



**STATE OF ALASKA
AMENDMENT TO LEASE
LEASE NUMBER 2417**

This agreement, to be known as **Amendment Number Eighteen (18)** to the existing lease, entered into on the 4th day of October, 1996, and **first recorded at the Valdez Recording District in Book 130, Page 736**, by and between:

**CITY OF VALDEZ
ATTN: CITY MANAGER
P.O. BOX 307
VALDEZ, ALASKA 99686**

hereinafter called the Lessor, and

**STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION - 06
550 WEST 7TH AVENUE, SUITE 1960
ANCHORAGE, ALASKA 99501-3558**

hereinafter called the Lessee, covering:

Approximately 1,081 square feet, consisting of approximately 860 square feet of dedicated office and clinical space and approximately 221 square feet as a prorated share of common use area, located on the ground floor of the Mary Kevin Gilson Medical Center at 1001 Meals Avenue, Valdez, Alaska 99686. Further described as within a portion of United States Survey 636 and 637, Township 8 South, Range 6 West, and Section 32 Copper River Meridian.

OFFICIAL STATE BUSINESS -- NO RECORDATION CHARGE

After Recordation, Return Document To:

State Of Alaska - Department Of Administration
Shared Services of Alaska
Leasing Section
550 West 7th Avenue, Suite 1960
Anchorage, AK 99501-3558

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Initial _____ Initial _____

THIS AMENDMENT SHALL

1. Extend this lease for a period of five (5) years beginning December 1, 2018 through November 30, 2023.
2. Recognize that the Lessee shall have the option to renew this lease for five (5) additional five (5) year periods, to be exercised at the sole discretion of the Lessee prior to the expiration of the term.
3. Recognize that effective December 1, 2018 the **Monthly Lease Rate shall be \$2,119.08.**
4. Recognize that effective December 1, 2018 the **Base Monthly Lease Rate shall be \$2,119.08.**
5. Effective December 1, 2018, remove all CPI adjustment language and replace it with the following:

Adjustments in the lease rate may be made if requested in writing by the Lessor at least thirty (30) days prior to the effective date of the adjustment. Request must be made annually only. Such adjustments may be made annually to reflect the changes in the Lessor's variable costs and defined as all operational cost other than debt service and profit. Operational costs, for purposes of the lease resulting from this extension are equal to thirty-five percent (35%) of the Base Monthly Lease Rate.

The monthly lease rate may be adjusted effective December 1, 2019 and each December 1 thereafter and will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index, for All Urban Consumers, All Items, Urban Alaska, in effect for each January through June (1st Half). The percentage difference between the CPI in effect for **the base year semiannual value, CPI-U Urban Alaska Index, 1st half 2018 (223.099)** and each CPI January through June (1st Half) average thereafter will determine the maximum allowable adjustment of the variable costs over the Base Monthly Lease Rate.

The Base Monthly Lease Rate is \$2,119.08.

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The formula is expressed as:

$$[(35\% \times \text{Base Monthly Lease Rate}) \times \% \text{ change in CPI}] + \text{Base Monthly Lease Rate} = \text{Adjusted Monthly Lease Rate.}$$

If the index is discontinued or revised during the term of the lease, such other governmental indices or computations with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the index had not been discontinued or revised.

Retroactive adjustments will not be allowed.

5. Recognize that effective December 1, 2018, the terms and conditions described in the attached (Exhibit A) shall become a part of this lease agreement and shall be binding upon the Lessee and Lessor, their agents or assigns. In the event of any conflict with the terms and conditions described in Exhibit A and the terms and conditions within the original lease agreement or its amendments, then the terms and conditions of Exhibit A shall prevail.
6. Recognize that the Lessor shall repaint all common and interior office areas within the lease pursuant to the renovations section as agreed to by no later than December 31, 2019 unless otherwise specified at no additional cost to Lessee.

All other terms and conditions of the lease remain the same.

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Lessor: CITY OF VALDEZ

APPROVED:

By: _____ Date: _____

_____, Mayor

ATTEST:

By: _____ Date: _____

Sheri Pierce, MMC, City Clerk

RECOMMENDED:

By: _____ Date: _____

Elke Doom, City Manager

APPROVED AS TO FORM: Brena, Bell & Clarkson, P.C.

By: _____ Date: _____

Jon S. Wakeland

Lessee: STATE OF ALASKA

By: _____ Date: _____

Steve Smith
Contracting Officer

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**ACKNOWLEDGMENT OF LESSOR: CITY OF VALDEZ
STATE OF ALASKA
CITY OF VALDEZ**

This is to certify that on this _____ day of _____, 2018 before me a Notary Public in and for the State of Alaska duly commissioned and sworn personally appeared **Elke Doom** to me known and known by me to be the person described in and who executed the instruments set forth above and severally stated to me under oath that she is the **City Manager** and that she has been authorized by **The City of Valdez** to execute the foregoing lease amendment for and on behalf of the said company, corporation, individual, or other entity and they executed same freely and voluntarily as a free act and deed of **Same**.

WITNESS my hand and official seal the day and year this certificate first above written.

Notary Public for Alaska
My Commission Expires: _____
Residing at: _____

**ACKNOWLEDGMENT BY LESSEE: STATE OF ALASKA
STATE OF ALASKA
MUNICIPALITY OF ANCHORAGE**

This is to certify that on this _____ day of _____, 2018 before me a Notary Public in and for the State of Alaska duly commissioned and sworn, personally appeared **Steve Smith, Contracting Officer**, to me known and known by me to be the person described in the executed instruments set forth above as an agent of the **Shared Services of Alaska** for the State of Alaska and that this person has been authorized by the State of Alaska to execute the foregoing lease amendment on behalf of said State of Alaska and that this person executed the same freely and voluntarily as the free act and deed of the **State of Alaska**.

WITNESS my hand and official seal the day and year this certificate first above written.

Notary Public for Alaska
My Commission Expires: With Office
Residing at: Anchorage, Alaska

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