

STATE OF MINNESOTA

LEASE

LEASE NO. **DEED – N MPLS**

THIS LEASE is made by and between _____, hereinafter referred to as LESSOR, and the State of Minnesota, Department of Administration, hereinafter referred to as LESSEE, acting for the benefit of the _____.

WHEREAS, the Commissioner of Administration is empowered by Minn. Stat. §16B.24, subd. 6, to lease non-state owned property;

NOW, THEREFORE, LESSOR and LESSEE, in consideration of the rents, covenants and considerations hereinafter specified, do hereby agree each with the other as follows.

1. **LEASED PREMISES** LESSOR grants and LESSEE accepts the lease of the following described Leased Premises located in the City of ____, County of __, Minnesota ZIP:

approximately _____ (_____) usable square feet of space, as shown on the floor plans attached hereto as Exhibit A in the building known as _____ (“Building”) located at _____, allocated as follows:

Level/Suite No.	Square Feet	Use
TOTAL		

2. **USE** LESSEE shall use and occupy the Leased Premises only for ____ and related activities.

3. **LEASE TERM**

3.1 **Fixturing, Commencement and Expiration Dates** The term of this Lease is _____, commencing _____, (“Commencement Date”) and continuing through _____ (“Lease Term”), notwithstanding that LESSEE shall have access to the entire Leased Premises on and after ____ (“Fixturing Date”) for fixturing and cabling purposes only.

- 3.2 Remodeling Completion LESSOR shall make every effort to provide substantial completion of Leased Premises remodeling by the Fixturing Date so as to enable LESSEE'S fixturing. LESSOR shall complete remodeling of the Leased Premises in its entirety by the Commencement Date.
- 3.3 Adjusted Commencement Date In the event LESSEE cannot have access to the entire Leased Premises by the Fixturing Date and occupancy and possession of the entire Leased Premises by the Commencement Date due to LESSOR'S failure to have the Leased Premises ready, the following shall apply.
- a. The Adjusted Commencement Date shall be the later date of either of the following:
- (i) The date which is sixteen (16) days subsequent to the actual Fixturing Date.
- (ii) The date that construction/remodeling in the Leased Premises is completed in its entirety.
- b. Amendment & Prorated Rent By amendment to be executed in the same manner as the execution of this Lease, LESSOR and LESSEE shall establish the Adjusted Commencement Date and corresponding rent payable. If the Commencement Date is other than the first day of the month, the rent payable in the first month of the Lease Term shall be prorated and shall be the product obtained by multiplying the full monthly rent payable by a fraction, the numerator of which is the number of leased days in the applicable calendar month and the denominator of which is equal to the total number of days in the applicable calendar month.

4. USABLE SPACE MEASUREMENTS

- 4.1 Definition The Leased Premises is defined as the total usable square feet exclusively occupied by LESSEE and is the basis for calculation of rent payable hereunder.
- 4.2 Measurement Method Usable square feet is calculated by measurement from the inside finished surface of exterior walls to the inside finished surface of Building corridor and other permanent walls or to the center of walls demising the Leased Premises from adjacent tenant space. Measurement is taken from the exterior wall glass line only if more than fifty percent (50%) of the wall is glass.

4.3 Exclusions and Deductions Excluded from the usable square feet measurement are:

- a. vertical shafts,
- b. elevators,
- c. stairwells,
- d. dock areas,
- e. mechanical, utility and janitor rooms,
- f. restrooms, corridors, lobbies and receiving areas accessible to the public or used in common with other tenants;
- g. each and every column and/or pilaster within the Leased Premises of four (4) square feet or more; and
- h. each and every column and/or pilaster attached to the exterior or demising wall within the Leased Premises.

5. **RENT**

5.1 In consideration for all covenants, representations and conditions of the Lease, LESSEE agrees to pay LESSOR rent for the Lease Term in the sum of /100 dollars (\$) in accordance with the rent schedule set forth below:

<u>LEASE PERIOD</u>	<u>SQUARE FEET</u>	<u>RATE PER SQ. FT.</u>	<u>MONTHLY PAYMENT</u>	<u>RENT FOR LEASE PERIOD</u>
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -
		\$0.00	\$ -	\$ -

5.2 Rent Billing Address LESSOR shall mail or personally deliver original bills and rent statements to LESSEE at the following address:

5.3 Rent Payment Address LESSEE shall mail or deliver the monthly rent set forth above at the end of the applicable calendar month to LESSOR at the following address:

5.4 LESSOR represents and warrants that it is solely entitled to all rents payable under the terms of this Lease. LESSOR further represents and warrants that it is registered with the Secretary of the State to do business in the State of Minnesota and will continue to provide the documentation required by the Secretary of State's office to remain in good standing.

6. PARKING

6.1 Employee Parking LESSOR shall provide ____ (____) parking stalls in the parking lot adjacent to the Building.

6.2 Visitor Parking At no additional cost to LESSEE, LESSOR shall provide ____ (____) parking stalls for use by LESSEE'S visitors, located __.

6.3 Handicapped Parking LESSOR shall provide parking stalls for persons with disabilities per application code.

6.4 Agency Parking At no cost to LESSEE, LESSOR shall provide ____ (____) parking stalls for use by LESSEE'S agency vehicles, located __.

7. TERMINATION

7.1 Funding In the event that the Minnesota State Legislature does not appropriate to the _____ funds necessary for the continuation of this Lease, or in the event that Federal Funds necessary for the continuation of this Lease are withheld for any reason, this Lease may be terminated by LESSEE upon giving thirty (30) days prior written notice to LESSOR.

7.2 Statute Pursuant to Minn. Stat. §16B.24, subd. 6, this Lease is subject to cancellation upon thirty (30) days prior written notice by LESSEE to LESSOR, for any reason except lease of other non-state-owned land or premises for the same use.

7.3 LESSOR and LESSEE hereby agree that a portion of the Leased Premises will be sublet to a party who provides similar services (Sublessee) to LESSEE'S customers, clients or invitees. In the event said Sublessee terminates the sublease, LESSEE may terminate its lease of that portion of space in the Leased Premises subleased by Sublessee, provided that:

- a. LESSEE notifies LESSOR in writing thirty (30) days prior to said reduction of space.

- b. The square footage to be vacated by LESSEE is accessible to a common area of the Building to enable LESSOR to lease such space to a third party.
- c. LESSEE pays LESSOR the actual cost to construct a demising wall necessary to enclose the remaining leased space from the vacated space.

8. **SURRENDER OF LEASED PREMISES** LESSOR and LESSEE hereby agree that at the expiration or earlier termination of this Lease or extension thereof:

8.1 **Personal Property** Any equipment and furniture, including, but not limited to, modular workstations, shelving units, projection screens, audio-video equipment and/or any program equipment (hereinafter referred to as "Personal Property"), whether attached to the Leased Premises by LESSOR or by LESSEE, shall remain the property of LESSEE. LESSEE shall remove its Personal Property, vacate and surrender possession of the Leased Premises to LESSOR in as good condition as when LESSEE took possession, ordinary wear, tear and damage by the elements excepted.

8.2 **Alterations, Additions and Improvements**

- a. All alterations, additions or improvements made to or installed upon the Leased Premises, whether paid for by LESSOR or LESSEE, including, but not limited to: walls, floor and wall coverings, supplemental heating, cooling and/or ventilation equipment, fire protection, and security systems, including key pads, cypher locks, which in any manner are attached to the Leased Premises, shall remain the property of LESSOR, and shall be surrendered with the Leased Premises as a part thereof with no further responsibility or obligation for removal by LESSEE.
- b. If requested by LESSEE and upon prior approval of LESSOR, LESSEE may remove any alteration, addition or improvement as set forth in Clause XXXX above.

8.3 **Low Voltage Cabling** All low voltage cabling, including but not limited to voice, data, security system cabling installed by LESSEE or by LESSOR on behalf of LESSEE shall remain a part of the Leased Premises unless LESSEE, in its sole discretion, elects to remove said cabling.

9. **REMODELING OF THE LEASED PREMISES**

9.1 LESSOR shall, at its expense, provide labor and materials for remodeling of the Leased Premises as shown on the floor plan and specifications attached hereto as Exhibit A, and by reference incorporated as if fully set forth herein, including, but not limited to, the following:

- a. Adequate heating, ventilating and air-conditioning system/adjustments to accommodate the floor plan.

- b. Construction of floor-to-ceiling wall partitions with adequate acoustics.
- c. Installation of doors with hardware including locks as required by LESSEE.
- d. Installation of electrical outlets and/or power poles.
- e. Installation of _____ electrical outlets in locations designated by LESSEE.
- f. Installation of voice/data openings as required by LESSEE.
- g. Installation of ceiling system including grid, ceiling tile and lighting fixtures.
- h. Installation of commercial-grade carpet tiles and other required floor coverings throughout the Leased Premises.
- i. Installation of blinds or drapes on all windows.
- j. Painting of all wall surfaces and installation of wall coverings as required.

9.2 LESSOR agrees that the type and colors of wall, floor and window coverings shall be subject to approval by LESSEE.

9.3 LESSOR agrees to complete the remodeling set forth herein by _____.

9.4 LESSOR shall, at its expense, provide all architectural and engineering services and drawings.

10. **AS-BUILT DRAWINGS**

10.1 Upon completion of the remodeling to the Leased Premises, LESSOR shall, at its expense, provide LESSEE with a hard copy of 'As-Built' plans and in AutoCAD 2010 or earlier format, of the Leased Premises following the American Institute of Architects (AIA) layering system.

10.2 Upon LESSEE'S receipt of as-built drawings of the Leased Premises, LESSEE shall remeasure the leased space in accordance with Clause ___ of the Lease. LESSOR and LESSEE agree to amend the Lease to include the as-builts as a part of the Lease and, if there is a change in usable square feet, to revise the usable square footage based on the as-built drawings.

11. TELECOMMUNICATIONS

11.1 Building Access The entrance size must be large enough to provide access for the telephone company's facilities as necessary to accommodate the LESSEE'S needs. If the entrance size does not meet access requirements by the Telephone Company, the State of Minnesota or other telecom providers, LESSOR shall, at its expense, make such changes necessary to ensure that building access requirements are met.

11.2 Equipment Room (ER) (formerly known as Minimum Point of Presence [MPOP]) LESSOR shall, at its expense, provide a room designated as the ER where all underground telecommunications facilities and riser cables will terminate.

a. The ER should meet the following requirements:

- (i) Be as close as possible to the center of the Building to minimize the horizontal copper cable lengths (maximum of 90 meters [295 ft.]).
- (ii) Be dedicated to telecommunications equipment only and have:
 - (a) minimum size of 10 feet x 12 feet. Depending on the size of the Building, this may increase.
 - (b) minimum lighting of 50-foot candles measured 3' above finished floor level.
 - (c) controlled access by way of key or key card, limited to only those who are authorized to provide telecommunication services in this location.
 - (d) smoke and heat sensors, connected to the main Building security system.
 - (e) 36" wide lockable entry door, opening outward.
 - (f) no electrical transformers or any other type of equipment that can cause electromagnetic interference (EMI) or radio frequency interference (RFI) in any ER or the Telecommunications Room (TR).

b. The ER must meet the following requirements:

- (i) No dimmer switches.

- (ii) Have access to and identification of the Building-grounding electrode as described in National Electrical Code handbook.
- (iii) Temperature and humidity must be within a range that will not cause corrosion on terminations and there must not be water intrusion problems.
- (iv) Have a minimum of 3 dedicated, isolated, separately fused 20-amp branch circuits, each with an 110V 2-gang electrical outlet with four receptacles.
- (v) Have adequate ventilation that provides heat dissipation for all installed equipment.
- (vi) Have overall temperature maintained between 64 and 75 degrees.
- (vii) Have relative humidity from 30 to 55 percent. NOTE: Measurements for temperature and humidity are taken at 5' above the finished floor – in front of or between equipment.
- (viii) Have adequate plywood (3/4 - 5/8 inch) on wall for wire and equipment termination and installation, painted with a light colored paint and meeting all applicable fire codes.
- (ix) Any sprinkler heads must have a wire protection cage installed to prevent accidental operation.
- (x) Drainage troughs should be installed under any sprinkler pipes to prevent them from leaking onto telecommunications equipment.
- (xi) Provide all required cable from the ER to the TR on the floor of which the Leased Premises is a part for present and future requirements (2 pair copper wire from the ER to the TR for each workstation).
- (xii) No cable/wiring that does not meet building code.

11.3 Equipment Room (ER) and Telecommunications Room (TR) Grounding

- a. Telecommunication Ground Busbar In the TR or ER, LESSOR shall install a "Telecommunications Grounding Busbar" and Telecommunication Bonding Backbone connecting either room to the Building grounding electrode.
- b. Bonding Conductor LESSOR is responsible to provide ground wiring American Wiring Gauge (AWG) #6 stranded wire from the "Telecommunications Grounding Busbar" to all telecommunication racks. LESSOR shall install an AWG #2 stranded wire from the TR/ER Busbar to the Building grounding electrode.

- c. LESSOR shall provide a grounding conductor from the ground Busbar to each equipment rack and section of basket tray/cable tray in each ER/TR.

11.4 Telecommunications Rooms (TR)

- a. For every 10,000 square feet of office space per floor, LESSOR shall provide one TR. The telecommunications closet shall be at a minimum 100 square feet. **Maximum cabling distance from a TR to an office cannot exceed 90 meters.**
- b. All other requirements for the TR'S are the same as Clause _____ above.

11.5 Horizontal Wiring LESSOR shall provide and install, at its expense, a horizontal subsystem that will provide a cable route from the TR'S and computer room to each station on the floor. The subsystem should be made up of one of the following:

- a. Under floor duct system (e.g., walker duct system).
- b. Suspended ceilings.
- c. Raised flooring.
- d. Conduit.
- e. Powerpoles.

11.6 Vertical Wiring LESSOR will provide a minimum of 12-strands single-mode and 12-strand multi-mode fiber-optic cable from the ER to the computer room in the Leased Premises.

12. **LESSEE'S ALTERATIONS**

12.1 In the event LESSEE desires to remodel, make alterations, additions and/or changes (hereinafter, "Alterations") to the Leased Premises, and it is determined that such Alterations are at LESSEE'S expense, LESSEE shall not make such Alterations without the advance written consent of LESSOR, which LESSOR shall not unreasonably withhold. Alterations shall be approved by and arranged through LESSOR as follows:

- a. Upon LESSEE'S request, LESSOR shall provide LESSEE up to three (3) written cost estimates from LESSOR'S vendors for desired Alterations. LESSOR or LESSOR'S agent/management company shall not include supervision fees as a part of the cost of Alterations.
- b. Alterations shall be documented and authorized in advance according to the applicable cost level, as follows:

- (i) Alterations totaling \$2,500.00 or less shall be set forth in and authorized by LESSEE in LESSEE'S signed Purchase Order which shall be submitted to LESSOR.
- (ii) Alterations totaling \$2,500.01 through \$8,000.00 shall be set forth in and authorized by LESSEE in a signed Remodeling Request Memo, which shall be submitted to LESSOR.
- (iii) Alterations of \$8,000.01 or more shall be set forth and authorized by LESSOR and LESSEE by way of an executed Amendment to the Lease.

12.2 Upon completion of said Alterations, LESSOR shall pay the appropriate vendor(s), and LESSEE shall reimburse LESSOR within thirty (30) days following receipt of a detailed invoice from LESSOR.

13. **DUTIES OF LESSOR** LESSOR shall, at its expense, provide the following:

13.1 **Management**

- a. LESSOR agrees that in exercising its management responsibilities of the property of which the Leased Premises is a part, including the maintenance, repair, alterations and construction relating thereto, it shall comply with all applicable laws, statutes, rules, ordinances and regulations, including, but not limited to: building code, fire code, disabilities access, zoning, air quality, pollution control, recyclable materials and prevailing wage requirements, as issued by any federal, state or local political subdivisions having jurisdiction and authority in connection with said property.
- b. LESSOR shall use its best efforts to employ practices that protect occupants' health and ensure conservation of natural resources, including recycling of recyclable materials, in the operation and maintenance of the Building and the Leased Premises.

13.2 **Utilities** LESSOR shall bear the cost of heat, electricity, air conditioning, gas, sewer and water.

13.3 **Electrical Service** LESSOR shall provide adequate electrical service to the Leased Premises to accommodate LESSEE'S needs and the Building of which the Leased Premises is a part.

13.4 **Heating and Cooling**

- a. The Leased Premises shall be served by heating and cooling facilities of a sufficient design capacity to maintain the Leased Premises within the acceptable range of temperatures identified below under all but the most extreme weather

conditions, assuming optimal use by LESSEE of thermostats and other climate control devices such as the opening or closing of blinds, doors and vents within the Leased Premises. LESSOR shall provide LESSEE with written instructions defining said optimal use.

- b. For purposes hereof, the acceptable space temperature settings for various leased space are as follows:
- (i) Heating temperatures will be set at the following maximum temperatures:
 - 68°F to 70°F for all occupied areas and cafeterias with the goal of maintaining the space temperature within the range of 70°F to 74°F during working hours.
 - 65°F to 67°F for all lobby, corridor and restroom areas.
 - 60°F to 62°F for all building entrances, storage areas and tunnels.
 - Temperature settings for all the above referenced spaces must be lowered to 60°F to 62°F during non-working hours.
 - 55°F for all unoccupied spaces.
 - 55°F for all vacated spaces.
 - (ii) Cooling temperatures will be set at the following minimum temperatures:
 - 76°F to 78°F for all occupied space excluding re-heat systems with the goal of maintaining the space temperature less than 78°F during working hours.
 - Temperature settings for all the above referenced spaces will be increased to 85°F during non-working hours.
 - (iii) Computer rooms, research facilities and special care facilities are exempted from these requirements. Additional building spaces may be exempted from all or part of these requirements, pursuant to the approval of the Commissioner of Administration.

13.5 Relative Humidity LESSOR warrants that the Leased Premises is served by heating, cooling and other facilities of a design capacity sufficient to maintain the Leased Premises within the range of 20% - 60% relative humidity, assuming optimal use of the thermostats and other climate control devices, such as the opening or closing of blinds, doors and vents within the Leased Premises.

13.6 Ventilation and Environmental Quality

- a. LESSOR shall provide outdoor fresh air per minute per person to the Leased Premises as outlined in Table 2 of ASHRAE (American Society of Heating, Refrigeration and Air Conditioning Engineers, Inc.) Standard 62.1-2007, or as amended. An air cleaning device shall be used in the ventilation system which filters the outdoor air and shall have:
 - (i) A minimum filtration efficiency of thirty (30) percent as rated by ASHRAE 52.1-1992, or as amended, Atmospheric Dust Spot Efficiency Rating; **OR**
 - (ii) A minimum Efficiency Reporting Value (MERV) 8 as rated by ASHRAE 52.2-1999, or as amended, Method of Testing General Ventilation Air-Cleaning Devices for Removal Efficiency by Particle Size.

If air filters are used, LESSOR shall change the filters at least three (3) times per year, preferably in March, July and November, or more often as required.

- b. Any secondary filtration systems (such as in heat pumps) shall have a minimum weight arrestance of eighty (80) percent as rated by ASHRAE 52.1-1992, or as amended, Weight Arrestance Method or Minimum Efficiency Reporting Value (MERV) 5 as rated by ASHRAE 52.2-1999, or as amended, Method of Testing General Ventilation Air-Cleaning Devices for Removal Efficiency by Particle Size. If air filters are used, LESSOR shall change the filters at least two (2) times per year or more often as required.
- c. It is understood by LESSOR and LESSEE that no wall covering will be installed around pipe chases.
- d. LESSOR shall, at its expense, remove and replace any building material with visible or detected evidence of water infiltration or mold growth.

13.7 Lighting

- a. LESSOR shall provide the Leased Premises with overhead lighting within the range of 20 to 50 foot-candle power at 30" above finished floor (AFF).
- b. LESSOR shall re-lamp light fixtures and replace light ballasts as needed.

- 13.8 Restrooms LESSOR shall provide the Leased Premises with separate restroom facilities for men and women. Such facilities shall be situated within the Leased Premises or be easily accessible therefrom. Ventilation for restrooms must be in accordance with applicable building codes.

- 13.9 Janitorial Service LESSOR shall provide janitorial services and supplies to the Leased Premises and common areas of the Building in accordance with the janitorial schedule set forth on the attached Exhibit.
- 13.10 Exterior Window Cleaning LESSOR shall, at its expense, semi-annually wash the inside and outside of exterior windows of the Building, including ledges and sills.
- 13.11 Trash and Recycling Services
- a. Trash Removal LESSOR shall, at its expense, provide trash disposal services.
 - b. Recycling Services
 - (i) Pursuant to Minn. Stat. §16B.24, subd. 6(d), LESSOR shall provide space for recyclable materials.
 - (ii) LESSOR shall, at its expense, provide recycling services, including, but not limited to, the following:
 - (a) Provide all recycling containers, either individual containers at each workstation/office and/or centralized containers throughout the Leased Premises;
 - (b) Recycle glass, paper, plastic, aluminum cans, mixed paper, cardboard; and
 - (c) Empty the centralized recycling containers and return of the recycling containers to the Leased Premises.
- 13.12 Sustainable Building Guidelines LESSOR agrees, when feasible, to follow the State of Minnesota Sustainable Building Guidelines (www.msbg.umn.edu) for maintenance and improvements to the Leased Premises. Feasibility shall be determined by LESSOR, in its sole discretion, and consider such factors as long term costs and benefits over the term of the lease, performance, aesthetics, material/labor availability and impact on Building valuation.
- 13.13 Fire Safety LESSOR shall, at its expense, provide and maintain all fire extinguishers, fire alarms and fire detection systems for the Leased Premises and Building as required by applicable codes/ordinances and /or the state fire marshal.
- 13.14 Common Areas LESSOR shall provide sufficient light, heat, maintenance and security measures to the common and public access areas of the Building, including stairways, elevators, lobbies and hallways so that such areas shall be safe and reasonably comfortable.

13.15 Landscaping/Grounds Maintenance LESSOR shall, at LESSOR'S expense, maintain the landscaping, grounds, walkways and parking lot(s) surrounding the Leased Premises and the Building in good appearance, condition and repair, including, but not be limited to:

- a. Grass cutting, weed control and tree trimming as necessary with annual shrubbery trimming;
- b. Prompt removal and replacement of dead or dying trees and shrubbery with trees and shrubbery of similar size and type. LESSEE may make recommendations for replacement types;
- c. Seasonal flower planting and maintenance;
- d. Prompt removal of debris from grounds, walkways and parking lots;
- e. Sweeping, seal-coating, repair, resurfacing and re-striping of parking lot surfaces as needed.
- f. Prompt repair/replacement of up-heaved or sunken walkways and broken or damaged walkways and curbs.
- g. Keep the parking lot(s) and public sidewalks adjacent to the Building and any sidewalks or stairways leading from the public sidewalks to the Building free from debris and in good condition.

13.16 Snow Removal LESSOR shall keep the parking lot and public sidewalks adjacent to the Building and any sidewalks or stairways leading from the public sidewalks to the Building free from snow and ice. Snow plowing, snow shoveling and ice removal must be completed by 6:30 a.m. unless snow or wind conditions make this impossible. If the snow and ice removal is not completed by 6:30 a.m., LESSOR will make every effort to complete the snow removal as soon as possible.

13.17 General Maintenance and Repairs

- a. LESSOR General Responsibility LESSOR, at its expense, shall provide repair and maintenance as needed to maintain the Leased Premises and the Building in good order and condition, including, but not limited to, prompt repair and maintenance of all plumbing, wiring, electrical, heating (and, if applicable, cooling) devices, ductwork, roof, foundations, concrete surfaces, walls, gutters, downspouts, sewer and other utilities, whether interior or exterior, above or below ground, including repair and maintenance of improvements or equipment added to the Leased Premises, whether or not the original cost of said improvement or equipment was borne by LESSEE.

- b. Exceptions to LESSOR Responsibility LESSOR shall not be responsible for repairs upon implements or articles which are LESSEE'S personal property, nor shall LESSOR bear the expense of repairs to the Leased Premises necessitated by damage caused by LESSEE which is beyond normal wear and tear.

13.18 Heating, Ventilation and Air Conditioning (HVAC) Maintenance

- a. LESSOR shall, at its expense, maintain and make such necessary repairs to HVAC equipment, whether or not the HVAC equipment was paid for by LESSEE.
- b. LESSOR shall document maintenance on the heating, ventilating and air conditioning system (e.g., filter changes and cleaning methods and procedures).
- c. Air Conditioning Cooling Equipment Maintenance:
 - (i) Primary fresh air cooling system All interior surfaces of the ductwork within five (5) feet downstream and five (5) feet upstream of the cooling coils, the cooling coils and its drainage systems shall be cleaned with a coil cleaning solution. The cleaning shall be performed in March or April and in September or October of each year. If fiberglass interior liners are located within five (5) feet upstream and downstream of the cooling coils, LESSOR shall either remove the fiberglass liner down to bare metal or cover it with non-permeable material such as galvanized metal.
 - (ii) Secondary cooling system, such as heat pumps All interior surfaces of the ductwork within two (2) feet downstream of the cooling coils, the cooling coils and its drainage systems shall be cleaned with a coil cleaning solution. The cleaning shall be performed at least once in every two (2) year period. If fiberglass interior liners are located within two (2) feet downstream of the cooling coils, LESSOR shall either remove the fiberglass liner down to bare metal or cover it with non-permeable material such as galvanized metal.

13.19 Delivery of Leased Premises LESSOR covenants that it will deliver the Leased Premises to LESSEE in a clean and sanitary condition with all services and appurtenances included within the scope of this Lease in effect and in good running order.

13.20 Quiet Enjoyment LESSEE shall have the quiet enjoyment of the Leased Premises during the full Lease Term and any extension thereof.

13.21 Taxes and Assessments LESSOR shall be responsible for payment of all taxes and assessments upon the Building and land of which the Leased Premises is a part.

13.22 Exterior Lighting LESSOR shall provide adequate exterior lighting in the parking lots, building entrance/exits and loading dock areas.

13.23 Disability Access Guidelines LESSOR agrees to provide and maintain the Leased Premises and the Building of which the Leased Premises is a part with accessibility and facilities for persons with disabilities meeting code requirements, including but not limited to, Title II and III of the American with Disabilities Act (ADA), all applicable laws, rules, ordinances and regulations issued by any federal, state or local political subdivisions with jurisdiction and authority in connection with said property.

13.24 Energy Conservation

- a. In the event energy conservation measures are enacted by any State or Federal authority, it is hereby agreed that LESSOR shall reduce the quantity of utilities and services as may be specifically required by such governmental orders or regulations. Utilities, within the meaning of this article, include heat, cooling, electricity, water and all the sources of energy required to provide said service.

13.25 Pest Control LESSOR shall provide pest control for the Leased Premises and the Building of which the Leased Premises is a part.

13.26 Repainting and Carpet Replacement LESSOR shall, at its expense:

- a. Touch up paint from time to time as may be reasonably necessary to keep the walls in good order and condition.
- b. Repair or replace vinyl wall covering at such time during occupancy that may be necessary.
- c. Replace worn carpet at such time during occupancy as may be necessary.
- d. Paint the Leased Premises as reasonably required by LESSEE any time after the fifth year of the Lease Term or extension(s) thereof.
- e. Pay all costs associated with tear down and reinstallation of modular workstations and/or moving of any furniture, fixtures and equipment as necessary to facilitate the carpet replacement and repainting set forth above.

14. **DUTIES OF LESSEE**

14.1 LESSEE shall allow access to the Leased Premises by LESSOR or its authorized representatives at any reasonable time during the Lease Term for any purpose within the scope of this Lease.

14.2 LESSEE shall not use the Leased Premises at any time for any purpose forbidden by law.

14.3 Assignment/Sublease LESSEE shall not assign, sublet or otherwise transfer its interest in this Lease without the prior written consent of LESSOR. However, LESSEE may sublease a portion of the Leased Premises to a party which provides similar services to LESSEE'S customers, clients or invitees, without LESSOR'S prior written consent.

14.4 LESSEE shall observe reasonable precautions to prevent waste of heat, electricity, water, air conditioning and any other utility or service, whether such is furnished by LESSOR or obtained and paid for by LESSEE.

15. **DESTRUCTION OF PREMISES** If the Leased Premises shall be destroyed or damaged by fire, tornado, flood, civil disorder or any cause whatsoever, so that the Leased Premises become untenable or LESSEE is unable to conduct its business, the rent payable hereunder shall be abated from the time of such damage and LESSEE shall have the option of terminating this Lease immediately or allowing LESSOR such amount of time as LESSEE deems reasonable to restore the damaged Leased Premises to tenantable condition. LESSOR will provide immediate verbal notice and thirty (30) days written notice to LESSEE from the date of the damage, of LESSOR'S intentions to restore, or not restore the Leased Premises.

16. **INSURANCE**

16.1 Property Damage It shall be the duty of LESSOR and LESSEE to maintain insurance or self-insurance on their own property, both real and personal. Notwithstanding anything apparently to the contrary in this Lease, LESSOR and LESSEE hereby release one another and their respective partners, officers, employees and property manager from any and all liability or responsibility to the other or anyone claiming through or under them, by way of subrogation or otherwise, for loss or damage, even if such loss or damage shall have been caused by the fault or negligence of the other party or by anyone for whom such party may be responsible.

16.2 Liability LESSOR and LESSEE agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. LESSEE'S liability shall be governed by the provisions of the Minnesota Tort Claims Act, Minn. Stat. §3.736, and other applicable law.

17. **BUILDING ACCESS AND SERVICES**

17.1 LESSOR shall provide Building access and services to the Leased Premises from _____ a.m. to _____ p.m. Monday through Friday, and from _ to ___ Saturday.

- 17.2 LESSOR shall provide access to the Leased Premises seven (7) days per week, twenty four (24) hours per day for authorized employees of LESSEE.
18. **NEW LESSOR** In the event the Leased Premises or the Building of which the Leased Premises is a part shall be sold, conveyed, transferred, assigned, leased or sublet, or if LESSOR shall sell, convey, transfer or assign this Lease or rents due under this Lease, or if for any reason there shall be a change in the manner in which the rent reserved hereunder shall be paid to LESSOR, proper written notice of such change must be delivered to LESSEE as promptly as possible. LESSEE'S "Transfer of Ownership of Lease" document shall be executed by the parties hereto in order that the State of Minnesota Management and Budget is provided with authorization to issue payments to a new party.
19. **DEFAULT BY LESSOR** If LESSOR shall default in the performance of any of the terms or provisions of this Lease, LESSEE shall promptly so notify LESSOR in writing. If LESSOR shall fail to cure such default within thirty (30) days after receipt of such notice, or if the default is of such character as to require more than thirty (30) days to cure and LESSOR shall fail to commence to do so within thirty (30) days after receipt of such notice and thereafter diligently proceed to cure such default, then in either event, LESSEE, at its sole option, may terminate this Lease upon thirty (30) days prior written notice, or may cure such default. In the event LESSEE cures the default, LESSOR shall pay all reasonable and actual expenses paid by LESSEE to cure said default, including attorneys fees, within ten (10) days of receipt of invoices therefore rendered, or LESSEE shall have a specific right to set off any such amounts due from LESSOR against any rent payments or other amounts due under this Lease. In the event LESSEE elects to terminate this Lease, said termination shall not limit LESSEE'S rights to damages caused by the breach and failure to cure. This provision in no way limits LESSEE'S other remedies for breach under common law or this Lease.
20. **AUDIT** Pursuant to Minn. Stat. §16C.05, subd. 5, the books, records, documents and accounting procedures and practices of LESSOR relevant to this Lease shall be subject to examination by the State and/or Legislative Auditor, as appropriate, for a minimum of six (6) years.
21. **AFFIRMATIVE ACTION**
- 21.1 If the Lease amount exceeds \$100,000 and the LESSOR employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principle place of business, then the LESSOR must comply with the requirements of Minn. Stat. § 363A.36 and Minn. Rules Parts 5000.3400-5000.3600. A LESSOR covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

21.2 Minn. Stat. § 363A.36 Minn. Stat. § 363A.36 requires the LESSOR to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights (“Commissioner”) as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event.

21.3 Minnesota Rule 5000.3550 - Disabled Individuals Affirmative Action Clause

- a. LESSOR shall not discriminate against any employees or applicants for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. LESSOR agrees to take affirmative action to employ, advance in employment and otherwise treat qualified disabled individuals without discrimination based upon their physical or mental disability in all employment practices such as the recruitment, advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.
- b. LESSOR agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
- c. In the event of LESSOR’S noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. §363A.36 and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
- d. LESSOR agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the commissioner of the Minnesota Department of Human Rights. Such notices shall state LESSOR’S obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
- e. LESSOR shall notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that LESSOR is bound by the terms of Minn. Stat. §363A.36 of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled individuals.

22. **SMOKING** Pursuant to Minn. Stat. §16B.24, subd. 9, LESSOR and LESSEE shall not permit smoking in the Leased Premises.

23. **HAZARDOUS SUBSTANCES**

23.1 General

- a. "Hazardous Substances" is defined to mean any and all substances or materials that are categorized or defined as hazardous or toxic under any present or future local, state or federal law, rule or regulation pertaining to environmental regulation, contamination, cleanup or disclosure including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as now or hereafter amended ("CERCLA"), the Resources Conservation and Recovery Act, as now or hereafter amended ("RCRA"), the Superfund Amendments and Reauthorization Act of 1980, as now or hereafter amended ("TSCA") the Minnesota Environmental Response and Liability Act ("MERLA"), or any similar statutes or regulations, and any wastes, pollutants and contaminants (including without limitation, materials containing asbestos, urea formaldehyde, the group of organic compounds known as polychlorinated biphenyls ("PCBs") and petroleum products including gasoline, fuel oil, crude oil and various constituents of such products).
- b. LESSOR warrants and covenants that it did not, and will not in the future, install, use, generate, store, dispose of or release on or about the Building of which the Leased Premises is a part, except for immaterial quantities of any Hazardous Substances customarily used in the construction and maintenance of like properties or in other uses of the Leased Premises or the Building or land of which it is a part, which have been used in accordance with applicable laws, statutes, regulations and ordinances then in effect. LESSOR further agrees to indemnify and hold LESSEE (and its officers, partners, employees, agents and directors) harmless from and against any claim, damage, loss, fine or any other expense (including without limitation clean-up costs, court costs, attorneys' fees, engineering or consultant fees, other costs of defense and sums paid in settlement of claims) arising out of LESSOR'S installation, use, generation, storage, disposal or release of any Hazardous Substances in or about the Leased Premises or the Building or the land of which the Leased Premises is a part.
- c. LESSOR represents and warrants there are no Hazardous Substances present within the Building or the land of which the Leased Premises is a part. In the event a qualified environmental testing company determines that Hazardous Substances do exist, in greater than immaterial quantities, in or about the Leased Premises or the Building or land of which the Leased Premises is a part, LESSEE, at its option, may terminate this Lease with sixty (60) days written notice to LESSOR.

- 23.2 Storage Tank LESSOR has not, and to the best of its knowledge no prior owner or occupant installed in, on or about the Leased Premises or the Building or land of which the Leased Premises is a part, any storage tank containing Hazardous Substances, including, but not limited to: petroleum, crude oil or by-products of petroleum or crude oil.
- 23.3 Asbestos In addition to the above representations, covenants and warranties, LESSOR hereby warrants that to the best of its knowledge, no materials containing asbestos have been used or installed upon the Leased Premises or, if at any time asbestos containing materials were located on the Leased Premises, such materials have been removed prior to the date of this Lease.
- 23.4 Radon LESSOR has undertaken certain environmental and geologic testing to determine the possibility of future radon exposure to occupants of the Leased Premises or the Building of which the Leased Premises is a part, based upon presently accepted procedures for radon detection. Such testing included analysis of soil permeability, testing of ground soil for radon related minerals and a survey of owners of adjacent properties for radon levels of their property. As radon is a naturally occurring substance, no guarantee of nonexistence can be made. Such testing has determined that prevailing conditions do not encourage the presence of radon in the Leased Premises, although LESSEE acknowledges that, because of the nature of radon, LESSOR cannot guarantee that the Leased Premises or the Building, of which the Leased Premises is a part, will remain free of radon.

24. **SIGNAGE**

- 24.1 LESSEE shall not post nor permit any signs to be placed in the Leased Premises that are visible from the exterior of the Building, through the windows or visible from the halls or other common areas of the Building, unless prior written approval for said signs has been secured from LESSOR.
- 24.2 Building directories, room numbers, identification and directional signs shall be provided to the section level as it relates to LESSEE'S organization. Said signage shall be provided and installed at LESSOR'S expense and shall be of a uniform design throughout the Building as mutually agreed upon by the parties.
- 24.3 LESSOR shall, at its expense, provide, install and maintain exterior signage identifying LESSEE. Said signage shall be of a design and at a location as mutually agreed upon by the parties.

25. **LAWS GOVERNING** This Lease shall be construed and enforced in accordance with the laws of the State of Minnesota.

26. **GOVERNMENT DATA PRACTICES ACT COMPLIANCE**

- 26.1 LESSOR must comply with the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, as it applies to all data provided by LESSEE in accordance with this Lease and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by LESSOR in accordance with this Lease. The civil remedies of Minnesota Statutes, section 13.08, apply to LESSOR and LESSEE.
- 26.2 Minnesota Statutes, Chapter 13, provides that all government data are public unless otherwise classified. If LESSOR receives a request to release the data referred to in this Clause, LESSOR must immediately notify LESSEE and consult with LESSEE as to how LESSOR should respond to the request. LESSOR'S response shall comply with applicable law, including that the response is timely and, if LESSOR denies access to the data, that LESSOR'S response references the statutory basis upon which LESSOR relied. LESSOR does not have a duty to provide public data to the public if the public data is available from LESSEE.

27. **NOTICES**

- 27.1 All notices or communications between LESSOR and LESSEE shall be in writing and deemed to have been given upon the occurrence of one of the following methods of delivery to the address noted in Clause ~~XX.2~~ below.
- a. when personally delivered to the addressee, or
 - b. on the second business day after sender has deposited the registered or certified mailing with the US Postal Service, or
 - c. one (1) business day after deposited with an overnight courier service.

27.2 Mailing Addresses:

LESSOR:

LESSEE:

Real Estate and Construction Services
Department of Administration
50 Sherburne Ave # 309
St Paul MN 55155

EXHIBITS:

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

LESSOR:

LESSOR certifies that the appropriate person(s) have executed the Lease on behalf of LESSOR as required by applicable articles, bylaws, resolutions or ordinances.

By _____

Title _____

Date _____

By _____

Title _____

Date _____

LESSEE:

STATE OF MINNESOTA
DEPARTMENT OF ADMINISTRATION
COMMISSIONER

By _____
Real Estate and Construction Services

Date _____

APPROVED:

STATE OF MINNESOTA
DEPARTMENT OF EMPLOYMENT AND
ECONOMIC DEVELOPMENT

By _____

Title _____

Date _____

STATE ENCUMBRANCE VERIFICATION

Individual signing certifies that funds are encumbered as required by Minn. Stat. §16A.15 and §16C.05.

By _____

Date _____

Contract No. _____