



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

**Department of
Administration**

DIVISION OF GENERAL SERVICES

CERTIFIED MAIL 7008 1140 0004 9994 8994
RETURN RECEIPT REQUESTED

November 10, 2014

Ms. Doris McCoy
First National Bank Alaska
P.O. Box 100720
Anchorage, AK 99510

Subject: Lease 2669 - Letter of Default and Cure Notice, Air Quality

Dear Ms. McCoy,

This letter shall serve as written notification that First National Bank Alaska (FNBA) is currently in non-compliance with Lease 2669 as it relates to the indoor air quality at the Bill Ray Center.

The State of Alaska first notified FNBA via email on September 15th, 2014 of several concerns regarding the heating, ventilation and air conditioning (HVAC) system located within the Bill Ray Center located at 1108 F Street, Juneau Alaska. The State of Alaska requested that FNBA conduct an Indoor Air Quality (IAQ) test at that time. FNBA notified the State on September 22nd, 2014 that it had made the decision that an IAQ was not necessary.

The State contracted with NORTECH to perform an IAQ test during the week of October 14, 2014 at State expense after continuing to receive complaints from staff. The NORTECH IAQ assessment including its findings and recommendations is attached for FNBA review. Based on the NORTECH assessment, the State finds FNBA is out of compliance with the lease sections below relating to tenantability:

Pursuant to Lease 2669, the Lessor covenants that it will:

Section 2.a.

Maintain the demised premises in good repair and tenantable condition during the continuance of this lease or any renewal or extension thereof;

AND

Section 2.i.:

The Lessor agrees that facilities provided in this lease are tenantable and that they comply with all laws pertaining to tenantability and performance of this provision is insured by the Lessor agreeing to pay the cost of any building alterations which may be needed during the period of the Lessee's occupancy for purposes of correcting any violation of the law cited by a regulatory agency of government not directly a result of the State's occupancy.

This letter represents written notification that you are out of compliance with the lease sections cited above as they relate to HVAC deficiencies. Please provide a written plan of action no later than November 14, 2014 that explains what actions you will take to resolve this issue and an estimated timeline for completion of those actions. Failure to provide the plan of action by November 14, 2014 may result in the State taking action to remedy this noncompliance issue and deducting the costs of those actions from future lease payments.

Thank you for your prompt attention to resolving this issue.

Sincerely,



Shawn Gallagher
Contracting Officer



Enclosure: 1

cc: Tanci Mintz, State Leasing & Facilities Manager
Ken Stewart, Contracting Officer IV