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PROFESSIONAL SERVICES CONTRACT BETWEEN
ALASKA LEGISLATIVE COUNCIL

AND

NAVIGANT CONSULTING, INC.
ONE MARKET STREET, SPEAR STREET
TOWER SUITE 1200
SAN FRANCISCO, CA 94105

CONTRACT AMOUNT NOT EXCEED: \$35,000.00
(excluding reimbursement for expenses)

The parties to this contract, made and entered into the date the Legislative Affairs Agency Executive Director or her designee signs the contract, are the State of Alaska, Alaska Legislative Council, whose address is 120 4th Street, State Capitol, Room 3, Juneau, AK 99801-1182, hereinafter referred to as the "Committee", and Navigant Consulting, Inc., whose address is One Market Street, Spear Street, Tower Suite 1200, San Francisco, CA 94105, hereinafter referred to as the "Consultant".

THE PURPOSE OF THIS CONTRACT is to provide real estate market and financial analysis to the Committee.

IT IS THEREFORE MUTUALLY AGREED THAT:

CLAUSE I - STATEMENT OF SCOPE OF WORK

The Consultant shall provide an independent professional services to the Committee in regards to real estate market and financial analysis. The Consultant shall perform financial evaluation on three alternative scenarios to the provision of office space for the Alaska State Legislature, namely; (1) remain in the leased space at 716 West Fourth Avenue, Anchorage, Alaska, (2) purchase 716 West Fourth Avenue, Anchorage, Alaska, and (3) relocate to an existing state owned building in Anchorage, Alaska. The work under this contract shall be performed according to the Engagement Letter addressed to Senator Gary Stevens, Chair, Legislative Council, dated February 22, 2016 and attached as Exhibit 1, (hereinafter referred to as the "Engagement Letter"), which is made a part of, this contract. In the event that this contract conflicts with the Engagement Letter, this contract shall govern.

CLAUSE II - PERIOD AND DATES OF PERFORMANCE

- (A) The work under this contract shall begin February 22, 2016 and terminate March 14, 2016.
- (B) Upon delivery of written notice to the Consultant, this contract may, without liability to the Consultant, be terminated by the Project Director

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with or without cause. To terminate, the Project Director shall provide notice by e-mail or delivery of a hard copy to the Consultant, whichever method is selected in the sole discretion of the Project Director. If this contract is so terminated and the termination is not based on a breach by the Consultant, the Committee shall compensate the Consultant for the services provided under the terms of this contract up to the date the termination notice is delivered, provided the Consultant provides the Project Director with a statement in writing containing a description of the services provided prior to contract termination, detailed time records for the services provided prior to contract termination, and a copy of all documents, reports, material, and other items required to be delivered to the Project Director by Clause XIV (Ownership and Reuse of Documents) of this contract.

CLAUSE III - COMPENSATION

- (A) The Consultant shall perform the work specified in this contract, including, but not limited to, providing all labor, materials, and equipment required to complete the work, for a total contract price that may not exceed \$35,000.00, excluding reimbursement for expenses.
- (B) The Consultant will bill the Committee based on the below listed hourly rates:

Managing Director	\$550
Director	\$375
Associate Director	\$350
Managing Consultant	\$325
Senior Consultant	\$250

Notwithstanding the Engagement Letter, the Consultant will not change its hourly rates during the contract.

- (C) The Consultant will bill the Committee monthly. Project Director must approve a billing before it may be paid.
- (D) If a payment is not made within 90 days after the Committee has received a billing that complies with this contract, the Committee shall pay interest on the unpaid balance of the billing at the rate of 1.5 percent per month from, and including, the 91st day through the date payment is made. A payment is considered made on the date it is mailed or personally delivered to the Consultant. The interest rate and other provisions in this Clause III (D) supercede the interest rate and corresponding provisions stated in the Engagement Letter.
- (E) The Committee shall reimburse the Consultant for reasonable expenses that are incurred by the Consultant in the performance of this contract and

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that are approved for reimbursement by the Project Director. With regard to travel expenses, if the Project Director requires the Consultant to travel to Alaska, the Consultant will be reimbursed for reasonable travel expenses that are supported by receipts and that are approved by the Project Director. Transportation expenses approved by the Project Director will be paid at the following rates: airfare at the coach rate and car mileage at the federal rate.

- (F) The Consultant will notify the Committee when its fees under this contract reach \$30,000.00.
- (G) Total payments under this contract, excluding reimbursement for expenses, may not exceed Thirty five Thousand and No/100 Dollars (\$35,000.00).

CLAUSE IV - EXPENSES AND DUPLICATION

- (A) Except as may be otherwise provided by Clause III, the office space, equipment, supplies, clerical support and other expenses that are necessary for the Consultant to carry out the Consultant's obligations under this contract shall be supplied and paid for by the Consultant at no cost to the Committee.
- (B) Duplicates of any material or other item produced under this contract may be produced by the Committee; the office space, equipment, supplies, clerical support and other expenses required for the duplication shall be supplied by the Committee.

CLAUSE V - ASSIGNMENT OR TRANSFER

Assignment or transfer of the contract is subject to the approval of the Committee. The Consultant may subcontract work under this contract.

CLAUSE VI - WORKERS' COMPENSATION

During the life of this contract, the Consultant shall, in accordance with AS 23.30.045(d), provide and maintain workers' compensation insurance. The Consultant shall require any subcontractor to provide and maintain workers' compensation insurance for the subcontractor's employees. Consultant shall provide the Committee, upon request, with written proof of the coverage required by this clause.

CLAUSE VII - FEDERAL AND STATE LAWS

In addition to the other requirements of this contract, the Consultant must comply with all applicable Federal and State labor, wage/hour, safety and other laws which have a bearing on the contract, and must have all licenses and permits required by the Federal government, State and/or municipality for performance of the contract covered by this

contract, including, but not limited to, a valid Alaska business license and any necessary applicable professional licenses. The Consultant must pay all fees associated with the licenses and permits required for performance of the contract. The Consultant shall pay all Federal, State, and local taxes incurred by the Consultant in the performance of the contract. The Consultant's certification that taxes have been paid may be verified before final payment by the Committee.

CLAUSE VIII - HUMAN TRAFFICKING

Human Trafficking: By the Consultant's signature on this contract, the Consultant certifies that the Consultant is not headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

In addition, if the Consultant conducts business in, but is not headquartered in, a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in the Persons Report, a certified copy of the Consultant's policy against human trafficking must be submitted to the Committee.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <http://www.state.gov/g/tip/rls/tiprpt>.

If the Consultant is or becomes headquartered in a Tier 3 county, or fails to comply with this clause ("Human Trafficking"), the Committee may terminate the contract under Clause II (B) as a breach of the contract.

CLAUSE IX - CONTRACT CONTROVERSIES AND VENUE

To make a claim under this contract, the Consultant shall provide notice to the Procurement Officer within 10 days of discovery of the claim or 10 days of the termination of the contract, whichever is sooner, that the Consultant intends to file a claim. If the claim is not resolved, the Consultant shall file the complete and certified claim concerning this contract with the Procurement Officer in accordance with Alaska Legislative Procurement Procedures secs. 350-370 within 90 days of the discovery of the claim or 90 days after the termination of this contract, whichever is sooner.

In the event that the parties to the contract find it necessary to litigate the terms of the contract, venue shall be State of Alaska, First Judicial District, at Juneau, and the contract shall be interpreted according to the laws of Alaska.

CLAUSE X - BINDING ON SUCCESSORS

Subject to Clause V (Assignment or Transfer) of this contract, this contract and all the covenants, provisions and conditions contained in the contract shall inure to the benefit of and be binding upon the successors and assigns of the Consultant and the Committee.

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CLAUSE XI - INDEMNIFICATION

The Consultant shall indemnify, save harmless, and defend the Committee, the Alaska Legislature, and the Legislative Affairs Agency, and the officers, agents, and employees of the Committee, Alaska Legislature, and Legislative Affairs Agency from liability for any claim, including, but not limited to, any damages, costs, and attorney fees arising from the claim, arising from Consultant's negligence or intentional misconduct in the performance of Consultant's obligations under this contract.

CLAUSE XII - COVERAGE UNDER THE ETHICS LAW

The Consultant may be subject to the provisions of AS 24.60 (Legislative Ethics) as a legislative employee unless excluded from the definition of "legislative employee" under AS 24.60.990(a)(11). Select Committee on Legislative Ethics Advisory Opinion 99-01 concludes that "any Consultants who are paid through the state payroll system, Consultants (or those designated within a contracting firm or company) with the Ethics Committee and those services or professional services Consultants with legislative contracts over \$5,000, who will incur more than incidental use of state resources or who either contract for legislative policy related services or who are designated to represent the Legislature in a policy-related capacity, fall within the legislative employee definition and are therefore subject to the legislative ethics code."

CLAUSE XIII - RECORDS; AUDIT

In addition to any other records required by this contract, the Consultant shall accurately maintain detailed time records that state the date of the work and describe in detail the work done. The Consultant shall also keep any other records that are required by the Project Director. The records required by this contract are subject to inspection by the Committee or the Project Director at all reasonable times.

CLAUSE XIV - OWNERSHIP AND REUSE OF DOCUMENTS

All documents, reports, material, and other items generated as a consequence of work done under this contract are the property of the Committee. To the extent the Consultant has any interest in the copyright for these items under the copyright laws of the United States, the Consultant transfers, by this contract any and all interest the Consultant has in the copyright for these items to the Committee, and the Committee will be the owner of the copyright for these items. Upon completion of the work or termination of this contract, the items shall be delivered to the Project Director. Consultant acknowledges that all the items are Committee records and, as a result, are public records.

CLAUSE XV - PROJECT DIRECTOR

The Project Director is Senator Gary Stevens, Chair of Legislative Council. The Project Director is authorized to oversee and direct the activities of the Consultant under this contract.

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CLAUSE XVI - CERTIFICATION

Execution of this contract by the Legislative Affairs Agency Executive Director or her designee hereby constitutes a certification that funds are available in an appropriation to pay for work performed under this contract through March 14, 2016.


CLAUSE XVII - MODIFICATION AND PREVIOUS AGREEMENTS

This contract contains all terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this contract shall be deemed to exist or to bind either of the parties to this contract. This contract may not be modified unless in writing and signed by the parties to this contract.

IN WITNESS WHEREOF, the parties have executed this contract on the dates indicated below:

CONSULTANT:

NAVIGANT CONSULTING, INC.


Nigel D. Hughes
Title: Director
Date: 2-22-16

Tax Identification No.: 36-4094854
AK Business Lic.: 905809

COMMITTEE:

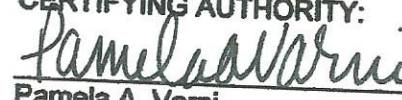
ALASKA STATE LEGISLATURE
ALASKA LEGISLATIVE COUNCIL


Sen. Gary Stevens, Chair
Alaska Legislative Council
Procurement Officer
Project Director
Date

APPROVED AS TO FORM:


Legal Counsel
Date: 2-22-16

CERTIFYING AUTHORITY:


Pamela A. Varni
Executive Director
Legislative Affairs Agency
Date: 2/22/16

NAVIGANT

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One Market Street, Spear Street
Tower Suite 1200
San Francisco, CA 94105
415.356.7100 main
415.356.4005 fax
navigant.com

February 22, 2016

Senator Gary Stevens,
Chair, Legislative Council
State of Alaska,
Alaska Legislative Council,
120 4th Street,
State Capitol, Room 3,
Juneau, AK 99801-1182

Re: **Real Estate Analysis for Alaska State Legislative Council**

Dear Senator Stevens:

This letter and the Terms and Conditions attached hereto as Exhibit 1 confirms the retention of Navigant Consulting, Inc. ("Navigant") effective as of February 22, 2016 by Alaska Legislative Council ("Company") to provide independent professional services in connection with the above referenced matter.

Scope and Delivery of Services

The professional services may include the following consulting areas: *real estate market and financial analysis (the "Services")*.

You agree to provide us with timely access to information, locations and personnel reasonably necessary for the performance of the Services. Our work product is to be used only in relation to the above matter and not for any other purpose without our written approval.

The preparation of our work product is an evolving process during which our analysis is focused and refined as our research and document review proceeds and as information emerges in litigation. Preliminary conclusions, superseded drafts, notations, analyses, work lists, and irrelevant data are not a part of, and will not be recorded in, our final work product. Such documents may be appropriately discarded on a routine basis as work tasks are completed. Of course, circumstances may arise that require the retention of such drafts or other interim documents, including but not limited to subpoenas and court orders. We understand that you will provide us with any instructions regarding document retention or document production procedures that you expect us to follow.

Company understands and agrees that we are a consulting firm and do not practice architecture or provide professional engineering services. We will not be auditing any financial statements or performing any attest procedures in the course of this engagement. Our services are not designed, nor should they be relied upon, to disclose internal weaknesses in internal controls, financial statement errors, irregularities, illegal acts or disclosure deficiencies.

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Fees and Expenses

Navigant will make every reasonable effort to perform the assignment in a cost-effective manner. The hourly rates outlined below will be in effect through December 31, 2016.

Managing Director	\$550
Director	\$375
Associate Director	\$350
Managing Consultant	\$325
Senior Consultant	\$250

Our hourly rates are based on the experience and skills of the personnel involved and are adjusted periodically, typically on January 1st of each year. Navigant does not predict or warrant the outcome of any particular matter or issue, and our fees are not dependent on such outcomes. Independent contractors or subcontractors may be utilized from time to time, at the applicable rates set forth above. Professional services will be billed monthly based on hours incurred and the rates in effect at the time services are performed.

Actual cost of related expenses will be charged, including but not limited to travel and transportation expenses, such as mileage (payable at the standard IRS rate), tolls, parking, airfare, hotel accommodations, and meals. Monthly computer charges may apply for data intensive assignments requiring investments in hardware and software. All expense reimbursement payments will be billed on a monthly basis.

Our invoices are due upon receipt, and payment of professional fees and expenses is expected within thirty (30) days of the invoice date. Any objection to the invoice must be made within sixty (60) days after the date of the invoice; lack of timely objection to an invoice shall evidence your agreement to all invoiced amounts. A late charge of 1% per month will accrue on undisputed amounts not paid within thirty (30) days of the date of the invoice. If payment on invoices is past due more than sixty (60) days, we reserve the right to terminate the engagement or suspend services until payment is received. If a report, deposition, declaration, or trial testimony is required, we reserve the right to require payment of outstanding fees and expenses prior to submission of such report or testimony. All costs of collection of amounts due and owing hereunder shall be paid by Company.

From time to time, we may give you an estimate of fees and expenses relating to this matter. Such estimates are subject to many unknown or uncontrollable variables. As such, they are only intended as approximate projections at a particular point in time. They may change as we move forward, and they are not intended to be an agreed upon fixed fee amount. Navigant will communicate with Company regarding billing and other administrative matters.

Retainer

It is customary for Navigant to require the payment of a retainer in undertaking a new engagement. We have not requested a retainer in connection with this engagement. However, if our invoices are not paid when due or if circumstances warrant, we reserve the right to require, as a condition of our continuing this engagement, that you deposit a retainer to be applied by Navigant as it deems appropriate.

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This letter and the Terms and Conditions attached hereto as Exhibit 1, which are expressly incorporated herein, constitute the entire agreement between Navigant, on one side, and Company on the other side, regarding the terms of this engagement. In the event Company requires Navigant to execute a purchase order or other Company documentation in order to receive payment for our services, the terms and conditions contained in such purchase order or documentation shall be null and void and shall not govern the terms of this engagement. This letter is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein and supersedes any other such promises or representations. It can only be modified by a written agreement signed by duly authorized representatives of each party.

If you wish to engage us to provide the services outlined in this Agreement please sign in the space provided below and return an executed original to us.

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We look forward to providing our services in connection with this matter. If you have any questions, please do not hesitate to call me.

Very truly yours,

Navigant Consulting, Inc.


By: Nigel D. Hughes



Date: 02/22/2016

Agreed to and Accepted by:

[Company]

By: 
Name: GARY STEVENS
Title: Senator

Date: 2/22/16

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EXHIBIT 1
TERMS AND CONDITIONS

Intellectual Property: Upon full payment of all amounts due to us in connection with this engagement, all rights, title and interest in any deliverables we provide to you will become your sole and exclusive property for use in connection with the subject of the engagement, except as set forth below. We will retain sole and exclusive ownership of all rights, title and interest in our work papers, proprietary information, processes, methodologies, know-how and software, including such information as existed prior to the delivery of our services and, to the extent such information is of general application, anything that we may discover, create or develop during our provision of Services ("Navigant Property"). To the extent our reports or other documents delivered to you contain Navigant Property, we grant you a non-exclusive, non-assignable, royalty-free license to use it in connection with the subject of the engagement.

Confidentiality: We understand that all communications between Navigant and Company, either oral or written, as well as any materials or information developed or received by us pursuant to this arrangement, are intended to be confidential. Accordingly, we agree, subject to applicable law or court order, not to disclose any of our communications, or any of the information we receive or develop in the course of our work for you, to any person or entity apart from your office or Company or such other persons or entities as your office or Company may designate.

If access to any of the materials in our possession relating to this engagement is sought by a third party, or we are requested or compelled to testify as a fact witness in any legal proceeding related to Navigant's work for you, by subpoena or otherwise, or we are made a party to any litigation related to Navigant's work for you, we will promptly notify you or Company of such action, and either tender to you our defense responding to such

request and cooperate with you concerning our response thereto or retain counsel for our defense for which you shall reimburse us for all reasonable attorney's fees and costs of defense. In such event, Company will compensate us at our standard billing rates for our professional fees and expenses, including reasonable attorneys fees (internal and external), involved in responding to such action.

Conflicts of Interest: Based on the names of the parties you have provided we are not aware of circumstances that constitute a conflict of interest or that would otherwise impair our ability to provide objective assistance. Our determination of conflicts is based primarily on the substance of our work and not the parties involved. During the course of this engagement, Navigant may be requested to be retained by parties with interests that may not be consistent with those of Company. Navigant agrees that it will not accept retentions that would be adverse to Company in the same legal proceeding on the factual matters that are the subject matter of this engagement, without waiver of such conflict by both parties.

Limitation of Liability: Notwithstanding the terms of any other provision, the total liability of Navigant and its subsidiaries, officers, employees and agents for all claims of any kind arising out of this engagement, whether in contract, tort or otherwise, shall be limited to the total fees paid to Navigant on this engagement. Neither Navigant nor Company shall in any event be liable for any indirect, consequential or punitive damages, even if they have been advised of the possibility of such damages. Navigant shall not be liable for any loss or destruction of any valuable documents provided to Navigant and Company shall be responsible for insuring such documents against loss or destruction.

Resolution of Disputes: If Law Firm on behalf of Company desires to terminate its relationship with Navigant on this engagement,

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it may do so at any time for any reason, simply by giving us written notice. In such event, Navigant will be paid for fees and expenses through the termination date, as well as for reasonable engagement closing costs. To promote rapid and economical resolution of any disputes which may arise, any and all disputes or claims related to or arising from this agreement, except claims by Navigant for non-payment of amounts owed hereunder, shall be resolved by final, binding and confidential arbitration conducted in Chicago, IL by JAMS Inc. (formerly Judicial Arbitration and Mediation Services) ("JAMS") under the then-applicable JAMS rules, including its optional appellate procedure if the parties so elect. The parties hereby give up their right to have any such disputes or claims litigated in a court or by a jury. All issues related to interpretation of this Agreement or any issues arising out of this engagement shall be governed by the law of Illinois without application of its conflict of laws principles.

Restriction on Use of Personnel: Company agrees that during the term of this Agreement (including any renewals or extensions thereof), and for a period of one year following its

termination ("Restriction Period"), neither Company nor any affiliate, parent or subsidiary thereof will knowingly employ or (except through Navigant) engage as an independent contractor, consultant or otherwise, any person who, during the Restriction Period, is or was an employee or independent contractor of Navigant and who worked on this engagement.

Disposition of Documents: At the end of this engagement, you will have several options with respect to disposition of documents related to the engagement that Navigant does not wish to retain in its files. You can (a) direct Navigant to return all such documents to you, where practicable; (b) authorize Navigant to discard or destroy such documents; or (c) direct Navigant to store any or all such documents at the expense of Company. If you do not request one of these options for the disposition of materials within 60 days after this engagement is concluded, Navigant may implement any one of these options. Navigant will have the right to retain a copy of our reports or work papers for our records.