

ALASKA COURT SYSTEM

ADDENDUM #2

Invitation to Bid #COR-L-15-0005

For LEASE CONTRACT

Addendum Issue Date: **April 2, 2015**

Lease Location: **Cordova, Alaska**

To All Bid Package Holders:

The following changes, additions, and/or deletions are hereby made a part of the Invitation to Bid (ITB) for the above lease as fully and completely as if the same were fully contained therein.

Please acknowledge this addendum under Item #III on the Bid Schedule. All other terms, conditions, and specifications of the original ITB remain unchanged.

Response Due Date is UNCHANGED from that specified in ITB.

The modifications directed by this Addendum No.1 are described in this page and the following attachments:

- | | | |
|----|----------------|---|
| 1. | Addendum Text: | One (1) page |
| 2. | Attachments: | Revised Section C—Twenty-three (23) pages |

A. The following Document(s) are revised:

1. Section C, Paragraph 3 LANDLORD'S RESPONSIBILTIES, item I Utilities & Other Services: **REVISE** to read:

"Landlord shall provide as part of the monthly rent, utilities, including sewage, potable water, fuel oil for heating system, electricity, trash removal from the premises, snow removal from walkways, janitorial services and all general building services. ACS will provide its own telephone and data service."

END OF ADDENDUM #2

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1. General Conditions Govern
2. Definitions
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4. Tenants' Rights and Responsibilities
5. Other Terms and Conditions

1 GENERAL CONDITIONS shall govern unless expressly modified by the Supplementary Conditions section.

2 DEFINITIONS:

- A ACS** – The Alaska Court System. References to Tenant mean “ACS”.
- B Landlord** – The individual, firm, corporation or any acceptable combination thereof, who bids this project and is awarded the Lease Contract. References to Contractor mean “Landlord”.
- C Property** – The land, building and all site furnishings, parking areas, landscaping and utility services located at the legal address described in the Building Questionnaire which contains the Premises offered by the Landlord for lease in this Invitation for Bid.
- D Premises** – The area offered by the Landlord for lease within a building on the Property, including net useable space, circulation, dedicated parking areas and other space external to the leased space provided as necessary for the full utilization of the leased space. References to Leased Space mean “Premises”.

3 LANDLORD'S RESPONSIBILITIES:

- A Delivery and Condition of Premises:** The Premises shall be delivered ready for occupancy by the time shown in the Invitation to Bid cover sheet. "Ready for Occupancy" means that all mechanical and electrical facilities, equipment and fixtures shall be in good operating condition, all required remodeling has been completed, a current certificate of occupancy has been obtained, and all other required work has been completed to the ACS's satisfaction on or before that date. The ACS reserves the right to determine, in its sole discretion, whether the Premises are ready for occupancy. The date by which the Premises must be "Ready for Occupancy" is typically 2 weeks prior to the lease commencement date. This allows time for moving of furniture and equipment, and time for the ACS to install, set up and program equipment and furniture.
- B Compliance with Building Code Requirements.** Prior to occupancy of the premises by the ACS, the Landlord must provide to the ACS a certification from a local building official or other person responsible for ensuring compliance with building codes to the effect that the premises are, to the best knowledge of the person completing the certification in compliance with all building code requirements applicable to the premises. All alterations of the premises must be constructed in accordance with construction documents prepared, signed, and sealed by a licensed architect or engineer as required by law, and must satisfy all building code requirements.
- C Construction Schedule:** If the Landlord intends to construct a new building or renovate an existing building to incorporate the Premises, the Landlord shall be required to establish a construction/completion schedule which will include a critical path with milestone dates and a completion date on or before the date that the Premises are "Ready for Occupancy". It will be the Landlord's responsibility to provide the ACS with written status reports every 30 days updating the critical path milestone dates. Two months before expected occupancy the status reports frequency shall increase to be provided every 15 days. The purpose of this requirement is to monitor work in progress and to allow the ACS to better plan its anticipated relocation to the Premises.

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- D Building Alterations Required by Law:** The Premises must be safe for occupancy and must comply with all applicable local, state and federal laws. The Landlord agrees to pay the cost of any alteration or improvements needed for the Premises to comply with all mandatory requirements of present or future laws, ordinances, orders or regulations of any governmental authority, unless non-compliance is a result of the ACS's actions. Noncompliance with applicable laws shall be an occasion for Maintenance and Repair under Paragraph F, below.
- E Fire Prevention:** The Landlord will maintain the Premises in keeping with Title 13 of the Alaska Administrative Code, Part 2 Fire Prevention. The ACS reserves the right at reasonable times to make inspections of the building and notify the Landlord of unsafe conditions. If any fire hazard is detected through inspection of the Property or the Premises, the Landlord shall promptly correct it in compliance with Paragraph F, below.
- F Accident Hazard:** The Landlord will maintain the Premises free of health, structural, electrical, mechanical or fire hazards; in compliance with all applicable local, state and federal codes. If any accident hazard pertaining to the structure or building operating equipment is detected through inspections of the Property or the Premises, the Landlord shall promptly correct the hazard in compliance with Paragraph F, below.
- G Maintenance and Repair:** The Landlord shall retain sole responsibility for the maintenance and repair of the Premises and Property, except for such maintenance and repair as may be required because of damage beyond ordinary wear and tear that results from the negligence or other fault of the ACS or its employees. This responsibility encompasses keeping the Premises and Property in a good state of general repair and tenantable condition. The term "repair" includes repairs of any type, including, but not limited to, exterior and interior, structural and nonstructural, routine or periodic. Landlord will notify the ACS if Landlord will be making any alterations or repairs, and will schedule work before 8:00 a.m. or after 4:30 p.m., Monday through Friday, unless an emergency requires immediate repair. Any and all costs to coordinate and/or relocate ACS employees, their furniture or fixtures to enable Landlord to perform its responsibilities shall be at the Landlord's expense.
- 1) After reasonable notice to the Landlord in writing by the ACS that a repair, maintenance, or service obligation as specified herein has not been satisfactorily fulfilled, the ACS may correct the deficiencies and either bill the Landlord for the costs incurred or deduct the costs from the monthly rent. As used in this paragraph, "reasonable notice" means the notice that is reasonable under the circumstances: the method of notification and the amount of time considered reasonable will depend on the nature of the problem and the danger that it poses to human life and/or property. The ACS reserves the right to determine the method of notice and the time allowed for repairs depending on its determination of these factors.
 - 2) Bills for such work may be sent directly to the Landlord for payment. Should there be any delay in payment by the Landlord, the ACS shall pay the bill and deduct the costs from the next month(s) rent payment(s) as determined appropriate by the ACS.
- H Janitorial Requirements:** Landlord, at Landlord's expense, shall furnish janitorial services, inclusive of all supplies and equipment necessary to perform the services specifically outlined herein.
- 1) **Janitor and Employee Qualifications:** So far as practical, janitorial employees must be experienced in the work to be performed. All on-Premises personnel must obtain the Security Clearance as required below. ACS may require removal from the work area of any person whom it deems incompetent or otherwise objectionable, or whose continued employment on the Premises is deemed contrary to the public or ACS's best interests.
 - 2) **Services:** Landlord will furnish and pay for janitorial services, as listed in herein, inclusive of supplies and equipment for the Premises. These services will be performed before 8:00 a.m. or after 5:00 p.m., Monday through Friday, unless otherwise specified in the Supplemental Conditions. Janitorial work will be scheduled to avoid interference with the ACS'S business. Landlord must instruct the janitor not to disturb

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material on desks, drawers or cabinets, or use telephones and computers. Equipment, furniture and wastebaskets, if removed for cleaning, must be replaced in their original locations and all electrical items must be reconnected to their outlets.

- 3) **Defective Work:** Upon notification, Landlord shall, at Landlord's expense, correct any defect in the janitor's work or in supplies which the janitor provides. If the Landlord does not correct the defect within twenty-four (24) hours after notification, the ACS may correct the defect and deduct the cost from the rent. When the ACS determines in its sole discretion that a defect in janitorial work could result in injury to persons, the ACS may immediately correct the defect using the most expedient method available and deduct the costs from the rent. The Landlord is responsible for all injury to persons or property, which may result from janitorial fault or negligence.
- 4) **Building Security:** The janitor will lock outside doors at all times except when the Property is normally open to the public. Interior building doors (within the Premises and connecting the Premises to the Property) will remain locked except while work in the immediate area is in progress. All doors will be locked when the janitor(s) leave(s) the building.
 - a Safe Practices: Accepted safe practices must be followed in the performance of the janitorial work. Janitor shall also comply with standards prescribed by the State of Alaska, Department of Labor, Division of Labor Standards and Safety.
- 5) After each performance of cleaning or other services during non-regular office hours the janitor shall:
 - a Turn off unnecessary lights.
 - b Inspect the area for fire hazards and take appropriate corrective action.
 - c Close and lock all outside doors and windows.
- 6) **Supervision:** At the end of each workday, the janitorial supervisors shall inspect the entire Property to ensure that all work is complete and all doors are locked and unnecessary lights turned off. In accomplishing the services, the janitor(s) shall unlock and leave open only doors in areas in which a person is working. Doors to areas where no one is working shall remain locked at all times.
- 7) **Services:**
 - a Daily Services:
 - i Empty all wastebaskets and trashcans. Collect all wastepaper and trash and dispose of it away from the Premises.
 - ii Vacuum all halls and floors in the portion of space leased by ACS. Tile, linoleum, or hardwood floors, if any, will be swept with a yarn broom or a dust mop treated with polyethylene glycol or similar non-injurious material. Vacuum all carpets.
 - iii Provide and maintain adequate supplies of toilet paper, seat covers, deodorizers, sanitary napkins, towels and soap in toilet rooms. These supplies are to be of standard or better quality and are to be furnished by the Landlord. Landlord shall also provide a closed disposal container for waste sanitary napkins. After filling all dispensers, janitor shall check to ensure that all mechanisms function properly.
 - iv Mop or scrub all public toilet room floors. Wash all plumbing and toilet fixtures with warm water and soap. Disinfect sinks, toilets and urinals. Damp wipe all dispensers, walls and partitions.
 - b Weekly Services
 - i Dust all visible surfaces of furniture, fixtures, windowsills and equipment.
 - ii Damp mop all tiled floors and remove traffic marks.
 - iii Mop or scrub all private toilet room floors. Wash all plumbing and toilet fixtures with warm water and soap. Disinfect urinals and toilets. Damp wipe all dispensers, room walls, and partitions.
 - c Monthly Services:
 - i Damp mop all waxed floors and machine buff to remove traffic marks and restore luster if and where applicable.
 - ii Remove all finger marks and smudges from walls, woodwork, glass surfaces, and vinyl furniture.
 - d Semi-Annual Services:

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- i Dust or vacuum window coverings (such as drapes and blinds). Dust with a treated cloth overhead pipes, moldings, window and doorframes, and other items as necessary.
 - ii Wash light fixtures, lamps and lenses for greatest light efficiency.
 - iii Wash windows inside and out at least once per year, leaving no streaks or unwashed places. Wipe water spots from sills and frames. Use drop cloth as required to protect adjacent surfaces, fixtures and furniture. Wash windows at equal intervals of time, as weather conditions permit.
 - iv Wash all wastebaskets and trash cans.
 - v Shampoo carpets.
 - vi Remove all wax from all floors by mopping or scrubbing with synthetic detergent or wax remover, rinse thoroughly, and apply good skid resistant wax of a type recommended by floor tile manufactures. When wax is dry, machine buff to smooth sheen. If floor is treated rather than waxed, thorough cleaning will be necessary and/or retreatment of flooring will be required.
 - vii Fabric cleaning of Landlord provided furniture
 - e Commencement of Lease Services:
 - i Wipe down all walls, doors and other painted, vinyl coated, or plastic laminate surfaces.
 - ii Wash light fixtures, lamps and lenses for greatest light efficiency.
 - iii Shampoo existing carpets, and vacuum new carpets.
 - iv Thoroughly clean all hard floors, and wax or treat as recommended by manufacturer.
 - v Wash windows inside and out and vacuum or dust window coverings.
 - vi Polish wood surfaces, including doors, trim, sills and casework.
 - f Plastic Trash Bags:
 - i All waste shall be put into trash bags.
 - ii Plastic liners shall be furnished for wastebaskets and trashcans by the Landlord and shall be changed as needed, but in no case shall they be used longer than one week.
- I Utilities & Other Services:** Landlord shall provide as part of the monthly rent, utilities, including sewage, potable water, fuel oil for heating system, electricity, trash removal from the premises, snow removal from walkways, janitorial services and all general building services. ACS will provide its own telephone and data service.
- J Maintenance Outside the Lease Premises:** Landlord will maintain stairways, porches, and common hallways used for access to the Premises in a good state of repair and a clean and safe condition year round. Landlord will promptly remove all accumulations of ice and snow from outside steps, parking lot, sidewalks/pathways and storage areas on the Property. The Landlord shall provide road and parking lot maintenance to include snow removal from the parking area of the space offered to the nearest government maintained roadway. Following are the specific requirements for snow removal:
- 1) All lots and driveways must be cleared of all snow by 7:30am.
 - 2) All lots and driveways must be sanded or ice free by 7:30am.
 - 3) If conditions become icy from 7:30am to 6pm, contractor will, within 2 hours, provide sanding services to prevent vehicles or people from experiencing slip and fall conditions, being careful not to damage vehicles in the lot.
 - 4) Emergencies: When a 2" or more snowfall or icing conditions occur during ACS business hours (7:30am to 4:30pm Monday through Friday except State Holidays), Contractor shall provide preliminary snowplowing and/or sanding as needed to allow for safe movement of people and vehicles prior to 4:30pm. The balance of the Snowplowing and/or sanding of entire lot shall be complete by 7:30am the following day.
- K Other Tenants:** The occupancy by other tenants is restricted to those whose intended and actual use, in the sole discretion of the ACS, will not detract from the dignity of the court functions and safety of court users and the functions of the ACS.
- L Security Clearance:** Prior to commencement of any work on the Premises, the ACS requires each contractor, agent, principal, officer or employee of the Landlord, who will work on court Premises, to provide a

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completed Background Check Form obtained from ACS. ACS may also require fingerprints be taken. The Landlord shall ensure these requirements are met and pay for all costs associated with obtaining the information required and Fingerprints at:

State of Alaska

Department of Public Safety local office

- 1) The court system uses the following guidelines when evaluating criminal background:
 - a Any person with the following conditions may not work or provide any kind of services on the ACS Premises, unless the ACS Facilities Manager has agreed to waive the disqualification under Section 3) below
 - i Has been convicted of a violent crime or crime of theft within last 5 years
 - ii Has been convicted of more than 2 misdemeanors in last 5 years
 - iii Has been convicted of more than one felony in previous 10 years
 - iv Has an on on-going case in the court where work is being performed with ACS (until case is resolved).
- 2) **Application.**
 - a Prior Convictions. Multiple convictions arising out of the same criminal episode will be considered a single prior conviction for purposes of this rule.
 - b Definitions. The following definitions apply to this rule:
 - i "Crime" means a felony or misdemeanor.
 - ii "Felony" means a crime that is a felony under the laws of this state or another state.
 - iii "Misdemeanor" means a crime that is a misdemeanor under the laws of this state or another state.
 - iv "Violent crime" means murder, manslaughter, criminally negligent homicide, assault, reckless endangerment, stalking, kidnapping, sexual assault, sexual abuse, robbery, extortion, or coercion under the laws of this state or any other state.
 - v "Serious property crime" means theft, burglary, arson or forgery under the laws of this state or another state.
- 3) **Waiver by Facilities Manager.**
 - a Standard for Waiver. The facilities manager may waive the disqualification and permit a person to perform work unless disqualification is mandatory under Section 1.a-c above. In deciding whether to grant a waiver, the facilities manager will consider the following factors:
 - i the nature and gravity of the offense or offenses;
 - ii the time that has passed since the conviction and completion of the sentence;
 - iii the number of convictions;
 - iv the nature of the work; and
 - v the level of supervision of the employee at the work site;
 - vi any other facts or circumstances that may have a bearing on the suitability of the employee's presence in a court facility.
 - b **Mandatory Disqualification.** No waiver will be granted if:
 - i the person was convicted of a violent crime or crime of theft within five years of the application date;
 - ii the contractor or person fails to provide criminal background information requested by ACS.
- 4) The ACS may limit or reject certain individuals if their presence is determined by the Contracting Officer to be detrimental to the normal conduct of the Tenant's business.
- 5) Much of the business of the ACS is necessarily confidential and not subject to public disclosure. The confidentiality of draft opinions, internal memoranda, conversations regarding pending issues and other court business are essential to the court's function. Additionally, records related to personnel issues, procurement proceedings, internal policy discussions, and other administrative issues are also confidential.

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Prior to commencing any work under this contract, the Landlord and their contractors, agents, principals, officers or employees who supply goods or services to the Premises shall inform all contractors, agents, principals, officers, and employees working on the Premises that the disclosure of any confidential court business observed or overheard may result in permanent removal from the Premises and may be grounds for termination of contract and even criminal prosecution.

- 6) The ACS may require identification cards, which will be provided at Landlord's expense.
- 7) During the term of this contract, the Contractor must monitor the status of each of its subcontractors, agents, principals, officers or employees with respect to the conditions described in Paragraph 18.A, above. Upon learning that the status of an individual has changed so that the individual would be prevented from entering or working on ACS premises, the Contractor must immediately terminate that individual's access to ACS facilities, and report to the ACS contracting officer or manager the nature of the change in status. **If the Contractor fails to comply with this paragraph, the ACS may terminate the contract as provided in these General Conditions.**

M Replacement of Finishes and Fixtures: The Landlord, at Landlord's expense (including all costs to move furniture, equipment, etc.), shall replace finishes and fixtures in accordance with the following schedule. All work must be scheduled around the ACS local court calendar, before 8:00 a.m. or after 4:30 p.m., Monday through Friday. If the Landlord does not replace materials as scheduled, or if the Landlord does not replace or repair damaged items in a timely manner, the ACS may, after written notification to the Landlord, replace or renovate finishes and fixtures as needed at the Landlord's expense, and deduct the cost from the rent. NOTE: All finishes and window coverings must be new and approved by the ACS at the commencement of the lease. All ceiling, fixtures and other built-in components must have a like-new appearance, be in good working condition and comply with current codes.

- 1) Floor Finishes: Every 8 years or upon expiration of flooring material manufacturer's written warranty period, whichever comes first.
- 2) Paint: Full re-paint of all surfaces each 5 years, with touch up painting provided on an as-needed basis due to damage or soiling.
- 3) Ceilings: When damage or deterioration is evident
- 4) Window Coverings: When damage or deterioration is evident
- 5) Fixtures: When damage or deterioration is evident

N Insurance: Landlord shall obtain and keep in force during the term of the Lease, and each extension, a policy or policies of insurance covering loss or damages to the PREMISES providing protection against all perils and risks including but not limited to the classifications of fire, extended coverage, vandalism and malicious mischief. Proof of Insurance coverage or binder must be filed with the ACS, Facilities Manager, prior to bid award. Except as prohibited by law, the Proof of Insurance shall list the ACS as additional insured, certificate holder and contain a statement that the insurer will give at least thirty (30) days' advance written notice to the ACS in event of alteration, cancellation, or termination of the insurance coverage. Failure to submit proof of insurance prior to bid award or failure to notify when change(s) occur will be cause for rejection of bid or cancellation of contract. Upon request by the ACS, Landlord shall provide a true and complete copy of any insurance policy required under this section.

- 1) **Public Liability Insurance:** Unless otherwise specified, the Landlord shall maintain public liability insurance in an amount sufficient to cover any suit that may be brought against the Landlord. The amount will be no less than \$300,000 combined single limit.
- 2) **Worker's Compensation Insurance:** The Landlord shall, in accordance with AS 23.30.045(d) and (e),

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maintain sufficient Workers' Compensation Insurance to protect the Landlord from any claims or damages for personal injury, including death, which may arise from services performed under a contract issued as a result of this Invitation to Bid. This requirement also applies to the Landlord's contractor, subcontractor or anyone directly or indirectly employed by either of them. If at any time during the term of the contract, the Landlord's business operation changes and affects the Workers' Compensation Insurance status, the ACS must be notified immediately. Proof of Workers' Compensation Insurance coverage is not required if Landlord is self-employed and does not hire any other employee(s) to perform work covered in this bid.

- O Indemnity:** Landlord shall indemnify, defend, hold and save the ACS, its officers, agents, and employees harmless from liability of any nature or kind, including costs and expenses for or on account of any and all suits or damages of any character whatsoever resulting from injuries or damages sustained by any person or persons or property by virtue of any act performed by the Landlord or the Landlord's agents and employees. The Landlord shall also assume all insurable risks and bear any loss or injury to property or persons occasioned by neglect during the term of this lease, excepting only sole negligence of the ACS. Landlord's indemnity obligation shall apply without regard to the limits of any insurance policy required under this lease.

4 TENANT'S RIGHTS & RESPONSIBILITIES:

- A Default:** If the ACS shall at any time be in default in the payment of rent, or in the performance of any of the terms of the lease issued as a result of this Invitation to Bid or fails to remedy such default within sixty (60) days after written notice thereof from the Landlord, the Landlord may repossess, terminate the lease and recover from the ACS all rent due.

In case of any default by the ACS, and repossession by the Landlord, the Landlord must attempt to relet the Premises for the remainder of the term of the lease for the highest rent obtainable and may recover from the ACS any deficiency between the amount so obtained and rent specified by the lease.

B Tenant's Rights:

- 1) **Quiet Enjoyment:** If the ACS shall pay the rent as provided by the lease issued as a result of this Invitation to Bid and shall keep, observe and perform all of the other covenants of the lease by it to be kept, performed and observed, the ACS shall and may peaceably and quietly have, hold, and enjoy the Premises for the term of such lease.
- 2) **Safe For Occupancy:** If, during the term of a lease issued as a result of this Invitation to Bid, the ACS determines that all or part of the Premises are unsafe for occupancy because of events not in the control of the ACS, the rent for the unsafe part of the Premises shall be abated until the Premises are returned to their former condition by the Landlord. If the ACS determines that all or a substantial part of the Premises are so unfit for occupancy that it cannot conduct its business safely, the ACS may move from the Premises, terminate the lease by written notice to Landlord, and recover from Landlord the costs of relocation.
- 3) **Interruption of Utilities and Services:** If the ACS determines that its use of the Premises is threatened by the interruption or severance of utilities or other services provided by the Landlord, the ACS may contract for the utilities and services in the name of the ACS, and may deduct from the rent the costs of such utilities, services and related deposits.
- 4) ACS will have access to the lease space 24 hours daily, 7 days a week throughout the year.
- 5) **Option to Lease Contiguous Space:** The ACS has the option to lease any additional contiguous space that may become available for rent/lease on the Property during the term of the lease. The Landlord shall provide the ACS written notice within thirty (30) days of such availability. Such notice shall be

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accompanied by an offer to lease, including the rental rate of the additional space. The offer shall remain open for at least thirty (30) days. If the ACS does not accept the offer within the time that it is open or extended, the Landlord is free to rent/lease said space to other tenants, subject to Paragraph 3.K, above.

C Tenant's Responsibilities - The ACS will:

- 1) Pay rent at the time and place set forth in the lease to the Landlord on the first day of each month of the term of the lease or in advance at the option of the ACS. Payment for any partial month's occupancy will be prorated, based on a thirty- (30) day month.
- 2) Use and occupy the Premises in a careful and appropriate manner.
- 3) Not use or occupy the Premises for any unlawful purposes.
- 4) Not use, occupy nor permit the Premises to be occupied or used for any purpose or business deemed hazardous.
- 5) Make no alterations or additions in or to the Premises without the written consent of the Landlord, which consent shall not be unreasonably withheld. Landlord shall have 30 days to respond to such request; if no response is received within that time, ACS may proceed with alterations or additions.
- 6) Permit the Landlord to enter upon the Premises at all reasonable times to examine the conditions of same, provided that the ACS may prohibit entry at such times and in such manner as the general public may be excluded, e.g., during confidential or closed court proceedings and other similar or dissimilar occasions.
- 7) Observe all applicable laws and reasonable written regulations that the Landlord establishes for the general convenience, comfort and welfare of persons using the building.
- 8) ACS shall leave the Premises at the end of this lease in as good a condition as received, excepting reasonable wear and tear, loss or damage cause by fire, explosion, earthquake or act of God.

D Fixtures, Furniture and Equipment: All furniture, fixtures and equipment which the ACS has installed in the Premises shall remain the property of the ACS and may be removed at the end of this lease or any extension. ACS will repair any damage to the Premises from such removal.

5 OTHER TERMS & CONDITIONS:

- A Option to Renew:** The ACS may have the option to renew this lease for additional terms if defined in the Supplemental Conditions.
- B Condition of Premises:** The parties agree that the Premises provided for in this Invitation to Bid are fit for occupancy and that they will continue throughout ACS' occupancy to comply with all applicable laws codes.
- C Assignment/Sublet:** The lease issued as a result of this Invitation to Bid and all the covenants, provisions and conditions therein contained shall inure to the benefit of and be binding upon the successors and assigns of both parties. Assignment or Subletting of all or part of the leased Premises under this lease by either party is not permitted without prior written consent of both parties. ACS may withhold its consent for any assignment or sublease that, in the sole discretion of ACS, would result in occupancy that is not compatible with court functions.
- D Holding Over:** Any holding over past the expiration of the term, any extensions or renewals of the lease, shall be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and

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effect. Each party will provide written notice to the other party of its intent to cancel such month-to-month extension at least thirty (30) days prior to the desired date of cancellation.

- E Termination:** Because the payment of rent by the ACS is subject to appropriation by the legislature of the State of Alaska, the lease may be terminated upon 120 days written notice to the Landlord if the legislature enacts an appropriations bill which reduces the operating budget of the ACS below its adjusted base for the immediately preceding fiscal year. The Supreme Court must authorize lease termination, and may do so only after declaring a budget emergency.
- F Changes in Space:** Changes proposed either by the Landlord or by the ACS after both parties in writing shall mutually agree upon acceptance of the offer before such changes are actually accomplished.
- G Delays:** Time is of the essence. If there are delays in providing the Premises "Ready for Occupancy" (as defined in Section 3.A) by the Landlord due to unforeseeable causes beyond the control and without fault or neglect of the Landlord, the date of occupancy may be extended by the ACS without imposing liquidated damages. In all other cases, the ACS will impose liquidated damages as defined in the Supplementary Lease Conditions.
- 1) The Landlord shall not be liable for the consequences of any failure to perform or default in performing any of its obligations under this Agreement if that failure is caused by Force Majeure beyond the control of and without the fault or negligence of the Landlord. Force Majeure shall mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strike; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishings or use of materials or labor required; inability to secure material, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.
 - 2) Notification of such delays must be made to the ACS'S contracting officer in writing within ten (10) days of the commencement of the delay. The ACS'S contracting officer shall ascertain the facts and the extent of delay and the extent of the time for completing the project. The ACS'S contracting officer may approve an extension when, in the officer's judgment, the findings of fact justify an extension. The officer's finding of fact thereon shall be final and conclusive unless the successful bidder shall appeal to the Administrative Director of the ACS within thirty (30) days upon receipt of the findings of fact.
 - 3) The decision of the Administrative Director of the ACS or a duly authorized representative shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, arbitrary or capricious, or so grossly erroneous as to imply bad faith or unsupported by substantial evidence. If no appeal to the Administrative Director is taken, the decision of the contracting officer shall be final and conclusive. In connection with any appeal proceeding under this clause, the successful bidder shall be afforded an opportunity to be heard and to offer evidence in support of this appeal. Pending final decision on an extension of time hereunder, the successful bidder shall proceed diligently with the performance of the contract.
 - 4) Inability to comply with State, City, or local construction or zoning laws or ordinances or restrictive covenants shall not be regarded as an unforeseeable cause.
- H Eminent domain:** If the Premises are taken for any public or quasi-public use under any statute, or by right of eminent domain, or private purchase by a public body vested with the power of eminent domain, this lease will terminate and the rent shall be adjusted as of the time of termination so that the ACS will pay rent up to the time of taking only. If the taking reduces the area of the Premises by at least twenty percent (20%) or materially affects the uses being made by the ACS of the Premises, the ACS may terminate the lease after written notice to the Landlord within ninety (90) days after the taking. Landlord shall be entitled to any condemnation award for the value of the facility and ACS shall be entitled to any condemnation award for the value of the leasehold.

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GENERAL LEASE CONDITIONS

LEASE CONTRACT

Procurement per ACS Procurement Guidelines

- I Sale or Foreclosure:** If the leased Property is sold during the term of the lease which was issued as a result of this Invitation to Bid, or any extension thereunder by virtue of a foreclosure (voluntary or involuntary sale), this sale will be made subject to the lease. This will also apply to a sale as a result of an encumbrance on the Property that existed before the lease agreement was executed. If there is an encumbrance on the Property, a subordination agreement must be obtained by the successful bidder with a copy of the agreement supplied to the ACS.
- J Notices:** All notices between the parties during the lease term will be sent to the mailing addresses listed on the Lease Contract, unless notified in writing of address change from other party.
- K** The terms and conditions of the master lease shall remain in full force and effect, unless amended or modified and mutually agreed to in writing. All provisions of the lease shall apply to all extensions of term unless amended.
- L** This paragraph applies to this contract only if the contract price exceeds \$25,000. The OWNER will notify the Department of Labor, Labor Standards and Safety Division of this Contract in accordance with AS 36.05.035. The Contractor must then comply with the requirements noted within the Department of Labor pamphlet entitled, "Laborer's and Mechanic's Minimum Rates of Pay," found on-line at <http://labor.alaska.gov/lss/pamp600.htm>
- 1) The contractor or subcontractors of the contractor shall pay all employees unconditionally and not less than once a week;
 - 2) The Contractor shall submit one copy of the certified payrolls to the OWNER weekly.
 - 3) Wages may not be less than those stated in the Department of Labor pamphlet described above, regardless of the contractual relationship between the contractor or subcontractors and laborers, mechanics, or field surveyors;
 - 4) The scale of wages to be paid shall be posted by the Contractor in a prominent and easily accessible place at the site of the work;
 - 5) The OWNER shall withhold so much of the accrued payments as is necessary to pay to laborers, mechanics, or field surveyors employed by the contractor or subcontractors the difference between
 - a) The rates of wages required by the contract to be paid laborers, mechanics, or field surveyors on the work; and
 - b) The rates of wages in fact received by laborers, mechanics, or field surveyors