



# SANDY SPRINGS

CITY CLERK'S OFFICE

## PUBLIC FACILITIES AUTHORITY

Rusty Paul, Chair  
Andy Bauman  
Tibby DeJulio  
Melody Kelley  
Melissa Mular  
John Paulson  
Jody Reichel

Tuesday, May 30, 2023

Special Called Meeting

2:00 PM

The Sandy Springs Public Facilities Authority Meeting will be held in the Barfield Conference Room at Sandy Springs City Hall (1 Galambos Way, Sandy Springs, GA 30328).

Live-stream: [www.SandySpringsGA.gov/stream](http://www.SandySpringsGA.gov/stream)

### I. Call to Order

### II. Roll Call and General Announcements

### III. Approval of Meeting Agenda

### IV. Approval of Meeting Minutes

- A. **PFA2023-008** May 2, 2023 Public Facilities Authority Special Called Meeting

### V. New Business

- A. **PFA2023-009** Request for Public Facilities Authority Consideration to Approve the Guaranteed Maximum Pricing for the Police Headquarters and Municipal Courthouse Project at 620 Morgan Falls Road and to Authorize the General Manager to Execute the Change Order to the Contract  
*(Presented by Dave Wells, Director of Facilities/Capital Construction and Building Operations)*
- B. **PFA2023-010** Request for Public Facilities Authority Consideration to Approve the Consolidated Amendments to the Lease Agreements for Police Department and Municipal Court  
*(Presented by Eden Freeman, General Manager)*

### VI. Adjournment

*Individuals with disabilities who require certain accommodations in order to allow them to observe and/or participate in a public meeting, or who have questions regarding the accessibility of the meeting or facilities should contact the City Clerk at 770-730-5600 promptly for assistance. The City will make reasonable accommodations for those persons.*

1 Galambos Way, Sandy Springs, Georgia 30328 • 770-730-5600 • [SandySpringsGA.gov](http://SandySpringsGA.gov)



## SANDY SPRINGS

CITY CLERK'S OFFICE

TO: Members of the Public Facilities Authority

FROM: Dave Wells, Director of Facilities/Capital Construction and Building Operations

DATE: May 22, 2023 Submission for the May 30, 2023 Public Facilities Authority Meeting

ITEM: Request for Public Facilities Authority Consideration to Approve the Guaranteed Maximum Pricing for the Police Headquarters and Municipal Courthouse Project at 620 Morgan Falls Road and to Authorize the General Manager to Execute the Change Order to the Contract

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### ***Recommendation:***

City Staff recommends that the Public Facilities Authority approve a Guaranteed Maximum Price ("GMP") **\$45,188,432.00**, as well as Final Design for the Police Headquarters and Municipal Courthouse as described in the GMP Change Order and further recommend that the Public Facility Authority (the "PFA") authorize the General Manager to execute a GMP Change Order.

### ***Background:***

On September 21, 2021, at the Public Facility Authority Special Called Meeting, the PFA adopted a resolution approving a certain Contract in the amount of \$985,026.00 for Construction Services (the "Contract") between the City of Sandy Springs (the "City") and Reeves Young, LLC ("Reeves Young") for construction of the Police Headquarters and Municipal Courthouse Project (the "Project").

On August 2, 2022, the PFA authorized Schematic Design Pricing in the amount of \$50,532,282.00 and the continuation of design to attain Guaranteed Maximum Pricing ("GMP") for the Project.

On February 7, 2023, The PFA authorized Design Development Pricing in the amount of \$50,718,125.00, and directed that design and pricing be continued to obtain GMP for the Project.

### ***Discussion:***

Reeves Young has presented a GMP Proposal of \$45,188,432.00 in accordance with the contract requirements. A GMP Change Order in the amount of \$44,230,406.00 that complies with the provisions of the contract has been created, and once executed will effectively be added to the Reeves Young contract. In addition to the GMP Change Order, the Project budget also includes costs for additional components associated with future project costs as listed below;

**Future Project Costs**

Direct Construction Cost (GMP Change Order)	\$44,230,406.00
Building Security Systems	\$1,054,790.00
Commissioning	\$182,000.00
Material Testing	\$70,000.00
Project Documentation/Mapping	\$65,310.00
FF&E Allowance	\$2,311,880.00
<b>Total Future Project Cost</b>	<b>\$47,914,386.00</b>

***Financial Impact:***

The GMP change order is in the amount of \$44,230,406.00. The current contract with Reeves Young is in the amount of \$985,026.00, with an overall GMP value of \$45,188,432.00. There are sufficient funds in PF002 for the Project . The current available balance is \$48,183,374.84.

***Alternatives:***

Members of the PFA may decide not to accept staff’s recommendations and provide further guidance or recommendations to staff.

***Review:***


Raquel Gonzalez, City Clerk	Created/Initiated - 5/23/2023
Richard Collins, Construction Manager	Approved - 5/23/2023
Dave Wells, Director of Facilities/Capital Construction and Building Operations	Approved - 5/23/2023
Toni Carlisle, Chief Financial Officer	Approved - 5/24/2023
Dan Lee, City Attorney	Approved - 5/26/2023

Len Housley, Assistant City Manager  
Eden Freeman, City Manager

Approved - 5/26/2023  
Final Approval -  
5/26/2023

**Attachments:**

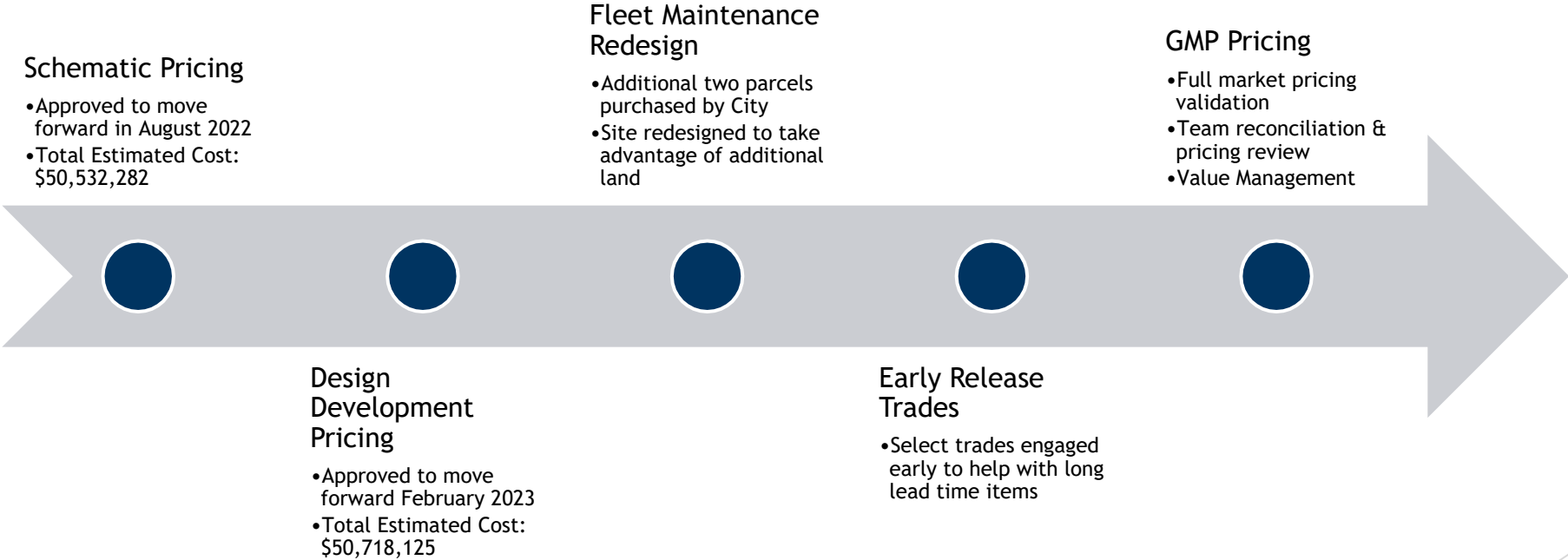
1. SSPS - May Council Meeting Presentation
2. Police HQ and Municipal Court\_ PFA RESOLUTION



# Sandy Springs Police HQ & Municipal Court

May 2023 Project Update

# Project Recap & Update





# Project Budget Update

# GMP Estimate

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Police Headquarters & Municipal Court	
- Building	\$31,652,164.00
- Sitework	\$5,025,354.00
<i>Subtotal</i>	<u>\$36,677,518.00</u>
Fleet Maintenance Building & Site	\$3,611,492.00
Detailed Design /Market Conditions Contingency	\$0.00
Construction Manager Costs	\$1,966,135.00
Construction Manager Contingency	\$1,035,078.00
Construction Manager Fee	\$1,251,245.00
Owner's Contingency	\$2,344,288.00
<b><u>DIRECT CONSTRUCTION COSTS</u></b>	<b><u>\$46,885,756.00</u></b>

Starting Estimate (DD Budget Estimate dated 1/19/2023)	\$
Accepted Value Management	\$
Mark-up Adjustment for Accepted Items	\$
<b>Current Estimate Amount</b>	\$
Target Budget	\$
<b>Variance to Overcome</b>	\$

# Value Management

- ◆ Scope reconciliation between RY & Design team
- ◆ Fleet Maintenance site redesign with additional parcels
- ◆ Reduction in Owner Contingency to \$2m
- ◆ Reassessment of joist modifications
- ◆ Total savings accepted \$1,697,324

PENDING	PENDING ADD	REJECTED	ACCEPTED	STATUS	NOTES
			\$ (1,505,792)	A	12/16/2022 - Must accept RY7 and RY8 shown in DD Budget Estimate 1/23/2023 - Exact value to be finalized with final Estimate 1/23/2023 - this value represents savings for Fleet Maintenance at SD budget and DD Budget. Fleet Maintenance has moved to a new site and has fuel services
\$ 500,000				PA	12/16/2022 - requested add per JDG after call 12/15/2022
			\$ (304,220)	A	7/21 - JD to provide rendering for Deck & E... 1/23/2023 accepted by Eden
.4)				PD	take out third floor & reduce the 4th floor room
			\$ (20,000)	A	1/19/2023 - per AV meeting, this savings was identified and incorporated in to the AV budget software. 1/23/2024 Reduced by
			\$ (12,250)	A	1/23/2023 removed from budget for design funding per DW/RC. However, savings at walls, possible closer study of design contingency at GMP
			\$ -	A	1/19/2023 - budget currently set at \$121,000. Do not anticipate savings at this time, use Design Contingency
rBD				TBD	

# Anticipated Total Estimated Cost

DIRECT CONSTRUCTION COSTS	\$46,885,756.00
Value Management Amount	-\$1,697,324.00
	<hr/>
	\$45,188,432.00
Security System by Owner	\$1,054,790.00
Commissioning	\$182,000.00
A/E Design Fee	\$1,500,525.00
A&R Engineering - Traffic Study	\$25,500.00
Geotechnical	\$0.00
Material Testing	\$70,000.00
Multivista / Mapping	\$65,310.00
FF&E Allowance	\$2,311,880.00
<b>TOTAL ESTIMATED COST</b>	<b>\$50,398,437.00</b>

# Budget Comparison

	<b>SCHEMATIC 2022</b>	<b>DD w/ VE 2023</b>	<b>GMP 2023</b>	<b>VARIANCE FROM DD</b>
DIRECT CONSTRUCTION COSTS	\$50,278,241.00	\$45,028,535.00	\$46,885,756.00	\$1,857,221.00
Value Management Amount	-\$5,453,739.00	SPREAD ABOVE	-\$1,697,324.00	\$0.00
	<b>\$44,824,502.00</b>	<b>\$45,028,535.00</b>	<b>\$45,188,432.00</b>	<b>\$159,897.00</b>
Building Security System by Owner	\$863,455.00	\$863,455.00	\$1,054,790.00	\$191,335.00
Commissioning	\$0.00	\$182,000.00	\$182,000.00	\$0.00
A/E Design Fee	\$1,469,325.00	\$1,483,325.00	\$1,500,525.00	\$17,200.00
A&R Engineering - Traffic Study	\$0.00	\$25,500.00	\$25,500.00	\$0.00
Geotechnical	\$125,000.00	\$0.00	\$0.00	\$0.00
Material Testing	\$100,000.00	\$70,000.00	\$70,000.00	\$0.00
Multivista / Mapping	\$150,000.00	\$65,310.00	\$65,310.00	\$0.00
FF&E Allowance	\$3,000,000.00	\$3,000,000.00	\$2,311,880.00	-\$688,120.00
<b>TOTAL ESTIMATED COST</b>	<b>\$50,532,282.00</b>	<b>\$50,718,125.00</b>	<b>\$50,398,437.00</b>	<b>-\$319,688.00</b>

# Total Project Budget \$61,818,318

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Property Purchase Costs	\$11,150,892.16
Project Costs Encumbered to Date	<u>\$2,484,051.00</u>
Total Costs to Date	\$13,634,943.16

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RY CM@R Direct Construction Costs (GMP)	\$45,188,432.00
Initial RY Contract Encumbrance	<u>(\$958,026.00)</u>

Future Project Costs	
Direct Construction Costs (GMP Contract CO)	\$44,230,406.00
Building Security System	\$1,054,790.00
Commissioning	\$182,000.00
Material Testing	\$70,000.00
Multivista / Mapping	\$65,310.00
FF&E Allowance	<u>\$2,311,880.00</u>
Total Future Project Costs	\$47,914,386.00

TOTAL AVAILABLE FUNDING	\$48,183,374.84
TOTAL BUDGETED FUNDS REMAINING	<u>\$268,988.84</u>

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The background of the slide is an architectural rendering of a modern building's courtyard. On the left, a large tree with vibrant red blossoms stands in a landscaped area with greenery and a paved walkway. In the center and right, a multi-story building with a curved facade and large windows is visible. The courtyard features a central fountain with water spraying upwards, surrounded by various plants and rocks. Several stylized human figures are scattered throughout the scene, providing a sense of scale and activity. The overall atmosphere is bright and clear, suggesting a sunny day.

# Current Design Review

Police Headquarters/Municipal Court and  
Fleet Maintenance Update



POLICE HEADQUARTERS  
& MUNICIPAL COURT

FUTURE OVERFLOW  
PARKING LOT

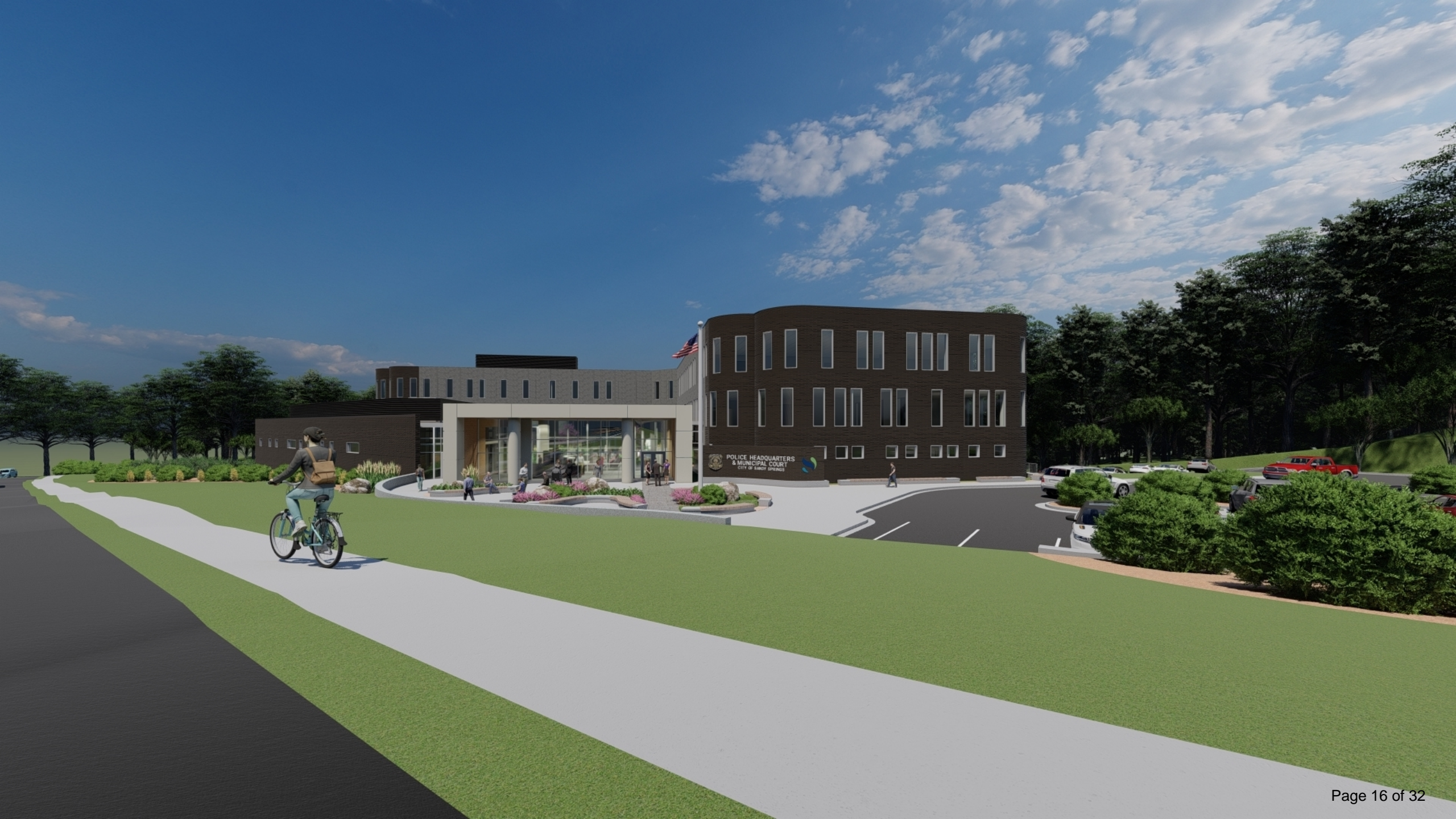
FUTURE FIREARMS  
TRAINING FACILITY

FUTURE  
FIRE STATION 1

MORGAN FALLS RD

ADAIR L





POLICE HEADQUARTERS  
& MUNICIPAL COURT  
CITY OF SANDY SPRINGS



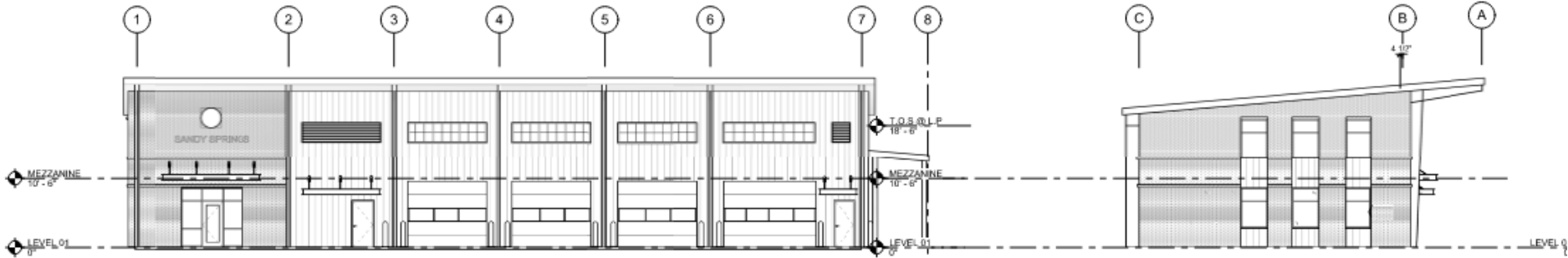


**POLICE HEADQUARTERS  
& MUNICIPAL COURT**  
CITY OF SANDY SPRINGS



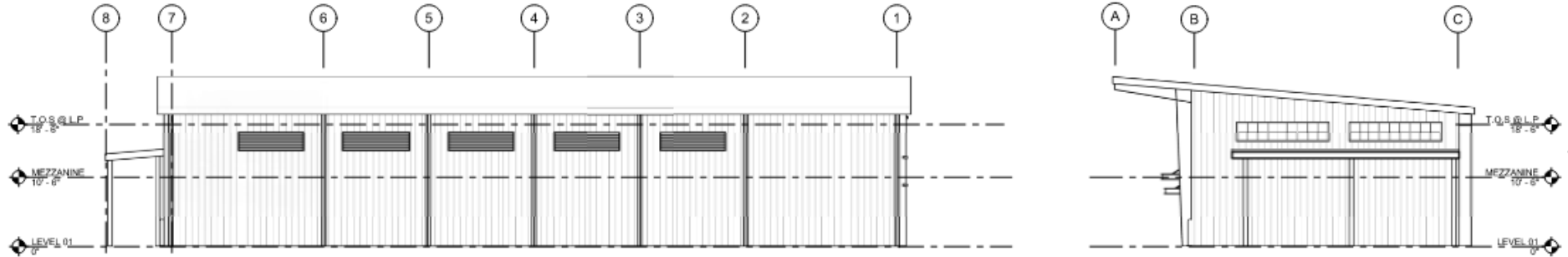






**B1 NORTH ELEVATION**  
SCALE: 1/8" = 1'-0"

**B4 WEST ELEVATION**  
SCALE: 1/8" = 1'-0"





# NEXT STEPS

Council  
Approval of GMP

• 05/30/23

Substantial  
Completion

• 12/2024



Construction  
Mobilization

• 06/2023

STATE OF GEORGIA  
COUNTY OF FULTON

**A RESOLUTION TO APPROVE FINAL DESIGN FOR CONSTRUCTION OF THE POLICE HEADQUARTERS AND MUNICIPAL COURTHOUSE PROJECT; TO APPROVE A GUARANTEED MAXIMUM PRICE FOR THE PROJECT; AND TO AUTHORIZE THE GENERAL MANAGER TO EXECUTE AN AMENDMENT TO THE CONTRACT BY CHANGE ORDER**

**WHEREAS**, in 2021, the Public Facility Authority (the "PFA") adopted a resolution approving a certain Contract for Construction Services (the "Contract") between the City of Sandy Springs (the City") and Reeves Young, LLC ("Reeves Young") for construction of the Police Headquarters and Municipal Courthouse Project (the "Project"); and

**WHEREAS**, On August 2, 2022, the PFA authorized Schematic Design Pricing in the amount of \$50,532,282.00 and the continuation of design to attain Guaranteed Maximum Pricing ("GMP") for the Project and;

**WHEREAS**, On February 7, 2023, The PFA authorized Design Development Pricing in the amount of \$50,718,125.00, and directed that design and pricing be continued to obtain GMP for the Project and;

**WHEREAS**, In accordance with the Contract provisions, Reeves Young has submitted a GMP Proposal supporting a GMP of \$45,188,432.00; and

**WHEREAS**, the PFA desires to accept the recommendation of City Staff consistent with the attached GMP and to authorize the General Manager to amend the Contract; and

**WHEREAS**, City Staff will prepare a GMP Change Order meeting the requirements of the Contract when executed, will effectively amend the Contract for the project scope in the amount of \$44,230,406.00.

**NOW, THEREFORE, BE IT RESOLVED BY THE PUBLIC FACILITIES AUTHORITY OF THE CITY OF SANDY SPRINGS, GEORGIA;:**

1. The GMP for the Project in the amount of \$45,188,432.00 and Final Design for the Project, are hereby approved; and
2. The General Manager is hereby authorized to execute a GMP Change Order for the Construction Services described above, subject to approval of the City Attorney and the Chief Financial Officer for the City; and
3. The General Manager and appropriate City staff are hereby authorized to take such actions as may be deemed necessary to effectuate the intent of this Resolution.

**RESOLVED** this 30<sup>th</sup> day of May 2023.

Approved:

\_\_\_\_\_  
Russell K. Paul, Chair

Attest:

\_\_\_\_\_  
Raquel D González, Secretary

(Seal)



## SANDY SPRINGS

CITY CLERK'S OFFICE

TO: Members of the Public Facilities Authority

FROM: Eden Freeman, City Manager

DATE: May 26, 2023 Submission for the May 30, 2023 Public Facilities Authority Meeting

ITEM: Request for Public Facilities Authority Consideration to Approve the Consolidated Amendments to the Lease Agreements for Police Department and Municipal Court

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### ***Recommendation:***

It is recommended the Public Facilities Authority approved the presented Consolidated Amendments to the Lease Agreements to continue the Morgan Fall Office Pack office rentals for the Municipal Court and Police.

### ***Background:***

The City's Police Department currently occupies buildings Suite 301 and Suite 401 of the Morgan Falls Office Park located at 7840 Roswell Road. The City's Municipal Court currently occupies Suite 501 and Suite 510 in the same office park. The leases for these spaces are set to expire on June 30, 2023.

### ***Discussion:***

The City's representatives have negotiated the attached consolidated amendments to the leases for Suites 501 and 510, Suite 401, and Suite 301, an aggregate square footage of approximately 54,828 rentable square feet. The amendments provide for an extension of the lease until July 1, 2025 (24-months).

### ***Financial Impact:***

In FY 2024, the City has budgeted \$1,087,257.00 for the continued lease of office space at Morgan Falls Office Park. The Base Rent for Suite 501 and 510, Suite 401, and Suite 301 is as follows:

Dates	# Months	Monthly Base Rent	Annual Base Rent
July 1, 2023-July 1, 2024	1-12	\$75,388.50	\$904,662.00
July 1, 2024 – July 1, 2025	13-24	\$77,650.15	\$931,801.86

Additional Rent includes the common area expenses for the premises, estimated to be \$2.94 per rentable square feet (\$161,194.32 per year). The City will also pay increases in taxes and insurance over a base year of 2023, of which the cost is to be determined.

The consolidated amendment provides a Tenant Improvement Allowance up to, but not to exceed, \$6.00 per rentable square foot for the costs for materials and labor in conjunction with improvements and alterations. This amendment also contains a provision governing replacement and repair of the HVAC whereby the City continues to cover maintenance and minor part replacement (below \$1,000/year), but the City has no exposure on major replacements other than the amortized costs based on the useful lives of any new equipment the landlord purchases.

***Alternatives:***

The Authority could decide not to approve the attached Consolidated Amendments.

***Review:***

Raquel Gonzalez, City Clerk  
 Dan Lee, City Attorney  
 Eden Freeman, City Manager

Created/Initiated - 5/26/2023  
 Approved - 5/26/2023  
 Final Approval - 5/26/2023

***Attachments:***

1. 7840 Roswell Road Consolidated Lease Amendments
2. 7840 Roswell Road Lease Amendments Resolution

**CONSOLIDATED AMENDMENT TO LEASE AGREEMENTS**

**THIS CONSOLIDATED AMENDMENT TO LEASE AGREEMENTS** (the "Amendment") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2023, (the "Effective Date") by and between **XVR PROPCO, LLC**, a Delaware limited liability company (hereinafter referred to as "Landlord") and **CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY**, a political subdivision of the State of Georgia (hereinafter referred to as "Tenant") (collectively referred to herein as "the parties" as the context requires or permits) and provides as follows:

**WITNESSETH:**

**WHEREAS, the parties desire to amend a certain lease as to the premises known as Suite Numbers 501 and 510, containing approximately 19,261 rentable square feet located at 7840 Roswell Road, Building 400, Sandy Springs, Georgia 30350**, by virtue of that certain Lease Agreement originally dated November 30, 2005 and as amended by First Amendment to Lease Agreement dated March 24, 2006, Second Amendment to Lease Agreement dated December 14, 2006, Third Amendment to Lease Agreement dated May 15, 2007, Fourth Amendment to Lease Agreement dated April 13, 2011, a Fifth Amendment to Lease Agreement dated May 13, 2014, a Notice of Reduction of Premises dated December 19, 2017, and a Sixth Amendment to Lease Agreement dated September 5, 2019 (herein referred to as "Suite 501 and 510"); and

**WHEREAS, the parties desire to amend a certain lease as to the premises known as Suite Number 401, containing approximately 19,731 rentable square feet located at 7840 Roswell Road, Building 400, Sandy Springs, Georgia 30350**, by virtue of that certain Lease Agreement originally dated April 13, 2011 and as amended by First Amendment to Lease Agreement dated May 13, 2014, Second Amendment to Lease Agreement dated September 5, 2019 (herein referred to as "Suite 401" ); and

**WHEREAS, the parties desire to amend a certain lease as to the premises known as Suite Number 301, containing approximately 15,836 rentable square feet located at 7840 Roswell Road, Building 400, Sandy Springs, Georgia 30350**, by virtue of that certain Lease Agreement originally dated April 13, 2011 and as amended by First Amendment to Lease Agreement dated May 13, 2014, Second Amendment to Lease Agreement dated September 5, 2019 (herein referred to as "Suite 301" ); and

**WHEREAS**, by virtue of the foregoing lease agreements for Suite 501 and 510, Suite 401 and Suite 301 (collectively the "Lease Agreements"), Tenant leases from landlord (as successor-in-interest to Morgan Falls Realty, LP) Suites 501 and 510, Suite 401 and Suite 301 and currently occupies these properties **consisting in the aggregate of approximately 54,828 rentable square feet (collectively the "Premises")**; and

**WHEREAS**, landlord, by virtue of its successor-in-interest, now holds title to the Premises and is currently in privity of contract with tenant as to the Lease Agreements; and

**WHEREAS**, the Lease Term of the Lease Agreements are scheduled to expire on June 30, 2023 and Tenant desires that the Lease Term for the Lease Agreements be extended by an additional twenty-four (24) full months; and

**WHEREAS**, the Lease Agreements being identical in their Lease Terms and involving identical parties, and by virtue of landlord being the sole title holder of the Premises, landlord is willing to agree to consolidate an amendment and extension of the Lease Term within the Lease Agreements for the Premises subject to the terms and conditions as set forth herein.

**NOW THEREFORE**, for and in consideration of the mutual covenants and agreements hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the parties hereto intending to be legally bound, agree as follows:

1. Recitals. The parties acknowledge and agree that the recitals set forth above are true and correct and are hereby incorporated in their entirety. All terms used herein and denoted by their capitalization shall have the meanings set forth in the Lease unless set forth herein to the contrary.
2. Lease Term. The Lease Agreements are hereby amended to provide that the Lease Term shall be extended by Twenty-Four (24) full months commencing on July 1, 2023 so as to expire on July 1, 2025, unless sooner terminated pursuant to the terms of the Lease Agreements (hereinafter referred to as the "Extended Term").
3. Base Rent. Landlord agrees to accept as Base Rent for the Suite 501 and 510, Suite 401 and Suite 301 and Tenant reaffirms its duty to pay all Rent, including Base Rent for Suite 501 and 510, Suite 401 and Suite 301, as and when due pursuant to the Lease Agreements in the amounts set forth therein up to the commencement of the Extended Term. The Lease Agreements are hereby amended to provide that Base Rent due pursuant to the Lease Agreements for the Extended Term shall be due in the form of monthly payments for the Premises as per the following amounts:

Dates	# Months	Monthly Base Rent	Annual Base Rent
July 1, 2023-July 1, 2024	1-12	\$75,388.50	\$904,662.00
July 1, 2024 – July 1, 2025	13-24	\$77,650.15	\$931,801.86

4. Additional Rent. In addition to the payment of Base Rent, Tenant reaffirms its duty to pay Common Area Expenses, as well as Additional Rent payments due under the terms of the Lease, including insurance and Tax expenses over the Base Year as modified below, through the Extended Term.
5. Utilities. Tenant reaffirms to pay all utilities pursuant to the Lease for the Extended Term.
6. Security Deposit. Landlord and Tenant acknowledge that at the signing of the Lease Agreements, Tenant did not pay any Security Deposit to Landlord and to date, no funds are being held as a Security Deposit.
7. Base Year. The Lease Agreements are amended to reflect that from and after July 1, 2023, the Base Year as set forth in the Lease Agreements shall reflect a Base Year of 2023 for the purposes of calculating Tenant's Share of Taxes and Insurance.
8. Option to Renew. Tenant is hereby granted one (1) option to renew the Lease Agreements for the Premises, or in the aggregate (the "Renewal Option"), as follows: Tenant shall have the option to renew this Lease Agreements for the Premises at the end of the Extended Term for an additional six (6) full month term (the "Renewal Term"). To exercise the Renewal Term, Tenant shall notify Landlord in writing of Tenant's desire to exercise its option to renew for such Renewal Term not later than one hundred eighty (180) days prior to the Expiration Date of the then current Term. Notwithstanding anything to the contrary contained herein, if

Tenant is in default hereunder as of the date of giving notice or any time thereafter prior to the commencement date of the Renewal Term, Tenant shall not have the right to exercise this option to renew the Lease Agreements. In the event that Tenant elects to exercise its option to renew the Lease Agreements the terms and conditions of the Lease Agreements, and to the extent those terms and conditions are modified or superseded by this Amendment, shall remain in force and effect during the Renewal Term.

9. Tenant Improvement Allowance. By execution hereof, the parties acknowledge that Tenant holds the Premises, and Tenant acknowledges that it accepts and shall continue to hold the Premises through the Extended Term, in its "as-is" condition. In consideration for the extension of the Lease Term set forth herein, Landlord agrees to provide to Tenant a Tenant Improvement Allowance up to, but not to exceed, \$6.00 per rentable square foot (hereinafter referred to as the "Tenant Improvement Allowance") for the costs for materials and labor in conjunction with improvements and alterations to be made to the Premises pursuant to this Amendment. In the event all costs of the Tenant Improvements exceed the Tenant Improvement Allowance, Tenant shall be responsible for said costs to be paid as Additional Rent at the time of invoice. If the Tenant Improvements costs are less than the Tenant Improvement Allowance, Tenant may use the remaining balance for improvements being made to any portion of the Premises leased herein.
10. HVAC. The Lease Agreements are hereby amended so that provided that as long as Tenant (i) is not in default under the Lease Agreements, (ii) maintains at its expense in place the required HVAC Maintenance Agreement and (iii) causes the required regular quarterly maintenance to be performed thereunder, Tenant's liability for repairs or replacements to the HVAC units in the Premises shall be limited to \$1,000.00 per unit per calendar year ("Tenant HVAC Cap Amount"), and Landlord shall pay all HVAC repair and replacement costs for each occurrence over and above the Tenant HVAC Cap Amount (other than repairs or replacement due to damage caused by Tenant or any Tenant- Party, for which Tenant shall remain fully liable), however Tenant shall reimburse Landlord for the amortized portion of the repair/replacement through the Lease Term amortized at a rate of eight percent (8%) of the repair/replacement costs based on their useful life (as determined in writing by the HVAC contractor responsible for the replacement/repair) to be paid in a lump sum. This amortized cost reimbursement shall continue into the Renewal Option period (if exercised) as described above, in addition to the Base Rent and Operating Expenses otherwise owed during the Renewal Option period. The cost of the HVAC Maintenance Agreement shall be in addition to and not included in the Tenant HVAC Cap Amount.
11. Brokers. Tenant represents and warrants to Landlord that it has not dealt with any broker, agent, commissioned salesperson or other person in the negotiation and procurement of this Amendment, except for **The Simpson Organization**, which has represented Landlord (the "Broker") who will be paid by Landlord by separate agreement and that no commission fees or compensation of any kind are due or payable in connection herewith to any broker, agent, commissioned salesperson or other person in connection with this Amendment except for the Broker.
12. Strict Compliance. Except as specifically set forth herein, all terms and conditions of the Lease Agreements remain in full force and effect as written. Should any term or condition of the Lease Agreements conflict with any term or condition of this Amendment, the term of this Amendment shall be deemed controlling. Tenant acknowledges that Landlord does and

shall require strict compliance with all terms and conditions of the Lease Agreements and Landlord is not in default under any term or condition of the Lease Agreements.

13. **Confidentiality.** Unless required by Law, neither Landlord nor Tenant shall disclose the substance of this Amendment and Landlord and Tenant agree to treat all information relating to this Amendment as confidential. This obligation of confidentiality shall not apply to disclosures compelled by law, any order of a court of competent jurisdiction or by a lawful proper subpoena, in which event Landlord or Tenant, as applicable, shall immediately notify the other party of the circumstances purporting to require such disclosure and shall refrain from such disclosure for the maximum period of time allowed by law so that such other party may take such actions as it may deem appropriate to protect the confidential information being sought. Notwithstanding the foregoing, Tenant and Landlord shall be permitted to disclose, to the extent necessary, the substance of this Amendment to their respective legal representatives and accountants, or as necessary for approval by Tenant at a meeting conducted under the Georgia Open Meetings Law.
14. **Governing Law and Jurisdiction.** This Amendment shall be construed at all times according to the laws of the State of Georgia.

**IN WITNESS WHEREOF**, the parties have executed this Amendment as of the day and year first above written.

**Landlord:**

**XVR PROPCO, LLC,**  
A Delaware limited liability company

By: XVR Propco, LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date \_\_\_\_\_

**Tenant:**

**CITY OF SANDY SPRINGS PUBLIC  
FACILITIES AUTHORITY**, a political  
subdivision of the State of Georgia

By: \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

**STATE OF GEORGIA  
COUNTY FULTON**

**A RESOLUTION AUTHORIZING THE CITY OF SANDY SPRINGS PUBLIC FACILITIES AUTHORITY TO ENTER INTO THE CONSOLIDATED AMENDMENT OF LEASE AGREEMENTS FOR SUITES 501 AND 510, SUITE 401 AND SUITE 301 AT MORGAN FALLS OFFICE PARK**

**WHEREAS, the parties desire to amend a certain lease as to the premises known as Suite Numbers 501 and 510, containing approximately 19,261 rentable square feet located at 7840 Roswell Road, Building 400, Sandy Springs, Georgia 30350, by virtue of that certain Lease Agreement originally dated November 30, 2005 and as amended by First Amendment to Lease Agreement dated March 24, 2006, Second Amendment to Lease Agreement dated December 14, 2006, Third Amendment to Lease Agreement dated May 15, 2007, Fourth Amendment to Lease Agreement dated April 13, 2011, a Fifth Amendment to Lease Agreement dated May 13, 2014, a Notice of Reduction of Premises dated December 19, 2017, and a Sixth Amendment to Lease Agreement dated September 5, 2019 (herein referred to as “Suite 501 and 510”); and**

**WHEREAS, the parties desire to amend a certain lease as to the premises known as Suite Number 401, containing approximately 19,731 rentable square feet located at 7840 Roswell Road, Building 400, Sandy Springs, Georgia 30350, by virtue of that certain Lease Agreement originally dated April 13, 2011 and as amended by First Amendment to Lease Agreement dated May 13, 2014, Second Amendment to Lease Agreement dated September 5, 2019 (herein referred to as “Suite 401” ; and**

**WHEREAS, the parties desire to amend a certain lease as to the premises known as Suite Number 301, containing approximately 15,836 rentable square feet located at 7840 Roswell Road, Building 400, Sandy Springs, Georgia 30350, by virtue of that certain Lease Agreement originally dated April 13, 2011 and as amended by First Amendment to Lease Agreement dated May 13, 2014, Second Amendment to Lease Agreement dated September 5, 2019 (herein referred to as “Suite 301” ; and**

**WHEREAS, by virtue of the foregoing lease agreements for Suite 501 and 510, Suite 401 and Suite 301 (collectively the “Lease Agreements”), Tenant leases from landlord (as successor-in-interest to Morgan Falls Realty, LP) Suites 501 and 510, Suite 401 and Suite 301 and currently occupies these properties **consisting in the aggregate of approximately 54,828 rentable square feet (collectively the “Premises”)**; and**

**WHEREAS, the Lease Term of the Lease Agreements are scheduled to expire on June 30, 2023, and the parties hereto desire to amend the Lease to further extend the Lease Term subject to the terms hereinafter set forth.**

**NOW THEREFORE, BE IT RESOLVED** by the City of Sandy Springs Public Facility Authority while in special session on May 30, 2023, at 2:00 p.m., as follows:

1. The Chair is authorized to execute the Lease Amendment for Suite Numbers Suites 501, 510, Suite 401 and Suite 301 of the Morgan Falls Office Park subject to the review and approval of the Treasurer and the Authority Attorney's Office.

**APPROVED AND ADOPTED** this 30<sup>th</sup> day of May, 2023.

Approved:

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Russell K. Paul, Chairman

Attest:

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Raquel D. González, Secretary  
(Seal)