, air conditioning, light, ventilation, safety systems, access and other things to the premises, without reasonably preventable or recurring disruption, as is required for the Government's access to, occupancy, possession, use and enjoyment of the premises as provided in this lease. For the purpose of so maintaining the premises, the Lessor may at reasonable times enter the premises with the approval of the authorized Government representative in charge. Upon request of the Lease Contracting Officer (LCO), the Lessor shall provide written documentation that building systems have been properly maintained, tested, and are operational within manufacturer's warranted operating standards. The Lessor shall maintain the Premises in a safe and healthful condition according to applicable OSHA standards and all other requirements of this Lease, including standards governing indoor air quality, existence of mold and other biological hazards, presence of hazardous materials, etc. The Government shall have the right, at any time after the Lease Award Date and during the term of the Lease, to inspect all areas of the Property to which access is necessary for the purpose of determining the Lessor's compliance with this clause.

13. FIRE AND CASUALTY DAMAGE (JUN 2016)

If the building in which the Premises are located is totally destroyed or damaged by fire or other casualty, this Lease shall immediately terminate. If the building in which the Premises are located are only partially destroyed or damaged, so as to render the Premises untenable, or not usable for their intended purpose, the Lessor shall have the option to elect to repair and restore the Premises or terminate the Lease. The Lessor shall be permitted a reasonable amount of time, not to exceed **270 days** from the event of destruction or damage, to repair or restore the Premises, provided that the Lessor submits to the Government a reasonable schedule for repair of the Premises within **60 days** of the event of destruction or damage. If the Lessor fails to timely submit a reasonable schedule for completing the work, the Government may elect to terminate the Lease effective as of the date of the event of destruction or damage. If the Lessor elects to repair or restore the Premises, but fails to repair or restore the Premises within **270 days** from the event of destruction or damage, or fails to diligently pursue such repairs or restoration so as to render timely completion commercially impracticable, the Government may terminate the Lease effective as of the date of the destruction or damage. During the time that the Premises are unoccupied, rent shall be abated. Termination of the Lease by either party under this clause shall not give rise to liability for either party.

Nothing in this lease shall be construed as relieving Lessor from liability for damage to, or destruction of, property of the United States of America caused by the willful or negligent act or omission of Lessor.

14. COMPLIANCE WITH APPLICABLE LAW (JAN 2011)

Lessor shall comply with all Federal, state and local laws applicable to its ownership and leasing of the Property, including, without limitation, laws applicable to the construction, ownership, alteration or operation of all buildings, structures, and facilities located thereon, and obtain all necessary permits, licenses and similar items at its own expense. The Government will comply with all Federal, State and local laws applicable to and enforceable against it as a tenant under this lease, provided that nothing in this Lease shall be construed as a waiver of the sovereign immunity of the Government. This Lease shall be governed by Federal law.

15. 552.270-12 ALTERATIONS (SEP 1999)

The Government shall have the right during the existence of this lease to make alterations, attach fixtures, and erect structures or signs in or upon the premises hereby leased, which fixtures, additions or structures so placed in, on, upon, or attached to the said premises shall be and remain the property of the Government and may be removed or otherwise disposed of by the Government. If the lease contemplates that the Government is the sole occupant of the building, for

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]

purposes of this clause, the leased premises include the land on which the building is sited and the building itself. Otherwise, the Government shall have the right to tie into or make any physical connection with any structure located on the property as is reasonably necessary for appropriate utilization of the leased space.

16. ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY (APR 2015)

(a) Ten (10) working days prior to the completion of the Space, the Lessor shall issue written notice to the Government to schedule the inspection of the Space for acceptance. The Government shall accept the Space only if the construction of building shell and TIs conforming to this Lease and the approved DIDs is substantially complete, and a Certificate of Occupancy has been issued as set forth below.

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

(c) The Lessor shall provide a valid Certificate of Occupancy, issued by the local jurisdiction, for the intended use of the Government. If the local jurisdiction does not issue Certificates of Occupancy or if the Certificate of Occupancy is not available, the Lessor may satisfy this condition by providing a report prepared by a licensed fire protection engineer that indicates that the Space and Building are compliant with all applicable local codes and ordinances and all fire protection and life safety-related requirements of this Lease to ensure an acceptable level of safety is provided. Under such circumstances, the Government shall only accept the Space without a Certificate of Occupancy if a licensed fire protection engineer determines that the offered space is compliant with all applicable local codes and ordinances and fire protection and life safety-related requirements of this Lease.

17. 52.204-7 SYSTEM FOR AWARD MANAGEMENT (JUL 2013)

This clause is incorporated by reference.

18. 52.204-13 SYSTEM FOR AWARD MANAGEMENT MAINTENANCE (JUL 2013)

This clause is incorporated by reference.

19. 552.270-31 PROMPT PAYMENT (JUN 2011)

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:

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]

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

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

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

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

(i) Name and address of the Contractor.

(ii) Invoice date.

(iii) Lease number.

(iv) Government's order number or other authorization.

(v) Description, price, and quantity of work or services delivered.

(vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the remittance address in the lease or the order).

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

(2) The Government will inspect and determine the acceptability of the work performed or services delivered within seven 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 seven day inspection period. If the work or service is rejected for failure to conform to the technical requirements of the contract, the seven 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 one 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.

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

(d) *Overpayments.* If the Lessor becomes aware of a duplicate payment or that the Government has otherwise overpaid on a payment, the Contractor shall—

(1) Return the overpayment amount to the payment office cited in the contract along with a description of the overpayment including the—

(i) Circumstances of the overpayment (e.g., duplicate payment, erroneous payment, liquidation errors, date(s) of overpayment);

(ii) Affected lease number; (iii) Affected lease line item or sub-line item, if applicable; and

(iii) Lessor point of contact.

(2) Provide a copy of the remittance and supporting documentation to the Contracting Officer.

20. 52.232-23 ASSIGNMENT OF CLAIMS (MAY 2014)

(Applicable to leases over the micro-purchase threshold.)

(a) The Contractor, under the Assignment of Claims Act, as amended, [31 U.S.C. 3727](#), [41 U.S.C. 6305](#) (hereafter referred to as “the Act”), may assign its rights to be paid amounts due or to become due as a result of the performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency. The assignee under such an assignment may thereafter further assign or reassign its right under the original assignment to any type of financing institution described in the preceding sentence.

(b) Any assignment or reassignment authorized under the Act and this clause shall cover all unpaid amounts payable under this contract, and shall not be made to more than one party, except that an assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in the financing of this contract.

(c) The Contractor shall not furnish or disclose to any assignee under this contract any classified document (including this contract) or information related to work under this contract until the Contracting Officer authorizes such action in writing.

21. PAYMENT (MAY 2011)

(a) When space is offered and accepted, the amount of American National Standards Institute/Building Owners and Managers Association Office Area (ABOA) square footage delivered will be confirmed by:

(1) The Government’s measurement of plans submitted by the successful Offeror as approved by the Government, and an inspection of the space to verify that the delivered space is in conformance with such plans or

(2) A mutual on-site measurement of the space, if the Contracting Officer determines that it is necessary.

(b) Payment will not be made for space which is in excess of the amount of ABOA square footage stated in the lease.

(c) If it is determined that the amount of ABOA square footage actually delivered is less than the amount agreed to in the lease, the lease will be modified to reflect the amount of ABOA space delivered and the annual rental will be adjusted as follows:

ABOA square feet not delivered multiplied by one plus the common area factor (CAF), multiplied by the rate per rentable square foot (RSF). That is: $(1 + \text{CAF}) \times \text{Rate per RSF} = \text{Reduction in Annual Rent}$

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

22. 52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER—SYSTEM FOR AWARD MANAGEMENT (JUL 2013)

This clause is incorporated by reference.

23. 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (OCT 2015)

(Applicable to leases over \$5.5 million total contract value and performance period is 120 days or more.)

This clause is incorporated by reference.

24. 552.270-32 COVENANT AGAINST CONTINGENT FEES (JUN 2011)

(Applicable to leases over the Simplified Lease Acquisition Threshold.)

(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.

(1) *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.

(2) *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.

(3) *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.

25. 52.203-7 ANTI-KICKBACK PROCEDURES (MAY 2014)

(Applicable to leases over the Simplified Lease Acquisition Threshold.)

This clause is incorporated by reference.

26. 52.223-6 DRUG-FREE WORKPLACE (MAY 2001)

(Applicable to leases over the Simplified Lease Acquisition Threshold, as well as to leases of any value awarded to an individual.)

This clause is incorporated by reference.

27. 52.203-14 DISPLAY OF HOTLINE POSTER(S) (OCT 2015)

(Applicable to leases over \$5.5 Million total contract value and performance period is 120 days or more.)

(a) Definition.

"United States," as used in this clause, means the 50 States, the District of Columbia, and outlying areas.

(b) Display of fraud hotline poster(s). Except as provided in paragraph (c)—

LESSOR: _____ GOVERNMENT: _____

- (1) During contract performance in the United States, the Contractor shall prominently display in common work areas within business segments performing work under this contract and at contract work sites—
- (i) Any agency fraud hotline poster or Department of Homeland Security (DHS) fraud hotline poster identified in paragraph (b)(3) of this clause; and
 - (ii) Any DHS fraud hotline poster subsequently identified by the Contracting Officer.
- (2) Additionally, if the Contractor maintains a company website as a method of providing information to employees, the Contractor shall display an electronic version of the poster(s) at the website.
- (3) Any required posters may be obtained as follows:

Poster(s)	Obtain from
GSA Office of Inspector General "FRAUDNET HOTLINE"	Contracting Officer

(Contracting Officer shall insert—

- (i) Appropriate agency name(s) and/or title of applicable Department of Homeland Security fraud hotline poster); and
- (ii) The website(s) or other contact information for obtaining the poster(s).)

(c) If the Contractor has implemented a business ethics and conduct awareness program, including a reporting mechanism, such as a hotline poster, then the Contractor need not display any agency fraud hotline posters as required in paragraph (b) of this clause, other than any required DHS posters.

(d) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (d), in all subcontracts that exceed \$5.5 million, except when the subcontract—

- (1) Is for the acquisition of a commercial item; or
- (2) Is performed entirely outside the United States.

28. 552.270-30 PRICE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JUN 2011)
(Applicable to leases over the Simplified Lease Acquisition Threshold.)

(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 five percent of the amount of the rental for each month of the remaining term of the lease, including any option periods, and recover five percent of the rental already paid;
- (2) Reduce payments for alterations not included in monthly rental payments by five 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 thereof. The Lessor shall have a period determined by the

LESSOR: _____ GOVERNMENT: _____

[REDACTED]

agency head or designee, but not less than 30 calendar days after receipt of such notice, to submit in person, in writing, or through a representative, information and argument in opposition to the proposed reduction. The agency head or designee may, upon good cause shown, determine to deduct less than the above amounts from payments.

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

29. 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (AUG 2011)

(Applicable when cost or pricing data are required for work or services over \$750,000.)
This clause is incorporated by reference.

30. 552.270-13 PROPOSALS FOR ADJUSTMENT (SEP 1999)

(a) The Contracting Officer may, from time to time during the term of this lease, require changes to be made in the work or services to be performed and in the terms or conditions of this lease. Such changes will be required under the Changes clause.

(b) If the Contracting Officer makes a change within the general scope of the lease, the Lessor shall submit, in a timely manner, an itemized cost proposal for the work to be accomplished or services to be performed when the cost exceeds \$100,000. The proposal, including all subcontractor work, will contain at least the following detail—

- (1) Material quantities and unit costs;
- (2) Labor costs (identified with specific item or material to be placed or operation to be performed;
- (3) Equipment costs;
- (4) Worker's compensation and public liability insurance;
- (5) Overhead;
- (6) Profit; and
- (7) Employment taxes under FICA and FUTA.

(c) The following Federal Acquisition Regulation (FAR) provisions also apply to all proposals exceeding \$500,000 in cost—

(1) The Lessor shall provide cost or pricing data including subcontractor cost or pricing data (48 CFR 15.403-4) and

(2) The Lessor's representative, all Contractors, and subcontractors whose portion of the work exceeds \$500,000 must sign and return the "Certificate of Current Cost or Pricing Data" (48 CFR 15.406-2).

(d) Lessors shall also refer to 48 CFR Part 31, Contract Cost Principles, for information on which costs are allowable, reasonable, and allocable in Government work.

31. CHANGES (MAR 2013)

(a) The LCO may at any time, by written order, direct changes to the Tenant Improvements within the Space, Building Security Requirements, or the services required under the Lease.

(b) If any such change causes an increase or decrease in Lessor's costs or time required for performance of its obligations under this Lease, whether or not changed by the order, the Lessor shall be entitled to an amendment to the Lease providing for one or more of the following:

[REDACTED] [REDACTED]
LESSOR: _____ GOVERNMENT: _____

- [REDACTED]
- (1) An adjustment of the delivery date;
 - (2) An equitable adjustment in the rental rate;
 - (3) A lump sum equitable adjustment; or
 - (4) A change to the operating cost base, if applicable.

(c) The Lessor shall assert its right to an amendment under this clause within 30 days from the date of receipt of the change order and shall submit a proposal for adjustment. Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, the pendency of an adjustment or existence of a dispute shall not excuse the Lessor from proceeding with the change as directed.

(d) Absent a written change order from the LCO, or from a Government official to whom the LCO has explicitly and in writing delegated the authority to direct changes, the Government shall not be liable to Lessor under this clause.

32. 552.215-70 EXAMINATION OF RECORDS BY GSA (FEB 1996)

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

33. 52.215-2 AUDIT AND RECORDS—NEGOTIATION (OCT 2010)
(Applicable to leases over the Simplified Lease Acquisition Threshold.)
This clause is incorporated by reference.

34. 52.233-1 DISPUTES (MAY 2014)
This clause is incorporated by reference.

35. 52.222-26 EQUAL OPPORTUNITY (APR 2015)
This clause is incorporated by reference.

36. 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (APR 2015)
This clause is incorporated by reference.

37. 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (JUL 2013)
(Applicable to leases exceeding the micro-purchase threshold.)
This clause is incorporated by reference.

38. 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (OCT 2015)
(Applicable to leases \$150,000 or more, total contract value.)

(a) Definitions. As used in this clause—

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

“Active duty wartime or campaign badge veteran,” “Armed Forces service medal veteran,” “disabled veteran,” “protected veteran,” “qualified disabled veteran,” and “recently separated veteran” have the meanings given at FAR [22.1301](#).

- (b) Equal opportunity clause. The Contractor shall abide by the requirements of the equal opportunity clause at 41 CFR 60-300.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified protected veterans, and requires affirmative action by the Contractor to employ and advance in employment qualified protected veterans.
- (c) Subcontracts. The Contractor shall insert the terms of this clause in subcontracts of \$150,000 or more unless exempted by rules, regulations, or orders of the Secretary of Labor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

39. 52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES (JUL 2014)

(Applicable to leases over \$15,000 total contract value.)

- (a) *Equal opportunity clause.* The Contractor shall abide by the requirements of the equal opportunity clause at 41 CFR 60-741.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by the Contractor to employ and advance in employment qualified individuals with disabilities.
- (b) *Subcontracts.* The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of \$15,000 unless exempted by rules, regulations, or orders of the Secretary, so that such provisions will be binding upon each subcontractor or vendor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs of the U.S. Department of Labor, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

40. 52.222-37 EMPLOYMENT REPORTS ON VETERANS (FEB 2016)

(Applicable to leases \$150,000 or more, total contract value.)

This clause is incorporated by reference.

41. 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (OCT 2015)

(Applicable to

leases over \$35,000 total contract value.)

This clause is incorporated by reference.

42. 52.215-12 SUBCONTRACTOR CERTIFIED COST OR PRICING DATA (OCT 2010)

(Applicable if over \$750,000 total contract value.)

This clause is incorporated by reference.

43. 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 2014)

(Applicable to leases over the Simplified Lease Acquisition Threshold.)

This clause is incorporated by reference.

44. 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (OCT 2015) ALTERNATE III (OCT 2015)

(Applicable to leases over \$700,000 total contract value.)

This clause is incorporated by reference.

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

45. 52.219-16 LIQUIDATED DAMAGES—SUBCONTRACTING PLAN (JAN 1999)
(Applicable to leases over \$700,000 total contract value.)
This clause is incorporated by reference.

46. 52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (OCT 2015)
(Applicable if over \$30,000 total contract value.)
This clause is incorporated by reference.

47. 552.219-73 GOALS FOR SUBCONTRACTING PLAN (JUN 2005), ALTERNATE I (SEP 1999)
(Applicable if over \$700,000 total contract value.)
This clause is incorporated by reference.

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

SECURITY REQUIREMENTS - FACILITY SECURITY LEVEL II

THESE PARAGRAPHS CONTAIN ADDITIONAL SECURITY REQUIREMENTS, AND, UNLESS INDICATED OTHERWISE, ARE TO BE PRICED AS PART OF THE BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC). WHERE THEY ARE IN CONFLICT WITH ANY OTHER REQUIREMENTS ON THIS LEASE, THE STRICTEST SHALL APPLY.

DEFINITIONS:

CRITICAL AREAS - The areas that house systems that if damaged or compromised could have significant adverse consequences for the facility, operation of the facility, or mission of the agency or its occupants and visitors. These areas may also be referred to as "limited access areas," "restricted areas," or "exclusionary zones." Critical areas do not necessarily have to be within Government-controlled space (e.g., generators, air handlers, electrical feeds which could be located outside Government-controlled space).

SENSITIVE AREAS – Sensitive areas include vaults, SCIFs, evidence rooms, war rooms, and sensitive documents areas. Sensitive areas are primarily housed within Government-controlled space.

FACILITY ENTRANCES, LOBBY, COMMON AREAS, NON-PUBLIC, AND UTILITY AREAS.

FACILITY ENTRANCES AND LOBBY

EMPLOYEE ACCESS CONTROL AT ENTRANCES (SHELL)

The Lessor shall provide key or electronic access control for the entrance to this building. All Government employees, under this lease, shall be allowed access to the leased space (including after-hours access).

COMMON AREAS, NON-PUBLIC, AND UTILITY AREAS.

PUBLIC RESTROOM ACCESS (SHELL)

The Government reserves the right to control access to public restrooms located within the Space.

SECURING CRITICAL AREAS (SHELL)

The Lessor shall secure areas designated as Critical Areas to restrict access:

- A. Keyed locks, keycards, or similar security measures shall strictly control access to mechanical areas. Additional controls for access to keys, keycards, and key codes shall be strictly maintained. The Lessor shall develop and maintain accurate HVAC diagrams and HVAC system labeling within mechanical areas.

LESSOR: _____ GOVERNMENT: _____

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- B. Roofs with HVAC systems shall also be secured. Fencing or other barriers may be required to restrict access from adjacent roofs based on a Government Building Security Assessment. Roof access shall be strictly controlled through keyed locks, keycards, or similar measures. Fire and life safety egress shall be carefully reviewed when restricting roof access.
- C. At a minimum, Lessor shall secure building common areas including sprinkler rooms, electrical closets, telecommunications rooms.

VISITOR ACCESS CONTROL (SHELL)

Entrances are open to the public during business hours. After hours, visitor entrances are secured, and have a means to verify the identity of persons requesting access prior to allowing entry into the Space.

INTERIOR (GOVERNMENT SPACE)

DESIGNATED ENTRANCES (SHELL)

The Government shall have a designated main entrance.

IDENTITY VERIFICATION (SHELL)

The Government reserves the right to verify the identity of persons requesting access to the Space prior to allowing entry.

FORMAL KEY CONTROL PROGRAM (SHELL)

The Government reserves the right to implement a formal key control program. The Lessor shall have a means of allowing the electronic disabling of lost or stolen access media, if electronic media is used.

SITES AND EXTERIOR OF THE BUILDING

SIGNAGE

POSTING OF SIGNAGE IDENTIFYING THE SPACE AS GOVERNMENTAL (SHELL)

The Lessor shall not post sign(s) or otherwise identify the facility and parking areas as a Government, or specific Government tenant, occupied facility, including during construction, without written Government approval.

POSTING OF REGULATORY SIGNAGE (SHELL)

The Government may post or request the Lessor to post regulatory, statutory, sensitive areas and site specific signage.

LANDSCAPING

LANDSCAPING REQUIREMENTS (SHELL)

Lessor shall maintain landscaping (trees, bushes, hedges, land contour, etc.) around the facility. Landscaping shall be neatly trimmed in order to minimize the opportunity for concealment of individuals and packages/containers. Landscaping shall not obstruct the views of security guards and CCTV cameras, or interfere with lighting or IDS equipment.

CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (SHELL)

The Lessor shall separate from public access, restricted areas as designated by the Government, through the application of Crime Prevention Through Environmental Design (CPTED) principles by using trees, hedges, berms, or a combination of these or similar features, and by fences, walls, gates and other barriers, where feasible and acceptable to the Government.

HAZMAT STORAGE

If there is HAZMAT storage, Lessor shall locate it in a restricted area or storage container away from loading docks, entrances, and uncontrolled parking.

PLACEMENT OF RECEPTACLES, CONTAINERS, AND MAILBOXES

Trash receptacles, containers, mailboxes, vending machines, or other fixtures and/or features that could conceal packages, brief cases, or other portable containers shall be located 10 feet away from building.

SECURITY SYSTEMS

CLOSED CIRCUIT TELEVISION SYSTEM (CCTV)

LESSOR PROVIDED DESIGN, INSTALLATION, AND MAINTENANCE

The lessor shall design, install, and maintain a Closed Circuit Television (CCTV) system as described in this section. The CCTV system will support the entry control system (at entrances and exits to the space), with time lapse video recording, that will allow Government employees to view and communicate remotely with visitors before allowing access to the Space. As determined by the Government the CCTV system shall provide unobstructed coverage of designated pedestrian entrances and exits. Technical review of the proposed system shall be coordinated with the Government security representative, at the direction of the Contracting Officer, prior to installation. CCTV system testing and acceptance shall be conducted by the Government prior to occupancy. The CCTV system shall comply with the Architectural Barriers Act, section F230.0. The Government will centrally monitor the CCTV system. Government specifications are available from the Lease Contracting Officer. CCTV system components which fail or require maintenance or which fail during testing should be serviced in accordance with the Security System Maintenance Criteria listed below.

Security System Maintenance Criteria: The Lessor, in consultation and coordination with a security provider, either internal or external, as determined by the Lease Contracting Officer, and the Government security representative, shall implement a preventive maintenance program for all security systems the

LESSOR: _____ GOVERNMENT: _____

SECURITY REQUIREMENTS (LEVEL II)

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[REDACTED]

Lessor has installed. Any critical component that becomes inoperable must be replaced or repaired by the Lessor within 5 business days. Critical components are those required to provide security (IDS, CCTV, access control, etc.) for a perimeter access point or critical area. "Replacement" may include implementing other temporary measures in instances where the replacement or repair is not achievable within the specified time frame (e.g. a temporary barrier to replace an inoperable pop-up vehicle barrier, etc.). Failure by the Lessor to provide sufficient replacement measures within the timeframe identified above may result in the Government's providing guard service, the cost of which must be reimbursed by the Lessor.

The Lessor, at the notice to proceed stage of the procurement, shall advise the Government of the appropriate time to install the equipment during the construction of the Space. The Lessor shall facilitate the installation by allowing access to electrical panels and other areas of the building as necessary.

INTRUSION DETECTION SYSTEM (IDS)

LESSOR PROVIDED DESIGN, INSTALLATION, AND MAINTENANCE

The Lessor shall design, install, and maintain an Intrusion Detection System (IDS) as described in this section. The Government requires an IDS, which will cover perimeter entry and exit doors, and operable ground-floor windows. Basic Security-in-Depth IDS components include: magnetic door switch(s), alarm system keypad, passive infrared sensor(s) (PIR), an alarm panel (to designated monitoring center) and appropriate communication method i.e. telephone and/or Internet connection, glass-break detector, magnetic window switches or shock sensors. Technical review of the proposed system shall be coordinated with the Government security representative, at the direction of the Lease Contracting Officer, prior to installation. System testing and acceptance shall be conducted by the Government prior to occupancy.

Basic Security-in-Depth IDS shall be connected to and monitored at a central station operated by the Department of Homeland Security Megacenter. Emergency notification lists shall be coordinated with the monitoring station to include all applicable Government and lessor points of contact. Monitoring shall be designed to facilitate a real-time detection of an incident, and to coordinate an active response to an incident. The Lessor must complete the Megacenter Alarm Requirements (MAR) application process specified by the Government to meet the monitoring requirements for a functional IDS. Components which fail or require maintenance or which fail during testing shall be serviced in accordance with the Security System Maintenance Criteria listed below..

Security System Maintenance Criteria: The Lessor, in consultation and coordination with a security provider, either internal or external, as determined by the Lease Contracting Officer, and the Government security representative, shall implement a preventive maintenance program for all security systems the Lessor has installed. Any critical component that becomes inoperable must be replaced or repaired by the Lessor within 5 business days. Critical components are those required to provide security (IDS, CCTV, access control, etc.) for a perimeter access point or critical area. "Replacement" may include implementing other temporary measures in instances where the replacement or repair is not achievable within the specified time frame (e.g. a temporary barrier to replace an inoperable pop-up vehicle barrier, etc.). Failure by the Lessor to provide sufficient replacement measures within the timeframe identified above may result in the Government's providing guard service, the cost of which must be reimbursed by the Lessor.

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

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[REDACTED]

GOVERNMENT PROVIDED SCOPE AND PRODUCT, INSTALLATION, AND MAINTENANCE The Lessor shall permit installation of a perimeter Intrusion Detection System (IDS) to be operated by the Government. The Government shall provide and install an IDS on perimeter entry and exit doors, and operable ground-floor windows. Basic Security-in-Depth IDS— include: magnetic door switch(s), alarm system keypad, passive infrared sensor(s) (PIR), an alarm panel (to designated monitoring center) and appropriate communication method i.e. telephone and/or Internet connection, glass-break detector, magnetic window switches or shock sensors.

Basic Security-in-Depth IDS shall be connected and monitored at a central station. Emergency notification lists shall be coordinated with the monitoring station to include all applicable Government and Lessor points of contact. Monitoring shall be designed to facilitate a real-time detection of an incident, and to coordinate an active response to an incident.

The Lessor, at the notice to proceed stage of the procurement, shall advise the Government of the appropriate time to install the equipment during the construction of the Space. The Lessor shall facilitate the installation by allowing access to electrical panels and other areas of the building, as necessary.

DURESS ALARM

LESSOR PROVIDED DESIGN, INSTALLATION, AND MAINTENANCE

The Lessor shall design, install, and maintain a duress alarm system as described Technical review shall be coordinated with the Government security representative, at the direction of the Contracting Officer, prior to installation. System testing and acceptance shall be conducted by the Government prior to occupancy. This system shall comply with the Architectural Barriers Act, section F230.0.

The Lessor in consultation and coordination with the security provider and Government shall conduct security system performance testing annually. Testing must be based on established, consistent agency-specific protocols, documented and furnished to the Contracting Officer. Components which fail or require maintenance or which fail during testing should be serviced in accordance with the Security System Maintenance Criteria listed below.

Security System Maintenance Criteria: The Lessor in consultation and coordination with a security provider, either internal or external, as determined by the Lease Contracting Officer, and the Government security representative shall implement a preventive maintenance program for all security systems they have installed. Any critical component that becomes inoperable must be replaced or repaired within 5 business days. Critical components are those required to provide security (IDS, CCTV, access control, etc.) for a perimeter access point or critical area. "Replacement" may include implementing other temporary measures in instances where the replacement or repair is not achievable within the specified time frame (e.g. a temporary barrier to replace an inoperable pop-up vehicle barrier, etc.). Failure by the Lessor to provide sufficient replacement measures within the timeframe identified above may result in the Government's providing guard service, the cost of which must be reimbursed by the Lessor.

GOVERNMENT PROVIDED SCOPE, PRODUCT, INSTALLATION, AND MAINTENANCE

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

SECURITY REQUIREMENTS (LEVEL II)

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[REDACTED]

[REDACTED]

The Lessor shall permit installation of a duress alarm system to be provided and operated by the Government. The Government, in coordination with a security provider, either internal or external, as determined by the Contracting Officer, shall document and implement duress procedures for emergency situations.

The Lessor, at the notice to proceed stage of the procurement, shall advise the Government of the appropriate time to install the equipment during the construction of the Space and shall facilitate the installation, including access to electrical panels and other areas of the building, as necessary.

STRUCTURE

WINDOWS

No countermeasures are required for baseline standard.

OPERATIONS AND ADMINISTRATION

LESSOR TO WORK WITH FACILITY SECURITY COMMITTEE (FSC) (SHELL)

The Lessor shall cooperate and work with the buildings Facility Security Committee (FSC) throughout the term of the lease.

ACCESS TO BUILDING INFORMATION (SHELL)

Building Information—including mechanical, electrical, vertical transport, fire and life safety, security system plans and schematics, computer automation systems, and emergency operations procedures—shall be strictly controlled. Such information shall be released to authorized personnel only, approved by the Government, by the development of an access list and controlled copy numbering. The Contracting Officer may direct that the names and locations of -Government tenants not be disclosed in any publicly accessed document or record. If that is the case, the Government may request that such information not be posted in the building directory.

Lessor shall have emergency plans and associated documents readily available in the event of an emergency.

CYBERSECURITY (SHELL)

- A. Lessors are prohibited from connecting any portion of their building and access control systems (BACS) to any federally-owned or operated IT network. BACS include systems providing fire and life safety control, physical access control, building power and energy control, electronic surveillance, and automated HVAC, elevator, or building monitoring and control services (including IP addressable devices, application servers, or network switches).
- B. In the event of a cybersecurity incident related to BACS, the Lessor shall initially assess the cyber incident, identify the impacts and risks to the Building and its occupants, and follow their organization's cyber and IT procedures and protocols related to containing and handling a

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

SECURITY REQUIREMENTS (LEVEL II)

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[REDACTED]

[REDACTED]

cybersecurity incident. In addition, the Lessor shall immediately inform the Lease Contracting Officer's (LCO's) designated representative, i.e., the Lease Administration Manager (LAM), about cybersecurity incidents that impact a federal tenant's safety, security, or proper functioning.

C. Lessors are encouraged to put into place the following cyber protection measures in order to safeguard facilities and occupants:

1. Engineer and install BACS to comply with the Department of Homeland Security Industrial Control Systems Computer Emergency Response Team (DHS ICS-CERT) cyber security guidance and recommendations (<https://ics-cert.us-cert.gov/Recommended-Practices>).
2. Refer to the National Institute of Standards and Technology Cyber Security Framework (NIST-CSF) (<https://www.nist.gov/cyberframework>) and cybersecurity guidance in the DHS Commercial Facilities Sector-Specific Plan (<https://www.dhs.gov/publication/nipp-ssp-commercial-facilities-2015>) for best practices to manage cyber risks.
3. Encourage vendors of BACS to secure these devices and software through the following:
 - a. Develop and Institute a proper Configuration Management Plan for the BACS devices and applications, so that the system can be supported.
 - b. Safeguard sensitive data and/or login credentials through the use of strong encryption on devices and applications. This means using NIST- approved encryption algorithms, secure protocols (i.e., Transport Layer Security (TLS) 1.1, TLS 1.2, TLS 1.3) and Federal Information Processing Standard (FIPS) 140-2 validated modules.
 - c. Disable unnecessary services in order to protect the system from unnecessary access and a potential exposure point by a malicious attacker. Examples include File Transfer Protocol-FTP (a protocol used for transferring files to a remote location) and Telnet (allowing a user to issue commands remotely). Additionally, use of protocols that transmit data in the clear (such as default ZigBee) should be avoided, in favor of protocols that are encrypted.
 - d. Close unnecessary open ports to secure against unprivileged access.
 - e. Monitor and free web applications and supporting servers of common vulnerabilities in web applications, such as those identified by the (Open Web Application Security Project (OWASP) Top 10 Project (https://www.owasp.org/index.php/Category:OWASP_Top_Ten_Project)).
 - f. Enforce Least Privilege, where proper permissions are enforced on a device or application so that a malicious attacker cannot gain access to all data. Enforcing Least Privilege will only allow users to access data they are allowed to see. Additional information can be found at <https://www.beyondtrust.com/blog/what-is-least-privilege/>
 - g. Protect against Insufficient User Access Auditing, where device or application does not have a mechanism to log/track activity by user. Enforce changing of factory default Username and Password to prevent unauthorized entry into the BACS system.
 - h. Use updated antivirus software subscription at all times. Kaspersky-branded products or services, prohibited from use by the Federal Government, are not to be utilized.

[REDACTED] LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

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[REDACTED]

[REDACTED]

- i. Conduct antivirus and spyware scans on a regular basis. Patching for workstations and server Operating System (OS), as well as vulnerability patching should follow standard industry best practices for software development life cycle (SDLC).
- j. Discontinue the use of end of life (EOL) systems and use only applications/systems that are supported by the manufacturer.
- k. Operating Systems must be supported by the vendor for security updates (e.g., do not use Windows Server 2003).
- l. Proposed standard installation, operation, maintenance, updates, and/or patching of software shall not alter the configuration settings from the approved United States Government Configuration Baseline (USGCB) or tenant agency guidance (if applicable).
- m. Disallow the use of commercially-provided circuits to manage building systems and install building systems on a protected network, safeguarded by the enterprise firewalls in place. Workstations or servers running building monitor and control systems are not connected and visible on the public internet.
- n. Systems should have proper system configuration hardening and align with Center for Internet Security [\(CIS\) benchmarks](https://www.cisecurity.org/cis-benchmarks/) or other industry recognized benchmarks. Additional information can be found at <https://www.cisecurity.org/cis-benchmarks/>.

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

SECURITY REQUIREMENTS (LEVEL II)

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Exhibit E

ADDENDUM to the System for Award Management (SAM) REPRESENTATIONS AND CERTIFICATIONS (Acquisitions of Leasehold Interests in Real Property)	Request for Lease Proposals Number 19-REG07-8TX3257	Dated 19 Mar 2019
--	--	------------------------------

Complete appropriate boxes, sign the form, and attach to offer.

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

**1. ANNUAL REPRESENTATIONS AND CERTIFICATIONS FOR LEASEHOLD ACQUISITIONS
(APR 2015)**

- (a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 531120, unless the real property is self-storage (#531130), land (#531190), or residential (#531110).
- (2) The small business size standard is 38.5 Million in annual average gross revenue of the concern for the last 3 fiscal years.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
- (b) The System for Award Management (SAM) is a centrally located, searchable database which assists in the development, maintenance, and provision of sources for future procurements. The Offeror, by signing this addendum, hereby certifies he is registered in SAM.
- ☐ Registration Active and Copy Attached

**2. 552.203-72 REPRESENTATION BY CORPORATIONS REGARDING AN UNPAID
DELINQUENT FEDERAL TAX LIABILITY OR A FELONY CONVICTION UNDER ANY FEDERAL LAW
(DEVIATION) (OCT 2013)**

- (a) In accordance with Sections 630 and 631 of Division of the Consolidated Appropriations Act, 2012 (Pub. L. 112-74), and Section 101 of the Continuing Appropriations Act, 2014 (Pub. L. 113-16) none of the funds made available by the Continuing Appropriations Act 2014 may be used to enter into a contract action with any corporation that---
- (1) Has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless the agency has considered suspension or debarment of the corporation and made a determination that this further action is not necessary to protect the interests of the Government, or
- (2) Was convicted, or had an officer or agent of such corporation acting on behalf of the corporation convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless the agency has considered suspension or debarment of the corporation or such officer or agent and made a determination that this action is not necessary to protect the interests of the Government.
- (b) The Contractor represents that---
- (1) It is ☐ is not ☐ a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or

(2) It is [] is not [] a corporation that was convicted, or had an officer or agent of the corporation acting on behalf of the corporation, convicted of a felony criminal violation under any Federal law within the preceding 24 months.

(a) Enter number: 079584735

OFFEROR OR LEGALLY AUTHORIZED REPRESENTATIVE	NAME, ADDRESS (INCLUDING ZIP CODE)	TELEPHONE NUMBER
	<p>e-Signed by [REDACTED] on 2019-09-27</p> <hr/> <p>Signature</p>	<hr/> <p>Date</p>

LEASE NO. GS-07P-LTX00520On-Airport Lease
GSA FORM L201D (February 2020)

This Lease is made and entered into between

Lessor's Name

Houston, City of

78659
2020-0920

(Lessor), whose principal place of business is 7800 Airport Blvd, Suite 8, Houston, 77061 - 4145, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

William P. Hobby Airport, 7800 Airport Blvd, Houston, 77061- 4145

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years, 10 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government which shall occur on or before December 01, 2020, the day after expiration of the previous lease.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSOR: See Exhibit A_____
Name: _____
Title: _____
Entity: _____
Date: _____**WITNESSED FOR THE LESSOR BY:**_____
Name: _____
Title: _____
Date: _____**FOR THE GOVERNMENT:**

DocuSigned by:

97FE3AAADB94494

Name: _____
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
11/30/2020
Date: _____

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

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SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SEP 2015)

The Premises are described as follows:

A. Office and Related Space: 4,699 rentable square feet (RSF), yielding 4,699 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the Terminal Baggage Claim Level (2,120 RSF/ABOA), Central Concourse – Apron Level (256 RSF/ABOA), Terminal Baggage Claim Level (1,673 RSF/ABOA) of the Building and the Remote Baggage Screening Building (256 RSF/ABOA) as depicted on the floor plan(s) attached hereto as Exhibit B.

B. Common Area Factor: The Common Area Factor (CAF) is established as 1 (4,699 rsf / 4,699 usf). This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. Parking: 0 parking spaces as depicted on the plan attached hereto as Exhibit C, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces and 0 shall be surface/outside parking spaces. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennas, Satellite Dishes and Related Transmission Devices: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION (ON-AIRPORT) (OCT 2019)

A. The Government shall pay the Lessor annual rent payable monthly in arrears at the following rates:

	Years 1 - 5		Years 6 - 10	
	Annual Rent	Annual Rate / RSF	Annual Rent	Annual Rate / RSF
Shell Rental Rate	\$140,970.00	\$30.00	\$140,970.00	\$30.00
Operating Costs	\$277,241.00	\$59.00	\$339,972.65	\$72.35
Full Service Rate	\$418,211.00	\$89.00	\$480,942.65	\$102.35

B. Rent is subject to adjustment based upon a mutual measurement of the Space upon acceptance, not to exceed 4,699 ABOA SF, based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Rent is subject to adjustment based upon the final TI cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

E. Rent shall be paid to Lessor by electronic funds transfer (EFT) in accordance with the provisions of the General Clauses. Rent shall be payable using the EFT information contained in the System for Award Management (SAM). In the event the EFT information changes, the Lessor shall be responsible for providing the updated information to SAM. Failure by the Lessor to maintain an active registration in SAM may result in delay of rental payments until such time as the SAM registration is activated. This registration service is free of charge.

F. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described herein in the paragraph entitled "The Premises,"

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;

3. Performance or satisfaction of all other obligations set forth in this Lease; and,

4. All services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

1.04 TERMINATION RIGHTS (ON-AIRPORT) (SEP 2013)

A. The Government may terminate this Lease, in whole or in part, at any time during the term of this lease with 90 days' prior written notice to the Lessor if (i) regularly scheduled commercial air services cease, (ii) the airport opts to replace TSA screeners with private contractors, (iii) the checkpoint supported by the leased Space is closed, or (iv) the Government reduces its presence at the airport due to a reduction in enplanements. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.05 RENEWAL RIGHTS (OCT-2016) INTENTIONALLY DELETED

1.06 DOCUMENTS INCORPORATED IN THE LEASE (ON-AIRPORT) (OCT 2019)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
City of Houston, TX Signature Page	1	A
Floor Plan(s)	1	B
Parking Plan(s)	1	C
GSA Form 3517B, General Clauses	17	D
GSA Form 3518 SAM, Representation & Certification	2	E
Security Requirements	5	F

1.07 OPERATING COST BASE (OCT-2016) INTENTIONALLY DELETED

1.08 LESSOR'S DUNS NUMBER (OCT 2017)

Lessor's Dun & Bradstreet DUNS Number: 785872334.

SECTION 2 GENERAL TERMS, CONDITIONS, AND STANDARDS

2.01 DEFINITIONS AND GENERAL TERMS (OCT 2016)

Unless otherwise specifically noted, all terms and conditions set forth in this Lease shall be interpreted by reference to the following definitions, standards, and formulas:

- A. Appurtenant Areas. Appurtenant Areas are defined as those areas and facilities on the Property that are not located within the Premises, but for which rights are expressly granted under this Lease, or for which rights to use are reasonably necessary or reasonably anticipated with respect to the Government's enjoyment of the Premises and express appurtenant rights.
- B. Broker. If GSA awarded this Lease using a contract real estate broker, Broker shall refer to GSA's broker.
- C. Building. Building(s) situated on the Property in which the Premises are located.
- D. Commission Credit. If GSA awarded this Lease using a Broker, and the Broker agreed to forego a percentage of its commission to which it is entitled in connection with the award of this Lease, the amount of this credit is referred to as the "Commission Credit."
- E. Common Area Factor. The "Common Area Factor" (CAF) is a conversion factor determined by the Building owner and applied by the owner to the ABOA SF to determine the RSF for the leased Space. The CAF is expressed as a percentage of the difference between the amount of rentable SF and ABOA SF, divided by the ABOA SF. For example 11,500 RSF and 10,000 ABOA SF will have a CAF of 15% [(11,500 RSF-10,000 ABOA SF)/10,000 ABOA SF]. For the purposes of this Lease, the CAF shall be determined in accordance with the applicable ANSI/BOMA standard for the type of space to which the CAF shall apply.
- F. Contract. Contract shall mean this Lease.
- G. Contractor. Contractor shall mean Lessor.
- H. Days. All references to "day" or "days" in this Lease shall mean calendar days, unless specified otherwise.
- I. FAR. All references to the FAR shall be understood to mean the Federal Acquisition Regulation, codified at 48 CFR Chapter 1.
- J. Firm Term/Non-Firm Term. The Firm Term is that part of the Lease term that is not subject to termination rights. The Non-Firm Term is that part of the Lease term following the end of the Firm Term.
- K. GSAR. All references to the GSAR shall be understood to mean the GSA supplement to the FAR, codified at 48 CFR Chapter 5.
- L. Lease Term Commencement Date. The date on which the Lease term commences.
- M. Lease Award Date. The date the LCO executes the Lease and mails or otherwise furnishes written notification of the executed Lease to the successful Offeror (date on which the parties' obligations under the Lease begin).
- N. Premises. The Premises are defined as the total Office Area or other type of Space, together with all associated common areas, described in Section 1 of this Lease, and delineated by plan in the attached exhibit. Parking and other areas to which the Government has rights under this Lease are not included in the Premises.
- O. Property. The Property is defined as the land and Buildings in which the Premises are located, including all Appurtenant Areas (e.g., parking areas) to which the Government is granted rights.
- P. Rentable Space or Rentable Square Feet (RSF). Rentable Space is the area for which a tenant is charged rent. It is determined by the Building owner and may vary by city or by building within the same city. The Rentable Space may include a share of Building support/common areas such as elevator lobbies, building corridors, and floor service areas. Floor service areas typically include restrooms, janitor rooms, telephone closets, electrical closets, and mechanical rooms. The Rentable Space does not include vertical building penetrations and their enclosing walls, such as stairs, elevator shafts, and vertical ducts. Rentable Square Feet is calculated using the following formula for each type of Space (e.g., office, warehouse, etc.) included in the Premises: ABOA SF of Space x (1 + CAF) = RSF.
- Q. Space. The Space shall refer to that part of the Premises to which the Government has exclusive use, such as Office Area, or other type of Space. Parking areas to which the Government has rights under this Lease are not included in the Space.
- R. Office Area. For the purposes of this Lease, Space shall be measured in accordance with the standard (Z65.1-1996) provided by American National Standards Institute/Building Owners and Managers Association (ANSI/BOMA) for Office Area, which means "the area where a tenant normally houses personnel and/or furniture, for which a measurement is to be computed." References to ABOA mean ANSI/BOMA Office Area.
- S. Working Days. Working Days shall mean weekdays, excluding Saturdays and Sundays and Federal holidays.

2.02 AUTHORIZED REPRESENTATIVES (OCT 2016)

Signatories to this Lease shall have full authority to bind their respective principals with regard to all matters relating to this Lease. No other persons shall be understood to have any authority to bind their respective principals, except to the extent that such authority may be explicitly delegated by notice to the other party, or to the extent that such authority is transferred by succession of interest. The Government shall have the right to substitute its Lease Contracting Officer (LCO) by notice, without an express delegation by the prior LCO.

2.03 WAIVER OF RESTORATION (OCT 2018)

Lessor shall have no right to require the Government to restore the Premises upon expiration or earlier termination (full or partial) of the Lease, and waives all claims against the Government for waste, damages, or restoration arising from or related to (a) the Government's normal and customary use of the Premises during the term of the Lease (including any extensions thereof), as well as (b) any initial or subsequent alteration to the Premises regardless of whether such alterations are performed by the Lessor or by the Government. At its sole option, the Government may abandon property in the Space following expiration or earlier termination (full or partial) of the Lease, in which case the property will become the property of the Lessor and the Government will be relieved of any liability in connection therewith.

2.04 OPERATING COSTS ADJUSTMENT (JUN 2012)

A. Beginning with the second year of the Lease and each year thereafter, the Government shall pay annual incremental adjusted rent for changes in costs for cleaning services, supplies, materials, maintenance, trash removal, landscaping, water, sewer charges, heating, electricity, and certain administrative expenses attributable to occupancy.

B. The amount of adjustment will be determined by multiplying the base rate by the annual percent of change in the Cost of Living Index. The percent change will be computed by comparing the index figure published for the month prior to the Lease Term Commencement Date with the index figure published for the month prior which begins each successive 12-month period. For example, a Lease which commences in June of 2005 would use the index published for May of 2005, and that figure would be compared with the index published for May of 2006, May of 2007, and so on, to determine the percent change. The Cost of Living Index will be measured by the Department of Labor revised Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), U.S. city average, all items, (1982 to 1984 = 100) published by the Bureau of Labor Statistics. Payment will be made with the monthly installment of fixed rent. Rental adjustments will be effective on the anniversary date of the Lease; however, payment of the adjusted rental rate will become due on the first workday of the second month following the publication of the Cost of Living Index for the month prior to the commencement of each 12-month period.

C. In the event of any decreases in the Cost of Living Index occurring during the term of the occupancy under the Lease, the rental amount will be reduced accordingly. The amount of such reductions will be determined in the same manner as increases in rent provided under this paragraph.

D. If the Government exercises an option to extend the Lease term at the same rate as that of the original term, the option price will be based on the adjustment during the original term. Annual adjustments will continue.

2.05 RELOCATION RIGHTS (JUN 2012)

If it becomes necessary in the orderly development of the Airport, Lessor may require the relocation of Premises to other space at the Airport which, in the reasonable judgment of Lessor, is similar and suitable for the purposes for which this Lease is entered as such purposes are set forth herein. Should such relocation be necessary, the Lessor shall provide the Government a minimum of 120 days prior written notice. Lessor shall be responsible for all costs for such relocation, including all costs for moving furniture, office equipment, telephone and data lines, and any other costs associated with replicating necessary operational features provided in the space originally leased. The Airport shall provide such relocated Premises at the same rental rate as the original Premises, unless the new Premises are located in an area for which the Airport charges tenants a lower rate, in which event the parties shall negotiate a reduction in the rental rate.

2.06 RECITALS FOR TRANSPORTATION SECURITY ADMINISTRATION (ON-AIRPORT) (JUN 2012)

A. The Transportation Security Administration (TSA) is required, pursuant to 49 U.S.C. 40101—The Aviation and Transportation Security Act (ATSA), to oversee security measures at the Airport.

B. TSA is responsible for airline passenger and baggage screening services at the Airport.

C. The U.S. General Services Administration (GSA), on behalf of TSA, leases certain facilities on the Airport premises for administrative offices and/or break rooms in support of airport passenger and baggage screening services by the TSA.

D. Space for TSA to screen passengers and baggage is expressly excluded from this Lease.

2.07 ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY (ON-AIRPORT) (MAY 2015)

A. The Lessor shall provide floor plans for the Space and a valid Certificate of Occupancy (C of O), issued by the local jurisdiction, for the intended use of the Government. If the local jurisdiction does not issue C of O's or if the C of O is not available, the Lessor may satisfy this condition by providing a report prepared by a licensed fire protection engineer that verifies that the Space complies with all applicable local fire protection and life safety codes and ordinances and all fire protection and life safety-related requirements of this Lease.

B. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.

2.08 ALTERATIONS PRIOR TO ACCEPTANCE (JUN 2012)

The Government's rights stated under the General Clause "Alterations" also apply to initial build-out of the Premises.

2.09 SYSTEM FOR AWARD MANAGEMENT (MAR 2020)

The Offeror must have an active registration in the System for Award Management (SAM), via the Internet at, <https://www.sam.gov/SAM/> prior to the Lease Award Date. Registration must be for purposes of "All Awards" and include completion of all required representations and certifications within SAM. Registration must be active throughout the life of the Lease. To remain active, the Offeror/Lessor is required to update or renew its registration annually. The Government will not process rent payments to Lessors without an active registration in SAM. No change of ownership of the leased Premises will be recognized by the Government until the new owner registers in SAM.

2.10 SECURITY UPGRADES DUE TO IMMEDIATE THREAT (APR 2011)

The Government reserves the right, at its own expense and with its own personnel, to heighten security in the Building under Lease during heightened security conditions due to emergencies such as terrorist attacks, natural disaster, and civil unrest.

SECTION 3 CONSTRUCTION STANDARDS AND SHELL COMPONENTS

3.01 BUILDING SHELL REQUIREMENTS (ON-AIRPORT) (SEP 2013)

A. The Building Shell shall be designed, constructed, and maintained in accordance with the standards set forth herein and completed prior to acceptance of Space. For pricing, fulfillment of all requirements not specifically designated as operating costs or other rent components as indicated shall be deemed included in the Shell Rent.

B. Base structure and Building enclosure components shall be complete. All common areas accessible by the Government, such as lobbies, fire egress corridors and stairwells, elevators, garages, and service areas, shall be complete. Restrooms shall be complete and operational. All newly installed Building shell components, including but not limited to, heating, ventilation, and air conditioning (HVAC), electrical, ceilings, sprinklers, etc., shall be furnished, installed, and coordinated with TIs. Circulation corridors are provided as part of the base Building only on multi-tenanted floors where the corridor is common to more than one tenant. On single tenant floors, only the fire egress corridor(s) necessary to meet code is provided as part of the shell.

3.02 MEANS OF EGRESS (MAY 2015)

A. Prior to occupancy, the Premises and any parking garage areas shall meet or will be upgraded to meet, either the applicable egress requirements in the National Fire Protection Association, Life Safety Code (NFPA 101), or the International Code Council, International Building Code (IBC), each current as of the Lease Award Date, or use an alternative approach or method that achieves an equivalent level of safety deemed acceptable by the Government.

B. The Space shall have unrestricted access to a minimum of two remote exits on each floor of Government occupancy.

C. Interlocking or scissor stairs located on the floor(s) where Space is located shall only count as one exit stair.

D. A fire escape located on the floor(s) where Space is located shall not be counted as an approved exit stair.

E. Doors shall not be locked in the direction of egress unless equipped with special locking hardware in accordance with requirements of NFPA 101 or the IBC.

3.03 AUTOMATIC FIRE SPRINKLER SYSTEM (SEP 2013)

A. Any portion of the Space located below-grade, including parking garage areas, and all areas in a Building referred to as "hazardous areas" (defined in National Fire Protection Association (NFPA) 101) that are located within the entire Building (including non-Government areas) shall be protected by an automatic fire sprinkler system or an equivalent level of safety.

B. For Buildings in which any portion of the Space is on or above the sixth floor, then, at a minimum, the Building up to and including the highest floor of Government occupancy shall be protected by an automatic fire sprinkler system or an equivalent level of safety.

C. For Buildings in which any portion of the Space is on or above the sixth floor, and lease of the Space will result, either individually or in combination with other Government Leases in the Building, in the Government leasing 35,000 or more ANSI/BOMA Office Area SF of Space in the Building, then the entire Building shall be protected throughout by an automatic fire sprinkler system or an equivalent level of safety.

D. Automatic fire sprinkler system(s) shall be installed in accordance with the requirements of NFPA 13, Standard for the Installation of Sprinkler Systems that was in effect on the actual date of installation.

E. Automatic fire sprinkler system(s) shall be maintained in accordance with the requirements of NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-based Fire Protection Systems (current as of the Lease Award Date).

F. "Equivalent level of safety" means an alternative design or system (which may include automatic fire sprinkler systems), based upon fire protection engineering analysis, which achieves a level of safety equal to or greater than that provided by automatic fire sprinkler systems.

3.04 FIRE ALARM SYSTEM (SEP 2013)

A. A Building-wide fire alarm system shall be installed in the entire Building in which any portion of the Space is located on the 3rd floor or higher.

B. The fire alarm system shall be installed in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code that was in effect on the actual date of installation.

C. The fire alarm system shall be maintained in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code (current as of the Lease Award Date).

D. The fire alarm system shall transmit all fire alarm signals to the local fire department via any of the following means: directly to the local fire department, to the (911) public communications center, to a central station, to a remote supervising station, or to a proprietary supervising station.

E. If the Building's fire alarm control unit is over 25 years old as of the Lease Award Date, Lessor shall install a new fire alarm system in accordance with the requirements of NFPA 72, National Fire Alarm and Signaling Code (current as of the Lease Award Date), prior to Government acceptance and occupancy of the Space.

3.05 ENERGY INDEPENDENCE AND SECURITY ACT (DEC 2011)

A. The Energy Independence and Security Act (EISA) establishes the following requirements for Government Leases in Buildings that have not earned the ENERGY STAR® Label conferred by the Environmental Protection Agency (EPA) within one year prior to the due date for final proposal revisions ("most recent year").

B. If this Lease was awarded under any of EISA's Section 435 statutory exceptions, the Lessor shall either:

1. Earn the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease); or
2. Complete energy efficiency and conservation improvements if any, agreed to by Lessor in lieu of earning the ENERGY STAR® Label prior to acceptance of the Space (or not later than one year after the Lease Award Date of a succeeding or superseding Lease).

C. If this Lease was awarded to a Building to be built or to a Building predominantly vacant as of the due date for final proposal revisions and was unable to earn the ENERGY STAR® label for the most recent year (as defined above) due to insufficient occupancy, but was able to demonstrate sufficient evidence of capability to earn the ENERGY STAR® label, then Lessor must earn the ENERGY STAR® label within 18 months after occupancy by the Government.

3.06 ACCESSIBILITY (FEB 2007)

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

3.07 MECHANICAL, ELECTRICAL, PLUMBING: GENERAL (APR 2011)

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

3.08 RESTROOMS (ON-AIRPORT) (JUN 2012)

Government employees shall have access to all public restroom facilities for men and women in the Airport terminal at all times without additional payment.

3.09 HEATING, VENTILATION, AND AIR CONDITIONING (ON-AIRPORT) (APR 2011)

A. Temperatures shall conform to local commercial equivalent temperature levels and operating practices to maximize tenant satisfaction. These temperatures shall be maintained throughout the leased Premises and service areas, regardless of outside temperatures, during the hours of operation specified in this Lease. The Lessor shall perform any necessary systems start-up required to meet the commercially equivalent temperature levels prior to the first hour of each day's operation. At all times, humidity shall be maintained below 60 percent relative humidity.

B. The Lessor shall conduct HVAC system balancing after all HVAC system alterations during the term of the Lease and shall make a reasonable attempt to schedule major construction outside of office hours.

C. Normal HVAC systems maintenance shall not disrupt tenant operations.

3.10 TELECOMMUNICATIONS: LOCAL EXCHANGE ACCESS (ON-AIRPORT) (SEP 2013)

A. The Government may elect to contract its own telecommunications (voice, data, video, Internet, or other emerging technologies) service in the Space. The Government may contract with one or more parties to have inside wiring (or other transmission medium) and telecommunications equipment installed.

B. The Lessor shall allow the Government's designated telecommunications providers access to utilize existing Building wiring to connect its services to the Government's Space. If the existing Building wiring is insufficient to handle the transmission requirements of the Government's designated telecommunications providers, the Lessor shall provide access from the point of entry into the Building to the Government's floor Space, subject to any inherent limitations in the pathway involved.

C. The Lessor shall allow the Government's designated telecommunications providers to affix telecommunications antennas (high frequency, mobile, microwave, satellite, or other emerging technologies), subject to weight and wind load conditions, to roof, parapet, or Building envelope as required.

SECTION 4 UTILITIES, SERVICES, AND OBLIGATIONS DURING THE LEASE TERM**4.01 SERVICES, UTILITIES, AND MAINTENANCE (ON-AIRPORT) (OCT 2013)**

The Lessor is responsible for providing all utilities necessary for base building and tenant operations and all associated costs are included as a part of the established rental rates. The following services, utilities, and maintenance shall be provided by the Lessor as part of the rental consideration (check all that apply):

- | | | | | |
|--|--|--|---|--|
| <input checked="" type="checkbox"/> HEAT | <input type="checkbox"/> TRASH REMOVAL | <input checked="" type="checkbox"/> ELEVATOR SERVICE | <input checked="" type="checkbox"/> INITIAL & REPLACEMENT LAMPS, TUBES & BALLASTS | <input type="checkbox"/> OTHER (Specify below) _____ |
| <input checked="" type="checkbox"/> ELECTRICITY | <input type="checkbox"/> CHILLED DRINKING WATER | <input type="checkbox"/> WINDOW WASHING | <input type="checkbox"/> PAINTING FREQUENCY _____ | |
| <input type="checkbox"/> POWER (Special Equip.) | <input checked="" type="checkbox"/> AIR CONDITIONING | Frequency _____ | Space _____ | |
| <input checked="" type="checkbox"/> WATER (Hot & Cold) | <input type="checkbox"/> RESTROOM SUPPLIES | <input type="checkbox"/> CARPET CLEANING | Public Areas _____ | |
| <input type="checkbox"/> SNOW REMOVAL | <input type="checkbox"/> JANITORIAL SERV. & SUPP. | Frequency _____ | | |

The Lessor shall have an onsite building superintendent or a locally designated representative available to promptly respond to deficiencies, and immediately address all emergency situations.

4.02 PROVISION OF SERVICES, ACCESS, AND NORMAL HOURS FOR AIRPORT OCCUPANCIES (SEP 2013)

The Government shall have access to the Premises and its Appurtenant Areas at all times without additional payment, including the use, during other than normal hours, of necessary services and utilities such as elevators, restrooms, lights, and electric power. Cleaning shall be performed after tenant working hours unless daytime cleaning is specified as a special requirement elsewhere in this Lease. Janitorial Services shall not be required on weekends or Federal holidays. Services, maintenance, and utilities shall be provided **24 hours per day, 7 days per week**.

4.03 MAINTENANCE AND TESTING OF SYSTEMS (SEP 2013)

A. The Lessor is responsible for the total maintenance and repair of the leased Premises. Such maintenance and repairs include the site and private access roads. All equipment and systems shall be maintained to provide reliable, energy efficient service without unusual interruption, disturbing noises, exposure to fire or safety hazards, uncomfortable drafts, excessive air velocities, or unusual emissions of dirt. The Lessor's maintenance responsibility includes initial supply and replacement of all supplies, materials, and equipment necessary for such maintenance. Maintenance, testing, and inspection of appropriate equipment and systems shall be done in accordance with current applicable codes, and inspection certificates shall be displayed as appropriate. Copies of all records in this regard shall be forwarded to the Government's designated representative.

B. At the Lessor's expense, the Government reserves the right to require documentation of proper operations, inspection, testing, and maintenance of fire protection systems, such as, but not limited to, fire alarm, fire sprinkler, standpipes, fire pump, emergency lighting, illuminated exit signs, emergency generator, prior to occupancy to ensure proper operation. These tests shall be witnessed by the Government's designated representative.

4.04 RECYCLING (ON-AIRPORT) (JUN 2012)

Where state or local law, code, or ordinance requires recycling programs (including mercury-containing lamps) for the Space to be provided pursuant to this Lease, the Lessor shall comply with such state and local law, code, or ordinance in accordance with GSA Form 3517, General Clauses, 552.270-8, *Compliance with Applicable Law*. During the lease term, the Lessor agrees, upon request, to provide the Government with additional information concerning recycling programs maintained in the Building and in the Leased Space.

4.05 RANDOLPH-SHEPPARD COMPLIANCE (SEP 2013)

During the term of the Lease, the Lessor may not establish vending facilities within the leased Space that will compete with any Randolph-Sheppard vending facilities.

4.06 SAFEGUARDING AND DISSEMINATION OF CONTROLLED UNCLASSIFIED INFORMATION (CUI) BUILDING INFORMATION (FEB 2020)

This clause applies to all recipients of CUI building information (which falls within the CUI Physical Security category), including offerors, bidders, awardees, contractors, subcontractors, lessors, suppliers and manufacturers.

Marking CUI. Contractors must submit any contractor-generated documents that contain building information to GSA for review and identification of any CUI building information that may be included. In addition, any documents GSA identifies as containing CUI building information must be marked in accordance with the Order and the Marking Controlled Unclassified Information Handbook (the current version may be found at <https://www.archives.gov/files/cui/20161206-cui-marking-handbook-v1-1.pdf>) before the original or any copies are disseminated to any other parties. If CUI content is identified, the CO may direct the contractor, as specified elsewhere in this contract, to imprint or affix CUI document markings (CUI) to the original documents and all copies, before any dissemination, or authorized GSA employees may mark the documents.

1. Authorized recipients.

- a. Building information designated as CUI must be protected with access strictly controlled and limited to those individuals having a Lawful Government Purpose to access such information, as defined in 32 C.F.R. § 2002.4(bb). Those with such a Lawful Government Purpose may include Federal, state and local government entities, and non-governmental entities engaged in the conduct of business on behalf of or with GSA. Non-governmental entities may include architects, engineers, consultants, contractors, subcontractors, suppliers, utilities, and others submitting an offer or bid to GSA, or performing work under a GSA contract or subcontract. Recipient contractors must be registered as "active" in the System for Award Management (SAM) database at www.sam.gov, and have a Lawful Government Purpose to access such information. If a subcontractor is not registered in the SAM database and has a Lawful Government Purpose to possess CUI building information in furtherance of the contract, the subcontractor must provide to the contractor its DUNS number or its tax ID number and a copy of its business license. The contractor must keep this information related to the subcontractor for the duration of the contract and subcontract.
- b. All GSA personnel and contractors must be provided CUI building information when needed for the performance of official Federal, state, and local government functions, such as for code compliance reviews and the issuance of building permits. Public safety entities such as fire and utility departments may have a Lawful Government Purpose to access CUI building information on a case-by-case basis. This clause must not prevent or encumber the necessary dissemination of CUI building information to public safety entities.
2. Dissemination of CUI building information:
- a. By electronic transmission. Electronic transmission of CUI information outside of the GSA network must use session encryption (or alternatively, file encryption) consistent with National Institute of Standards and Technology (NIST) SP 800-171. Encryption must be through an approved NIST algorithm with a valid certification, such as Advanced Encryption Standard or Triple Data Encryption Standard, in accordance with Federal Information Processing Standards Publication 140-2, Security Requirements for Cryptographic Modules, as required by GSA policy.
- b. By nonelectronic form or on portable electronic data storage devices. Portable electronic data storage devices include CDs, DVDs, and USB drives. Nonelectronic forms of CUI building information include paper documents, photographs, and film, among other formats.
- i. By mail. Contractors must only use methods of shipping that provide services for monitoring receipt such as track and confirm, proof of delivery, signature confirmation, or return receipt.
- ii. In person. Contractors must provide CUI building information only to authorized recipients with a Lawful Government Purpose to access such information. Further information on authorized recipients is found in section 1 of this clause.
3. Record keeping. Contractors must maintain a list of all entities to which CUI is disseminated, in accordance with sections 2 and 3 of this clause. This list must include, at a minimum:
- a. The name of the state, Federal, or local government entity, utility, or firm to which CUI has been disseminated;
- b. The name of the individual at the entity or firm who is responsible for protecting the CUI building information, with access strictly controlled and limited to those individuals having a Lawful Government Purpose to access such information;
- c. Contact information for the named individual; and
- d. A description of the CUI building information provided.
- Once "as built" drawings are submitted, the contractor must collect all lists maintained in accordance with this clause, including those maintained by any subcontractors and suppliers, and submit them to the CO. For Federal buildings, final payment may be withheld until the lists are received.
4. Safeguarding CUI documents. CUI building information (both electronic and paper formats) must be stored within controlled environments that prevent unauthorized access. GSA contractors and subcontractors must not take CUI building information outside of GSA or their own facilities or network, except as necessary for the performance of that contract. Access to the information must be limited to those with a Lawful Government Purpose for access.
5. Destroying CUI building information. When no longer needed, CUI building information must either be returned to the CO or destroyed in accordance with guidelines in NIST Special Publication 800-88, Guidelines for Media Sanitization.
6. Notice of disposal. The contractor must notify the CO that all CUI building information has been returned or destroyed by the contractor and its subcontractors or suppliers in accordance with paragraphs 4 and 5 of this clause, with the exception of the contractor's record copy. This notice must be submitted to the CO at the completion of the contract to receive final payment. For leases, this notice must be submitted to the CO at the completion of the lease term.
7. CUI security incidents. All improper disclosures or receipt of CUI building information must be immediately reported to the CO and the GSA Incident Response Team Center at [REDACTED]. If the contract provides for progress payments, the CO may withhold approval of progress payments until the contractor provides a corrective action plan explaining how the contractor will prevent future improper disclosures of CUI building information. Progress payments may also be withheld for failure to comply with any provision in this clause until the contractor provides a corrective action plan explaining how the contractor will rectify any noncompliance and comply with the clause in the future.
8. Subcontracts. The contractor and subcontractors must insert the substance of this clause in all subcontracts.

4.07 INDOOR AIR QUALITY (OCT 2019)

A. The Lessor shall control airborne contaminants at the source and/or operate the Space in such a manner that indoor air quality action limits identified in the PBS Desk Guide for Indoor Air Quality Management (Companion to GSA Order PBS 1000.8), OSHA regulatory limits, and generally accepted consensus standards are not exceeded.

B. The Lessor shall avoid the use of products containing toxic, hazardous, carcinogenic, flammable, or corrosive ingredients as determined from the product label or manufacturer's safety data sheet. The Lessor shall use available odor-free or low odor products when applying paints, glues, lubricants, and similar wet products. When such equivalent products are not available, lessor shall use the alternate products outside normal working hours. Except in an emergency, the Lessor shall provide at least 72 hours advance notice to the Government before applying chemicals or products with noticeable odors in occupied Spaces and shall adequately ventilate those Spaces during and after application.

C. The Lessor shall serve as first responder to any occupant complaints about indoor air quality (IAQ). The Lessor shall promptly investigate such complaints and implement the necessary controls to address each complaint. Investigations shall include testing as needed, to ascertain the source and severity of the complaint.

D. The Government reserves the right to conduct independent IAQ assessments and detailed studies in Space that it occupies, as well as in space serving the Space (e.g., common use areas, mechanical rooms, HVAC systems, etc.). The Lessor shall assist the Government in its assessments and detailed studies by:

1. Making available information on Building operations and Lessor activities;
2. Providing access to Space for assessment and testing, if required; and
3. Implementing corrective measures required by the LCO. The Lessor shall take corrective action to correct any tests or measurements that do not meet GSA policy action limits in the PBS Desk Guide for Indoor Air Quality Management (Companion to GSA Order PBS 1000.8), OSHA regulatory limits and generally accepted consensus standards.

E. The Lessor shall provide to the Government safety data sheets (SDS) upon request for the following products prior to their use during the term of the Lease: adhesives, caulking, sealants, insulating materials, fireproofing or firestopping materials, paints, carpets, floor and wall patching or leveling materials, lubricants, clear finish for wood surfaces, janitorial cleaning products, pesticides, rodenticides, and herbicides. The Government reserves the right to review such products used by the Lessor within the Space, common building areas, ventilation systems and zones serving the Space, and the area above suspended ceilings and engineering space in the same ventilation zone as the Space.

F. The Lessor shall use high efficiency (HEPA) filtration vacuums for cleaning and minimum MERV 10 rated ventilation system filtration whenever feasible.

G. The Lessor is encouraged to comply with best practices outlined in Appendix D- Indoor Air Quality in GSA Leased Facilities (Best Practices) within the PBS Desk Guide for Indoor Air Quality Management (Companion to GSA Order PBS 1000.8).

4.08 HAZARDOUS MATERIALS (ON-AIRPORT) (OCT 2018)

The leased Space shall be free of hazardous materials, hazardous substances, and hazardous wastes, as defined by and according to applicable Federal, state, and local environmental regulations including, but not limited to, the following:

A. The leased Space shall be free of all asbestos containing materials, except undamaged asbestos flooring in the Space or undamaged boiler or pipe insulation outside the Space, in which case an asbestos management program conforming to EPA guidance shall be implemented.

B. The Lessor shall provide Space to the Government that is free from ongoing water leaks or moisture infiltration. The Space and ventilation zones serving the Space shall also be free of visible mold or actionable airborne mold.

1. Actionable mold is either visible mold or airborne mold of types and concentrations in excess of that found in the local outdoor air or non-problematic control areas elsewhere in the same building, whichever is lower. The Lessor shall safely remediate all actionable mold in accordance with sub-paragraph B.2 below

2. The Lessor shall be responsible for conducting the remediation in accordance with the relevant provisions of the document entitled "Mold Remediation in Schools and Commercial Buildings" (EPA 402-K-01-001, September 2008), published by EPA, as same may be amended or revised from time to time, and any other applicable Federal, state, or local laws, regulatory standards, and guidelines.

3. The Lessor acknowledges and agrees that the Government shall have a reasonable opportunity to inspect the leased Space after conclusion of the remediation. If the results of the Government's inspection indicate that the remediation does not comply with the plan or any other applicable Federal, state, or local laws, regulatory standards, or guidelines, the Lessor, at its sole cost, expense, and risk, shall immediately take all further actions necessary to bring the remediation into compliance.

4. If the Lessor fails to exercise due diligence, or is otherwise unable to remediate the actionable mold, the Government may implement a corrective action program and deduct its costs from the rent.

4.09 OCCUPANT EMERGENCY PLANS (SEP 2013)

The Lessor is required to cooperate, participate and comply with the development and implementation of the Government's Occupant Emergency Plan (OEP) and if necessary, a supplemental Shelter-in Place (SIP) Plan. Periodically, the Government may request that the Lessor assist in reviewing and revising its OEP and SIP. The Plan, among other things, must include an annual emergency evacuation drill, emergency notification procedures for the Lessor's Building engineer or manager, Building security, local emergency personnel, and Government agency personnel.

SECTION 5 ADDITIONAL TERMS AND CONDITIONS

5.01 SECURITY REQUIREMENTS (OCT 2016)

The Lessor agrees to the requirements of Federal Security Level 1 attached to this Lease.

5.02 PAINT AND CARPETING REPLACEMENT

During the term of the lease, the lessor at the lessor's sole expense shall provide the following:

Painting: During the calendar year of 2021, the Lessor shall provide all the labor and materials to re-paint all wall surfaces within the leased premise including, but not limited to, the removal of all items on the walls, cleaning of all wall surfaces prior to painting, the repair of any damage on the wall surfaces, the painting of all wall surfaces, and the replacement of all items back on to the walls.

Carpeting: During the calendar year of 2021, the Lessor shall provide all the labor and materials to replace all carpeting throughout the leased premise including, but not limited to, the moving of the furniture and/or equipment, the removal and disposal of the old carpet, the placement of the new carpet, and the replacement of the furniture and/or the equipment.

The Lessor shall coordinate with the occupying agency on the dates and times of the installation of the carpet and painting activity so as to not disrupt the mission of the occupying agency

5.03 LEASE ACCEPTANCE TERMS

1.) The Government accepts the leased space as provided for in Paragraph 1.01 (A.) in the lease agreement.

2.) The Commencement Date of the rental on the demised premise shall be **December 01, 2020**, and shall expire on **November 30, 2030** subject to the termination rights set forth in the lease.

The Government shall pay rental as stated below:

From **December 01, 2020 to November 30, 2025** the Total Annual Rent shall be **\$418,211.00** at the rate of **\$34,850.92** per month paid in arrears. The total annual rent consists of **\$140,970.00** of Shell Rent and **\$277,241.00** Operating Rent. There are no annual CPI adjustments or amortized Tenant Improvement costs.

From **December 01, 2025 to November 30, 2030** the Total Annual Rent shall be **\$480,942.65** at the rate of **\$40,078.55** per month paid in arrears. The total annual rent consists of **\$140,970.00** of Shell Rent and **\$339,972.65** Operating Rent. There are no annual CPI adjustments or amortized Tenant Improvement costs.

3.) The Government shall occupy **4,699** Rentable Square Feet yielding **4,699** ANSI/BOMA Office Area and includes **zero (0)** surface parking spaces for Government Owned Vehicles. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property, all at no additional cost to the Government.

4.) In accordance with the Lease paragraph 1.01 entitled "the Premise" the Common Area factor shall be **1.0 (4,699 RSF/4,699 ABOA)**.

5.) All other terms and conditions of the Lease Agreement shall remain in full force and effect.

Exhibit A to
LEASE NO. GS-07P-LTX00520

IN WITNESS THEREOF, this Agreement has been entered into and effective as of the Effective Date (notwithstanding the date of countersignature), and executed in multiple counterparts by the respective officers of the parties hereto.

ATTEST:

[Redacted Signature]

City Secretary

Interim

CITY OF HOUSTON

[Redacted Signature]

By:
Mayor

[Redacted Signature]

10-28-2020

APPROVED AS TO FORM

DocuSigned by:
[Redacted Signature]

95A0D43C88C4F3...

Senior Assistant City Attorney

[Redacted Signature]

City Controller

Date of Counter Signature:

11-2-2020

APPROVED:

05
JS

09
1/1

DocuSigned by:
[Redacted Signature]

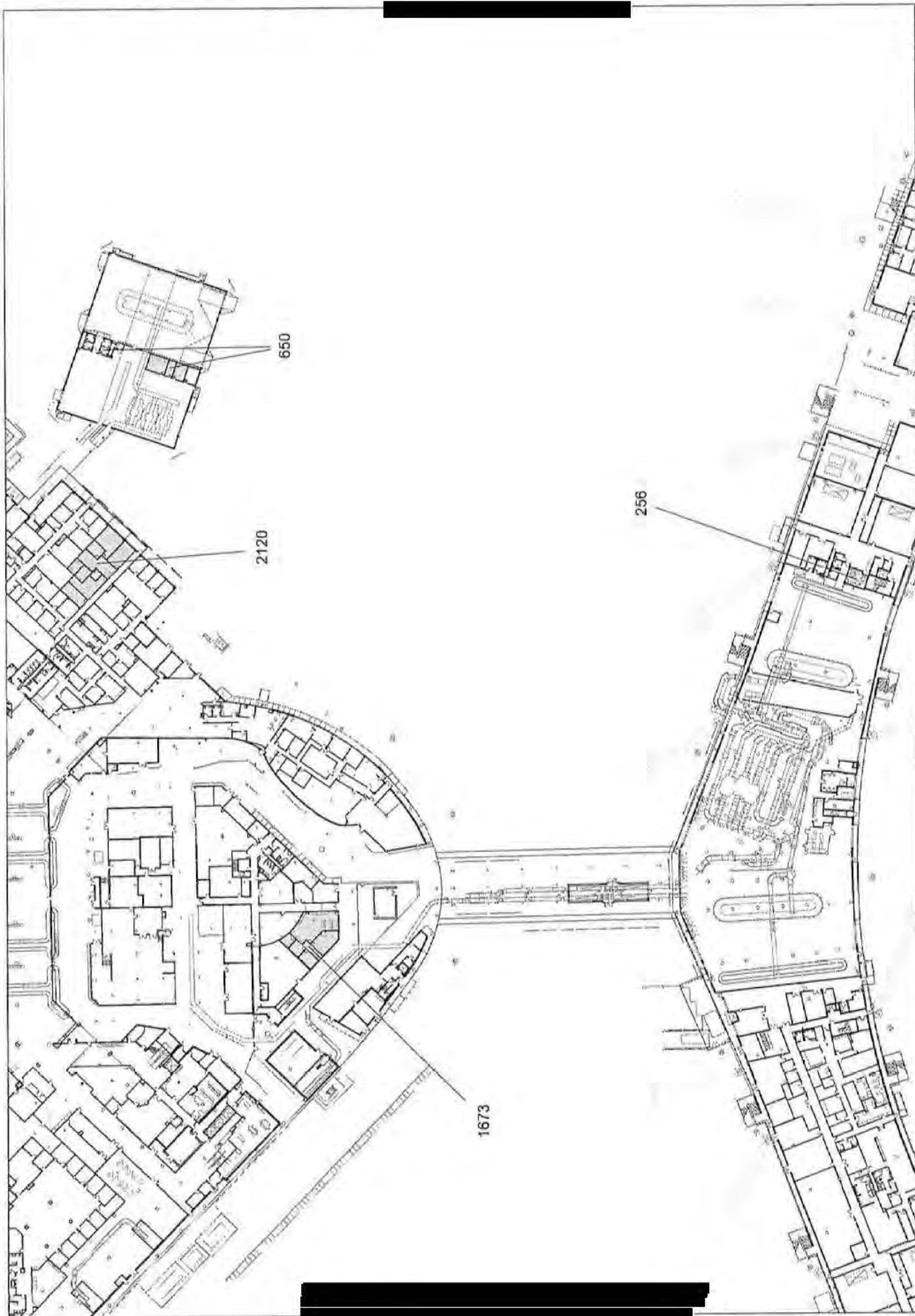
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Director, Houston Airport System

FOR THE GOVERNMENT:

DocuSigned by:
[Redacted Signature]

By:
Name:
Title: Lease Contracting Officer
Date: 11/30/2020



William P. Hobby Airport
Houston, TX

GSA TSA 2020 Lease
Level 1

4,699

LESSOR: **GOVERNMENT**

TSA

DS

Exhibit A Floor Plan

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Consulting
Airport Spatial
Information Systems

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SENSITIVE SECURITY INFORMATION

Public and Employee Parking

Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, AeroGRID, IGN, and the GIS User Community

Houston Airport ASIS department provides maps and data as is, and assumes no liability for its accuracy or completeness. Maps and data are intended as a representation of the data being presented and are not intended to be survey-grade information. These products are for informational purposes and may not have been prepared for or be suitable for legal, engineering or surveying purposes. They do not represent an on-the-ground survey and represent only the approximate relative location of property boundaries.

1 inch = 376 feet



Online
Airport Spatial
Information System

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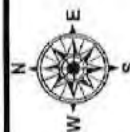


LTX00520 - Exhibit C Public and Employee Parking

LESSOR: _____ GOVERNMENT: _____

Date: 9/16/2020

Vicinity Map



LTX00520 - Exhibit D General Clauses

GENERAL CLAUSES
(Acquisition of Leasehold Interests in Real Property)

CATEGORY	CLAUSE NO.	48 CFR REF.	CLAUSE TITLE
GENERAL	1		SUBLETTING AND ASSIGNMENT
	2	552.270-11	SUCCESSORS BOUND
	3	552.270-23	SUBORDINATION, NON-DISTURBANCE AND ATTORNMEN
	4	552.270-24	STATEMENT OF LEASE
	5	552.270-25	SUBSTITUTION OF TENANT AGENCY
	6	552.270-26	NO WAIVER
	7		INTEGRATED AGREEMENT
	8	552.270-28	MUTUALITY OF OBLIGATION
PERFORMANCE	9		DELIVERY AND CONDITION
	10		DEFAULT BY LESSOR
	11	552.270-19	PROGRESSIVE OCCUPANCY
	12		MAINTENANCE OF THE PROPERTY, RIGHT TO INSPECT
	13		FIRE AND CASUALTY DAMAGE
	14		COMPLIANCE WITH APPLICABLE LAW
	15	552.270-12	ALTERATIONS
	16		ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY
PAYMENT	17	552.270-33	SYSTEM FOR AWARD MANAGEMENT - LEASING
	18	52.204-13	SYSTEM FOR AWARD MANAGEMENT MAINTENANCE
	19	552.270-31	PROMPT PAYMENT
	20	52.232-23	ASSIGNMENT OF CLAIMS
	21		PAYMENT
	22	52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER—SYSTEM FOR AWARD MANAGEMENT
STANDARDS OF CONDUCT	23	52.203-13	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT
	24	552.270-32	COVENANT AGAINST CONTINGENT FEES
	25	52-203-7	ANTI-KICKBACK PROCEDURES
	26	52-223-6	DRUG-FREE WORKPLACE
	27	52.203-14	DISPLAY OF HOTLINE POSTER(S)
ADJUSTMENTS	28	552.270-30	PRICE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY
	29	52.215-10	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA
	30	552.270-13	PROPOSALS FOR ADJUSTMENT
	31		CHANGES
AUDITS	32	552.215-70	EXAMINATION OF RECORDS BY GSA
	33	52.215-2	AUDIT AND RECORDS—NEGOTIATION

LESSOR:  GOVERNMENT 

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DISPUTES	34	52.233-1	DISPUTES
LABOR STANDARDS	35	52.222-26	EQUAL OPPORTUNITY
	36	52.222-21	PROHIBITION OF SEGREGATED FACILITIES
	37	52.219-28	POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION
	38	52.222-35	EQUAL OPPORTUNITY FOR VETERANS
	39	52.222-36	EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES
	40	52.222-37	EMPLOYMENT REPORTS ON VETERANS
SUBCONTRACTING	41	52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
	42	52.215-12	SUBCONTRACTOR CERTIFIED COST OR PRICING DATA
	43	52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS
	44	52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN
	45	52.219-16	LIQUIDATED DAMAGES—SUBCONTRACTING PLAN
	46	52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST- TIER SUBCONTRACT AWARDS
OTHER	47	52.204-25	PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT
	48	52.204-19	INCORPORATION BY REFERENCE OF REPRESENTATIONS AND CERTIFICATIONS

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

LESSOR GOVERNMENT

GENERAL CLAUSES
(Acquisition of Leasehold Interests in Real Property)

1. SUBLETTING AND ASSIGNMENT (JAN 2011)

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

2. 552.270-11 SUCCESSORS BOUND (SEP 1999)

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

3. 552.270-23 SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT (SEP 1999)

(a) Lessor warrants that it holds such title to or other interest in the premises and other property as is necessary to the Government's access to the premises and full use and enjoyment thereof in accordance with the provisions of this lease. Government agrees, in consideration of the warranties and conditions set forth in this clause, that this lease is subject and subordinate to any and all recorded mortgages, deeds of trust and other liens now or hereafter existing or imposed upon the premises, and to any renewal, modification or extension thereof. It is the intention of the parties that this provision shall be self-operative and that no further instrument shall be required to effect the present or subsequent subordination of this lease. Government agrees, however, within twenty (20) business days next following the Contracting Officer's receipt of a written demand, to execute such instruments as Lessor may reasonably request to evidence further the subordination of this lease to any existing or future mortgage, deed of trust or other security interest pertaining to the premises, and to any water, sewer or access easement necessary or desirable to serve the premises or adjoining property owned in whole or in part by Lessor if such easement does not interfere with the full enjoyment of any right granted the Government under this lease.

(b) No such subordination, to either existing or future mortgages, deeds of trust or other lien or security instrument shall operate to affect adversely any right of the Government under this lease so long as the Government is not in default under this lease. Lessor will include in any future mortgage, deed of trust or other security instrument to which this lease becomes subordinate, or in a separate 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 Contracting Officer promptly upon demand.

(c) In the event of any sale of the premises or any portion thereof by foreclosure of the lien of any such mortgage, deed of trust or other security instrument, or the giving of a deed in lieu of foreclosure, the Government will be deemed to have attorned to any purchaser, purchasers, transferee or transferees of the premises or any portion thereof and its or their successors and assigns, and any such purchasers and transferees will be deemed to have assumed all obligations of the Lessor under this lease, so as to establish direct privity of estate and contract between Government and such purchasers or transferees, with the same force, effect and relative priority in time and right as if the lease had initially been entered into between such purchasers or transferees and the Government; provided, further, that the Contracting Officer and such purchasers or transferees shall, with reasonable promptness following any such sale or deed delivery in lieu of foreclosure, execute all such revisions to this lease, or other writings, as shall be necessary to document the foregoing relationship.

(d) None of the foregoing provisions may be deemed or construed to imply a waiver of the Government's rights as a sovereign.

LESSOR: _____ GOVERNMENT: _____

4. 552.270-24 STATEMENT OF LEASE (SEP 1999)

(a) The Contracting Officer will, within thirty (30) days next following the Contracting Officer's receipt of a joint written request from Lessor and a prospective lender or purchaser of the building, execute and deliver to Lessor a letter stating that the same is issued subject to the conditions stated in this clause and, if such is the case, that (1) the lease is in full force and effect; (2) the date to which the rent and other charges have been paid in advance, if any; and (3) whether any notice of default has been issued.

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

(1) That they are based solely upon a reasonably diligent review of the Contracting Officer's lease file as of the date of issuance;

(2) That the Government shall not be held liable because of any defect in or condition of the premises or building;

(3) That the Contracting Officer does not warrant or represent that the premises or building comply with applicable Federal, State and local law; and

(4) That the Lessor, and each prospective lender and purchaser are deemed to have constructive notice of such facts as would be ascertainable by reasonable pre-purchase and pre-commitment inspection of the Premises and Building and by inquiry to appropriate Federal, State and local Government officials.

5. 552.270-25 SUBSTITUTION OF TENANT AGENCY (SEP 1999)

The Government may, at any time and from time to time, substitute any Government agency or agencies for the Government agency or agencies, if any, named in the lease.

6. 552.270-26 NO WAIVER (SEP 1999)

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

7. INTEGRATED AGREEMENT (JUN 2012)

This Lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, express or implied, shall be admissible to contradict the provisions of the Lease. Except as expressly attached to and made a part of the Lease, neither the Request for Lease Proposals nor any pre-award communications by either party shall be incorporated in the Lease.

8. 552.270-28 MUTUALITY OF OBLIGATION (SEP 1999)

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

9. DELIVERY AND CONDITION (JAN 2011)

(a) Unless the Government elects to have the space occupied in increments, the space must be delivered ready for occupancy as a complete unit.

(b) The Government may elect to accept the Space notwithstanding the Lessor's failure to deliver the Space substantially complete; if the Government so elects, it may reduce the rent payments.

LESSOR: [REDACTED]

GOVERNMENT: [REDACTED]

10. DEFAULT BY LESSOR (APR 2012)

(a) The following conditions shall constitute default by the Lessor, and shall give rise to the following rights and remedies for the Government:

(1) Prior to Acceptance of the Premises. Failure by the Lessor to diligently perform all obligations required for Acceptance of the Space within the times specified, without excuse, shall constitute a default by the Lessor. Subject to provision of notice of default to the Lessor, and provision of a reasonable opportunity for the Lessor to cure its default, the Government may terminate the Lease on account of the Lessor's default.

(2) After Acceptance of the Premises. Failure by the Lessor to perform any service, to provide any item, or satisfy any requirement of this Lease, without excuse, shall constitute a default by the Lessor. Subject to provision of notice of default to the Lessor, and provision of a reasonable opportunity for the Lessor to cure its default, the Government may perform the service, provide the item, or obtain satisfaction of the requirement by its own employees or contractors. If the Government elects to take such action, the Government may deduct from rental payments its costs incurred in connection with taking the action. Alternatively, the Government may reduce the rent by an amount reasonably calculated to approximate the cost or value of the service not performed, item not provided, or requirement not satisfied, such reduction effective as of the date of the commencement of the default condition.

(3) Grounds for Termination. The Government may terminate the Lease if:

(i) The Lessor's default persists notwithstanding provision of notice and reasonable opportunity to cure by the Government, or

(ii) The Lessor fails to take such actions as are necessary to prevent the recurrence of default conditions,

and such conditions (i) or (ii) substantially impair the safe and healthful occupancy of the Premises, or render the Space unusable for its intended purposes.

(4) Excuse. Failure by the Lessor to timely deliver the Space or perform any service, provide any item, or satisfy any requirement of this Lease shall not be excused if its failure in performance arises from:

(i) Circumstances within the Lessor's control;

(ii) Circumstances about which the Lessor had actual or constructive knowledge prior to the Lease Award Date that could reasonably be expected to affect the Lessor's capability to perform, regardless of the Government's knowledge of such matters;

(iii) The condition of the Property;

(iv) The acts or omissions of the Lessor, its employees, agents or contractors; or

(v) The Lessor's inability to obtain sufficient financial resources to perform its obligations.

(5) The rights and remedies specified in this clause are in addition to any and all remedies to which the Government may be entitled as a matter of law.

11. 552.270-19 PROGRESSIVE OCCUPANCY (SEP 1999)

The Government shall have the right to elect to occupy the space in partial increments prior to the substantial completion of the entire leased premises, and the Lessor agrees to schedule its work so as to deliver the space incrementally as elected by the Government. The Government shall pay rent commencing with the first business day following substantial completion of the entire leased premise unless the Government has elected to occupy the leased premises incrementally. In case of incremental occupancy, the Government shall pay rent pro rata upon the first

LESSOR: [REDACTED] GOVERNMENT [REDACTED]

business day following substantial completion of each incremental unit. Rental payments shall become due on the first workday of the month following the month in which an increment of space is substantially complete, except that should an increment of space be substantially completed after the fifteenth day of the month, the payment due date will be the first workday of the second month following the month in which it was substantially complete. The commencement date of the firm lease term will be a composite determined from all rent commencement dates.

12. MAINTENANCE OF THE PROPERTY, RIGHT TO INSPECT (APR 2015)

The Lessor shall maintain the Property, including the building, building systems, and all equipment, fixtures, and appurtenances furnished by the Lessor under this Lease, in good repair and tenantable condition so that they are suitable in appearance and capable of supplying such heat, air conditioning, light, ventilation, safety systems, access and other things to the premises, without reasonably preventable or recurring disruption, as is required for the Government's access to, occupancy, possession, use and enjoyment of the premises as provided in this lease. For the purpose of so maintaining the premises, the Lessor may at reasonable times enter the premises with the approval of the authorized Government representative in charge. Upon request of the Lease Contracting Officer (LCO), the Lessor shall provide written documentation that building systems have been properly maintained, tested, and are operational within manufacturer's warranted operating standards. The Lessor shall maintain the Premises in a safe and healthful condition according to applicable OSHA standards and all other requirements of this Lease, including standards governing indoor air quality, existence of mold and other biological hazards, presence of hazardous materials, etc. The Government shall have the right, at any time after the Lease Award Date and during the term of the Lease, to inspect all areas of the Property to which access is necessary for the purpose of determining the Lessor's compliance with this clause.

13. FIRE AND CASUALTY DAMAGE (JUN 2016)

If the building in which the Premises are located is totally destroyed or damaged by fire or other casualty, this Lease shall immediately terminate. If the building in which the Premises are located are only partially destroyed or damaged, so as to render the Premises untenable, or not usable for their intended purpose, the Lessor shall have the option to elect to repair and restore the Premises or terminate the Lease. The Lessor shall be permitted a reasonable amount of time, not to exceed **270 days** from the event of destruction or damage, to repair or restore the Premises, provided that the Lessor submits to the Government a reasonable schedule for repair of the Premises within **60 days** of the event of destruction or damage. If the Lessor fails to timely submit a reasonable schedule for completing the work, the Government may elect to terminate the Lease effective as of the date of the event of destruction or damage. If the Lessor elects to repair or restore the Premises, but fails to repair or restore the Premises within **270 days** from the event of destruction or damage, or fails to diligently pursue such repairs or restoration so as to render timely completion commercially impracticable, the Government may terminate the Lease effective as of the date of the destruction or damage. During the time that the Premises are unoccupied, rent shall be abated. Termination of the Lease by either party under this clause shall not give rise to liability for either party.

Nothing in this lease shall be construed as relieving Lessor from liability for damage to, or destruction of, property of the United States of America caused by the willful or negligent act or omission of Lessor.

14. COMPLIANCE WITH APPLICABLE LAW (JAN 2011)

Lessor shall comply with all Federal, state and local laws applicable to its ownership and leasing of the Property, including, without limitation, laws applicable to the construction, ownership, alteration or operation of all buildings, structures, and facilities located thereon, and obtain all necessary permits, licenses and similar items at its own expense. The Government will comply with all Federal, State and local laws applicable to and enforceable against it as a tenant under this lease, provided that nothing in this Lease shall be construed as a waiver of the sovereign immunity of the Government. This Lease shall be governed by Federal law.

15. 552.270-12 ALTERATIONS (SEP 1999)

The Government shall have the right during the existence of this lease to make alterations, attach fixtures, and erect structures or signs in or upon the premises hereby leased, which fixtures, additions or structures so placed in, on, upon, or attached to the said premises shall be and remain the property of the Government and may be removed or otherwise disposed of by the Government. If the lease contemplates that the Government is the sole occupant of the building, for

LESSOR

GOVERNMENT

purposes of this clause, the leased premises include the land on which the building is sited and the building itself. Otherwise, the Government shall have the right to tie into or make any physical connection with any structure located on the property as is reasonably necessary for appropriate utilization of the leased space.

16. ACCEPTANCE OF SPACE AND CERTIFICATE OF OCCUPANCY (APR 2015)

(a) Ten (10) working days prior to the completion of the Space, the Lessor shall issue written notice to the Government to schedule the inspection of the Space for acceptance. The Government shall accept the Space only if the construction of building shell and TIs conforming to this Lease and the approved DID's is substantially complete, and a Certificate of Occupancy has been issued as set forth below.

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

(c) The Lessor shall provide a valid Certificate of Occupancy, issued by the local jurisdiction, for the intended use of the Government. If the local jurisdiction does not issue Certificates of Occupancy or if the Certificate of Occupancy is not available, the Lessor may satisfy this condition by providing a report prepared by a licensed fire protection engineer that indicates that the Space and Building are compliant with all applicable local codes and ordinances and all fire protection and life safety-related requirements of this Lease to ensure an acceptable level of safety is provided. Under such circumstances, the Government shall only accept the Space without a Certificate of Occupancy if a licensed fire protection engineer determines that the offered space is compliant with all applicable local codes and ordinances and fire protection and life safety-related requirements of this Lease.

17. 552.270-33 SYSTEM FOR AWARD MANAGEMENT – LEASING (FEB 2020)

(a) Definitions. As used in this provision—

"Electronic Funds Transfer (EFT) Indicator means a four-character suffix to the unique entity identifier. The suffix is assigned at the discretion of the commercial, nonprofit, or Government entity to establish additional System for Award Management records for identifying alternative EFT accounts (see subpart 32.11) for the same entity.

"Registered in the System for Award Management (SAM)" means that—

(1) The Offeror has entered all mandatory information, including the unique entity identifier and the EFT indicator, if applicable, the Commercial and Government Entity (CAGE) code, as well as data required by the Federal Funding Accountability and Transparency Act of 2006 (see subpart 4.14) into SAM

(2) The offeror has completed the Core, Assertions, and Representations and Certifications, and Points of Contact sections of the registration in SAM;

(3) The Government has validated all mandatory data fields, to include validation of the Taxpayer Identification Number (TIN) with the Internal Revenue Service (IRS). The offeror will be required to provide consent for TIN validation to the Government as a part of the SAM registration process; and

(4) The Government has marked the record "Active".

"Unique entity identifier" means a number or other identifier used to identify a specific commercial, nonprofit, or Government entity. See www.sam.gov for the designated entity for establishing unique entity identifiers.

(b)

(1) An Offeror is required to be registered in SAM prior to award, and shall continue to be registered during performance, and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement resulting from this solicitation.

(2) The Offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "Unique Entity Identifier" followed by the unique entity identifier that identifies the Offeror's name and address exactly as stated in the offer. The Offeror also shall enter its EFT indicator, if applicable. The unique entity identifier will be used by the Contracting Officer to verify that the Offeror is registered in the SAM.

(c) If the Offeror does not have a unique entity identifier, it should contact the entity designated at www.sam.gov for establishment of the unique entity identifier directly to obtain one. The Offeror should be prepared to provide the following information:

(1) Company legal business name.

LESSOR:

GOVERNMENT:

- (2) Tradestyle, doing business, or other name by which your entity is commonly recognized.
- (3) Company physical street address, city, state, and Zip Code.
- (4) Company mailing address, city, state and Zip Code (if separate from physical).
- (5) Company telephone number.
- (6) Date the company was started.
- (7) Number of employees at your location.
- (8) Chief executive officer/key manager.
- (9) Line of business (industry).
- (10) Company headquarters name and address (reporting relationship within your entity).
- (d) If the Offeror does not become registered in the SAM database in the time prescribed by the Contracting Officer, the Contracting Officer will proceed to award to the next otherwise successful registered Offeror.
- (e) Processing time should be taken into consideration when registering. Offerors who are not registered in SAM should consider applying for registration immediately upon receipt of this solicitation. See <https://www.sam.gov> for information on registration.

18. 52.204-13 SYSTEM FOR AWARD MANAGEMENT MAINTENANCE (OCT 2018)

This clause is incorporated by reference.

19. 552.270-31 PROMPT PAYMENT (JUN 2011)

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

(a) *Payment due date—*

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

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

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

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

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

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

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

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

(i) Name and address of the Contractor.

LESSOR:

GOVERNMENT:

(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 seven 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 seven day inspection period. If the work or service is rejected for failure to conform to the technical requirements of the contract, the seven 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 one 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.

(d) *Overpayments.* If the Lessor becomes aware of a duplicate payment or that the Government has otherwise overpaid on a payment, the Contractor shall—

(1) Return the overpayment amount to the payment office cited in the contract along with a description of the overpayment including the—

(i) Circumstances of the overpayment (e.g., duplicate payment, erroneous payment, liquidation errors, date(s) of overpayment);

(ii) Affected lease number; (iii) Affected lease line item or sub-line item, if applicable; and

(iii) Lessor point of contact.

LESSOR: [REDACTED] GOVERNMENT [REDACTED]

- (2) Provide a copy of the remittance and supporting documentation to the Contracting Officer.

20. 52.232-23 ASSIGNMENT OF CLAIMS (MAY 2014)

(Applicable to leases over the micro-purchase threshold.)

(a) The Contractor, under the Assignment of Claims Act, as amended, 31 U.S.C. 3727, 41 U.S.C. 6305 (hereafter referred to as "the Act"), may assign its rights to be paid amounts due or to become due as a result of the performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency. The assignee under such an assignment may thereafter further assign or reassign its right under the original assignment to any type of financing institution described in the preceding sentence.

(b) Any assignment or reassignment authorized under the Act and this clause shall cover all unpaid amounts payable under this contract, and shall not be made to more than one party, except that an assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in the financing of this contract.

(c) The Contractor shall not furnish or disclose to any assignee under this contract any classified document (including this contract) or information related to work under this contract until the Contracting Officer authorizes such action in writing.

21. PAYMENT (MAY 2011)

(a) When space is offered and accepted, the amount of American National Standards Institute/Building Owners and Managers Association Office Area (ABOA) square footage delivered will be confirmed by:

(1) The Government's measurement of plans submitted by the successful Offeror as approved by the Government, and an inspection of the space to verify that the delivered space is in conformance with such plans or

(2) A mutual on-site measurement of the space, if the Contracting Officer determines that it is necessary.

(b) Payment will not be made for space which is in excess of the amount of ABOA square footage stated in the lease.

(c) If it is determined that the amount of ABOA square footage actually delivered is less than the amount agreed to in the lease, the lease will be modified to reflect the amount of ABOA space delivered and the annual rental will be adjusted as follows:

ABOA square feet not delivered multiplied by one plus the common area factor (CAF), multiplied by the rate per rentable square foot (RSF). That is: $(1+CAF) \times \text{Rate per RSF} = \text{Reduction in Annual Rent}$

22. 52.232-33 PAYMENT BY ELECTRONIC FUNDS TRANSFER—SYSTEM FOR AWARD MANAGEMENT (OCT 2018)

This clause is incorporated by reference.

23. 52.203-13 CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (JUN 2020)

(Applicable to leases over \$5.5 million total contract value and performance period is 120 days or more.)

This clause is incorporated by reference.

24. 552.270-32 COVENANT AGAINST CONTINGENT FEES (JUN 2011)

(Applicable to leases over the Simplified Lease Acquisition Threshold.)

LESSOR:

GOVERNMENT:

(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.

(1) *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.

(2) *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.

(3) *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.

25. 52.203-7 ANTI-KICKBACK PROCEDURES (JUN 2020)

(Applicable to leases over the Simplified Lease Acquisition Threshold.)

This clause is incorporated by reference.

26. 52.223-6 DRUG-FREE WORKPLACE (MAY 2001)

(Applicable to leases over the Simplified Lease Acquisition Threshold, as well as to leases of any value awarded to an individual.)

This clause is incorporated by reference.

27. 52.203-14 DISPLAY OF HOTLINE POSTER(S) (JUN 2020)

(Applicable to leases over \$5.5 Million total contract value and performance period is 120 days or more.)

(a) Definition.

United States, as used in this clause, means the 50 States, the District of Columbia, and outlying areas.

(b) Display of fraud hotline poster(s). Except as provided in paragraph (c)—

(1) During contract performance in the United States, the Contractor shall prominently display in common work areas within business segments performing work under this contract and at contract work sites—

(i) Any agency fraud hotline poster or Department of Homeland Security (DHS) fraud hotline poster identified in paragraph (b)(3) of this clause; and

(ii) Any DHS fraud hotline poster subsequently identified by the Contracting Officer.

(2) Additionally, if the Contractor maintains a company website as a method of providing information to employees, the Contractor shall display an electronic version of the poster(s) at the website.

(3) Any required posters may be obtained as follows:

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

<i>Poster(s)</i>	<i>Obtain from</i>

(Contracting Officer shall insert—

(i) Appropriate agency name(s) and/or title of applicable Department of Homeland Security fraud hotline poster); and

(ii) The website(s) or other contact information for obtaining the poster(s).)

(c) If the Contractor has implemented a business ethics and conduct awareness program, including a reporting mechanism, such as a hotline poster, then the Contractor need not display any agency fraud hotline posters as required in paragraph (b) of this clause, other than any required DHS posters.

(d) *Subcontracts.* The Contractor shall include the substance of this clause, including this paragraph (d), in all subcontracts that exceed the threshold specified in Federal Acquisition Regulation 3.1004(b)(1) on the date of subcontract award, except when the subcontract—

(1) Is for the acquisition of a commercial item; or

(2) Is performed entirely outside the United States.

28. 552.270-30 PRICE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JUN 2011)

(Applicable to leases over the Simplified Lease Acquisition Threshold.)

(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 five percent of the amount of the rental for each month of the remaining term of the lease, including any option periods, and recover five percent of the rental already paid;

(2) Reduce payments for alterations not included in monthly rental payments by five 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 thereof. The Lessor shall have a period determined by the agency head or designee, but not less than 30 calendar days after receipt of such notice, to submit in person, in writing, or through a representative, information and argument in opposition to the proposed reduction. The agency head or designee may, upon good cause shown, determine to deduct less than the above amounts from payments.

LESSOR:

GOVERNMENT:

(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.

29. 52.215-10 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (AUG 2011)

(Applicable when cost or pricing data are required for work or services over \$750,000.)
This clause is incorporated by reference.

30. 552.270-13 PROPOSALS FOR ADJUSTMENT (OCT 2016)

This clause is incorporated by reference.

31. CHANGES (MAR 2013)

(a) The LCO may at any time, by written order, direct changes to the Tenant Improvements within the Space, Building Security Requirements, or the services required under the Lease.

(b) If any such change causes an increase or decrease in Lessor's costs or time required for performance of its obligations under this Lease, whether or not changed by the order, the Lessor shall be entitled to an amendment to the Lease providing for one or more of the following:

- (1) An adjustment of the delivery date;
- (2) An equitable adjustment in the rental rate;
- (3) A lump sum equitable adjustment; or
- (4) A change to the operating cost base, if applicable.

(c) The Lessor shall assert its right to an amendment under this clause within 30 days from the date of receipt of the change order and shall submit a proposal for adjustment. Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, the pendency of an adjustment or existence of a dispute shall not excuse the Lessor from proceeding with the change as directed.

(d) Absent a written change order from the LCO, or from a Government official to whom the LCO has explicitly and in writing delegated the authority to direct changes, the Government shall not be liable to Lessor under this clause.

32. 552.215-70 EXAMINATION OF RECORDS BY GSA (JUL 2016)

This clause is incorporated by reference.

33. 52.215-2 AUDIT AND RECORDS—NEGOTIATION (JUN 2020)

(Applicable to leases over the Simplified Lease Acquisition Threshold.)
This clause is incorporated by reference.

34. 52.233-1 DISPUTES (MAY 2014)

This clause is incorporated by reference.

35. 52.222-26 EQUAL OPPORTUNITY (SEP 2016)

This clause is incorporated by reference.

36. 52.222-21 PROHIBITION OF SEGREGATED FACILITIES (APR 2015)

This clause is incorporated by reference.

LESSOR

GOVERNMENT

37. 52.219-28 POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION (MAY 2020)

(Applicable to leases exceeding the micro-purchase threshold.)

*This clause is incorporated by reference.***38. 52.222-35 EQUAL OPPORTUNITY FOR VETERANS (JUN 2020)**

(Applicable to leases \$150,000 or more, total contract value.)

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

"Active duty wartime or campaign badge veteran," "Armed Forces service medal veteran," "disabled veteran," "protected veteran," "qualified disabled veteran," and "recently separated veteran" have the meanings given at Federal Acquisition Regulation (FAR) 22.1301.

(b) Equal opportunity clause. The Contractor shall abide by the requirements of the equal opportunity clause at 41 CFR 60-300.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified protected veterans, and requires affirmative action by the Contractor to employ and advance in employment qualified protected veterans.

(c) Subcontracts. The Contractor shall insert the terms of this clause in subcontracts valued at or above the threshold specified in FAR 22.1303(a) on the date of subcontract award, unless exempted by rules, regulations, or orders of the Secretary of Labor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

39. 52.222-36 EQUAL OPPORTUNITY FOR WORKERS WITH DISABILITIES (JUN 2020)

(Applicable to leases over \$15,000 total contract value.)

(a) Equal opportunity clause. The Contractor shall abide by the requirements of the equal opportunity clause at 41 CFR 60-741.5(a), as of March 24, 2014. This clause prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by the Contractor to employ and advance in employment qualified individuals with disabilities.

(b) Subcontracts. The Contractor shall include the terms of this clause in every subcontract or purchase order in excess of the threshold specified in Federal Acquisition Regulation (FAR) 22.1408(a) on the date of subcontract award, unless exempted by rules, regulations, or orders of the Secretary, so that such provisions will be binding upon each subcontractor or vendor. The Contractor shall act as specified by the Director, Office of Federal Contract Compliance Programs of the U.S. Department of Labor, to enforce the terms, including action for noncompliance. Such necessary changes in language may be made as shall be appropriate to identify properly the parties and their undertakings.

40. 52.222-37 EMPLOYMENT REPORTS ON VETERANS (JUN 2020)

(Applicable to leases \$150,000 or more, total contract value.)

*This clause is incorporated by reference.***41. 52.209-6 PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (JUN 2020)**

(Applicable to leases over \$35,000 total contract value.)

*This clause is incorporated by reference.***42. 52.215-12 SUBCONTRACTOR CERTIFIED COST OR PRICING DATA (JUN 2020)**

(Applicable if over \$750,000 total contract value.)

This clause is incorporated by reference.

LESSOR: [REDACTED] GOVERNMENT [REDACTED]

43. 52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 2018)

(Applicable to leases over the Simplified Lease Acquisition Threshold.)

This clause is incorporated by reference.

44. 52.219-9 SMALL BUSINESS SUBCONTRACTING PLAN (JUN 2020) ALTERNATE III (JUN 2020)

(Applicable to leases over \$700,000 total contract value.)

This clause is incorporated by reference.

45. 52.219-16 LIQUIDATED DAMAGES—SUBCONTRACTING PLAN (JAN 1999)

(Applicable to leases over \$700,000 total contract value.)

This clause is incorporated by reference.

46. 52.204-10 REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (JUN 2020)

(Applicable if over \$30,000 total contract value.)

This clause is incorporated by reference.

47. 52.204-25 PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT (AUG 2020)

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

Backhaul means intermediate links between the core network, or backbone network, and the small subnetworks at the edge of the network (e.g., connecting cell phones/towers to the core telephone network). Backhaul can be wireless (e.g., microwave) or wired (e.g., fiber optic, coaxial cable, Ethernet).

Covered foreign country means The People's Republic of China.

Covered telecommunications equipment or services means—

(1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

(2) For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

(3) Telecommunications or video surveillance services provided by such entities or using such equipment; or

(4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Critical technology means—

(1) Defense articles or defense services included on the United States Munitions List set forth in the International Traffic in Arms Regulations under subchapter M of chapter I of title 22, Code of Federal Regulations;

(2) Items included on the Commerce Control List set forth in Supplement No. 1 to part 774 of the Export Administration Regulations under subchapter C of chapter VII of title 15, Code of Federal Regulations, and controlled-

(i) Pursuant to multilateral regimes, including for reasons relating to national security, chemical and biological weapons proliferation, nuclear nonproliferation, or missile technology; or

LESSOR: [REDACTED] GOVERNMENT [REDACTED]

(ii) For reasons relating to regional stability or surreptitious listening;

(3) Specially designed and prepared nuclear equipment, parts and components, materials, software, and technology covered by part 810 of title 10, Code of Federal Regulations (relating to assistance to foreign atomic energy activities);

(4) Nuclear facilities, equipment, and material covered by part 110 of title 10, Code of Federal Regulations (relating to export and import of nuclear equipment and material);

(5) Select agents and toxins covered by part 331 of title 7, Code of Federal Regulations, part 121 of title 9 of such Code, or part 73 of title 42 of such Code; or

(6) Emerging and foundational technologies controlled pursuant to section 1758 of the Export Control Reform Act of 2018 (50 U.S.C. 4817).

Interconnection arrangements means arrangements governing the physical connection of two or more networks to allow the use of another's network to hand off traffic where it is ultimately delivered (e.g., connection of a customer of telephone provider A to a customer of telephone company B) or sharing data and other information resources.

Reasonable inquiry means an inquiry designed to uncover any information in the entity's possession about the identity of the producer or provider of covered telecommunications equipment or services used by the entity that excludes the need to include an internal or third-party audit.

Roaming means cellular communications services (e.g., voice, video, data) received from a visited network when unable to connect to the facilities of the home network either because signal coverage is too weak or because traffic is too high.

Substantial or essential component means any component necessary for the proper function or performance of a piece of equipment, system, or service.

(b) *Prohibition.* (1) Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2019, from procuring or obtaining, or extending or renewing a contract to procure or obtain, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. The Contractor is prohibited from providing to the Government any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104.

(2) Section 889(a)(1)(B) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the head of an executive agency on or after August 13, 2020, from entering into a contract, or extending or renewing a contract, with an entity that uses any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, unless an exception at paragraph (c) of this clause applies or the covered telecommunication equipment or services are covered by a waiver described in FAR 4.2104. This prohibition applies to the use of covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract.

(c) *Exceptions.* This clause does not prohibit contractors from providing—

(1) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

(2) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(d) Reporting requirement. (1) In the event the Contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the Contractor is notified of such by a subcontractor at any tier or by any other source, the Contractor shall report the information in paragraph (d)(2) of this clause to the Contracting Officer, unless elsewhere in this contract are established procedures for reporting the information; in the case of the Department of Defense, the Contractor shall report to the website at <https://dibnet.dod.mil>. For indefinite delivery contracts, the Contractor shall report to the Contracting Officer for the indefinite delivery contract and the Contracting Officer(s) for any affected order or, in the case of the Department of Defense, identify both the indefinite delivery contract and any affected orders in the report provided at <https://dibnet.dod.mil>.

(2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause

(i) Within one business day from the date of such identification or notification: the contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.

(ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, the Contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

(e) *Subcontracts*. The Contractor shall insert the substance of this clause, including this paragraph (e) and excluding paragraph (b)(2), in all subcontracts and other contractual instruments, including subcontracts for the acquisition of commercial items.

48. 52.204-19 INCORPORATION BY REFERENCE OF REPRESENTATIONS AND CERTIFICATIONS (DEC 2014).

This clause is incorporated by reference.

LESSOR: _____ GOVERNMENT: _____

[REDACTED]

GS-07P-LTX00520: Exhibit E

ADDENDUM to the System for Award Management (SAM) REPRESENTATIONS AND CERTIFICATIONS (Acquisitions of Leasehold Interests in Real Property)	Request for Lease Proposals Number N/A	Dated
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Complete appropriate boxes, sign the form, and attach to offer.

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

**1. ANNUAL REPRESENTATIONS AND CERTIFICATIONS FOR LEASEHOLD ACQUISITIONS
(APR 2015)**

- (a) (1) The North American Industry Classification System (NAICS) code for this acquisition is 531120, unless the real property is self-storage (#531130), land (#531190), or residential (#531110).
- (2) The small business size standard is 38.5 Million in annual average gross revenue of the concern for the last 3 fiscal years.
- (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
- (b) The System for Award Management (SAM) is a centrally located, searchable database which assists in the development, maintenance, and provision of sources for future procurements. The Offeror, by signing this addendum, hereby certifies he is registered in SAM.
- ☐ Registration Active and Copy Attached

**2. 552.203-72 REPRESENTATION BY CORPORATIONS REGARDING AN UNPAID
DELINQUENT FEDERAL TAX LIABILITY OR A FELONY CONVICTION UNDER ANY FEDERAL LAW
(DEVIATION) (OCT 2013)**

- (a) In accordance with Sections 630 and 631 of Division of the Consolidated Appropriations Act, 2012 (Pub. L. 112-74), and Section 101 of the Continuing Appropriations Act, 2014 (Pub. L. 113-16) none of the funds made available by the Continuing Appropriations Act 2014 may be used to enter into a contract action with any corporation that—
- (1) Has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless the agency has considered suspension or debarment of the corporation and made a determination that this further action is not necessary to protect the interests of the Government, or
- (2) Was convicted, or had an officer or agent of such corporation acting on behalf of the corporation convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless the agency has considered suspension or debarment of the corporation or such officer or agent and made a determination that this action is not necessary to protect the interests of the Government.
- (b) The Contractor represents that—
- (1) It is ☐ is not ☐ a corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or

Lessor ☐ Gov't ☐

GSA FORM 3518-SAM PAGE 1 (REV 01/16)

[REDACTED]
GS-07P-LTX00520: Exhibit E

- have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.
- (2) It is ☐ is not ☐ a corporation that was convicted, or had an officer or agent of the corporation acting on behalf of the corporation, convicted of a felony criminal violation under any Federal law within the preceding 24 months.

3. OFFEROR'S DUNS NUMBER

(a) Enter number: 785872334

(b) An offeror may obtain a DUNS number (i) via the Internet <http://fedgov.dnb.com/webform> or if the offeror does not have internet access, it may call Dun and Bradstreet at 1-866-705-5711 if located within the United States; or (ii) If located outside the United States, by contacting the local Dun and Bradstreet office. The offeror should indicate that it is an offeror for a U.S. Government contract when contacting the local Dun and Bradstreet office.

OFFEROR OR LEGALLY AUTHORIZED REPRESENTATIVE	NAME, ADDRESS (INCLUDING ZIP CODE) 16930 John F. Kennedy Blvd. Houston, TX 77032 [REDACTED] -- [REDACTED] _____ Signature	TELEPHONE NUMBER [REDACTED] Nov 16, 2020 _____ Date
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LTX00520 Exhibit F

SECURITY REQUIREMENTS - FACILITY SECURITY LEVEL I

THESE PARAGRAPHS CONTAIN SECURITY REQUIREMENTS, AND, UNLESS INDICATED OTHERWISE, ARE TO BE PRICED AS PART OF THE BUILDING SHELL. WHERE THEY ARE IN CONFLICT WITH ANY OTHER REQUIREMENTS ON THIS LEASE, THE STRICTEST SHALL APPLY.

DEFINITIONS:

CRITICAL AREAS - The areas that house systems that if damaged or compromised could have significant adverse consequences for the facility, operation of the facility, or mission of the agency or its occupants and visitors. These areas may also be referred to as "limited access areas," "restricted areas," or "exclusionary zones." Critical areas do not necessarily have to be within Government-controlled space (e.g., generators, air handlers, electrical feeds which could be located outside Government-controlled space).

SENSITIVE AREAS - Sensitive areas include vaults, Sensitive Compartmented Information Facilities (SCIFs), evidence rooms, war rooms, and sensitive documents areas. Sensitive areas are primarily housed within Government-controlled space.

FACILITY ENTRANCES, LOBBY, COMMON AREAS, NON-PUBLIC, AND UTILITY AREAS.**FACILITY ENTRANCES AND LOBBY****EMPLOYEE ACCESS CONTROL AT ENTRANCES (SHELL)**

The Lessor shall provide key or electronic access control for the entrance to this building. All Government employees, under this lease, shall be allowed access to the leased space (including after-hours access).

COMMON AREAS, NON-PUBLIC, AND UTILITY AREAS.**PUBLIC RESTROOM ACCESS**

The Government reserves the right to control access to public restrooms located within the Space.

SECURING CRITICAL AREAS

The Lessor shall secure areas designated as Critical Areas to restrict access:

- A. Keyed locks, keycards, or similar security measures shall strictly control access to mechanical areas. Additional controls for access to keys, keycards, and key codes shall be strictly maintained. The Lessor shall develop and maintain accurate HVAC plans and HVAC system labeling within mechanical areas.

LESSOR: [REDACTED]

GOVERNMENT: [REDACTED]

SECURITY REQUIREMENTS (LEVEL I)
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[REDACTED]
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- B. Roofs with HVAC systems shall also be secured. Fencing or other barriers may be required to restrict access from adjacent roofs based on a Government Building Security Assessment. Roof access shall be strictly controlled through keyed locks, keycards, or similar measures. Fire and life safety egress shall be carefully reviewed when restricting roof access.
- C. At a minimum, Lessor shall secure building mechanical and janitorial areas including sprinkler rooms, electrical closets, telecommunications rooms and janitor closets.

VISITOR ACCESS CONTROL

Entrances are open to the public during business hours. After hours, visitor entrances are secured, and have a means to verify the identity of persons requesting access prior to allowing entry into the Space.

INTERIOR (GOVERNMENT SPACE)

DESIGNATED ENTRANCES

The Government shall have a designated main entrance.

IDENTITY VERIFICATION

The Government reserves the right to verify the identity of persons requesting access to the Space prior to allowing entry.

FORMAL KEY CONTROL PROGRAM

The Government reserves the right to implement a formal key control program. The lessor shall have a means of allowing the electronic disabling of lost or stolen access media, if electronic media is used.

SITES

SIGNAGE

POSTING OF SIGNAGE IDENTIFYING THE SPACE AS GOVERNMENTAL

The Lessor shall not post sign(s) or otherwise identify the facility and parking areas as a Government, or specific Government tenant, occupied facility, including during construction, without written Government approval.

POSTING OF REGULATORY SIGNAGE

The Government may post or request the Lessor to post regulatory, statutory and site specific signage at the direction of the Government.

LANDSCAPING

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

SECURITY REQUIREMENTS (LEVEL I)
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LTX00520 Exhibit F**LANDSCAPING REQUIREMENTS**

Lessor shall maintain landscaping (trees, bushes, hedges, land contour, etc.) around the facility. Landscaping shall be neatly trimmed in order to minimize the opportunity for concealment of individuals and packages/containers. Landscaping shall not obstruct the views of security guards and CCTV cameras, or interfere with lighting or IDS equipment.

CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN

The Lessor shall separate from public access, restricted areas as designated by the Government, through the application of Crime Prevention Through Environmental Design (CPTED) principles by using trees, hedges, berms, or a combination of these or similar features, and by fences, walls, gates and other barriers, where feasible and acceptable to the Government.

SECURITY SYSTEMS

No requirements

STRUCTURE

Lessor shall provide written emergency shutdown procedures for air handlers.

OPERATIONS AND ADMINISTRATION**LESSOR TO WORK WITH FACILITY SECURITY COMMITTEE (FSC)**

The Lessor shall cooperate and work with the buildings Facility Security Committee (FSC) throughout the term of the lease.

ACCESS TO BUILDING INFORMATION

Building Information—including mechanical, electrical, vertical transport, fire and life safety, security system plans and schematics, computer automation systems, and emergency operations procedures—shall be strictly controlled. Such information shall be released to authorized personnel only, approved by the Government, by the development of an access list and controlled copy numbering. The Contracting Officer may direct that the names and locations of Government tenants not be disclosed in any publicly accessed document or record. If that is the case, the Government may request that such information not be posted in the building directory.

Lessor shall have emergency plans and associated documents readily available in the event of an emergency.

CYBERSECURITY (SHELL)

- A. Lessors are prohibited from connecting any portion of their building and access control systems (BACS) to any federally-owned or operated IT network. BACS include systems providing fire and life safety control, physical access control, building power and energy control, electronic

LESSOR: _____ GOVERNMENT: _____

SECURITY REQUIREMENTS (LEVEL I)
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[REDACTED]

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surveillance, and automated HVAC, elevator, or building monitoring and control services (including IP addressable devices, application servers, or network switches).

- B. In the event of a cybersecurity incident related to BACS, the Lessor shall initially assess the cyber incident, identify the impacts and risks to the Building and its occupants, and follow their organization's cyber and IT procedures and protocols related to containing and handling a cybersecurity incident. In addition, the Lessor shall immediately inform the Lease Contracting Officer's (LCO's) designated representative, i.e., the Lease Administration Manager (LAM), about cybersecurity incidents that impact a federal tenant's safety, security, or proper functioning.
- C. Lessors are encouraged to put into place the following cyber protection measures in order to safeguard facilities and occupants:
1. Engineer and install BACS to comply with the Department of Homeland Security Industrial Control Systems Computer Emergency Response Team (DHS ICS-CERT) cyber security guidance and recommendations (<https://ics-cert.us-cert.gov/Recommended-Practices>).
 2. Refer to the National Institute of Standards and Technology Cyber Security Framework (NIST-CSF) (<https://www.nist.gov/cyberframework>) and cybersecurity guidance in the DHS Commercial Facilities Sector-Specific Plan (<https://www.dhs.gov/publication/nipp-ssp-commercial-facilities-2015>) for best practices to manage cyber risks.
 3. Encourage vendors of BACS to secure these devices and software through the following:
 - a. Develop and Institute a proper Configuration Management Plan for the BACS devices and applications, so that the system can be supported.
 - b. Safeguard sensitive data and/or login credentials through the use of strong encryption on devices and applications. This means using NIST- approved encryption algorithms, secure protocols (i.e., Transport Layer Security (TLS) 1.1, TLS 1.2, TLS 1.3) and Federal Information Processing Standard (FIPS) 140-2 validated modules.
 - c. Disable unnecessary services in order to protect the system from unnecessary access and a potential exposure point by a malicious attacker. Examples include File Transfer Protocol-FTP (a protocol used for transferring files to a remote location) and Telnet (allowing a user to issue commands remotely). Additionally, use of protocols that transmit data in the clear (such as default ZigBee) should be avoided, in favor of protocols that are encrypted.
 - d. Close unnecessary open ports to secure against unprivileged access.
 - e. Monitor and free web applications and supporting servers of common vulnerabilities in web applications, such as those identified by the (Open Web Application Security Project (OWASP) Top 10 Project (https://www.owasp.org/index.php/Category:OWASP_Top_Ten_Project)).
 - f. Enforce Least Privilege, where proper permissions are enforced on a device or application so that a malicious attacker cannot gain access to all data. Enforcing Least Privilege will only allow users to access data they are allowed to see. Additional information can be found at <https://www.beyondtrust.com/blog/what-is-least-privilege/>

LESSOR: [REDACTED] GOVERNMENT: [REDACTED]

SECURITY REQUIREMENTS (LEVEL 1)
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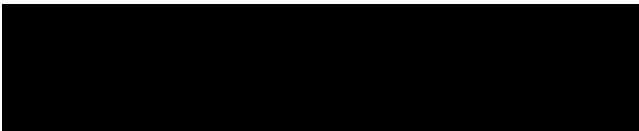
- g. Protect against Insufficient User Access Auditing, where device or application does not have a mechanism to log/track activity by user. Enforce changing of factory default Username and Password to prevent unauthorized entry into the BACS system.
- h. Use updated antivirus software subscription at all times. Kaspersky-branded products or services, prohibited from use by the Federal Government, are not to be utilized.
- i. Conduct antivirus and spyware scans on a regular basis. Patching for workstations and server Operating System (OS), as well as vulnerability patching should follow standard industry best practices for software development life cycle (SDLC).
- j. Discontinue the use of end of life (EOL) systems and use only applications/systems that are supported by the manufacturer.
- k. Operating Systems must be supported by the vendor for security updates (e.g., do not use Windows Server 2003).
- l. Proposed standard installation, operation, maintenance, updates, and/or patching of software shall not alter the configuration settings from the approved United States Government Configuration Baseline (USGCB) or tenant agency guidance (if applicable).
- m. Disallow the use of commercially-provided circuits to manage building systems and install building systems on a protected network, safeguarded by the enterprise firewalls in place. Workstations or servers running building monitor and control systems are not connected and visible on the public internet.
- n. Systems should have proper system configuration hardening and align with Center for Internet Security (CIS) benchmarks or other industry recognized benchmarks. Additional information can be found at <https://www.cisecurity.org/cis-benchmarks/>.

LESSOR: [REDACTED] GOVERNMENT [REDACTED]

SECURITY REQUIREMENTS (LEVEL I)
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Exhibit 12





TSA INVESTIGATIONS
MEMORANDUM OF INTERVIEW OR ACTIVITY

Type of Activity:

- ☐ Personal Interview
☐ Telephone Interview
☐ Records Review
☒ Other

Date:

October 11, 2024

Activity or Interview of:

Legal Memorandum of Senior Counsel (SC) SC1 and Attorney-Advisor (AA) AA1, TSA Chief Counsel's Office

Conducted by:

Special Agent [REDACTED]

Location of Interview/Activity:

Dallas Field Office
8615 Freeport Pkwy
Suite 200
Irving, TX 75063

Subject Matter/Remarks

On October 11, 2024, INV received a legal memorandum from Senior Counsel (SC1) and Attorney-Advisor (AA1) of the TSA Chief Counsel's Office, Ethics and Acquisitions. In this memorandum, SC1 and AA1 provide their legal opinion concerning this investigation.

In summary, attorneys from Ethics and Acquisitions reviewed the facts of the investigation and determined that the management team at George Bush Intercontinental Airport (IAH) did not improperly solicit and accept no-cost parking from the Houston Airport System (HAS). SC1 and AA1 also stated there was no violation of law, rule, or regulation, nor were the actions of the IAH management team an abuse of authority.

Attachment:

- Copy of Legal Memorandum of Senior Counsel and Attorney-Advisor, TSA Chief Counsel's Office, dated October 11, 2024

Case Number
I23-01253

Case Title:
TSA IAH Leadership

Revised May 10, 2022



U.S. Department of Homeland Security
Transportation Security Administration
6595 Springfield Center Drive
Springfield, Virginia 20598

October 11, 2024

MEMORANDUM FOR: TSA Investigations

FROM:

[REDACTED]
Attorney-Advisor, CC Ethics

[REDACTED]
Senior Counsel, CC Acquisitions

SUBJECT: ROI I23-01253
(OSC File No. DI-23-001125)

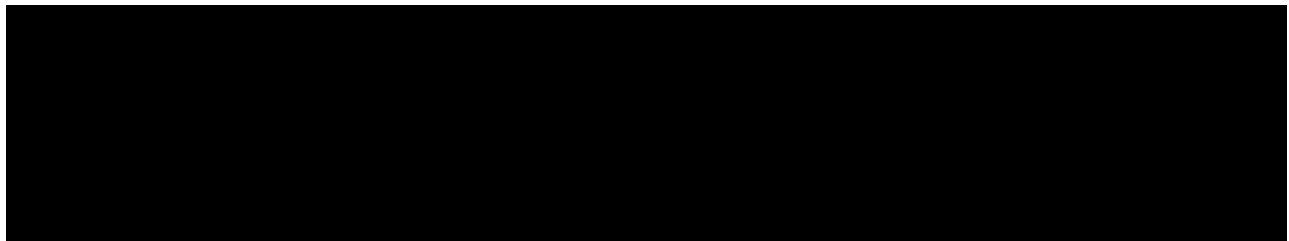
TSA Chief Counsel (CC) attorneys from Ethics and Acquisitions have reviewed the relevant facts and determined that the TSA IAH Federal Security Director (FSD) and other TSA airport leadership **did not** improperly solicit and accept no-cost parking at George Bush Intercontinental Airport (IAH) from the airport operator, the Houston Airport System (HAS), a department of the city of Houston, Texas. Further, there was **no** violation of the standards of ethical conduct for government employees set forth in 5 C.F.R. § 2635.101 or the Federal Acquisition Regulation (FAR) at 48 C.F.R. § 3.101-2.

Background:

In or around early 2023, IAH leadership negotiated for free, on-site airport parking for off-site TSA employees when the IAH “limo lot” was no longer available for TSA and various vendors, air carriers, etc. to park due to ongoing construction at IAH. Previously, limo lot access was provided to TSA employees as a no-cost parking lot when performing official duties at IAH. TSA employees assigned to IAH that used this free, on-site parking, had offices that are located off-site from the airport. Because these TSA employees’ offices were not co-located with IAH, they required a place to park at the airport to attend meetings, deliver supplies to TSA employees at the security checkpoints, conduct airport inspections, and to perform other essential work duties relating to aviation security. Also, due to TSA’s limited availability of government owned vehicles (GOVs) at IAH, these employees used both their privately owned vehicles and GOVs when transiting from their off-site offices to IAH for the purpose of performing official government business.

Authority:

TSA has specific statutory authority to engage in a negotiation between the agency and airport sponsors to achieve agreement on “below-market” rates for items, including space, pursuant to Section 511 of the Department of Homeland Security Appropriations Act of 2005 (Pub. Law 108-334, 118 Stat. 1298 [Oct. 18, 2004]):





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Transportation Security Administration
6595 Springfield Center Drive
Springfield, Virginia 20598

SEC. 511. For fiscal year 2005 and thereafter, none of the funds appropriated or otherwise made available by this Act shall be used to pursue or adopt guidelines or regulations requiring airport sponsors to provide to the Transportation Security Administration without cost building construction, maintenance, utilities and expenses, or space in airport sponsor-owned buildings for services relating to aviation security: *Provided*, That the prohibition of funds in this section does not apply to— (1) negotiations between the agency and airport sponsors to achieve agreement on “below-market” rates for these items, or (2) space for necessary security checkpoints.

Analysis:

Statutory Provision Provides Authority for Negotiations

Prior to early 2023, TSA employees who required IAH airport parking on an intermittent basis to perform their essential work duties were permitted complementary parking in the IAH limo lot. While the IAH limo lot was under construction, FSD staff, pursuant to the authority found under Section 511 of the Department of Homeland Security Appropriations Act of 2005 (Pub. Law 108-334, 118 Stat. 1298 [Oct. 18, 2004]), sought to negotiate for below-market rate parking at IAH. The no-cost parking solicitation and acceptance replaces the loss of complementary access to the limo lot. Congress imposed no limitation on below-market rates. Accordingly, below-market is any rate that is less than the current market value, up to and including no-cost access.

No Violation of the Standards of Ethical Conduct

The Office of Government Ethics regulation, 5 C.F.R. § 2635.101, provides the basic obligations of public service. Specifically, the regulation sets out 14 general principles that form the Standards of Ethical Conduct for Government Employees. CC Ethics reviewed each Standard and found that the no-cost parking solicitation and acceptance does not violate the Standards of Ethical Conduct, specifically General Principle 4¹ which states:

(4) An employee shall not, except as permitted by subpart B of this part, solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the employee’s agency, or whose interests may be substantially affected by the performance or nonperformance of the employee’s duties.

The solicitation and acceptance in the instant case does not violate Principle 4 because it is specifically excluded from being deemed a gift under 5 C.F.R. § 2635.203(b)(9)², as the no-cost parking was “accepted by the Government under specific statutory authority.”

¹ 5 C.F.R. § 2635.101 refers to the 14 Principles of Ethical Conduct and we find that only General Principle 4 could be construed as applicable to the facts at issue, because Principle 4 includes language concerning solicitation and acceptance of items of monetary value.

² Gift includes any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of training, transportation, local travel, lodgings, and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred. The term excludes the following: Any gift accepted by the Government under specific statutory authority... 5 C.F.R. § 2635.203 (b) and (b)(9).



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No Violation of the Federal Acquisition Regulation

The FAR applies to all TSA acquisitions of good and services.³ For purposes of the FAR, an acquisition is defined as “the acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the Federal Government through purchase or lease” (emphasis added).⁴ As there was no contract for the purchase of parking, nor the use of appropriated funds to acquire parking, the FAR is not applicable to the facts alleged in the disclosure. Notwithstanding the foregoing, TSA did not violate the standards of ethical conduct as set forth in Section 3.101 of the FAR even if the alleged facts were deemed to be an acquisition.

The purpose of Section 3.101 of the FAR is to avoid any conflicts of interest between the Government and its contractors. These rules ensure the integrity of the government procurement process by preventing government personnel from benefitting personally because of their official position. Additionally, the FAR prohibits solicitation of gratuities from an entity regulated by the employee’s agency.

Specifically, rules governing solicitation and acceptance of gratuities by Government personnel are found in 48 C.F.R. § 3.101-2, which reads as follows:

As a rule, no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee’s agency, (b) conducts activities that are regulated by the employee’s agency, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee’s official duties. Certain limited exceptions are authorized in agency regulations.

Neither subsection (a) or (c) are applicable given the facts alleged in the disclosure because (1) the HAS is not seeking to obtain government business with the employee’s agency, and (2) the HAS was not seeking to affect the performance of TSA employees. Subsection (b) regarding regulated entities is relevant as it captures the relationship between TSA and IAH with respect to the alleged facts.

Given the plain wording of Section 3.101-2(b), TSA would normally be prohibited from requesting free parking from IAH as that would constitute a solicitation of an item of monetary value from an entity (IAH) that conducts activities regulated by TSA. However, as noted above, Section 511 of the Department of Homeland Security Appropriations Act of 2005 specifically allows TSA to negotiate for below-market rates for construction, maintenance, utilities and expenses. With no definition of “expenses” found in the above referenced statute, TSA has reasonably interpreted items like parking fees to be included in that definition. It is a well-established principle that when there is a conflict between a regulation and a statute, the statutory provision governs.⁵ Section 511 allowed TSA employees to engage in the negotiation of parking

³ See Consolidated Appropriations Act of 2008, Pub. Law 110-161 (121 Stat. 2005); 48 C.F.R. § 1.104.

⁴ 48 C.F.R. § 2.101.

⁵ See U.S. Const. art. VI, § 2



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[REDACTED]

fees, including and up to free parking and therefore, even if this were an acquisition, TSA did not violate the solicitation and acceptance prohibitions found in 48 C.F.R. § 3.101-2.

Based on the above analysis, the solicitation and acceptance of no-cost parking did not violate any law, rule, or regulation, nor was it an abuse of authority, as TSA has specific statutory authority to engage in a negotiation between the agency and airport sponsors to achieve agreement on below-market rates for items, including expenses and space.

Should there be any questions or concerns, please do not hesitate to contact us at

[REDACTED], or [REDACTED]
[REDACTED].

[REDACTED]