

<b>DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT LEASE AMENDMENT</b>	LEASE AMENDMENT No. 1
	TO LEASE NO. <b>L13PL00008</b>
ADDRESS OF PREMISES: Billings Logan International Airport Billings, MT	Consisting of <b>4</b> Pages

**THIS AMENDMENT** is made and entered into between **City of Billings** whose address is **1901 Terminal Circle, Rm 216, Billings, MT** hereinafter called the **LESSOR** and the **UNITED STATES OF AMERICA**, hereinafter called **GOVERNMENT**, hereinafter jointly referred to as the "Parties":

**WHEREAS** the Parties hereto desire to amend the above Lease to provide for a short-term Lease extension.

**NOW THEREFORE**, these Parties for the consideration hereinafter mentioned, covenant and agree that the said Lease is amended, effective **August 23, 2022**, as follows:

**Lease Amendment No. 1 is issued to reflect the following revision(s):**

- A. To extend the lease for a period beginning September 1, 2022 through August 31, 2032.
- B. Adjust the Annual Rental Payment.
- C. Update the Utilities and Maintenance paragraph.
- D. Update the Hazardous Substance Contamination paragraph.
- E. Update the Notice paragraph.
- F. Update the Entire Agreement paragraph.

**Therefore, effective August 23, 2022, Paragraph 3. TERM, Paragraph 4. RENTAL, Paragraph 6. UTILITIES AND MAINTENANCE, Paragraph 8. HAZARDOUS SUBSTANCE CONTAMINATION, Paragraph 20. NOTICE, and Paragraph 21. ENTIRE AGREEMENT are hereby deleted in their entirety and replaced as follows:**

**"3. TERM:**

TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on **September 1, 2012**, through **August 31, 2032**, subject to termination and renewal rights as may be hereinafter set forth.

**4. RENTAL**

Rental payments referenced herein are issued in accordance with Wildland Fire Legislation as updated annually in the Consolidated Appropriations Act, 2022 – Public Law H.R. 1865-173.

A. GOVERNMENT shall pay LESSOR an annual rental payment of **\$77,984.88** in advance for the Leased Premises for the year beginning September 1, 2022 and ending August 31, 2023.

Lease Extension Rates for IP-6, IP-7, and Wareyards				
BLM Lease Reference		L99PL00018		
New Lease Term:	10 years	Commencing 9/1/2022 and ending 8/31/2032		
<b>Year 1 Rates: 9/1/2022 - 8/31/2023*</b>				
Space Description	SF	Rate/SFPA	Monthly	Annual
IP-6 Warehouse	1,859	\$4.4500	\$689.38	\$8,272.56
IP-7 Office	3,080	\$13.0676	\$3,354.02	\$40,248.24
IP-7 Storage	1,862	\$9.2011	\$1,427.70	\$17,132.40
Vehicle Wareyard	20,155	\$0.3319	\$557.45	\$6,689.40
Supply Wareyard	17,000	\$0.3319	\$470.19	\$5,642.28
TOTAL			\$6,498.74	\$77,984.88
<b>*Adjusted annually by CPI-W, 1982-1984=100</b>				

B. Rent shall be payable annually. Rent for a period of less than a year shall be prorated. In the event either party exercises its option to terminate, any rentals received shall be prorated to coincide with the termination date.

C. Rent shall be made payable through the Automated Clearing House (ACH) payment system to the LESSOR, according to its data in the System of Award Management (SAM).

D. Annual Rental Escalation. Beginning with the second year of this Lease extension and each year thereafter, Government shall pay adjusted annual rent. The amount of adjustment will be determined by multiplying each year's annual rental rate by the percent of change of the Cost-of-Living index. The percent change will be computed by comparing the index figure published for the month prior to the Lease commencement date with the index figure published for the month that begins with successive 12-month period. For example, a lease that commences in September 2022 would use the index published for August of 2023, to determine the amount of increase after the first year of the lease (the difference between the index in August 2022 and the index of August 2023). The following year the index published for August of 2024 would be used subtracting the previous year's index for August of 2023 and so on, to determine the percent change due each year. The Cost of Living Index will be measured by the U.S. Department of Labor (DOL) revised Consumer Price Index for Wage Earners and Clerical Workers (CPI-W) U.S. City Average, All Items Figure (1982-1984=100) published by the Bureau of Labor Statistics. Rental adjustments will be effective on the anniversary date of this Lease. Payment of the adjusted rent will become due with the annual rental payment per the terms of the lease. In the event of any decreases in the Cost of Living Index occurring during the term of the occupancy under this Lease, the rent amount will remain unchanged.

**6. UTILITIES AND MAINTENANCE:**

As part of rent, the Lessor shall provide snow removal on access roads, water (hot and cold), heat and electricity. Additional utility hookups beyond the existing hookups, necessary for operation are

at the expense of the Government. Government shall be responsible for the additional water hydrant usage expense for washing and flushing equipment used for firefighting operations. Lessor shall provide dumpsters and trash removal from onsite dumpsters. Regular weekly pickup costs will be paid by Lessor; additional pickups requested by Government during peak summer operations are at the expense of the Government.

Building maintenance will be provided by the Lessor between 8:00 a.m. and 5:00 p.m. seven (7) days a week. After-hours maintenance is available from Lessor on an emergency call basis. Janitorial services are the responsibility of the Government. The Government shall have access to the Leased Premises at all times.

Government, at its cost and expense, agrees to operate and maintain the Leased Premises, improvements and appurtenances thereto in a safe and presentable condition, free of refuse and debris consistent with good business practice.

#### **8. HAZARDOUS SUBSTANCE CONTAMINATION:**

Government assumes full responsibility for the proper and legal use, handling, storage and disposal of any hazardous substances used or consumed in the occupancy or conduct of its business. "Hazardous Substance" shall be interpreted broadly to mean any substance or toxic material, fuel, or petroleum-based products, hazardous or toxic, or radioactive substance, or other similar term by any Federal, State, or applicable local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease. Government, subject to the terms and conditions of the Federal Tort Claims Act, 28 U.S.C., Section 2671, et seq., will hold Lessor harmless from and indemnify Lessor against and from any damage, loss, expenses or liability resulting from any breach of these representations and warranty including all attorney's fees and costs incurred as a result thereof.

#### **20. NOTICE:**

Any and all notices required herein to be made by either party to the other shall be written notice made by depositing such notice, correctly addressed, in the registered or certified mail of the United States of America, postage prepaid, and such notice shall be deemed to have been served on the date of postmarking.

All notices to the City of Billings shall be mailed to:

City of Billings  
ATTN: Marita Herold  
Aviation and Transit Dept.  
1901 Terminal Circle RM 216  
Billings, Montana 59105  
Telephone: 406-237-6284

All notices to Government shall be mailed to:

Bureau of Land Management  
ATTN: Barbra Burns-Fink  
National Operations Center  
Denver Federal Center  
Building #50, OC650  
P.O. Box 25047  
Denver, CO 80225-0047  
Telephone: 303-236-0219

**21. ENTIRE AGREEMENT:**

This writing, together with the attachments hereto, including any written amendments, constitutes the entire agreement of the parties regarding the establishment of their leasehold arrangements. No representations, warranties, inducements or oral agreements previously made between the parties regarding the establishment of their leasehold arrangements shall continue unless stated herein."

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

**IN WITNESS WHEREOF**, the Parties subscribed their names as of the below date.

**FOR THE LESSOR:**

Signature: \_\_\_\_\_  
Name: William A. Cole  
Title: Mayor  
Date: \_\_\_\_\_

**FOR THE GOVERNMENT:**

\_\_\_\_\_  
Barbra A. Burns-Fink  
Lease Contracting Officer  
**Bureau of Land Management**  
Date: *See digital stamp contained above in the digital signature*

**WITNESSED FOR THE LESSOR BY:**

Signature: \_\_\_\_\_  
Name: Denise Bohlman  
Title: City Clerk  
Date: \_\_\_\_\_