

COMMITTEE REPORT

SENATE

1-28-75

Mr. President:

Date _____

The Committee on Finance has had SB 64
special approp for Alaska Skill Center
under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

Chairman

Introduced: 1/28/75
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 64

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Education for the Alaska Skill Center; and
8 providing for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$153,000 is appropriated from the general fund
11 to the Department of Education for the purchase of two modular housing
12 units for female students at the Seward Skill Center.

13 * Sec. 2. This Act takes effect immediately in accordance with AS 01.
14 10.070(c).

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COMMITTEE COPY

January 27, 1975

The Honorable Chancy Croft
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

Pursuant to the Uniform Rules of the Legislature, I am transmitting a bill making a special appropriation to the Department of Education for the Alaska Skill Center in the amount of \$153,000.

The Vangilder Hotel, which houses the female students at the Alaska Skill Center, is in violation of the fire and safety codes. This request will fund two 20-person modular housing units until permanent dormitories are constructed. This appropriation will result in an annual savings of \$40,000, which would have been expended for rental of the Vangilder Hotel.

Sincerely,

Jay S. Hammond
Governor

ALASKA STATE LEGISLATURE

NINTH Legislature FIRST Session

SENATE BILL NO. 64

By THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

"An Act making a special appropriation to the Department of Education for the Alaska Skill Center; and providing for an effective date."

spec. approp. Alaska Skill Center

Introduced in the Senate 1/28, 1975

HISTORY IN THE SENATE

19 75

1 28

Read first time and referred to Committee on

Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.

Second Session - Ninth Legislature

I. REQUEST

Bill No. SB #64
Title: Special appropriation to the DOE for the Alaska Skill Center
Requested by: Senate Finance Committee Date: January 26, 1976
Return Date Requested: ASAP
Agency: Education Program: _____

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES		220.0	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.						
TOTAL		220.0	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND		220.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Breakdown of estimated expenses by Gerald Hiley, Coordinator of Adult and Manpower Programs.

IV. ATTACHMENTS

See copy of Hiley memo attached.

V. DATE: January 26, 1976 PREPARED BY: William A. [Signature]

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

STATE
of ALASKA

MEMORANDUM

TO: Bill Thomson, Director
Management, Law and Finance

DATE : January 19, 1976

FROM: Gerald Hiley, Coordinator
Adult and Manpower Programs

SUBJECT: Skill Center Dormitory

I talked with Bob Booher late Friday night and he had just received information from Georgia-Pacific on pre-cut dormitories for the Alaska Skill Center.

They have proposed an L-shaped two-story building, which would be 96 ft. on one side, 84 ft. on the other, and the structure would be 30 ft. wide. There would be rooms on both sides of a 5 ft. hallway, which would sleep 30 people per floor. The rooms for the trainees would be approximately 12' x 16' and house two people. The rooms would be set up so that there would be two 24" x 48" wardrobes, two beds, and two desks with chairs. There would be one restroom-shower unit combination on the second floor and two on the first floor so that it could house both men and women, if necessary. It would also include the appropriate number of storage and janitor closets, heating plant and hot water plant room, etc.

The estimated costs of putting up the building would be as follows:

Basic building materials	\$ 97,000
Heating (hot water)	10,000
Plumbing	10,000
Electrical (including fixtures)	9,000
Interior walls - painting	2,500
Carpeting, drapes, etc.	16,000
Fire alarm system	1,000
Furniture (60 desks-chairs-wardrobe)	12,000
Beds (60)	7,200
Plans and engineering (Georgia-Pacific)	2,500
Site preparation	10,000
Freight	20,000
Contingency	22,800
Total	\$ 220,000

We have projected that if funds were appropriated (approximately \$220,000) to cover the costs and given the time to erect such a facility, this method would be the most beneficial to the state over the long run. This kind of structure should have a life expectancy of at least 20 years and possibly 30.

We have also checked with the Associated General Contractors to find out what their feeling would be if the Skill Center would erect such a facility with trainees, and they informed us that there is no problem with this kind of training program, as they are doing it within each one of their local unions for their own training needs.

If you have any questions concerning this building, please contact me as soon as possible.

Introduced: 1/28/75
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

SENATE BILL NO. 64

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

NINTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making a special appropriation to the Department of Education for the Alaska Skill Center; and providing for an effective date."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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* Section 1. The sum of \$153,000 is appropriated from the general fund to the Department of Education for the purchase of two modular housing units for female students at the Seward Skill Center.

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* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.070(c).

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THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE
 Second Session - Ninth Legislature

I. REQUEST

Bill No. SB #64
 Title: Special appropriation to the DOE for the Alaska Skill Center
 Requested by: Senate Finance Committee Date: 12-4-75
 Return Date Requested: ASAP
 Agency: Education Program: _____

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES		300.0	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.						
TOTAL		300.0	-0-	-0-	-0-	-0-

B. FUNDING: (Thousands of dollars)

GENERAL FUND		300.0	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Estimate provided by Atco, Incorporated.

IV. ATTACHMENTS

V. DATE: 1/6/76 PREPARED BY: William D. Thomas

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Introduced: 1/21/64
Referred: Finance

BY THE CLERK OF THE HOUSE
RECEIVED BY THE CLERK OF THE HOUSE

1 IN THE SENATE

2 SENATE BILL NO. 64

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINETH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Department
7 of Education for the Alaska Rural Section, and
8 providing for an effective date,"

9 AS IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$53,000 is appropriated from the general fund
11 to the Department of Education for the purchase of five modular, high-level
12 units for female students at the 1,000 mile center.

13 * Sec. 2. This Act takes effect immediately in accordance with AS 01
14 10.070(c).

Introduced: 1/28/75
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

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SENATE BILL NO. 64
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINTH LEGISLATURE - FIRST SESSION
A BILL

For an Act entitled: "An Act making a special appropriation to the Department of Education for the Alaska Skill Center; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. The sum of \$153,000 is appropriated from the general fund to the Department of Education for the purchase of two modular housing units for female students at the Seward Skill Center.

* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.070(c).

TO: Murray Snyder, Capital Planner
Div. of Budget and Management
Dept. of Administration

DATE: December 6, 1974

FROM: William D. Thomson, Director
Management and Finance
Dept. of Education

SUBJECT: Seward Skill Center
FY 76 Capital Request

Personnel from the Seward Skill Center have submitted to us copies of a recent fire inspection (November 14, 1974) of the VanGilder Hotel, which is used by the Skill Center as a dormitory for student trainees. As can be seen from the photographic and documents attached, the problem is a long standing one with little effort on the part of the owner to make necessary changes and improvements to the facility to comply with fire and sanitation code violations. An up-to-date sanitation inspection has been made, but the written report is not available at this time.

Since FY 76 is an off-year for capital improvement requests, it is requested that, as a solution for the interim, two 20-man modular units, with an inter-connecting student lounge, be purchased. Costs of such installation is as follows:

2 20-man modular units @ \$48,886 (ATCO quote -- delivered price)	97,772
1 student lounge @ \$22,688 (ATCO quote -- delivered price)	22,688
Utilities hook-up	4,000
Materials for skirting and winterizing units	<u>3,000</u>
SUBTOTAL	\$127,460
Division of Buildings Administration (20%)	<u>25,492</u>
GRAND TOTAL	\$152,952

Since the present leased facilities are substandard and cost \$30,000/year, the modular units could be amortized within a reasonable period of time. Furthermore, the units could continue to be used for overflow students after a permanent structure is erected.

Please share this memorandum and attached material with Michael Orelove, Budget Analyst.

A sanitation inspection report will be submitted as soon as it is received by this office.

W. D. T.

cc: Bob Booher
Don Gilman
Gerald Hiley

RECEIVED
DEC 9 1974
BUDGET & MANAGEMENT



Trust, Inc.

CLIENT AND GOVERNMENTAL RELATIONS

SPECIALISTS

1518 D STREET
ANCHORAGE, ALASKA 99501

(907) 277-9312

OFFICES
IN JUNEAU
(907) 586-1776

Original lease \$23.35 per month — 21¢ #
State took over owners apt 150.00 added — 22.6¢ #
For furnished Hotel all major maintenance to be
paid by us plus taxes and insurance.

July 1, 1974 Rent increased 5¢ # supply furnishings
etc.

also 300⁰⁰ worth for maintenance.

all maintenance men work done is per job of
cleaning.

Taxes doubled

If Jan. p. check hadn't been deposited Dec 31
profit would have been approx 2670.⁰⁰

No figures are for our travel — expenses
or minimum of 2 trips a year @ 50⁰⁰ each.

Hotel rent at Wrenay 22.60 Feb. 4, 1975

	Initials	Date
Prepared By		
Approved By		

FRANK JERICK & LOW DISHWASH
 D/B/A VAN GARDEN HOTEL
 COMPARATIVE STATEMENT OF OPERATIONS
 FOR ONE MONTH ENDED 12/31/77 AND YEARS ENDED 12/31/73 & 74
 (UNAUDITED)

	1977	1973	1974	TOTAL
GROSS RENTALS	\$ 2310	\$ 32170	\$ 37655	\$ 72135
EXPENSES				
REPAIRS	1790	9901	1616	12907
INTEREST	545	10668	10639	21852
DEPRECIATION	1713	14896	14981	31090
PROFESSIONAL SERVICES		140	874	1014
TRAVEL		1067	559	1626
INSURANCE		914	363	1277
TAXES & LICENSES		2022	3073	5095
DONATION		400	200	600
MISCELLANEOUS		98	214	312
OFFICE EXPENSE			166	166
	3348	40106	32685	76139
NET INCOME (LOSS)	(1038)	(7936)	4970	(4004)

TO

• Jan 1-75 check deposited

FROM

Dec 31 2,335.00

SUBJECT

There is no record of expenses from

DATE

1 1

MESSAGE

changed to this sheet.

Since Jan 1, 1975
Following checks.

Blaines Paint	215.15
4 1/2 cups material	67.20
Mt. Appleby Bus	14.18
• Sewing 13 1/2 yds	446.33
7 1/2 L Egg	100.-
Workands	704. ^{fourteen}
SIGNED: [•] Jack B.P.	455.80
Representor	500.00
Michael	407.50
Remuneration	500.00
Gas 0:45	225.00

REPLY

2/8/75

Truck & haul material	100.00
	<hr/> 4,275.05
	4,375.05

SIGNED

DATE

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Rediform © 45 471

Poly Pak (50 sets) 4P471

SEND PART 1 AND 3 WITH CHECK OFF IN FACT - PART 3 WILL BE RETURNED WITH REPLY

DENZ AND JOHNS
CERTIFIED PUBLIC ACCOUNTANTS

1200 AIRPORT HEIGHTS ROAD
ANCHORAGE, ALASKA 99504
274-0241
274-7751

JOHN F. DENZ
FREDERICK W. JOHNS

Mr. Frank Irick
1321 L Street
Anchorage, Alaska 99501

The accompanying balance sheet of Frank Irick and Lou Dishner d/b/a Van Gilder Hotel as of December 31, 1974, and the related statement of income for the year then ended, were not audited by us, and therefore we express no opinion on them.

A handwritten signature in cursive script, likely belonging to one of the accountants, is located in the lower right quadrant of the page.

February 7, 1975

Frank Irick and Lou Dishner
d/b/a Van Gilder Hotel
Balance Sheet
December 31, 1974
(Unaudited)

Assets

Current Assets

Cash		\$ 1,032
Receivables		<u>2,198</u>

Total Current Assets 3,230

Fixed Assets, at cost

Building	\$ 108,114	
Furniture and fixtures	<u>20,850</u>	
	128,964	
Less accumulated depreciation	<u>31,090</u>	
	97,874	
Land	<u>10,000</u>	107,874

Other Assets

Prepaid insurance		<u>1,501</u>
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\$112,605

Liabilities

Current Liabilities

Current portion of long-term mortgages payable		\$ 9,872
--	--	----------

Long-term Liabilities

Mortgages payable	\$ 116,191	
Less current portion	<u>9,872</u>	
	106,319	

Partners' Capital Accounts

	Balance 1/1/74	Profit 1974	Withdrawals	Balance 12/31/74	
Frank Irick	\$(5,249)	\$2,485	\$(1,203)	\$(3,967)	
Lou Dishner	<u>(2,104)</u>	<u>2,485</u>	<u> </u>	<u>381</u>	
	\$(7,353)	4,970	\$(1,203)	\$(3,586)	<u>(3,586)</u>

\$112,605

Frank Irick and Lou Dishner
d/b/a Van Gilder Hotel
Statement of Income
For the Year Ended December 31, 1974
(Unaudited)

Rental income		\$ 37,655
<u>Expenses</u>		
Interest	\$ 10,639	
Maintenance	1,616	
Insurance	363	
Travel Expense	559	
Entertainment	150	
Office expense	166	
Donation	200	
Taxes	3,048	
Professional services	874	
Business license	25	
Bank charges	64	
Depreciation	<u>14,981</u>	
		<u>32,685</u>
		<u>\$ 4,970</u>

1974-75 Van Gilder Lease

- A. It is agreed that an increase in the amount of 5¢ per sq. ft. shall be added over and above present lease. The Skill Center and Mr. Irick agreed that these additional monies shall go towards improvements at the Van Gilder.

The following is a list of the necessary improvements:

1. New curtains and draperies where needed.
2. Remodeling of showers and bathrooms.
3. Provide wardrobe closets and upgrade misc. furnishing.
4. Upgrade sinks and plumbing in sleeping rooms.

The total square footage of the Van Gilder is 11,000 sq. ft. The additional 5¢ per sq. ft. will mean a \$550 per month or \$6,600.00 per year increase over present lease.

- B. It has been determined that Mr. Irick will be responsible for all Van Gilder maintenance except for washers and dryers located in the basement which will continue to be the responsibility of the Skill Center.
- C. Mr. Irick will be responsible for all janitorial services except for students sleeping rooms and family living quarters.

Following is a sq. ft. breakdown per floor that will be the Janitorial Service's responsibility. There will be an increase in lease of \$300 per month or \$3,600 per year to cover these additional services:

Basement	2,624 sq. ft.	-	1 bathroom
Ground Floor	1,147 sq. ft.	-	1 bathroom
Second Floor	546 sq. ft.	-	2 bathrooms
Third Floor	480 sq. ft.	-	2 bathrooms

4797 6.2¢ / sq ft ✓

Total Increase

	\$550 per month	\$6,600 per year
	<u>300</u> per month	<u>3,600</u> per year
Total	\$850	\$10,200

STATE OF ALASKA
AMENDMENT TO LEASE

THIS INDENTURE, to be known as Amendment No. 2 to the existing lease between

THE VAN GILDER HOTEL

and the

STATE OF ALASKA
for the
Department of Education

entered into on the 6 day of May 1971, covering

the entire premises of the Van Gilder Hotel (with the exception of the owners' personal living quarters). Located at 307 Adams St., Seward, Alaska

THIS AMENDMENT SHALL:

1. Make the Lessor responsible for all janitorial services except student sleeping rooms and family living quarters. Area to be serviced includes 4797 square feet. Increase rent \$300.00 per month for this service. However, this payment has already been made directly to the Vendor by the State for the months of August and September and will therefore not be paid to the Lessor for these two months.
2. Make Lessor responsible for all maintenance except washers and dryers located in the basement which will continue to be the responsibility of the State.
3. Lessor shall provide repairs and remodeling between July 1, 1974, and June 30, 1975. As compensation for this service, rent shall be increased \$550.00 per month. The following specific improvements shall be provided: new curtains and draperies where needed. Showers and bathrooms shall be remodeled, including installation of two showers to replace bathtubs. Provide wardrobe closets and upgrade miscellaneous furnishing as needed and to include replacing double beds with twin beds in three rooms. Replace and repair sinks and plumbing in sleeping rooms.
4. Exercise the option to renew for an additional year as provided in section 3-f, July 1, 1974 through June 30, 1975.
5. Becomes effective July 1, 1974.

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

LESSOR: The Van Gilder Hotel

By *Frank Smith*

Date *10/10/74*

APPROVED:

Department of Education

By *Richard Perrod*

Date *10-11-74*

LESSEE: STATE OF ALASKA

By *Noah S. Vellum*
Director, Division of General Services/Supply

Date *10/10/74*

STATE OF ALASKA
AMENDMENT TO LEASE

THIS INSTRUMENT, to be known as Amendment No. 1 to the existing lease between

The Van Gilder Hotel
307 Adams Street
Seward, Alaska

22.50 per month

11.

3.0

and the

STATE OF ALASKA
for the
Department of Education

entered into on the 6th day of May, 1971, covering

The entire premises of the Van Gilder Hotel (with the exception of the owners' personal living quarters). Located at 307 Adams Street, Seward, Alaska.

THIS AMENDMENT SHALL:

*FRANK ERICKS
owner*

Lewis Dischner and J.J. [unclear]

1. Change the name and address of the lessor to read ~~ALASKA~~ *Business Brokers, Inc. 1518 D. Street, Anchorage, Alaska.*
2. Add the owners quarters, rooms 2, 4 and 6 to the terms of this lease at an additional \$175.00 per month, total monthly rent \$2,485.00 effective from October 1, 1971.
3. Exercise the option to renew for an additional year as provided in section 3-F, July 1, 1973 through June 30, 1974.

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

LESSOR:

By *Frank Ericks*

Date *May 4, 1973*

APPROVED:

Department of Education

By *Robert T. Peterson*

Date *5/14/73*

LESSEE: STATE OF ALASKA

By *Noah B. Wellman*
Director, Division of General Services

Date *5-16-73*

STATE OF ALASKA
STANDARD LEASE FORM

THIS INDENTURE, entered into this 6th day of May, 1971, by
and between

Van Gilder Hotel
William and Francis O'Brien, Owners
Seward, Alaska

hereinafter called the Lessor, and

STATE OF ALASKA

Department of Education

hereinafter called the Lessee:

WITNESSETH:

That the Lessor does hereby demise and let unto the Lessee the
following described premises, to wit:

The entire premises of The Van Gilder Hotel,
(with the exception of the owners' personal
living quarters.) Located at 307 Adams Street,
Seward, Alaska.

to have and to hold the same, with all appurtenances, unto the
Lessee for the term of one year, beginning on the 1st day of
July, 1971, and ending on the 30th day of June, 1972, at and for
the rental of \$2310.00 per month, payable in advance on the first
day of each and every month of said term at the office of the
Lessor, whose address is: 307 Adams Street, Seward, Alaska or
in advance at the option of the Lessee. First payment to be
\$5910.00 and \$2310.00 per month thereafter.

Covenants of the Lessee:

1. The Lessee does hereby covenant and agree with the Lessor
that it will:
 - a. pay said rent at the times and place and in the
manner aforesaid;
 - b. use and occupy said premises in a careful and
proper manner, and be responsible for minor repairs
such as glass breakage, door maintenance, general
upkeep and janitorial service;
 - c. not use or occupy said premises for any unlawful
purpose;
 - d. not assign this lease, nor underlet said
premises, nor any part thereof, without the
written consent of the Lessor, provided however,
such consent shall not be unreasonably withheld;

- e. not use or occupy said premises or permit the same to be used or occupied, for any purpose or business deemed extra-hazardous on account of fire or otherwise;
- f. make no alterations or additions in or to said premises without the written consent of the Lessor, which consent shall not unreasonably be withheld;
- g. leave the premises at the expiration or prior termination of this lease or any renewal or extension thereof, in as good condition as received or in which they might be put by the Lessor, excepting reasonable wear and tear;
- h. permit the Lessor to enter upon said premises at all reasonable times to examine the condition of the same;
- i. purchase all bedding, linens, pillows, bed spreads, towels, rugs, and one electric clothes dryer (per attached list) from Van Gilder Hotel for a sum of \$3600.00. At the termination of this lease these articles are to be repurchased by the Van Gilder Hotel at a sum to be mutually negotiated by the Lessor and the Lessee.

Items to be purchased:

370 Bed Sheets	\$814.00
180 Pillow Slips	135.00
70 Bed Pads	420.00
99 Bed Spreads	792.00
75 Pillows	262.50
4 New Shower Curtains	15.00
4 Used Showed Curtains	no/charge
95 Blankets	665.00
147 Bath Towels	182.10
172 Hand Towels	129.00
158 Wash Cloths	35.40
10 Small Rugs	50.00
1 Electric Clothes Dryer	100.00
	<hr/>
Total	\$3600.00

The following items to be loaned to the Lessee during the term of the lease. Items to be returned to the Lessor after termination of the lease:

- 72 Water glasses
- 36 Waste Baskets
- 72 Ash trays in rooms
- 10 ash trays in lobby.
- 4 Vacuum cleaners
- 1 Hand Vacuum
- 1 Electric rug shampooer.

(Above items loaned on a no charge basis)

Covenants of the Lessor:

2. And the Lessors on their part covenant and agree with the Lessee that it will:
 - a. maintain the demises premises in good repair and temantable condition during the continuance of this lease, and provide all furnishings and appliances, with the exception of those items now in their personal living quarters;
 - b. indemnify and save the Lessee harmless for and against any loss, damage, and liability occasioned by, growing out of, or arising or resulting from any default hereunder, or any tortious or negligent act on the part of the Lessor, the Lessor's agents or employees;
 - c. furnish adequate toilet and lavatory facilities. Each toilet room shall be equipped with adequate mirrors, and paper towel dispensers, and shall have hot and cold running water at all lavatories and similar fixtures as required;
 - d. maintain and keep the stairway and common or public hallway used for access to the leased premises in a good and safe condition;
 - e. maintain the premises in keeping with good fire prevention practices. The State reserves the right at reasonable times to enter and make fire prevention and fire protection inspections of the building and space occupied. Recommended improvements will be given every consideration by the Lessor;

- f. maintain the building free of any building structural or building mechanical accident hazards. If any hazard relative to the structure or building operating equipment is detected through inspections of the space they shall be promptly corrected by the Lessor;
 - g. be responsible for all major repairs such as replacement of parts and service cost for the heating system, plumbing system and electrical system. Also all structural repair and maintenance including roof and fire escapes;
 - h. shall furnish written evidence of limits of insurance to the premises, to include fire and personal liability.
3. It is mutually agreed by and between the Lessor and the Lessee that:
- a. if during the term hereof the demised premises or any part thereof be rendered untenable by public authority, or by fire or the elements, or other casualty, a proportionate part of the rent herein reserved, whether paid in advance or otherwise, according to the extent of such untenability, shall be abated and suspended until the premises are again made tenantable and restored to their former condition by the Lessor; and if the premises or a substantial part thereof are thereby rendered untenable and so remain for a period of 30 days, the Lessee may at its option terminate this lease by written notice to the Lessor. In connection with the foregoing it is agreed that the Lessee's decision shall be controlling as to whether or not the premises are fit or unfit for occupancy by it;
 - b. all fixtures and/or equipment of whatsoever nature as shall have been installed in the demised premises by the Lessee, whether permanently affixed thereto or otherwise, shall continue to be the property of the Lessee, and may be removed by it at the expiration or termination of this lease or any renewal or extension thereof, provided however, the Lessee shall at its own expense repair any injury to the premises resulting from such removal;

- c. if the Lessee shall at any time be in default in the payment of rent herein reserved, or in the performance of any of the covenants, terms, conditions, or provisions of this lease, and the Lessee shall fail to remedy such default within 30 days after written notice thereof from the Lessor, it shall be lawful for the Lessor to enter upon said premises, and again have, repossess, and enjoy the same as if the lease had not been made, and thereupon this lease and everything herein contained on the part of the Lessor to be done and performed shall cease and determine, without prejudice however, to the right of the Lessor to recover from the Lessee all rent due up to the time of such entry. In case of any such default and entry by the Lessor, said lessor may relet said premises for the remainder of said term for the highest rent obtainable, and may recover from the Lessee any deficiency between the amount so obtainable and the rent herein reserved;
- d. if the Lessee shall pay the rent as herein provided, and shall keep, observe, and perform all of the covenants of this lease by it to be kept, performed, and observed, the Lessee shall and may, peaceably and quietly, have, hold, and enjoy the said premises for the term aforesaid;
- e. this lease and all the covenants, provisions, and conditions herein contained shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto;
- f. this lease may be extended for an additional term of three 1 year periods at and for the same rental per month as the basic lease by giving notice in writing addressed to the Lessor not less than thirty (30) days prior to any expiration date;
- g. terms and conditions of this lease are subject to availability to the Lessee of appropriated funds. If such funds are not available, the Lessee may terminate this lease by giving the Lessor not less than thirty (30) days prior notice in writing;
- h. all conditions and covenants of this lease shall remain in full force and effect during any extension hereof. Any holding over after the expiration date of this lease or any extension or renewal thereof, shall be construed to be a tenancy from month to month, at the same monthly rental and on the terms and conditions herein specified, so far as applicable;

i. the Lessee may terminate this lease by giving the Lessor thirty (30) days prior notice in writing;

j. time is of the essence of this lease.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

LESSOR: Van Gilder Hotel

By William O'Brien
William O'Brien

By Francis O'Brien
Francis O'Brien

APPROVED:

Department of Education

By Robert Isaac
Robert Isaac

LESSEE? STATE OF ALASKA

By Robert C. Brad
Director, Division of Supply

STATE OF ALASKA

CITY OF Seward

This is to certify that on this 13th day of May, 19 71, before me the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn personally appeared William and Francis O'Brien, to me known and known to me to be the persons described in and who executed the above foregoing instrument, and they acknowledge to me that they signed and sealed the same freely and voluntarily for the uses and purposes therein mentioned.

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

G. E. ...

Notary Public for Alaska

Residing at Seward

My Commission expires _____

My Commission expires Sept. 28, 1974

STATE OF ALASKA

CITY OF Juneau

On this 21st day of May, 19 71, before me a Notary Public in and for the State of Alaska, personally came Richard P. Bradley Director of the Division of Supply of the State of Alaska, known to me to be the person who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

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

M. ...

Notary Public

Residing at Juneau

My commission expires May 25, 1973