

**COMMERCIAL LEASE AGREEMENT**


This Lease Agreement, made and executed by and between **THE AUTHORITY FOR THE REDEVELOPMENT OF THE LAND AND FACILITIES OF NAVAL STATION ROOSEVELT ROADS**, a public corporation established under Act No. 508 of September 29, 2004, as amended, represented herein by Ian Carlo Serna, in her capacity as Executive Director, hereinafter referred to as "Landlord," and

**ASOCIACION RESERVISTAS, GUARDIAS NACIONALES Y VETERANOS NAUTAS**, a nonprofit corporation established pursuant to the Laws of the Commonwealth of Puerto Rico, represented herein by Juan R. Davila in his capacity as President, whose address is P.O. Box 1007, San Lorenzo, Puerto Rico 00754, (hereinafter referred to as "Tenant").

**PREAMBLE**

**WHEREAS:** On December 20, 2011, the United States of America, acting by and through the Department of the Navy ("Navy"), and the Landlord entered into that certain *Economic Development Conveyance Memorandum of Agreement between the United States of America acting by and through the Navy and the Local Redevelopment Authority for Naval Station Roosevelt Roads* ("EDC Agreement"); and

**WHEREAS:** on January 25-26, 2012, the Government transferred to the Landlord approximately one thousand and three hundred and seventy (1,370) acres in Parcel 3 via 31 quitclaim deeds (hereinafter referred to as "Parcel 3"), and that certain *Lease in Furtherance of Conveyance between the United States of America and the Local Redevelopment Authority for Naval Station Roosevelt Roads* (as amended, the "LIFOC"); and

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**WHEREAS:** On May 6, 2013, the Navy conveyed to the Landlord one parcel of approximately one thousand, five hundred and forty-two (1,542) acres at NSRR referred to as "Parcel 1" and a parcel consisting approximately of four and ninety-seven (497) acres at NSRR referred to as "Parcel 2" (hereinafter in conjunction with "Parcel 3" referred to as the "Roosevelt Roads Premises"; and

**WHEREAS:** The Leased Premises (as defined below) are within the Roosevelt Roads Premises; and

**WHEREAS,** except for those portions of Parcel 1 and Parcel 3 that are subject to on-going environmental remediation and are leased to the Landlord via the LIFOC collectively, the portions of Parcel 1, Parcel 2 and Parcel 3 that are leased to the Landlord pursuant to the LIFOC, the Landlord owns Parcels 1, 2, and 3 by deed; and

**WHEREAS:** Tenant recognizes that the Roosevelt Roads Premises are currently undergoing a process of redevelopment and environmental remediation. Furthermore, Tenant recognizes that the Roosevelt Roads Premises are being redeveloped to maximize the resources located within, take full advantage of the commercial and touristic value that the Roosevelt Roads Premises offer and to comply with the purposes set forth in that certain "Roosevelt Roads Redevelopment Addendum to the 2004 Reuse Plan" (the "Reuse Plan"), as amended; and

**WHEREAS:** The Landlord desires to ensure the highest quality use of the Leased Premises for the public; and

**WHEREAS:** The Tenant desires to lease the Leased Premises from Landlord to use exclusively as a land parking space for boats of its members and a Club House to celebrate social gatherings of its membership, and other activities inherent to the Tenant's bylaws and the purposes of Tenant.

NOW THEREFORE, based on the foregoing, the parties hereto freely and voluntarily agree to carry out this Agreement subject to the following:

### Terms and Conditions

1. GRANT OF LEASE. Landlord, in consideration of the rents to be paid and the covenants and agreements to be performed and observed by the Tenant, does hereby lease to the Tenant and the Tenant does hereby lease and take from the Landlord the property described in Exhibit "A" attached hereto and by reference made a part hereof (the "Leased Premises"), together with, as part of the parcel, all structures and all improvements located thereon.

2. TERM. Landlord leases to Tenant and Tenant leases from Landlord the above described Leased Premises together with any and all appurtenances thereto, for a term of 5 year hereinafter the "Lease Term", such term beginning on the date of the execution of the present agreement, (the "Effective Date") and ending at 12 o'clock midnight 5 years days after the date of its execution.

3. RENT. The total annual rent for the Lease Term hereof is the sum of **thirty thousand dollars (\$30,000.00)** payable on the 1 day of each month of the term, in equal monthly installments of **TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500.00) PER MONTH.** All such payments shall be made to Landlord at Landlord's address as set forth hereunder on or before the due date and without demand. Upon payment, Landlord will provide Tenant with a payment receipt for each installment made according to this Agreement.

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4. ADDITIONAL RENT. Any amount Tenant is obligated to pay or reimburse Landlord under this Lease Agreement that is not Rent shall be considered to be Additional Rent.

5. COMMON AREA MAINTENANCE. Tenant shall pay to Landlord, in a timely manner with the rent payment, the amount of one hundred dollars ( \$100.00) per month for common area maintenance service charges, with respect to security , green area maintenance, street and highway maintenance, construction and lighting ( jointly the "CAM"). Said amounts shall be subject to annual revisions made by the Landlord and notify to Tenant during the first month of each natural year.

6. LATE CHARGE. In the event that any payment required to be paid by Tenant hereunder is not made within five (5) days of when due, Tenant shall pay to Landlord, in addition to such payment or other charges due hereunder, a "late fee" in an amount equal to five percent (5%) of the monthly rent.

7. DEPOSIT. Landlord will conserve and transfer the deposit made by Tenant with the signature of the previous lease agreement equivalent to two thousand dollars (\$2,000.00) to be used as the security deposit of the present lease agreement. The deposit will be used by Landlord for any damage caused to the Leased Premises during the term hereof. Such deposit shall be returned to Tenant, without interest, and less any set off for damages to the Leased Premises upon the termination of this Agreement.

8. USE OF LEASED PREMISES. The Premises shall be used and occupied by Tenant exclusively as a land parking space for boats of its members and as a Club House to celebrate social gatherings and Tenant's meetings, as well as any other activities of interest and for the benefit of its membership as defined in Tenant's bylaws which corresponding section with such definition is attached hereto as Exhibit "B", and other activities inherent to the Tenant's bylaws and the purposes of Tenant.

A. Future Development of Marina Area. The parties hereby acknowledge that Landlord is in the process of conducting a request of proposal for the development of the Marina Area. In case the present lease interferes with the development of the Marina. Landlord will provide

Tenant the opportunity to relocate its operations to another site in Roosevelt Roads.

B. In the event Landlord elects to cancel this agreement, Landlord shall deliver Tenant a 30 days prior written notice. ("Termination Notice"). In such event, Tenant's obligations to pay additional rents for the Premises shall cease on the Termination Date. This Lease and the obligations of the parties, excluding any obligations of the parties that expressly survive the termination or expiration of this Lease, or have otherwise accrued as of the Termination Date (hereinafter defined), shall terminate as of the date which is twenty (20) days after the date of the Termination Notice (the "Termination Date"), provided Tenant pays to Landlord all sums and charges due and owing by Tenant to Landlord through and including the Termination Date. Any sum which cannot be exactly determined by Landlord as of the Termination Date shall be paid by Tenant to Landlord within thirty (30) days after Tenant's receipt of a statement therefor. The foregoing obligation shall survive termination of this Lease

9. CONDITION OF LEASED PREMISES. The Landlord provides the Leased Premises in condition "as is, "where is". Therefore, subject to any provisions herein to the contrary, and except for maintenance or replacement needed as the result of the act or omission of sub-lessees, licensees or contractors of Landlord, the Landlord shall not be required to repair any defects, deficiencies, deviations or failures of materials or workmanship in the Leased Premises.

10. PERSONAL PROPERTY TAXES. The Tenant shall be liable for any taxes applicable by law, levied against any leasehold interest of the Tenant or personal property and trade fixtures owned or placed by the Tenant in the Leased Premises.

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11. ALTERATIONS, IMPROVEMENTS AND CHANGES PERMITTED. Tenant shall have the right to make such alterations, improvements and changes to any building, structure or improvement which may from time to time be on the Leased Premises as Tenant may deem necessary, or to replace any such building, structure or improvement with a new one of at least the same value, provided that prior to making any structural alterations, improvements or changes, or to replacing any such building, structure or improvement, Tenant shall obtain written approval of plans and specifications therefor from the Landlord, which approval the Landlord shall not unreasonably withhold, provided that the value of the building, structure or improvement shall not be diminished and the structural integrity of the building, structure or improvement shall not be adversely affected by any such alterations, improvements or changes, or that any proposed new building, structure or improvement is at least equal in value to the one which it is to replace, as the case may be. In the event of disapproval, the Landlord shall give to Tenant an itemized statement of reasons therefor. Tenant will in no event make any alterations, improvements or other changes of any kind to any building, structure or improvement on the premises that will decrease the value of such building, structure or improvement or that will adversely affect the structural integrity of the building, structure or improvement. Prior to commencing any work, Tenant shall furnish the Landlord, on demand, with a good and sufficient surety bond insuring the completion of such work and the payment of all bills therefor.

12. UTILITIES. Tenant shall pay for all water, sanitation, garbage, sewer, electricity, light, heat, gas, power, fuel, janitorial, and other services incident to Tenant's use of the Leased Premises, whether or not the cost thereof be a charge or imposition against the Leased Premises. Therefore, as otherwise provided for hereunder, Tenant shall be responsible to set any required meters for potable water and electricity. Tenant shall be responsible for creating accounts for such services with the corresponding entities and shall bear the costs of services billed, including electricity, water, telephone and others.

Section 1. Electricity.

- a. Basic System. The Leased Premises are connected to the power lines of the Puerto Rico Electric Power Authority (hereinafter "PREPA"),

- b. Electrical Substation. Tenant, at its own cost and expense and without any right to reimbursement from Landlord, other than as specifically set forth in this Agreement, may build, install and maintain in coordination with Landlord an electrical substation on the Leased Premises and connect it to PREPA's distribution lines, subject to compliance with PREPA's requirements. Under no circumstances shall Tenant install an electrical substation without Landlord's prior approval as to the capacity and power of said substation, its location within the Leased Premises, and the routing path of the power lines.
- c. Additional Equipment. Tenant covenants not to install or use any equipment that will exceed, or which reasonably could exceed the capacity of the Leased Premises' power lines without Landlord's prior consent. Tenant, at its cost and expense, will upgrade the electrical service lines in accordance with the plans and specifications previously approved in writing by Landlord Should Tenant's operations require greater electrical service line capacity.
- d. Landlord is in the process of establishing an electric power generation and distribution operation at Roosevelt Roads. Tenant shall connect to the new electric system when is established.

Section 2. Water Supply

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- a. Basic System. Landlord is the owner of the Potable Water System. Tenant is connected to Landlord's potable water system and installed an independent water meter that complies with all the Landlord requirements. The consumption established by the meter will be read every third day of the month, and Tenant will have the right to have a representative present on the reading of the water meter to confirm the reading of consumption. Tenant shall pay monthly, the applicable rate for potable water usage, which rate has been calculated based on Landlord's regulations. For this case the applicable fees will be as follows:

1. Fix Fee Based on Meter Diameter of 5/8" amount will be \$53.20 for the first 2,600 gals (Equivalent to 10 mt3).
2. A consumption fee based on meter reading of \$0.15 per gal.
3. If the water usage exceeds the gallonage stated in article 1, a penalty of \$0.20 will be applied.

Should TENANT require water volume and/or water pressure greater than that existing in the area of the Leased Premises, the construction and/or installation of any improvements (including structures), that are necessary, convenient or required by Landlord's Water System to increase said volume and/or pressure, shall be made at TENANT's own expense and coordinated with LANDLORD, but without any right to reimbursement from LANDLORD for any such improvements

- b. Sanitary System Charge (Sanitary Water Removal). The Landlord owns the sanitary system in the leased premises. Tenant is connected to Landlord's sanitary water system. Tenant shall pay monthly, the applicable rate for sanitary water discharge, which rate has been calculated based on Landlord's regulations. For this case the applicable fees will be as follows:

Fix Fee Based on Meter Diameter of 5/8" the amount will be \$131.65.

13. ASSIGNMENT AND SUB-LETTING. Tenant shall not assign this Agreement or sub-let or grant any license to use the Leased Premises or any part thereof.

14. MAINTENANCE AND REPAIR RULES. Tenant will, at its sole expense, keep and maintain the Leased Premises and appurtenances in good and sanitary condition and repair during the term of this Agreement and any renewal thereof.

15. DAMAGE TO LEASED PREMISES. In the event the Leased Premises are destroyed or rendered wholly untenable by fire, storm, earthquake, or other casualty not caused by the negligence of Tenant, this Agreement shall terminate from such time except for the purpose of enforcing rights that may have then accrued hereunder. The rental provided for herein shall then be accounted for by and between Landlord and Tenant up to the time of such injury or destruction of the Leased Premises, Tenant paying rentals up to such date and Landlord refunding rentals collected beyond such date. Should a portion of the Leased Premises thereby be rendered untenable, the Landlord shall have the option of either repairing such injured or damaged portion or terminating this Lease. In the event that Landlord exercises its right to repair such untenable portion, the rental shall abate in the proportion that the injured parts bears to the whole Leased Premises, and such part so injured shall be restored by Landlord as speedily as practicable, after which the full rent shall recommence and the Agreement continue according to its terms.

16. INSPECTION OF LEASED PREMISES. Landlord and Landlord's agents shall have the right at all reasonable times during the term of this Agreement and any renewal thereof to enter the Leased Premises for the purpose of inspecting the Leased Premises and all buildings and improvements thereon. Such entrance to the premises shall be coordinated with Tenant at least with a 48 hour advance written notice by Landlord, providing that such inspection shall not interrupt nor affect the regular operations of Tenant at the Premises.

17. TENANT'S HOLD OVER. If Tenant remains in possession of the Leased Premises with the consent of Landlord after the natural expiration of this Agreement, a new tenancy from month-to-month shall be created between Landlord and Tenant which shall be subject to all of the terms and conditions hereof and such tenancy shall be terminable upon fifteen (15) days written notice served by either party.

18. SURRENDER OF LEASED PREMISES. Upon the expiration of the term hereof, Tenant shall surrender the Leased Premises in as good a state and condition as they were at the commencement of this Agreement, reasonable use and wear and tear thereof and damages by the elements excepted.

19. QUIET ENJOYMENT. Tenant, upon payment of all of the sums referred to herein as being payable by Tenant and Tenant's performance of all Tenant's agreements contained herein and Tenant's observance of all rules and regulations, shall and may peacefully and quietly have, hold and enjoy said Leased Premises for the term hereof.

20. INDEMNITY AND PUBLIC LIABILITY. The Tenant shall save Landlord harmless and indemnify Landlord from all injury, loss, claims or damage to any person or property while on the Leased Premises, unless caused by the willful acts or omissions or gross negligence of Landlord, its employees, agents, licensees or contractors.

21. INSURANCE. During the Term of this Lease Agreement, TENANT shall maintain in force the following insurance policies and must include the description of the Building in all communications:

(a) Commercial General Liability, with limits of not less than \$1,000,000 per occurrence, which will insure against any claim for accidents in the Leased Premises due to use or occupation of the Leased Premises by TENANT. Policy shall include Complete Operations and a "Fire Legal Liability" endorsement with no less than \$100,000. You must provide on the insurance certificate your Business Duties.

(b) Property Insurance with "All Risk" coverage, for one hundred percent (100%) of the replacement value for the building described in Exhibit A, located in Ceiba, Puerto Rico including Foundations (Form CP1410). This insurance shall include coverage for fire, hurricanes, earthquakes and other events of a similar nature, vandalism and malicious mischief, boilers and machinery (if applicable) in building, including all changes, alterations, extensions and improvements made by TENANT to the Leased Premises.

The deductibles of the insurance policies herein required shall be TENANT's responsibility and should LANDLORD undertake any repairs after loss or damage to the Leased Premises. TENANT policy deductible is their responsibility to paid. The acceptable deductibles are \$250 All Perils, Windstorm 2% and Earthquake 5%.

(c) Pollution Liability is required by type of the operations carried on by TENANT. If there no base to acquire this coverage the Tenant has to include a deposit of \$100,000 One Hundred Thousand dollars to be use in case or circumstance of contamination.

21.02 **Insurance During Construction.** During any construction period at the Leased Premises, TENANT must have in force the following insurance policies:

- (i) "Builders Risk" insurance which provides coverage for all improvements that are being constructed, equivalent to one hundred percent (100%) of their replacement value;
- (ii) if the estimated cost of construction is over five thousand dollars (\$5,000), TENANT must provide, at TENANT's own cost and expense, provide LANDLORD with a Performance Bond from a surety company recognized and approved by LANDLORD, or other satisfactory guarantee acceptable to LANDLORD, in a sum equal to the estimated cost of said construction to guarantee completion of any construction within a reasonable time. At LANDLORD's option, instead of TENANT's acquisition of a separate bond or guarantee for each project that may be in process at any given time, TENANT shall provide LANDLORD with one bond or guarantee that covers all alterations, changes, additions or improvements and other construction occurring at the same time; and,
- (iii) Workers' Compensation from the State Insurance Fund Corporation in such coverage amounts as required by law.

21.03 **Insurance Policy Increase Coverage.** TENANT will pay any premium increase required by an insurance company to cover additional risks resulting from any alteration, change, addition or improvement made by TENANT to the Leased Premises.

21.04 **General Requirements.** All insurance policies required of TENANT under this Article 21 must comply in form and substance to LANDLORD's requirements, and must provide the following:

- (i) that the policy shall be immediately renewed by TENANT on or before its expiration date. TENANT must obtain said policies from insurance companies duly authorized to do business in Puerto Rico. Said insurance companies shall have a classification of not less than "A" and a financial rating of "IV" or better, as rated "A" by A.M. Best and Company.

21.05 **Insurance Certificates.** Before the Date of Delivery of Possession TENANT and each policy anniversary shall submit to LANDLORD the policies (or certificates) of same required under this Article 21 with all the mentioned endorsements, (identify each required endorsement) and certificates of insurance which evidence the required coverage by Sections 21.01 and 21.02 of this Lease Agreement. TENANT expressly recognizes LANDLORD's right not to deliver the Leased Premises to TENANT until two (2) days after the policies (or certified copies) and the insurance certificates have been submitted to LANDLORD, as required in this section.

- (i) **Notice of Cancellation** - insurance coverage may not be reduced, canceled or not renewed by the insurance company without written notice to LANDLORD and TENANT at least thirty (30) days in advance (unless said cancellation is due to failure to pay premium, in which case notice must be sent at least ten (10) days in advance.

- (ii) **Waiver of Subrogation.** (a) LANDLORD and TENANT agree that all property damage insurance carried by either of them in relation to the Leased Premises shall be endorsed with a clause providing that any release from liability or waiver of claim for recovery from the other party entered into in writing by the insured thereunder prior to any loss or damage shall not affect the validity of said policy or the right of the insured to recover thereunder, provided that the insurer waives all rights of subrogation which such insurer might have against the other party. Any release or any waiver of claim shall not be operative in any case where the effect of such release or waiver is to invalidate any insurance coverage or invalidate the right of the insured to recover thereunder.

- (iii) Additional Insured – Tenant must include in their policy as Additional Insured Authority for the Redevelopment of Land and Facilities of the Naval Station Roosevelt Roads, address 355 FD Roosevelt Ave. Of. 106, Hato Rey PR 00918.


(iv) **Hold Harmless Agreement** – The TENANT agrees to release the LANDLORD from legal claims. Most often, the Tenant agrees not to sue the LANDLORD for any expenses, damages, or losses arising from a transaction or activity between both.

21.06 **Evidence of Payment; Renewal of Policies.** TENANT must deliver to LANDLORD satisfactory evidence of payment of the insurance premiums within fifteen (15) days of the respective renewal dates of the respective policies and at the same time submit the corresponding insurance certificate or certified copy of each renewed policy.

21.07 **Claims.** TENANT is responsible for any deductibles in claims against the corresponding insurance companies. Also, is responsible in handling such claims, including the preparation of damage reports and other documents required to process the claim. In the event TENANT does not provide said documents, LANDLORD, as TENANT's agent and attorney-in-fact, shall, in addition to any other remedy available to LANDLORD, execute and submit any evidence of loss and/or any other document necessary for collection of the claim, the TENANT will be charge of any cost to handle or prepare such documents.

21.08 **Periodic Reviews.** LANDLORD reserves the right to review and demand periodically increases in the limits of the coverage required in this Lease Agreement as results from the effects of inflation.

21.09 **Penalties.** Notwithstanding the provisions of this agreement, and without affecting the general terms of the matters stipulated therein, should TENANT breach its duty to obtain any of the policies required in Article 21, which as a result renders it necessary for LANDLORD to obtain said policies, in addition to reimbursement for the premium paid for said policies, TENANT shall pay LANDLORD a sum equal to twelve percent (12%) of the cost of the policies obtained by LANDLORD to cover LANDLORD's administrative costs.

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22. **DEFAULT.** If Tenant fails to comply with any of the material provisions of this Agreement, other than the covenant to pay rent, or of any present rules and regulations or any that may be hereafter prescribed by Landlord, or materially fails to comply with any duties imposed on Tenant by statute, within seven (7) days after delivery of written notice by Landlord specifying the non-compliance and indicating the intention of Landlord to terminate the Lease by reason thereof, Landlord may terminate this Agreement.

If Tenant fails to pay rent when due and the default continues for seven (7) days thereafter, Landlord may, at Landlord's option, declare the entire balance of rent payable hereunder to be immediately due and payable and may exercise any and all rights and remedies available to Landlord at law or in equity or may immediately terminate this Agreement.

23. **ABANDONMENT.** If at any time during the term of this Agreement Tenant abandons the Leased Premises or any part thereof, Landlord may, at Landlord's option, obtain possession of the Leased Premises in the manner provided by law, and without becoming liable to Tenant for damages or for any payment of any kind whatever. Landlord may, at Landlord's discretion, as agent for Tenant, relet the Leased Premises, or any part thereof, for the whole or any part thereof, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such reletting, and, at Landlord's option, hold Tenant liable for any difference between the rent that would have been payable under this Agreement during the balance of the unexpired term, if this Agreement had continued in force, and the net rent for such period realized by Landlord by means of such reletting. If Landlord's right of reentry is exercised following abandonment of the Leased Premises by Tenant, then Landlord shall consider any personal property belonging to Tenant and left on the Leased Premises to also have been abandoned, in which case Landlord may dispose of all such personal property in any manner Landlord shall deem proper and Landlord is hereby relieved of all liability for doing so.

24. **ENVIRONMENTAL PROVISIONS.** During the tenancy of the premises, Tenant shall not (either with or without negligence) cause or permit the escape, disposal or release of any biologically or chemically active or other hazardous substances or materials on the premises. Tenant shall not allow the storage or use of such substances

or materials in any manner not sanctioned by law or by the highest standards prevailing in the industry for the storage and use of such substances except to use in the ordinary course of Tenant's business, and then only after written notice is given to Landlord of the identity of such substances or materials. In addition, Tenant shall execute affidavits, representations and the like from time to time at Landlord's request concerning Tenant's best knowledge and belief regarding the presence of hazardous substances or materials on the Leased Premises. In all events, Tenant shall indemnify Landlord in the manner elsewhere provided in this lease from any release of hazardous materials on the Leased Premises occurring while Tenant is in possession, or elsewhere if caused by Tenant or persons acting under Tenant's authority. These covenants shall survive the expiration or earlier termination of the lease term.

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Tenant shall conduct all of its operations at the Leased Premises in compliance with all federal, state and local statutes (including, but not limited to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et. seq, as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub.L. No. 99-499, 100 Stat. 1613 (October 17, 1986) ("CERCLA"); the Resources Conservation and Recovery Act, 42 U.S.C. Section 6901 et. seq. ("RCRA"), and all applicable federal, and local statutes related to the environment now or hereafter enacted and any additions and amendments thereto and regulations enacted thereunder, ordinances, regulations, orders and requirements of common law, regarding, but not limited to, (i) discharges to the air, soil, surface or groundwater; and (ii) handling, utilizing, storage, treatment or disposal of any hazardous substances or toxic substances as defined therein ("Environmental Statutes"). Tenant shall obtain all permits, licenses or approvals and shall make all notifications and registrations required by Environmental Statutes and shall submit to Landlord, upon request, for inspecting and copying all documents, permits, licenses, approvals, manifests and records required to be submitted and/or maintained by the provisions of the Environmental Statutes. Tenant shall also provide promptly to Landlord copies of any correspondence, notice of violation, summons, order, complaint or other document received by Tenant pertaining to compliance with Environmental Statutes.

Tenant shall not install at the Leased Premises any temporary or permanent tanks for the storage of any liquid or gas above or below ground except as in compliance with the other provisions of this section and after obtaining written permission to do so from Landlord.

If, because of the manner in which Tenant operates its business, the Landlord, Landlord's mortgage lender or a governmental agency shall require testing by an environmental testing entity of its choice, to ascertain whether there has been a release of Hazardous Materials by Tenant, its agents, servants, employees or business invitees, in or around the Leased Premises, the reasonable costs of such testing shall be reimbursed by Tenant to Landlord as additional rent. Tenant shall execute affidavits or representations, at Landlord's request, stating that, to the best of Tenant's knowledge and belief, since the time that Tenant took possession of the Leased Premises, there have been no and there presently are no Hazardous Materials present in the Leased Premises.

Tenant hereby agrees to indemnify Landlord and to hold Landlord harmless of, from and against any and all expense, loss, cost, fines, penalties, loss of value or liability suffered by Landlord by reason of Tenant's breach of any of the provisions of this section.

The provisions of this section shall survive the termination of Tenant's tenancy or of this Lease.

#### 25. ENVIRONMENTAL REPORTS.

The Navy has prepared certain environmental reports and deeds ("Environmental Reports") that are made a part of this Agreement by reference. The Environmental Reports will be delivered to the Tenant by electronic means within five (5) business days of the execution of this Agreement. The Tenant is hereby made aware of the notifications and restrictions contained in the Environmental Reports and shall comply with all restrictions set forth therein, and more specifically the Solid Waste Management Units located within the FNSRR designated "SWMU 60", as described in Exhibit "D" hereto. Tenant is made aware



of SWMU 60 located in the immediate area of the Leased Premises. Based on analytical data of the groundwater, it does not appear impacted by previous site activities. **No excavation work may be performed on this area.**

Section 1. No Interference with Operations. The Tenant shall not conduct or allow to be conducted any operations, nor make or allow to be made any alterations, that would interfere with or otherwise restrict Navy operations or environmental clean-up or restoration activities by the Navy, USA-Government, EPA, or the Commonwealth of Puerto Rico, or their contractors. Environmental clean-up, restoration, or testing activities by these parties shall take priority over the Tenant's use of the Leased Premises in the event of any conflict.

Section 2. Compliance with Obligations under LIFO. The Tenant must comply with all terms and conditions of the LIFO (see Exhibit E), with respect to those portions of the Property which are within the Leased Premises.

Section 3. Alterations. The Tenant shall not excavate, drill, construct, or make any alterations, additions, or improvements to, or installations upon, or otherwise modify or alter the Leased Premises in any way that could affect the LIFO.

Section 4. Threatened and Endangered Species. The marina area is subject to conservation measures regarding threatened and endangered species (the "Threatened and Endangered Species Conservation Measures - Parcel 42"). The Landlord has delivered to Tenant copy of this document. The Tenant is hereby made aware of the notifications and restrictions contained therein and shall comply with all restrictions set forth therein as more fully described in Exhibit "F" hereto.

26. SIGNAGE.

Section 1. Exterior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect and thereafter, to repair or replace, if it shall so elect signs on any portion of the Leased Premises, providing that Tenant shall remove any such signs upon termination of this lease, and repair all damage occasioned thereby to the Leased Premises.

Section 2. Interior Signs. Tenant shall have the right, at its sole risk and expense and in conformity with applicable laws and ordinances, to erect, maintain, place and install its usual and customary signs and fixtures in the interior of the Leased Premises.

27. ATTORNEYS' FEES. Should it become necessary for Landlord to employ an attorney to enforce any of the conditions or covenants hereof, including the collection of rentals or gaining possession of the Leased Premises, Tenant agrees to pay all expenses so incurred, including a reasonable attorneys' fee.

28. SEVERABILITY. If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law.

29. BINDING EFFECT. The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto.

30. NON-WAIVER No indulgence, waiver, election or non-election by Landlord under this Agreement shall affect Tenant's duties and liabilities hereunder.

31. MODIFICATION. The parties hereby agree that this document contains the entire agreement between the parties and this Agreement shall not be modified, changed, altered or amended in any way except through a written amendment signed by all of the parties hereto.

32. NOTICES. All notices and other communications authorized or required hereunder shall be in writing and shall be given by mailing the same by certified mail, return receipt requested, postage prepaid, and any such notice or other communication shall be deemed to have been given when received by the party to whom such notice or other communication shall be addressed. If intended for Landlord the same will be mailed to the address hereunder set forth or such other address as Landlord may hereafter designate by notice to Tenant, and if intended for Tenant, the same shall be mailed to Tenant at the address hereunder set forth, or such other address or addresses as Tenant may hereafter designate by notice to Landlord.

LANDLORD:

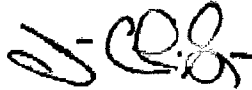
Authority for the Redevelopment of the Land  
and Facilities of Naval Station Roosevelt  
Roads  
355 F.D. Roosevelt Ave.  
Office 106  
Hato Rey, PR 00918

TENANT:

Asociación Reservistas, Guardias  
Nacionales y Veteranos Nautas  
P.O. Box 1007  
San Lorenzo, Puerto Rico 00754

In San Juan, Puerto Rico, June 22, 2020.

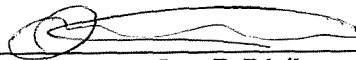
**AUTHORITY FOR THE REDEVELOPMENT OF THE LAND AND  
FACILITIES OF NAVAL STATION ROOSEVELT ROADS  
SSP. 66-066-1048**



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**Ian Carlo Serna  
Executive Director**

**ASOCIACION DE RESERVISTAS, GUARDIAS NACIONALES  
Y VETERANOS NAUTAS  
SSP. 66-0783556**



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**Juan R. Dávila  
President**



Asociación Reservistas, Guardias Nacionales y Veteranos Nautas

22 de junio de 2020

Lcdo. Ian Carlo Serna  
Director Ejecutivo  
Autoridad para el Re-desarrollo de la  
Antigua Base Roosevelt Roads en Ceiba, PR  
Hato Rey, Puerto Rico

A LA MANO

Re: EXHIBITS - CONTRATO RECIENTE ENTRE LRA Y ARGNVN

Estimado Lcdo. Carlo Serna:

Adjunto, EXHIBITS A a F, inclusive, debidamente iniciados por el suscribiente para que sean adheridos al Contrato recientemente firmado entre las partes.

Agradecemos el que se nos informe cuando este haya sido presentado en la Oficina del Contralor.

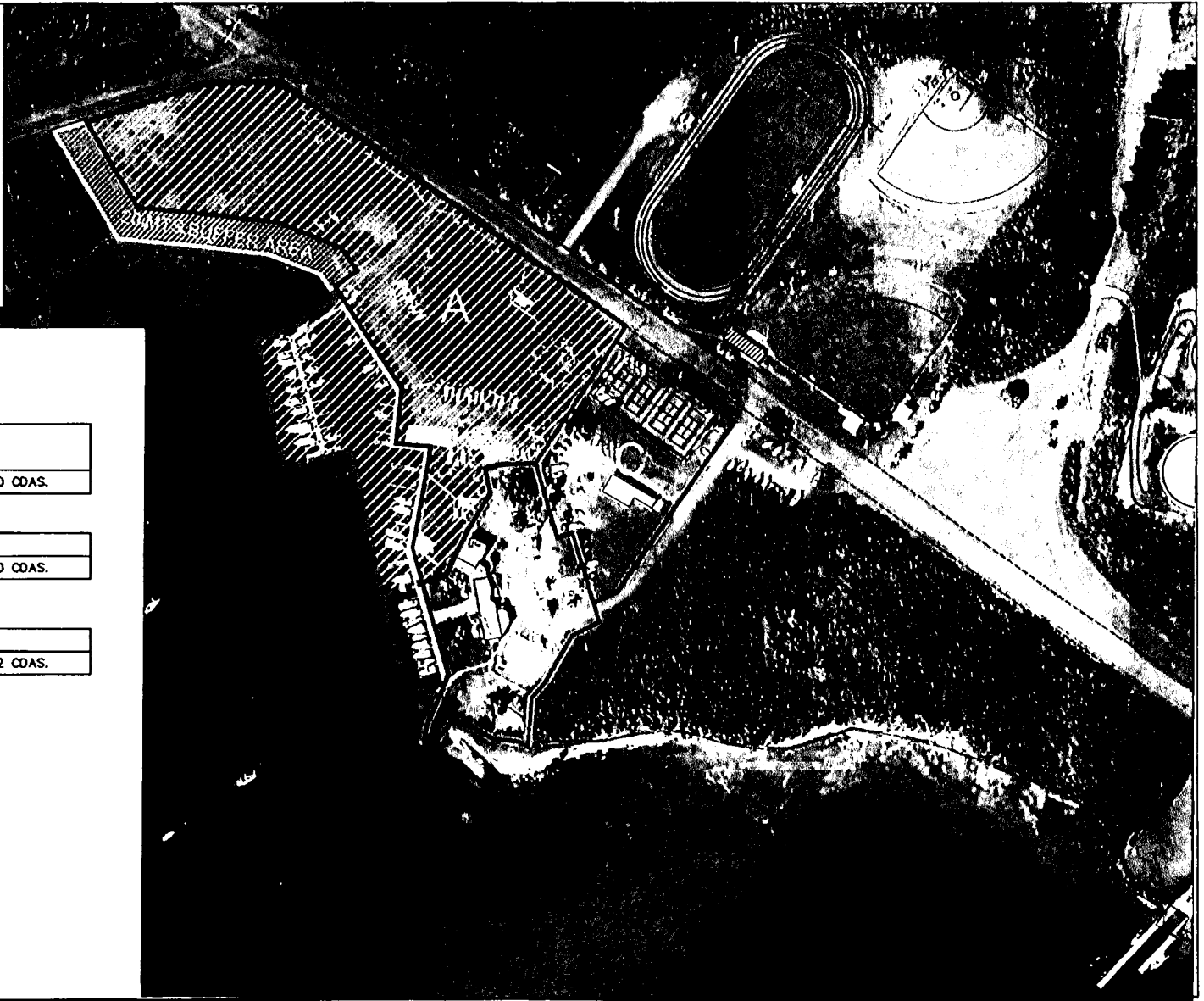
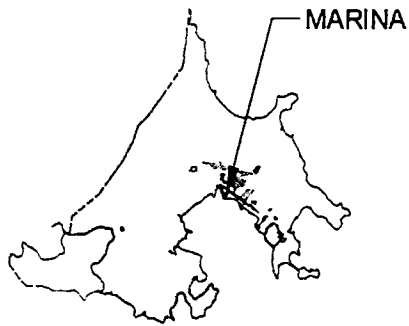
Atentamente,

Juan R. Dávila  
Presidente

**EXHIBIT "A" LEGAL DESCRIPTION**

The following described real property, together with all improvements thereon:

  
JRD



PARCEL "A" MARINA (MUNICIPALITY OF CEIBA) - land portion  
excluding buffer zone and sea areas  
AREA = 32,644.92 SQ. MTS. = 8.07 ACRES    Ⓞ 8.30 CDAS.

PARCEL "B" DRNA -land portion excluding sea areas  
AREA = 10,993.24 SQ. MTS. = 2.72 ACRES    Ⓞ 2.80 CDAS.

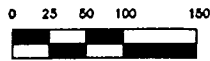
PARCEL "C" NAUTAS  
AREA = 9,922.04 SQ. MTS. = 2.45 ACRES    Ⓞ 2.52 CDAS.

PROJECT:  
**RE-DEVELOPMENT FOR FORMER NAVAL  
STATION ROOSEVELT ROADS**  
Ceiba & Naguabo, Puerto Rico  
Autoridad para el Redesarrollo Local  
Roosevelt Roads

All drawings and copies thereof are instruments of service and as such remain the property of the designer. They are to be used only with respect to the project. With the execution of each complete set for each party to the contract, all copies are to be returned or a check received for the full cost of reproduction of the work.

TITLE:  
**EXHIBIT "A"**  
LEASE AGREEMENT FOR THE  
PROFESSIONAL MANAGEMENT AND OPERATION OF CEIBA COMMERCIAL MARINA

SCALE 1:5,000



SCALE: 1:5,000

DATE: JUNE 16, 2014

NOTES:

1. SURVEY DATA OBTAINED FROM PLANS PREPARED BY BAKER AND/OR TRINISYSTEMS FOR NAVAL ACTIVITY PUERTO RICO
2. COORDINATES IN PUERTO RICO/RGIN ISLANDS HAD 83 SYSTEM (METERS)

ESTADO LIBRE ASOCIADO DE PUERTO RICO  
FOMENTO ECONÓMICO  
DE PUERTO RICO  
C-37C



ROOSEVELT  
ROADS

*[Handwritten signature]*  
DATE

**INTEGR0**  
architects & engineers, PSC  
(787) 767.2111 www.Integrapr.com



JRD

**EXHIBIT "B" - TENANTS BYLAWS**

## REQUISITOS PARA MEMBRESÍA

Para poder ser SOCIO de nuestra ORGANIZACIÓN, debe formar parte de y/o cumplir con al menos uno de lo siguientes requisitos:

Veteranos con Forma 214, I.D. Card Militar, Activos o Retirados del Servicio Militar de los EU, Guardia Nacional, Reservistas, D.O.D, Empleados del Gobierno Federal, Coast Guard Auxiliary, Policías, y los Servidores dentro de las Fuerzas Armadas de E. U., o ser padres, madres, hijos o hijas e alguien que cumpla con alguno de los requisitos anteriores.



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**EXHIBIT "C" - WATER CONNECTION TO EXISTING RR WATER  
DISTRIBUTION SYSTEM**

A handwritten signature in black ink, consisting of several loops and a final flourish.

JRD



# Water Connection to Existing RR Water Distribution System

## Water Connection Procedure and Costs

### Water Meter Type:

The water meter to be installed shall be the one described on "sheet RTS-T-2-I" or similar to be submitted and approved by LRA (or PRASA).

### Water Meter Installation:

The water meter installation shall be performed by a certified master plumber (*Maestro Plomero Certificado*) following all the manufacturer's instructions and PRASA regulations, codes and standards. In addition to that the Master Plumber should submit a final Installation Certification stating that all the aforementioned requirements were met.

### Concrete Meter Box Construction:

The water meter should be protected by a concrete box with steel reinforcement according to the attached drawing "Schematic Drawing 1-1/2" to 4" Standard Water Meter Configuration, sheet SWMC-1". Before the concrete is being pour the tenant or representative should request an inspection from the Engineering Official from the LRA to make sure that all the works are correct and everything is according to the plans.

### Post Installation Instructions:

Once the meter and all components are installed, the master plumber (or tenant) will engaged a certified (By the Department of Health) water quality testing laboratory or firm that will perform the Chlorination of the line and building before the tapping is been set. This procedure must be certified by the aforementioned firm or laboratory and this certification must be submitted in original to the LRA for their records. Once this requirement is been met, the tenant should request a second inspection from the Engineering Official from the LRA to make sure that all the works are correct and everything is according to the plans. The connection will not be allowed until all requirements are met and approved by the LRA Engineering Official. It will be solely responsibility of the tenant to clean, maintain and repair the disturbed area. The hired contractor/plumber shall follow all the safety OSHA codes when performing this work.

### Cost consideration table:

Although the costs may vary the table below will summarize the describe procedure to be taken into consideration:

Water Meter & Components (only materials)	
Concrete Meter Box	
Water Meter Installation and Equipment	
Master Plumber's Certification	
Line Chlorination and testing	
	Total

**Cold Water Recordall®  
Turbo 200 Meter  
with Integral Strainer**

Size 2" (DN 50 mm)

**Technical  
Brief**

**DESCRIPTION**

Badger Meter offers the 2" Turbo Series meter with Integral Strainer in Cast Bronze and a Low Lead Alloy. The Low Lead Alloy (Trade Designation: Turbo Series LL-NS (with Integral Strainer)) version complies with NSF/ANSI Standard 61, Annex G and carries the NSF-61 Mark on the product.

**APPLICATIONS:** For use in measurement of potable cold water in commercial and industrial services where flow is in one direction only.

**OPERATION:** Water flows into the meter's measuring element contacting the multi-vaned rotor. Flow readings are obtained by rotor revolutions transmitted by magnetic drive coupling through the meter's cover plate to the sealed register. Magnetic drive is achieved by a right angle worm drive, coupling the rotor to a vertical transmission spindle, driving a gear set rotating the magnet carrier. A ceramic magnet in a carrier rotates around a vertical axis. Through the magnetic coupling, rotor rotation is transmitted to a follower magnet which transmits rotation to the register gearing.

The turbo measuring element is designed to greatly reduce wear by reducing friction potential between the moving parts of the rotor and bearing system. Less wear, in this critical area of the design, provides the utility manager with a lower life cycle cost for meter application. Throughout the normal operating range of the meter, the rotor floats between the thrust bearing system.

**OPERATING PERFORMANCE:** The Badger® Recordall Turbo 200 meter meets and exceeds registration accuracy for the low flow rate, normal operating flow rate, and maximum continuous operation flow rate as specifically stated in AWWA Standard C701.

**CONSTRUCTION:** The Badger Recordall 200 Turbo meter construction which complies with ANSI and AWWA C701 standards, consists of three basic components: meter housing, interchangeable measuring element and permanently sealed register. The housing is bronze, with round or elliptical flanges. The measuring element consists of the transmission coupling, measuring element insert, rotor, inlet and outlet straightening vanes with nose cones, and calibration ring assembly. The unique inlet and outlet straightening vanes minimize swirl from piping arrangements upstream as well as downstream.

To simplify maintenance, the register and measuring element can be removed without removing the meter housing from the installation. No change gears are required for accuracy calibration. Interchangeability of certain parts between 1 1/2" - 4" like-sized meters also minimizes spare parts inventory investment.

**MAGNETIC DRIVE:** Direct magnetic drive, through the use of high-strength magnets, provides positive, reliable and dependable register coupling for straight-reading, remote or automatic meter reading options.

**SEALED REGISTER:** The standard register consists of a straight-reading odometer-type totalization display, 360° test circle with center sweep hand and flow finder to detect leaks. Register gearing consists of self-lubricating thermoplastic gears to minimize friction and provide long life. Permanently sealed; dirt, moisture, tampering and lens fogging problems are eliminated. Multi-position register simplifies meter installation and reading. Automatic meter reading and close proximity systems are available for all Recordall Turbo meters. (See back of sheet for additional information.) All reading options are removable from the meter without disrupting water service.

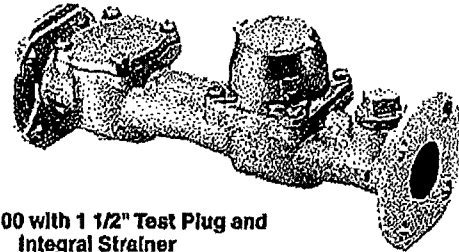
**TAMPER-PROOF FEATURES:** Customer removal of the register to obtain free water can be prevented when the option tamper detection seal wire screw or TORX® tamper resistant seal screw is added to the meter. Both can be installed at the meter site or at the factory. A tamper resistant calibration plug seal provides protection from unauthorized personnel.

**STRAINER:** The meter is designed with an integral stainless steel strainer screen built into its inlet end. A removable cover plate permits easy access to the strainer for routine cleaning.

**MAINTENANCE:** Badger Recordall Turbo meters are designed and manufactured to provide long-term service with minimal maintenance. When maintenance is required, it can be performed easily either at the meter installation or at any other convenient location. As an alternative to repair by the utility, Badger offers various maintenance and meter component exchange programs to fit the needs of the utility.

**CONNECTIONS:** Companion flanges for installation of meters on various pipe types and sizes are available in cast iron or bronze as an option.

**TEST PLUG:** An 1 1/2" NPT test plug puts an end to removing and reinstalling meters during field accuracy and pressure testing.



Turbo 200 with 1 1/2" Test Plug and Integral Strainer

**SPECIFICATIONS**

Typical Operating Range (100% ± 1.5%)	4 - 310 GPM (0.9 to 56.7 m³/h)
Maximum Continuous Operation	200 GPM (45.4 m³/h)
Maximum Intermittent Flow	310 GPM (70.3 m³/h)
Typical Low Flow (Min. 95%)	2.5 GPM (0.6 m³/h)
Pressure Loss at Maximum Continuous Operation	8.3 PSI (.57 bar at 45.4 m³/h)
Maximum Operating Temperature	120°F (49°C)
Maximum Operating Pressure	150 PSI (10 bar)
Meter Flanges	2" Elliptical or Round Flanges, AWWA 125 pound class
Register	Straight reading, permanently sealed magnetic drive standard. Automatic Meter Reading and Close Proximity units optional.
Registration	100,000,000 Gallons 100 gallons/sweep hand revolution. 10,000,000 Cubic Feet 10 cubic ft./sweep hand revolution. 1,000,000 m³ 1 m³/sweep hand revolution. 100,000,000 Imperial Gallons 100 Imperial Gallons/sweep hand revolution.

**MATERIALS**

Housing	Cast Bronze (B81), Low Lead Alloy
Turbo Head	Cast Bronze (B81), Low Lead Alloy
Nose Cone and Straightening Vanes	Thermoplastic
Rotor	Thermoplastic
Rotor Radial Bearings	Lubricated Thermoplastic
Rotor Thrust Bearings	Sapphire Jewels
Rotor Bearing Pivots	Passivated 316 Stainless Steel
Calibration Mechanism	Stainless Steel and Thermoplastic
Magnet	Ceramic
Register Lid and Shroud	Thermoplastic, Bronze
Trim	Stainless Steel

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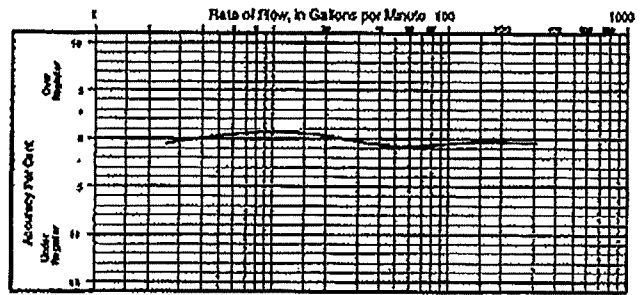
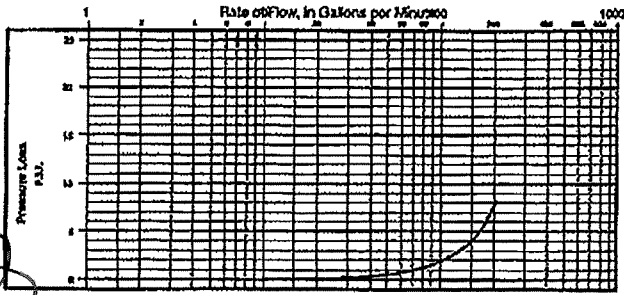


**BadgerMeter, Inc.**

RTS-T-2-1

**PRESSURE LOSS CHART**

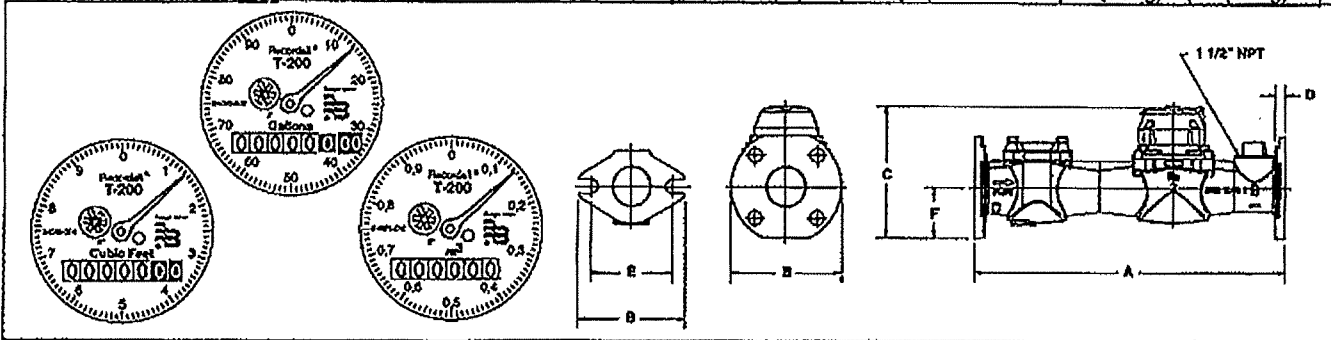
**ACCURACY CHART**



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**DIMENSIONS**

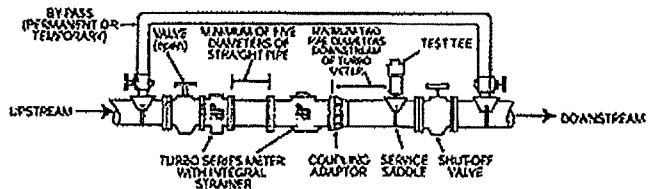
Meter & Pipe Size	DIMENSIONS								
	Length	Width	Height	Flange	Bolt Circle	Centerline	No.	Net	Shipping
2" EL	A 17"	B 5 27/32"	C 6 1/2"	D 27/32"	E 4 1/2"	F 2 1/16"	Bolts 2	Weight 24 lb.	Weight 28 lb.
(DN 50) 2" RD	(432mm) 17"	(148mm) 6"	(165mm) 7 3/32"	(47mm) 5/8"	(114mm) 4 3/4"	(52mm) 2 5/8"	4	(11kg) 26 lb.	(13 kg) 30 lb.
(DN 50)	(432mm)	(152mm)	(180mm)	(16mm)	(121mm)	(67mm)		(12 kg)	(14 kg)



**PROPER INSTALLATION:** The following installation guidelines will insure optimum field performance and reliability when installing a Badger Turbo meter.

1. For Turbo meters with a strainer, a minimum of five (5) pipe diameters of straight pipe upstream of the meter is recommended.
2. ONLY full-open gate valves should be used immediately upstream of the meter. Butterfly valves MUST be five (5) pipe diameters or more upstream of the meter. Full-open gate or butterfly valves can be used downstream.
3. DO NOT install pressure reducing devices or check valves upstream of the meter.

4. Unweighted check valves MUST be located at least three (3) pipe diameters downstream of the meter.
5. Pressure reducing devices and externally weighted check valves MUST be located at least five (5) pipe diameters downstream of the meter.



Badger<sup>®</sup> and Recordal<sup>®</sup> are registered trademarks of Badger Meter, Inc.



Please see our website at  
[www.badgermeter.com](http://www.badgermeter.com)  
for specific contacts.

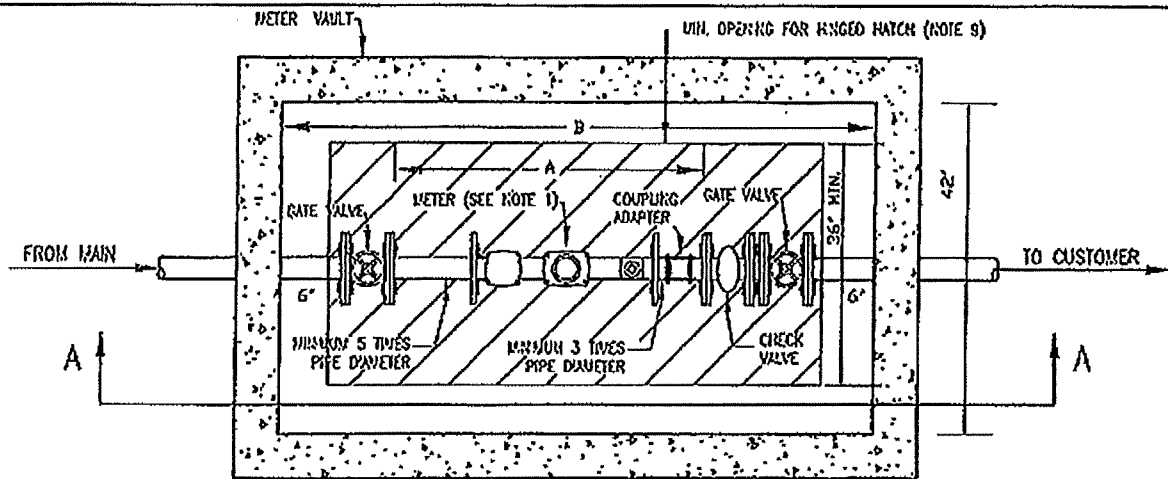
Copyright 2010, Badger Meter, Inc. All rights reserved.

Due to continuous research, product improvements and enhancements, Badger Meter reserves the right to change product or system specifications without notice, except to the extent an outstanding contractual obligation exists.

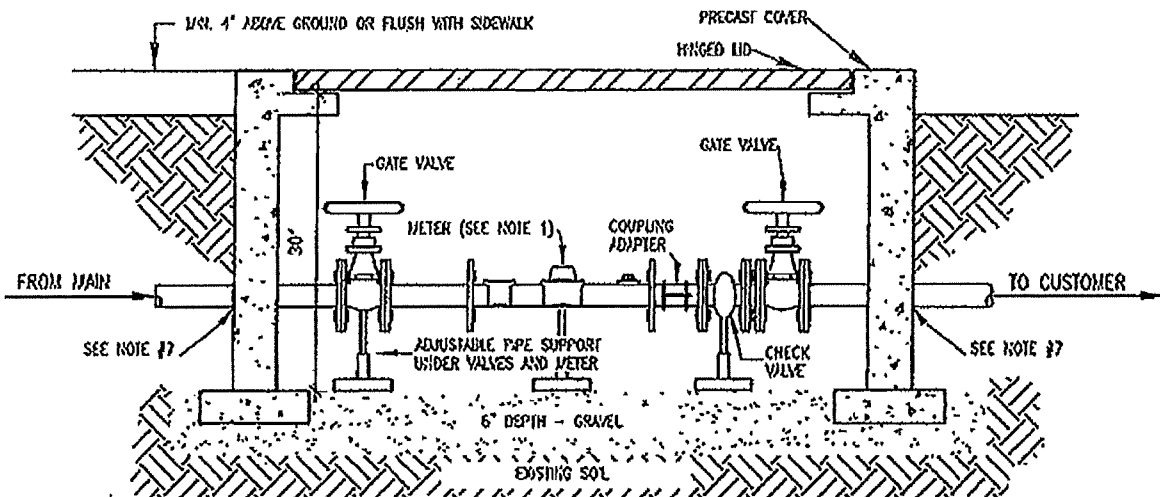


**BadgerMeter, Inc.**

P.O. Box 245036, Milwaukee, WI 53224-9536  
(800) 876-3837 / Fax: (888) 371-5982  
[www.badgermeter.com](http://www.badgermeter.com)



PLAN VIEW



SECTION A-A

MINIMUM DIMENSIONS		
METER DIAMETER (INCHES)	"A" METER LENGTH (INCHES)	"B" MINIMUM INTERNAL DIMENSION OF VAULT (INCHES)
1-1/2	26	49
2	33	63
3	43	80
4	55	93

**NOTES:**

- 1- APPROVED METER WITH INTEGRATED STRAINER, FLOW CONDITIONING AND TEST PORT.
- 2- VAULT WALLS SHALL BE OF REINFORCED OR PRECAST CONCRETE.
- 3- BOX TO BE PLACED IN SIDEWALK OR PLANTING STRIP.
- 4- ALL PIPE TO BE DUCTILE IRON CLASS 350.
- 5- DO NOT INSTALL IN ANY STREET, ALLEY, PARKING AREA, DRIVEWAY OR OTHER TRAFFIC AREA.
- 6- ALL DIMENSIONS SHOWN ARE MINIMUM CLEARANCE DIMENSIONS UNLESS NOTED OTHERWISE.
- 7- WALL SLEEVE DIAMETER THREE PIPE DIAMETER TO ALLOW SETTLEMENT. FILL VOID WITH WASTE OR SIMILAR FLEXIBLE M.A.
- 8- SLOPE SURROUNDING GROUND AWAY FROM METER VAULT.
- 9- HATCH TYPE TO BE APPROVED PRIOR TO INSTALLATION.



SCHEMATIC DRAWING  
1-1/2" TO 4" STANDARD WATER METER CONFIGURATION

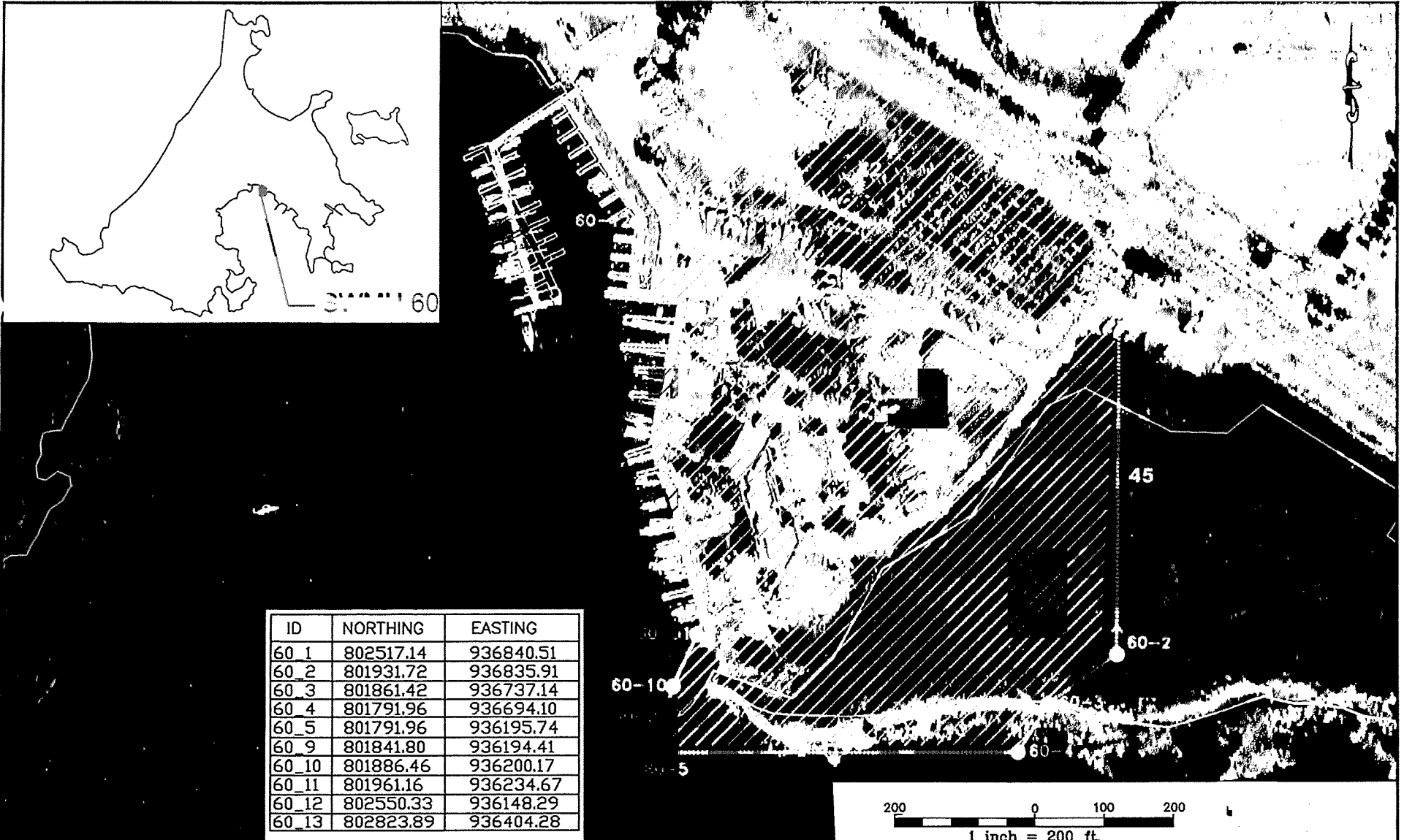
SHEET: SWMC-1

DATE: JULY 8, 2008

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Handwritten signature or initials, possibly "JRD", with a large scribble above it.

EXHIBIT "D" - SWMU 60



ID	NORTHING	EASTING
60_1	802517.14	936840.51
60_2	801931.72	936835.91
60_3	801861.42	936737.14
60_4	801791.96	936694.10
60_5	801791.96	936195.74
60_9	801841.80	936194.41
60_10	801886.46	936200.17
60_11	801961.16	936234.67
60_12	802550.33	936148.29
60_13	802823.89	936404.28

NAD 83 PUERTO RICO AND VIRGIN ISLANDS, US FOOT.

**LEGEND**

- SWMU BOUNDARY
  - PARCEL

- LAND USE CONTROL AREA
  - PARCEL NUMBER

**LAND USE CONTROLS**

- RESIDENTIAL USE PROHIBITED
- GROUNDWATER USE RESTRICTED
- SOIL DISTURBANCE RESTRICTED
- SEDIMENT DISTURBANCE RESTRICTED
- SITE UNDER INVESTIGATION. RESTRICTED MEDIA AND LAND USES WILL BE DETERMINED AT THE CONCLUSION OF THE INVESTIGATION.

**FIGURE 27**  
**SWMU 60**  
**CONTROLLED LAND USE**  
  
 NAVAL ACTIVITY PUERTO RICO  
 PUERTO RICO

*Handwritten signature and initials*

EXHIBIT "E" - LIFO



JRD

All correspondence in connection with this contract should include reference to N4769212RP12P31

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**LEASE IN FURTHERANCE**

**OF CONVEYANCE**

**BETWEEN**

**THE UNITED STATES OF AMERICA**

**AND**

**LOCAL REDEVELOPMENT AUTHORITY  
FOR  
NAVAL STATION ROOSEVELT ROADS**

**AT THE FORMER**

**NAVAL STATION ROOSEVELT ROADS  
CEIBA, PUERTO RICO**

#



EXHIBIT "F" - Threatened and Endangered Species Conservation Measures – Parcel 42



A handwritten signature consisting of several overlapping loops, with the initials "JRD" written below it.

*Parcel Map for the Disposal  
of Naval Activity Puerto Rico*

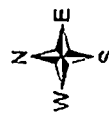
**Parcel Index 42**

Common Name: *Salo*  
Conveyance: *Sale*  
Neighboring Parcel(s): 28, 44, 45

**Legend**

- Parcel
- Neighboring Parcel Boundary
- Sea Turtle Habitat
- Yellow-shouldered Blackbird
- Neighboring Parcel
- Protecting Habitat

August 18, 2005



1 inch equals 240 Feet



JRD

#

**THREATENED AND ENDANGERED SPECIES CONSERVATION MEASURES—PARCEL 42**

Common Name—Sale  
Conveyance—Sale  
Neighboring Parcel(s)—28, 44, 45,

**Yellow-shouldered Blackbird****GENERAL REQUIREMENTS**

- No development is allowed in Parcel 28 (Conservation).
- All development related activities (new construction, ground clearing, demolition/remodeling) adjacent to conservation parcels (28) should occur between September 1 and March 15 (non-breeding season) or be restricted to an area 50 m from the conservation parcel boundary from March 15-August 30 (breeding season).
- Notify USFWS if a yellow-shouldered blackbird nest is found anywhere on the property (787-851-7297).
- Pesticide and herbicide applications must follow Commonwealth of Puerto Rico regulations.

Activity	Conservation Measures
Development Planning	Save as many existing on site palms and trees as possible in new development plans.
Demolition/Remodeling	Schedule activity from September 1 through March 14 or conduct outdoor survey of building(s) (ledges, etc.) and nearby trees (within 50 m of the building) for yellow-shouldered blackbird nests prior to start date if the activity is scheduled to occur between March 15 and August 30. Consult with USFWS if a yellow-shouldered blackbird nest is found.
Grounds Maintenance	No trimming or cutting of palms and trees between March 15 and August 30 except in an emergency (i.e., downed trees and palms from storms).
Building Maintenance	Check for yellow-shouldered blackbird nests prior to any outdoor building maintenance activities between March 15 and August 30. Determine identity of any bird nest found. Notify and consult with USFWS if a yellow-shouldered blackbird nest is found.
General Operations	Before moving outdoor equipment (e.g., carts, vehicles) check for yellow-shouldered blackbird nests from March 15-August 30. Notify USFWS if a yellow-shouldered blackbird nest is located.
Property Sale/Lease	Notify buyer/lessee of all mitigation requirements (see above) and include mitigation with all legal documents.


**Sea Turtle****GENERAL REQUIREMENTS**

- Consult with U.S. Fish and Wildlife Service (USFWS) and Puerto Rico Department of Environmental Resources (DNER) on all beach use plans and permit requirements.
- Notify USFWS if you observe an injured or dead turtle anywhere on the property (787-851-7297).
- Pesticide and herbicide applications must follow Commonwealth of Puerto Rico regulations.

*Parcel Map for the Disposal  
of Naval Activity Puerto Rico*

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<b>Activity</b>	<b>Conservation Measures</b>
Beach Development/Use	Implement all USFWS and Puerto Rico DNER lighting standards/requirements (includes parcels bordering the nesting area).  Implement USFWS/ Puerto Rico DNER precautionary measures for sea turtles before, during, and after development activities.  Establish a 50 m buffer zone between any developed or undeveloped site and the land edge of the sea turtle nesting beach.



**NOTICE:**

Consult with the U.S. Fish and Wildlife Service if you have any questions on the conservation measures. Property owners that cannot adhere to the conservation measures must consult with the U.S. Fish and Wildlife Service to seek a Section 10.0 permit for authorization to modify the identified critical habitat. Failure to comply with the identified conservation measures violates Section 9.0 and/or Section 10.0 of the Endangered Species Act. The U.S. Fish and Wildlife Service has the authority to prosecute violations under the Endangered Species Act.

**FIRST AMENDMENT  
TO  
LEASE AGREEMENT**

LRP Rec. - Lit Rd 16NOV 21er 11:21

This amendment (the "Amendment") is made by and between **LOCAL REDEVELOPMENT AUTHORITY FOR ROOSEVELT ROADS**, hereinafter referred to the "Landlord", a public body, corporate, and politic created pursuant to the laws of the Commonwealth of Puerto Rico established under Act No. 508 of September 29, 2004, as amended, represented herein by Nilda Marchán, in his capacity as Executive Director, and **Asociación de Reservistas, Guardias Nacionales y Veteranos Nautas**, hereinafter referred to the "Tenant", represented herein by its president, Juan R. Davila.

**Recitals**

**WHEREAS**, Landlord and the Tenant (the "Parties") are parties to certain Lease Agreement, dated June 22, 2020, contract number 2020-000021; (the "Effective Date"); and

2) **WHEREAS**, Tenant and Landlord wish to amend the Lease Agreement in order to include an additional parcel of land as part of the agreement.

**WHEREAS**, all capitalized terms used herein but not defined shall have the meanings given to such terms in the Lease Agreement; and

**WHEREAS**, it is not the intention of the parties to this Amendment, and nothing herein shall be interpreted as a novation of any obligations under the Lease Agreement, it being expressly acknowledged and agreed by the Parties that the Lease Agreement and all of the documents issued or executed therewith shall continue to be in full force and effect as herein modified.

**NOW, THEREFORE**, in consideration of the foregoing, and in consideration of mutual covenants and agreements of the Parties hereto, the Parties mutually covenant and agree as follows:

**Terms and Conditions**

1. The parties executed a lease agreement on June 22, 2020, agreement number 2020-000021.

[[

## ARTICLE 12 UTILITIES

Tenant shall pay for all water, sanitation, garbage, sewer, electricity, light, heat, gas, power, fuel, janitorial, and other services incident to Tenants use of the lease premises, whether or not the cost thereof be a change or imposition against the Leased premises. Therefore, as otherwise provided for hereunder. Tenant shall be responsible for creating accounts for such services with the corresponding entities and shall bear the costs of services billed, including electricity, water, telephone, and others.

### 12 .1 Parcel in Exhibit A

#### Section 1. Electricity.

- JRW  
MM
- a. Basic System. Basic System. The Leased Premises are connected to the power lines of the Puerto Rico Electric Power Authority (hereinafter "PREPA" ), Payment of PREPA's electricity bills and any fees or costs related to such connection shall continue to be paid in its entirety and are the sole responsibility of the tenant.
  - b. Electrical Substation. Tenant, at its own cost and expense and without any right to reimbursement from Landlord, other than as specifically set forth in this Agreement, may build, install and maintain in coordination with Landlord an electrical substation on the Leased Premises and connect it to PREPA's distribution lines, subject to compliance with PREPA's requirements. Under no circumstances shall Tenant install an electrical substation without Landlord's prior approval as to the capacity and power of said substation, its location within the Leased Premises, and the routing path of the power lines.
  - c. Additional Equipment. Tenant covenants not to install or use any equipment that will exceed, or which reasonably could exceed the capacity of the Leased Premises' power lines without Landlord's prior consent. Tenant, at its cost and expense, will upgrade the electrical service lines in accordance with the plans and specifications previously approved in writing by Landlord Should Tenant's operations require greater electrical service line capacity.
  - d. Landlord is in the process of establishing an electric power generation and distribution operation in Roosevelt Roads. Tenant shall connect to the new electric system when it is established.

## Section 2. Water Supply

- a. Basic System. Landlord is the owner of the Potable Water System. Tenant is connected to Landlord's potable water system and installed an independent water meter that complies with all the Landlord requirements. The consumption established by the meter will be read every third day of the month, and Tenant will have the right to have a representative present on the reading of the water meter to confirm the reading of consumption. Tenant shall pay monthly, the applicable rate for potable water usage, which rate has been calculated based on Landlord's regulations. For this case the applicable fees will be as follows:
1. Fix Fee Based on Meter Diameter of 5/8" amount will be \$53.20 for the first 2,600 gals (Equivalent to 10 mt3).
  2. A consumption fee based on meter reading of \$0.15 per gal.
  3. If the water usage exceeds the gallonage stated in article 1, a penalty of \$0.20 will be applied.

Should TENANT require water volume and/or water pressure greater than that existing in the area of the Leased Premises, the construction and/or installation of any improvements (including structures), that are necessary, convenient or required by Landlord's Water System to increase said volume and/or pressure, shall be made at TENANT's own expense and coordinated with LANDLORD, but without any right to reimbursement from LANDLORD for any such improvements

- b. Sanitary System Charge (Sanitary Water Removal). The Landlord owns the sanitary system in the leased premises. Tenant is connected to Landlord's sanitary water system. Tenant shall pay monthly, the applicable rate for sanitary water discharge, which rate has been calculated based on Landlord's regulations. For this case the applicable fees will be as follows:
1. Fix Fee Based on Meter Diameter of 5/8" the amount will be \$131.65

### 12.2 Parcel in Exhibit A-1

#### Section 1. Electricity

a. **Basic System:** The parcel in Exhibit A-1 is not connected to Roosevelt Roads Electric Power. Tenant, if interested shall request Landlord through a separate agreement to be connected to Roosevelt Roads electric power services.

#### Section 2. Water Supply

a ) **Basic System.** Landlord is the owner of the Potable Water System. The parcel identified in Exhibit A-1 is not connected to Roosevelt Roads potable

water system. Tenant, If interested, shall request through a separate agreement with Landlord for the connection of potable water service.

**b) Sanitary System-**

Landlord owns the sanitary system at Roosevelt Roads. The parcel identified in Exhibit A-1 is not connected to Roosevelt Roads sanitary system. Tenant, If interested, shall request Landlord through a separate agreement for the connection of sanitary services.

[ ]

**ARTICLE 25**

**25.1 Parcel A**

[ ]

**25.2 Parcel A-1**

The Navy has prepared certain environmental reports and deeds ("Environmental Reports") that are made a part of this Agreement by reference. The Environmental Reports will be delivered to the Tenant by electronic means within five (5) business days of the execution of this Agreement. The Tenant is hereby made aware of the notifications and restrictions contained in the Environmental Reports and shall comply with all restrictions set forth therein, and more specifically the Solid Waste Management Units located within the FNSRR designated "SWMU 60", as described in Exhibit "B" hereto. Tenant is made aware of SWMU 60 located in the immediate area of the Leased Premises. Based on analytical data of the groundwater, it does not appear impacted by previous site activities. **No excavation work may be performed on this area.**

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Section 1. No Interference with Operations. The Tenant shall not conduct or allow to be conducted any operations, nor make or allow to be made any alterations, that would interfere with or otherwise restrict Navy operations or environmental clean-up or restoration activities by the Navy, USA-Government, EPA, or the Commonwealth of Puerto Rico, or their contractors. Environmental clean-up, restoration, or testing activities by these parties shall **take priority** over the Tenant's use of the Leased Premises in the event of any conflict.

Section 2. Compliance with Obligations under LIFO. The Tenant **must** comply with all terms and conditions of the LIFO, if any, with respect to those **portions of the Property which are within or near the Leased Premises.**

Section 3. Alterations. The Tenant shall not excavate, drill, construct, or make **any alterations, additions, or improvements to, or installations upon,** or



otherwise modify or alter the Leased Premises in any way that could affect the LIFOC.

Section 4. Threatened and Endangered Species. The marina area is subject to conservation measures regarding threatened and endangered species (the "Threatened and Endangered Species Conservation Measures).

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4. The terms and provisions set forth in this Amendment shall **modify and** supersede all inconsistent terms and provisions set forth in the Lease Agreement and, except as expressly modified and superseded by this Amendment, the terms and provisions of the Lease Agreement, are ratified and confirmed and shall continue in full force and effect. The Parties agree that the Lease Agreement, as amended, hereby **shall** continue to be legal, valid, binding and enforceable in accordance with its terms.
  5. Each party represents and warrants to the other that the execution, **delivery and** performance of this Amendment has been authorized by all requisite governmental action on the part of Landlord and action on the part of Tenant. The Landlord also hereby represents and warrants to Tenant that the execution, delivery and performance of this Amendment has been authorized by all requisite governmental bodies, entities, officers, directors or boards as required by law.
  6. All provisions in the Lease Agreement and any attachments thereto **in conflict with** this Amendment shall be and are hereby changed to conform with this Amendment. All provisions not in conflict with this Amendment are still in effect and are to be performed as described and specified in the Lease Agreement. If there is conflict between this Amendment and the Lease Agreement, the terms of **this Amendment will** prevail.
  7. .Exhibit List. The following exhibits are attached hereto and incorporated herein:

Exhibit A-1 **Map** of Additional Site

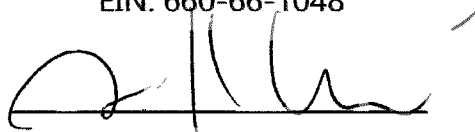
Exhibit B Location of SWMUs near Parcel A-1

SIGNATURES ARE IN THE NEXT PAGE

This **AMENDMENT** entered into at San Juan, Puerto Rico, as of the 16 day of November, 2021, as may be amended, restated, replaced or superseded.

**THE LOCAL REDEVELOPMENT AUTHORITY  
FOR NAVAL STATION ROOSEVELT ROADS**

EIN: 660-66-1048



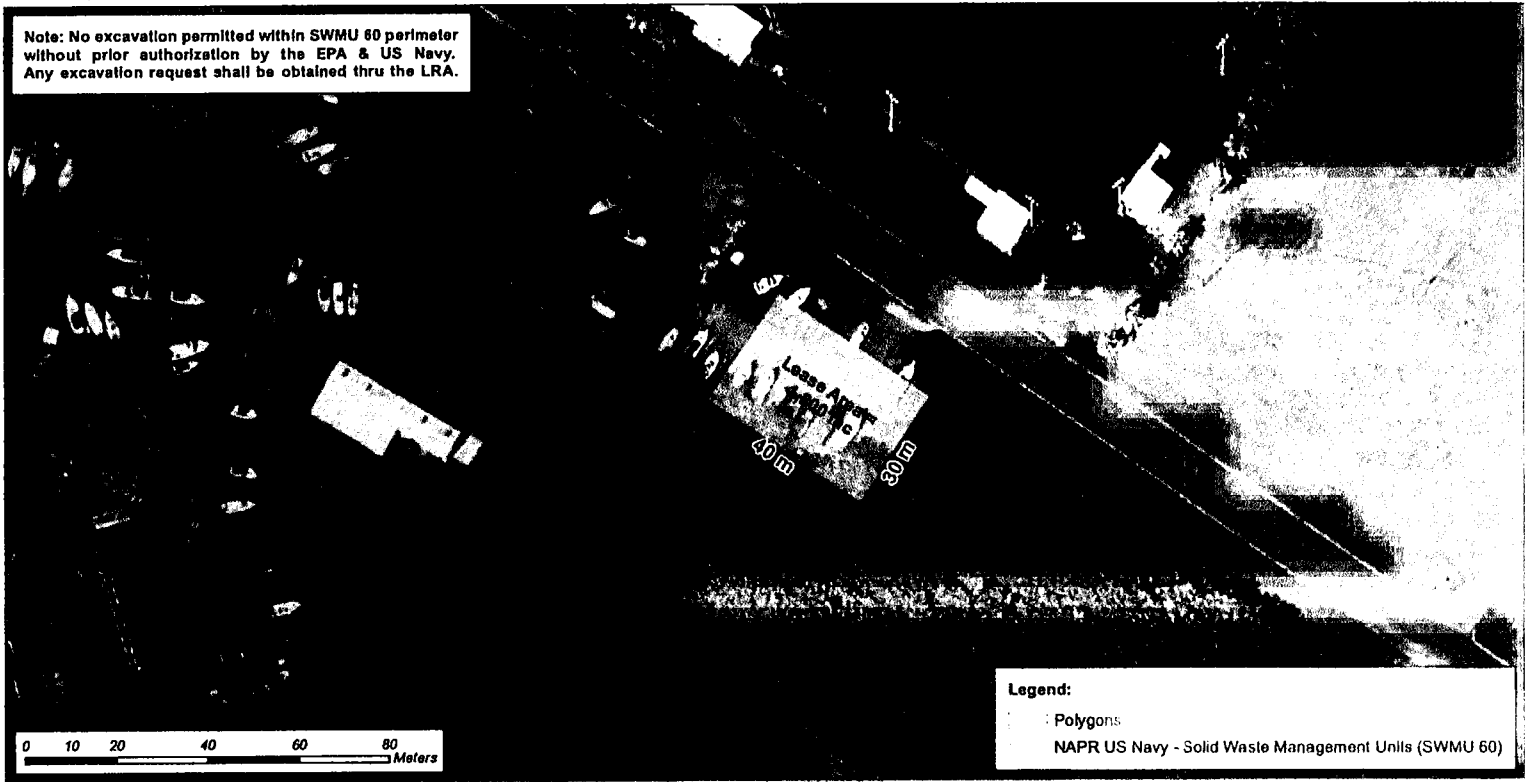
Nilda Marchán  
Executive Director

**ASOCIACION DE RESERVISTAS, GUARDIAS NACIONALES Y VETERANOS NAUTAS  
SSP 66-0783556**



Juan R. Davila  
President

Note: No excavation permitted within SWMU 60 perimeter without prior authorization by the EPA & US Navy. Any excavation request shall be obtained thru the LRA.



**Map Exhibit B SWMU 60**  
Roosevelt Roads Celba-Naguabo, Puerto Rico

File Name: 1741.0 RR RD AE CONSULT Job 140 Current & Future Treatable Units General Figures

**INTEGRAL**  
INTEGRAL DESIGN GROUP PBC  
(787) 767-2131 www.integralpr.com

**Aerial Photo**



**GOVERNMENT OF PUERTO RICO**  
Local Redevelopment Authority  
for Roosevelt Roads

SHEET INFORMATION	
DATE SUBMITTED: 6/20/11	PROJECT NO. 18-1141.0
SCALE: 1:800	DESCRIPTION: ROUTE



JRS

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**Map Exhibit A1- Lease Area**  
 Roosevelt Roads Celba-Naguabo, Puerto Rico

File Name: 1741 & RR RD AE CONSULT Job 140 Current & Future Tenants 1018 General Figures

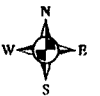
**INTEGRA**  
 INTEGRA DESIGN GROUP PBC  
 (787) 747-2111 www.integrapr.com

**Aerial Photo**



**GOVERNMENT OF PUERTO RICO**  
 Local Redevelopment Authority  
 for Roosevelt Roads

SHEET INFORMATION	
DATE SUBMITTED:	PROJECT NO.
8/28/2011	18-1741.0
SCALE:	DESCRIPTION
1:800	FIGURE



JRD  
 MM