

STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor Joel Brennan, Secretary Paula Veltum, Division Administrator

By E-Mail

June 7, 2021

Wisconsin State Legislature Office of the Wisconsin State Assembly Chief Clerk 17 West Main Street, Room 401 Madison, Wisconsin 53703

Attn: Ted Blazel (ted.blazel@legis.wisconsin.gov)

RE: Notification Under Wis. Stat. Section 16.84(5)(a) of intent to enter into a 15-Year Lease for the

Department of Justice - Division of Criminal Investigation in Brookfield, WI

Dear Chief Clerk Blazel:

This letter, together with the accompanying copy of the above captioned lease, serves as the official submission by the Department of Administration of the proposed lease to the Chief Clerk of the Wisconsin State Assembly, as required under the above captioned statute.

The State Building Commission approved this lease on May 26, 2021. The DOA Secretary's Office has approved the required submittal to the Assembly Chief Clerk on June 7, 2021.

Summary of Proposed Lease:

A new lease for an initial term of 15-years with two 5-year renewal options for the Department of Justice – Division of Criminal Investigation for office space located at 3125 Gateway Road, Brookfield, WI.

Please direct any questions in connection with the proposed lease to Paula Veltum, Division Administrator, Department of Administration, Division of Facilities & Transportation Services at paula.veltum@wisconsin.gov or 608-266-3086.

Sincerely,

Paula Veltum

Division Administrator

Department of Administration

Division of Facilities & Transportation Services

cc: DOA Secretary's Office

GROSS LEASE

THIS LEASE, made and entered into on	_, by and between, PCI – BROOKFIELD
GATEWAY, LLC (the "Lessor"), whose address is 200 East Washington	on Street, Suite 2A, Appleton, WI 54911-
5468, and the STATE OF WISCONSIN, DEPARTMENT OF ADMINIS	STRATION (the "Lessee"):

WITNESSETH, the parties hereto for the considerations hereinafter mentioned covenant and agree as follows:

- 1. **PREMISES.** Lessor hereby leases to Lessee and Lessee leases from Lessor the following (the "Premises"):
 - Approximately 15,660 gross square feet of space, comprising Lessor's building located at 3125 Gateway Road in the City of Brookfield, Wisconsin (the "Building"), together with the exclusive use of all appurtenances thereto, which Premises and Building are further described in Exhibits A (site plan) & B (floor plan) attached.
- 2. <u>USE OF PREMISES.</u> Except as otherwise authorized in writing by Lessor, Lessee shall use the Premises as space for the Department of Justice or such other agency that may be designated by Lessee (collectively, the "Tenant").
- 3. <u>TERM.</u> The lease term hereunder shall begin on January 1, 2022 and end on December 31, 2036 (15 years).
 In addition, the Lease includes two 5-year renewal options.
 - a) If the actual Commencement Date differs from the stated lease term beginning date, the Lessor and Lessee shall execute a 'letter of addendum' which shall designate the actual Commencement Date and termination date of this Lease, such that it shall be a full 15-year term.
 - b) Tenant or Tenant's vendors shall have access to Premises prior to rent commencement at no charge in order to:
 - i. Install phone lines and similar equipment if needed during Lessor's construction period. Exact timing to be determined by Lessor and Tenant, once Lessor's construction schedule is finalized. Tenant and/or Tenant's vendors shall not interfere with Lessor's contractor or cause an unreasonable delay to the Lessor's construction schedule; and

- ii. Set up the work space in the Premises so Tenant's operations can begin on the Commencement Date. Tenant shall have access at least four weeks prior to the beginning of the Commencement Date for this purpose.
- 4. INITIAL TERM RENTAL. The Lessee shall pay the Lessor an annual amount (comprised of Annual Base Rent and Amortization payments pursuant to Article 21c) for the Premises during the first year of the initial 15-year Lease term at the following rate: The sum of Four Hundred Fifty-Thousand Eight Hundred Seventy-Three And 03/100 Dollars (\$450,873.03) per annum, in equal monthly installments of Thirty-Seven Thousand Five Hundred Seventy-Two And 75/100 Dollars (\$37,572.75). The annual cost for the first and each subsequent year of the initial term shall be in accordance with the following schedule, which includes both Annual Base Rent and Amortization payments pursuant to Article 21c. Annual increases of 1.75% shall apply to Annual Base Rent.

Initial Lease Term Rental Rate Schedule					
Begin Date	End Date	Annual Base Rent	Amortization	Annual Cost	Monthly Payment
January 1, 2022	December 31, 2022	\$308,308.00	\$142,565.03	\$450,873.03	\$37,572.75
January 1, 2023	December 31, 2023	\$313,703.39	\$142,565.03	\$456,268.42	\$38,022.37
January 1, 2024	December 31, 2024	\$319,193.20	\$142,565.03	\$461,758.23	\$38,479.85
January 1, 2025	December 31, 2025	\$324,779.08	\$142,565.03	\$467,344.11	\$38,945.34
January 1, 2026	December 31, 2026	\$330,462.71	\$142,565.03	\$473,027.74	\$39,418.98
January 1, 2027	December 31, 2027	\$336,245.81	\$142,565.03	\$478,810.84	\$39,900.90
January 1, 2028	December 31, 2028	\$342,130.11	\$142,565.03	\$484,695.14	\$40,391.26
January 1, 2029	December 31, 2029	\$348,117.39	\$142,565.03	\$490,682.42	\$40,890.20
January 1, 2030	December 31, 2030	\$354,209.44	\$142,565.03	\$496,774.47	\$41,397.87
January 1, 2031	December 31, 2031	\$360,408.11	\$142,565.03	\$502,973.14	\$41,914.43
January 1, 2032	December 31, 2032	\$366,715.25	\$142,565.03	\$509,280.28	\$42,440.02
January 1, 2033	December 31, 2033	\$373,132.77	\$142,565.03	\$515,697.80	\$42,974.82
January 1, 2034	December 31, 2034	\$379,662.59	\$142,565.03	\$522,227.62	\$43,518.97
January 1, 2035	December 31, 2035	\$386,306.69	\$142,565.03	\$528,871.72	\$44,072.64
January 1, 2036	December 31, 2036	\$393,067.05	\$142,565.03	\$535,632.08	\$44,636.01

The annual rent throughout the entire lease term, including optional extensions, shall be payable in advance in monthly installments as shown above on the first day of each month, except for the month of July during which the monthly installment is not due until the 15th day. Said rental payments shall be made to Lessor at the address for notices hereinafter set forth.

5. RENEWAL RENTALS. Provided that the Lessee is not then in default, this Lease may, at the option of the Lessee, be renewed for two successive 5-year periods from and after January 1, 2037 subject to the availability of funds for the payment of rentals, upon the same terms and conditions herein specified, provided written notice be given to Lessor at least 120 days before the Lease would otherwise expire. The annual rental rate for the first and then each subsequent year of the renewal terms, if exercised, shall be in accordance with the following schedule. Annual increases of 1.75% shall apply to Annual Base Rent each year of the renewal term if exercised.

If Exercised, First Renewal Term Rate Schedule				
Begin Date	End Date	Annual Base Rent	Monthly Payment	
January 1, 2037	December 31, 2037	\$399,945.73	\$33,328.81	
January 1, 2038	December 31, 2038	\$406,944.78	\$33,912.06	
January 1, 2039	December 31, 2039	\$414,066.31	\$34,505.53	
January 1, 2040	December 31, 2040	\$421,312.47	\$35,109.37	
January 1, 2041	December 31, 2041	\$428,685.44	\$35,723.79	

If Exercised, Second Renewal Term Rate Schedule			
Begin Date	End Date	Annual Base Rent	Monthly Payment
January 1, 2042	December 31, 2042	\$436,187.44	\$36,348.95
January 1, 2043	December 31, 2043	\$443,820.72	\$36,985.06
January 1, 2044	December 31, 2044	\$451,587.58	\$37,632.30
January 1, 2045	December 31, 2045	\$459,490.36	\$38,290.86
January 1, 2046	December 31, 2046	\$467,531.44	\$38,960.95

- 6. <u>ASSIGNMENTS</u>, <u>SUBLETTING</u>. Lessee shall not assign this Lease in any event, and shall not sublet the demised Premises, and will not permit the use of said Premises by anyone other than the Lessee, and the agents, contractors, grantors and grantees, and servants of the Lessee, without prior written approval of the Lessor, which shall not be unreasonably withheld.
- 7. COVENANTS OF LESSOR. Lessor hereby covenants and agrees with Lessee as follows:
 - a) Lessor warrants that Lessee shall have quiet use and enjoyment of the Premises; that Lessor will, on or before June 15, 2021, have complete interest, right in and title to the Premises so as to enable Lessor to fulfill its obligations under this Lease; and that the Premises is not encumbered in any way so as to hinder or obstruct Lessee's proposed use thereof, including no encumbrance or obstruction due to existing easements, zoning ordinances or building restrictions. Lessor shall obtain a certificate of occupancy or any other authorizations required by local ordinance to regulations prior to Lessee's occupancy.

- b) The Lessor shall duly carry out the various obligations and duties imposed upon it at the time and in the manner called for by this Lease.
- Lessor shall furnish during the term of this Lease the goods, services and other items listed on Schedule I attached hereto and incorporated by reference.
- d) Lessor shall be responsible for the costs of all improvements necessary to meet and maintain the standards and specifications set forth in Schedules I and/or II and Exhibits A and/or B. Lessor shall maintain, at Lessor's expense, the Premises so as, to comply with all federal, state and local codes applicable to the Premises.
 - Lessor agrees to complete, at Lessee's sole cost and expense, any reasonable improvements to the Premises which the Lessee requests to improve the health, safety and security of the Premises, which are in excess, of code requirements and not required by Schedule I and/or II.
- e) In connection, with the performance of work under this Lease, the Lessor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), sexual orientation, or national origin. This provision shall include, but not be limited to, the following; employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. Except with respect to sexual orientation, the Lessor further agrees to take affirmative action to ensure equal employment opportunities. The Lessor agrees to post in conspicuous places, available for employees and applicants for employment, notices to be provided by the Lessee, setting forth the provisions of the non-discrimination clause.
- f) Pursuant to 2019 Wisconsin Executive Order 1, Lessor agrees it will hire only on the basis of merit and will not discriminate against any persons performing under a contract, subcontract or grant because of military or veteran status, gender identity or expression, marital or familial status, genetic information or political affiliation.
- g) Lessor is required to provide a written <u>Affirmative Action Plan</u> acceptable under Wisconsin Statutes and Administrative Code if the rent is fifty thousand dollars (\$50,000) or more per year and the Lessor employs fifty (50) or more employees. The Lessor must have a plan on file or submit a plan for approval,

within fifteen (15) working days after the execution of this Lease, to the Department of Administration, Division of Enterprise Operations, whose address and phone number are listed at the bottom of the enclosed Form DOA-3269. Instructions and technical assistance in preparing the plan are available from the Department of Administration, Division of Enterprise Operations and will be forwarded to the Lessor upon presentation of State of Wisconsin Form DOA-3269 attached hereto. Failure to comply with the conditions of this Item may result in the Lease being declared "Null and Void," the Lessor being declared "ineligible," or the withholding of rental payment until such time, as the above cited plan is accepted.

- h) The Lessor as part of this Lease certifies that to the best of its knowledge both the Premises and the Building of which the Premises are a part do not contain any asbestos bearing material which is unsafe or which is not encapsulated. If during the Lessee's occupancy of the Premises such asbestos bearing material is found, and the Lessor has been notified by the Lessee that such asbestos bearing material exists, the Lessor shall within fourteen (14) days after receipt of such notice, be required to take such action as may be necessary to encapsulate or remove the asbestos bearing material. Upon determination that unsafe or un-encapsulated asbestos bearing material exists, the Lessee may at its option vacate the Premises until such time as the material has been encapsulated or removed to the satisfaction of the Lessee. If the Lessee vacates the Premises during the encapsulation or removal process, the Lessor shall reimburse the Lessee for all move related costs. No rent shall accrue to the Lessor during the period of time the Lessee is not in occupancy of the Premises. In the event the Lessor fails to encapsulate or remove the asbestos bearing material within the time specified, this Lease may be cancelled by the Lessee and the Lessor shall thereafter not have any claim against the Lessee on account, of the cancellation of this lease.
- i) The Lessor attests that space covered by this Lease is not owned by a state public official or state employee as defined in section 19.45, Wisconsin Statutes and Chapter ER-MRS 24 of the Wisconsin Administration Code, nor is the Lessor a business in which a state public official or state employee has any ownership, monetary or fiduciary interest.
- j) For the purposes of this Lease, "Hazardous Materials, Substances, or Air Pollutants" shall include, but not be limited to any, and all substances, materials, waste, or air pollutants determined currently or in the future as hazardous or capable of posing a risk of injury to health, safety, or property by any Federal,

State, or local statute, law, ordinance, code, rule, regulation, order, or decree. The Lessor attests that the Premises are free of any hazardous materials, substances, or air pollutants as defined above, and the Lessor will now and forever after the termination of this Lease, hold Lessee harmless and indemnify the Lessee from and against any, and all claims, liability, damages or costs arising from or due to the presence of hazardous materials, substances, or air pollutants as defined above, except liability resulting from Lessee's use and occupancy of the Premises. Where such protection is afforded by ss. 893.82 and 895.46(1), Wis. Stats., Lessee shall be responsible under this Lease for any claims, demands, losses, costs, or damages to persons or property which: (i) are founded upon or grow out of the acts or omissions of any of the Lessee's officers, employees, and agents while acting within the scope of their employment; and (ii) arise from hazardous materials, substances, or air pollutants are introduced to the Premises by any of the Lessee's officers, employees, and agents.

If during the Lessee's occupancy of the Premises such hazardous materials, substances, or air pollutants are found, the Lessor shall as soon as possible after receipt of notice take such action as may be necessary to render the Premises safe.

Upon determination by the Lessee that unsafe hazardous materials, substances, or air pollutants as defined above affecting the Lessee's quiet enjoyment of the Premises exists, the Lessee may vacate the Premises until such time, as the hazardous materials, substances, or air pollutants have been repaired or remediated to the satisfaction of the Lessee. If the Lessee vacates the Premises during the repair or remediation process, the Lessor shall reimburse the Lessee for all related or relocation costs and rent shall abate during the period of time the Lessee is not in occupancy of the Premises, except if and to the extent such relocation is necessitated by hazardous materials, substances, or air pollutants introduced to the Premises by any of the Lessee's officers, employees, and agents. In the event the Lessor fails to repair or remediate the hazardous materials, substances, or air pollutants as soon as practicable as determined by the Lessee, the Lease may by written notice to the Lessor be cancelled by the Lessee and the Lessor shall thereafter not have any claim against the Lessee due to the cancellation of this Lease.

Lessor will immediately advise Lessee in writing of any actions or claims relating to any hazardous materials, substances, or air pollutants on the Premises. If the Lessor has conducted or conducts any

testing for hazardous materials, substances, or air pollutants on the Premises before or during the term of the Lease, then the Lessor shall provide a copy of any test results to the Lessee. The Lessee, at its own expense, may also conduct such testing as it deems appropriate on the Premises. Lessee shall advise Lessor of any actions or claims relating to any hazardous materials, substances, or air pollutants on the Premises, and shall provide a copy of any test results that it may at any time obtain to the Lessor of any actions or claims relating to any hazardous materials, substances, or air pollutants on the Premises.

- k) In the event of any water damage to the Premises and/or common areas, Lessor agrees to begin the process of addressing the damage within twelve (12) hours of discovery or notification, and shall cause any water damaged (saturated, water spotted and/or dirty) materials to be dry within forty-eight (48) hours of the time of discovery of such damage. If such materials are not completely dry by the end of the 48-hour period, the Lessee may require that the saturated materials (i.e. carpet, drywall, ceiling tiles, etc.) shall be removed from the premises and immediately replaced with new materials of identical quality or better quality.
- I) Lessor agrees to provide prior notification and provision of Safety Data Sheets (SDS) if applicable to the Tenant on-site staff when any construction, renovation, maintenance, repairs, remodeling or cleaning work will be done within the building of which the Premises are a part of by the Lessor, contractors or other representative of the Lessor. The project notification and SDS documents should be provided to the on-site staff no less than five (5) workdays before the anticipated start of the actual work.
- m) The default by Lessor of any covenant or agreement contained in any paragraph or provision of this Lease, shall constitute a material default of the Lease, and shall entitle the Lessee to terminate this lease, PROVIDED, that prior to such termination, the Lessee shall notify the Lessor in writing of the nature of the default and shall grant the Lessor a period of thirty (30) days from the date of service of such notice to remedy or cease such act of default, and upon such remedy or cessation by the Lessor within said thirty (30) days, the Lessee shall waive the right to terminate for such default. In the event the act of default is such that it cannot be remedied within said thirty (30) day period, the Lessee shall waive the right to terminate for such default if corrective actions are commenced within such period and diligently pursued to completion by the Lessor.

n) Lessor shall be responsible for paying to taxing authority the real estate taxes and any assessments on the Premises.

8. COVENANTS OF LESSEE. Lessee hereby covenants and agrees with Lessor as follows:

- a) Lessee does hereby covenant, promise, and agree to pay the rent in the manner hereinbefore specified, and to duly comply with all other provisions of this Lease at the time and in the manner herein provided.
- b) At the expiration of this Lease or any renewal thereof, the Lessee will return the Premises to the Lessor in as good condition as they were at the time the Lessee went into possession, ordinary wear, damage by the elements and fire excepted. It is mutually agreed, in consideration of the rent to be paid and other conditions of this Lease, that the Lessee shall not be responsible for damage to the Premises by fire.
- c) The Lessee's Tenant will not make or permit anyone to make any alterations, improvements or additions in or to the Premises, without the prior written consent of the Department of Administration, as Lessee, and the Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed.
- d) The default by Lessee: (a) If Lessee shall be late in the payment of any rent or any other sum of money payable by Lessee to Lessor and if Lessee shall fail to cure said late payment within (30) days after receipt of notice of said late payment from Lessor, or (b) if Lessee shall be late in the performance or observance of any other agreement or condition in the Lease to be performed or observed and if Lessee shall fail to cure said late performance or observance within thirty (30) days after receipt of notice from Lessor of said late performance or observance (unless Lessee commences to cure said late performance or observance within (30) days after receipt of notice thereof and expedite the curing of the same to completion with due diligence), then, in any of said cases and without waiving any claims for breach of agreement, Lessor may send written notice to Lessee of the termination of the term of this Lease, and, on the fifth (5th) day next following the date of the sending of the notice, the term of this Lease shall terminate, Lessee hereby waiving all rights of redemption.
- e) Lessee agrees that any Improvements to the Premises made by Lessor for the benefit of Lessee shall be the property of Lessor. Such improvements exclude any of Lessee's system furniture, conventional furniture and all other Lessee personal property.

- 9. INSURANCE. Lessor agrees to procure and maintain, during the term of this lease, property and casualty insurance for the building containing the Premises. Lessor also agrees to procure and maintain, during the term of this lease, commercial general liability insurance in the amount of not less than \$1.0 million each occurrence and \$2.0 million general aggregate. Under all conditions noted above, general aggregate limits are to apply on a per location basis. In addition, Lessor shall provide upon signing of the lease and thereafter annually, a Certificate of Insurance to Lessee evidencing such coverage by date of occupancy. When coverage requirements are \$2.0 million or greater, Lessee shall also be named as additional insured. The State of Wisconsin Self-Funded Liability and Property Programs protect the Lessee. Wisconsin Statutes provide funds to pay property and liability claims.
- 10. <u>HOLD HARMLESS.</u> Lessor agrees to protect, indemnify and save the State of Wisconsin harmless from and against any, and all claims, and against any and all loss, cost, damage or expense, including without limitation reasonable attorneys' fees, arising out of any negligent acts of Lessor its invitees or agents, or any failure of Lessor in any respect to comply with and perform all the requirements and provisions of this Lease.

The Lessee shall provide liability protection for its officers, employees and agents while acting within the scope of their employment. The Lessee further agrees to indemnify and hold harmless the Lessor for any, and all liability, including claims, demands, losses, costs, or damages to persons or property arising out of, or in connection with, or connection with the Lease, where such liability is founded upon or grows out of acts or omissions of any of the Lessee's officers, employees or agents while acting within the scope of their employment, where protection is afforded by ss. 893.82 and 895.46(1), Wis. Stats.

11. MAINTENANCE. The Lessor shall maintain the Premises in good repair and tenantable condition, and as required by s. 704.07, Wis. Stats., throughout the term of the Lease, except in case of damage arising from a willful act or the negligence of the Lessee's agents or employees. For the purpose, of so maintaining the Premises, the Lessor reserves the right at reasonable times to enter and inspect the Premises and to make any necessary repairs thereto.

12. <u>DAMAGE OR DESTRUCTION.</u> In the event the Premises are partially damaged or destroyed by fire or other

casualty or happening such that Lessee may continue to use a part of the Premises, Lessor shall promptly

repair such damage and restore the Premises to its condition immediately prior to said damage or destruction.

In such event, the rental and any other obligations of Lessee payable hereunder shall abate proportionally by

the ratio that the damaged area bears to the total area of the Premises. Should Lessor fail to complete said

restoration within 90 days of the partial damage or destruction, Lessee may terminate this Lease.

In the event the Premises are damaged or destroyed such that Lessee is unable to occupy the Premises

(untenantable) without undue hardship and/or disruption of its business, Lessor shall proceed immediately to

rebuild and restore the Premises to its condition immediately prior to said damage or destruction, and all rent

and other obligations of the Lessee hereunder shall abate from the date of untenantability until the date

Lessee retakes possession of the Premises. In the event Lessor fails to complete the restoration within 120

days of the untenantability, Lessee may terminate this Lease.

13. NOTICES. Notice in writing referred to herein shall not be construed to mean personal notice, but such notice

shall be given in writing, by mail, by depositing the same in the post office or letter-box, in a postpaid

envelope, addressed to the Lessor at Lessor's last known address, and such notice shall be deemed to be

given at the time when the same shall be thus mailed. Such notices provided hereunder shall be addressed

as follows:

If to Lessor:

PCI - Brookfield Gateway, LLC

200 East Washington Street, Suite 2A

Appleton, WI 54911-5468

Attn: Bradley D. Schwebs, Manager

Rent sent to:

Same as above

If to Lessee:

State Leasing Officer

Wisconsin Department of Administration

101 E. Wilson Street, 7th Floor

P.O. Box 7866

Madison, WI 53707-7866

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- 14. <u>FUNDING.</u> The payment of rents under this Lease is subject to the availability of funds that may lawfully be used for such payment. As a result, the Lease does not constitute the contracting of public debt under Article VIII, Section 4 of the Wisconsin Constitution. The continuation of this Lease beyond the limits of the funds already available is contingent upon the future availability of funds to support the payment of rent for the programs housed in the facility covered by this Lease. In the event, such funding is not made available to the program or programs involved, the Lessee may at its option and upon sixty (60) days prior written notice to the Lessor, terminate this Lease. Use beyond the limits of the funds already available is contingent upon the future availability of funds.
- 15. <u>SINGLE TENANT FACILITY</u>. It is understood and agreed that this building is being leased as a single-tenant facility. Accordingly, Lessor shall not permit any person or entity other than Lessee and Tenant to use or occupy space in or around the Building and associated parking areas and shall not develop or construct additional space in such areas for such use or occupancy.
- 16. <u>BROKERS.</u> Lessor and Lessee represent and warrant to each other that they have had no dealings with any broker or agent in connection with this Lease and Lessor agrees to pay and hold Lessee harmless from any claims made by anyone for any compensation, commissions and charges claimed with respect to this Lease or the negotiations thereof.
- 17. <u>HOLDING OVER.</u> If Lessee holds over after the term hereof, with or without the express written consent of Lessor, such tenancy shall be from month to month only, with no renewal hereof or an extension for any further term, and in such case basic monthly rent, excluding amortization, shall be payable at 101.75% of the rate during the last month of the term hereof. Such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein.
- **18. SUBORDINATION.** This Lease shall be subordinate to any and all mortgages hereafter placed against the Premises by Lessor, provided that any such mortgage (or a separate written agreement, in recordable form, from the mortgagee in favor of and delivered to the Lessee) contains provisions to the effect that, so long as

this Lease shall remain in force, in any action to foreclose the mortgage, Lessee will not be made a party defendant, that Lessee's possession of the Premises will not be disturbed and that Lessee's Leasehold estate will not be affected, impaired, or terminated by any such action or proceeding or by any judgement, order, sale or conveyance made or rendered therein or pursuant thereto, so long as (at the time of commencement of such action or foreclosure proceeding or during the pendency thereof) Lessee is not in default under the terms, covenants, and conditions of this Lease beyond any grace period provided in this Lease for curing same.

- 19. <u>FORCE MAJEURE.</u> In the event either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, riots, insurrection, war, acts of God, inclement weather, or other reason beyond that party's reasonable control, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.
- 20. <u>EMINENT DOMAIN.</u> In the event the entire Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking, and Lessee shall then be released from any liability thereafter accruing under this Lease.

In the event a portion of the Premises shall be so appropriated or taken and the remainder of the property shall not be suitable for the use then being made of the property by the Lessee, or if the remainder of the property is not one undivided parcel of property, Lessee shall have the right to terminate this Lease as of the date of the taking on giving to Lessor written notice of termination within thirty (30) days after Lessor has notified Lessee in writing that the property has been so appropriated or taken.

In the event of the termination of this Lease by reason, of the total or partial taking of the Premises by eminent domain, then in any such condemnation proceedings, Lessor and Lessee shall be free to make claim against the condemning or taking authority for the amount of any damage done to them, respectively, as a result of the condemning or taking.

21. CONSTRUCTION OF IMPROVEMENTS.

- a) On or before the Commencement Date, unless such date is extended by mutual written consent, Lessor shall complete or cause to be completed the following building improvements (the "Initial Alterations") as generally indicated on Exhibit B attached hereto and made a part hereof, and all in accordance with the finishes and specifications set forth in Exhibit B, Schedule II (to the extent applicable) attached hereto and made a part hereof, and DOA Request for Proposal #455-013 ["RFP 455-013", which is incorporated hereto and made a part hereof by reference]):
 - i. All work necessary to build out and finish the Premises in accordance with the floor plan set forth in Exhibit B (and any subsequent plans developed in accordance with the provisions of this section), including, without limitation, the demolition and construction of walls, doors, ceilings, HVAC, electrical, tel/data cabling, lighting, fire prevention and life safety systems, and security systems, so as to deliver the Premises clean and in good order and condition and ready for the performance of Tenant's business operations.
 - ii. All work necessary to ensure that the Premises are in compliance with applicable laws and code.
 - iii. All work necessary to ensure that all structural elements (including roof and roof membrane), systems, and equipment servicing the Property are in good working order.
 - iv. All work necessary to ensure that the Property's parking lot and associated lights are in good working order and condition.

The Initial Alterations will be subject to value engineering in consultation with one or more construction representatives ("Construction Representative") of Lessee and Tenant to produce final plans and specifications, and those final plans and specifications shall constitute the Initial Alterations required hereunder, and (in the event of conflict only) shall supersede the plans, standards and specifications attached to this Lease and included in RFP #455-013. Lessor shall put all major contracts and subcontracts in connection with the Initial Alterations out to bid using a competitive open-bid process and provide copies of all bids and contracts to Lessee. Lessor shall coordinate the Initial Alterations with the Construction Representative and other agents and employees of Lessee and Tenant with access to the Premises during the progress of the Initial Alterations

in order to inspect and coordinate the Initial Alterations. During the progress of the Initial Alterations,
Lessor shall provide Lessee and its Construction Representative with copies of all invoices from
Contractors and Subcontractors for review.

- b) In the event that the Initial Alterations are not completed by the Commencement Date, or an alternate date mutually agreed to by both parties to this Lease, then Lessee may contract directly for the Initial Alterations, and shall with 30-days' notice to the Lessor, deduct the cost of the Initial Alterations from the next, and any subsequent as needed, month's rent payment.
- c) Lessor shall perform the Initial Alterations at Lessor's sole cost and expense, except that Lessee shall be responsible for the payment of: (i) the Amortization detailed under Article 4 above, which represents Lessee's contribution of \$1,508,601.00 to the cost of the Initial Alterations, based on an estimated total cost of \$1,508,601.00 ("Lessee's Costs"), which total cost will be repaid by Lessee over the 15 year term of this lease at an interest rate of 5% per annum, which interest is included in the amortization amounts set forth in Article 4; and (ii) any other costs which may be payable by Lessee pursuant to a written agreement under Section 21b above. Lessee's Costs shall not include any of the following costs in connection with the Initial Alterations, which shall be the responsibility of Lessor ("Lessor's Costs") under this Lease: (i) demolition; (ii) site work; (iii) concrete/masonry; (iv) exterior treatments; (v) roofing; (vi) major mechanicals; (vii) construction and maintenance of Building shell; and (viii) any and all costs associated with the construction of an addition to the Building and finishing out same to 'white-box' condition (including lights, electricity, and HVAC). Lessee shall have the right to pay off all or any part of the Amortization at any time after January 1, 2029, which prepayment amount with respect to all of the Amortization shall be the actual cost to Lessor of such prepayment, including principal and repayment costs or penalties Lessor is required to pay with respect to any underlying loan. The prepayment amount with respect to any partial repayment shall be based on the actual cost to Lessor of such prepayment in accordance with the preceding sentence, and Lessor shall promptly verify such prepayment amount at Lessee's request. Ongoing Amortization payments hereunder for any partial repayment shall be recalculated following such payment to reflect the new outstanding principal and all payments previously made and adjusted in accordance with the second to last sentence of this section (regarding reduction in costs to the Initial Alterations). At Lessee's request, Lessor shall promptly provide Lessee with such

detailed financial records, documents, and receipts as Lessee may reasonably request prior to any full or partial prepayment in order to verify the actual cost to Lessor of such early repayment, and Lessee's prepayment amount. Within forty-five (45) days following completion of the Initial Alterations, Lessor shall provide Lessee with Lessor's summary of the cost of the Initial Alterations and Lessor Costs, accompanied by true and complete copies of paid itemized invoices from all contractors and subcontractors who performed any work as part of the Initial Alterations, which invoices shall set forth, in reasonable detail, the materials used, work performed, and associated costs, with all Lessor Costs identified. In the event that the actual cost of the Initial Alterations reflected on said invoices is less than the estimated total cost set forth in the first sentence of this Section 21c, the total amount (and individual payments) of the Amortization payable by Lessee hereunder shall be adjusted to reflect such lower actual cost, and this Lease will be deemed modified to reflect such new, smaller Amortization amount (without need for amendment or other agreement to reflect such modification, provided that, if Lessee so requests, the parties hereto shall execute a letter of addendum, prepared by Lessee, in a form reasonably acceptable to Lessor, memorializing such modification [but the failure of Lessor to execute any such letter of addendum shall not affect the validity of such modification]). In the event that the actual cost of the Initial Alterations is more than the initially estimated total cost, Lessor shall be responsible for paying the excess. If Lessor terminates this lease pursuant to Section 8d above, Lessee shall be responsible for either (at Lessee's option): (i) the continued payment of the Amortization under this Lease at the times and in the manner provided hereunder; or (ii) the payment to Lessor of the prepayment amount determined as set forth above as of the date of such termination. In the event that Lessee elects the prepayment option under the preceding sentence, such payment shall be due within one hundred twenty (120) days after the effective date of such termination.

- 22. <u>LESSEE COSTS</u>. Lessee shall be responsible for the monthly phone and data costs for the Premises.
- 23. <u>CAPTIONS.</u> The item captions contained herein are for convenience only and do not define, limit, or construe the contents of such items, paragraphs, or sections.
- 24. <u>AUTHORIZATION, BINDING EFFECT.</u> This Lease, together with all amending instructions subsequent thereto (collectively, the "Lease"), is not valid or effective for any purpose until approved by the Governor or

- his delegate, the Secretary of the Department of Administration, and no work is authorized until the Lease is fully executed.
- 25. <u>WAIVER.</u> The rights and remedies of either party under this Lease, as well as those provided or accorded by law, shall be cumulative, and none shall be exclusive of any other rights or remedies hereunder or allowed by law. A waiver by either party of any breach or breaches, default or defaults, of the other party hereunder shall not be deemed or construed to be a continuing waiver of such breach or default nor as a waiver of or permission, expressed or implied, for any subsequent breach or default.
- 26. <u>CHOICE OF LAW.</u> This Lease shall be governed by and construed and interpreted in accordance with the laws of the State of Wisconsin.
- **27. EXECUTED LEASE.** This Lease when fully executed shall be binding upon the respective heirs, executors, administrators, successors, and assigns of the parties hereto.

28. MISCELLANEOUS PROVISIONS.

a) Square Footage Reconciliation. Following completion of the improvements set forth in Article 21 above, the parties shall retain a qualified third party, selected by mutual agreement of Lessor and Lessee, to measure the gross square foot area of the Building in accordance with the BOMA Gross Area 1-Leasing Method promulgated by the Building Owners and Manager's Association's under Gross Area: Standard Methods of Measurement (ANSI/BOMA Z65.3-2018). Lessee and Lessor shall each be responsible for 50% of the cost of such remeasurement. In the event that Lessor and Lessee cannot reasonably agree on a third party to perform such measurement within thirty (30) days after completion of the improvements, Lessee may select a qualified third party to conduct such measurement at Lessee's sole but reasonable discretion. In the event that such re-measurement shows that the measured gross square foot area of the Premises is more than .05% less than that set forth in Article 1 above, Lessee shall provide Lessor written notice thereof, and this Lease will be deemed modified to reflect such new, smaller area (without need for amendment or other agreement to reflect such modification, provided that, if Lessee so requests, the parties hereto shall execute a letter of addendum, prepared by Lessee, in a form reasonably acceptable to Lessor, memorializing such modification [but the failure of Lessor to execute any such letter of addendum shall not affect the validity of such modification]), and all Annual

Base Rent (and Amortization, if applicable) will be proportionally adjusted, from and after the Commencement Date (as defined in Article 3) to reflect such change.

b) Tax Reconciliation.

- i. The Annual Base Rent amount set forth in Article 3 for the first year of leasing contains the sum of \$1.75 per square foot (which sum escalates during the term of this lease as a component of Annual Base Rent), reflecting Lessor's estimate of the real estate taxes payable for the Property during such period.
- ii. During the term of this lease, Lessor and Lessee shall annually reconcile the real estate taxes payable for the property against the amounts paid by Lessee on account of real estate taxes under this Lease in order to ensure that the Annual Base Rent accurately reflects the actual real estate taxes payable for the Property, which reconciliation shall be accomplished as follows:
 - A. Within ninety (90) days after the end of each lease year ("Adjustment Period"), Lessor shall provide Lessee with a statement ("Reconciliation Statement") including the following documents and information:
 - A true and complete copy of the real estate tax bill(s) covering the Adjustment Period;
 - The total amount paid by Lessee on account of real estate taxes during the Adjustment Period (including escalation);
 - Lessor's calculation of the real estate taxes payable for the property during the Adjustment Period; and
 - Lessor's calculation of the difference between the amount paid by Lessee and the amount billed for the Adjustment Period.
 - B. Following receipt of the Reconciliation Statement, Lessee shall have a period of sixty (60) days to review and audit the Reconciliation Statement. Lessor shall promptly respond to any request by Lessee for additional information or documentation in connection with such review and audit. If Lessee does not dispute the Reconciliation Statement by written notice to Lessor during such period, then any overpayment or underpayment shown on the Reconciliation Statement shall, within ninety (90) days after delivery of the

Reconciliation Statement to Lessee, be: (a) in the event of an underpayment by Lessee, paid by Lessee to Lessor, or (b) in the event of an overpayment by Lessee, credited by Lessor against the next installment(s) of Annual Base Rent payable under this Lease (or, with respect to reconciliation during the final year of the term of this Lease (as same may be renewed or modified), reimbursed by Lessor to Lessee). If Lessee does dispute the Reconciliation Statement, then Lessor and Lessee shall use reasonable efforts to resolve such dispute, and the foregoing reconciliation shall be made within thirty (30) days after the final resolution of such dispute.

C. Notwithstanding anything contained herein to the contrary, Lessee shall have the right to challenge, on behalf and in place of Lessor and at Lessee's own expense, the amount and validity of any real estate taxes affecting the Property by appropriate proceedings under applicable law. Lessor shall promptly cooperate with Lessee in connection with such challenge, including, without limitation, by providing Lessee with relevant documents and information at Lessee's request, signing any documents reasonably requested by Lessee, and (to the extent required by law to sustain such a challenge) either: (i) joining in any proceedings brought by Lessee; or (ii) bringing such a challenge in its own name, in either case in coordination with Lessee and using counsel reasonably approved by Lessee. Lessee shall promptly reimburse Lessor for the reasonable out-of-pocket costs incurred by Lessor in complying with the provisions of this subsection C promptly after receipt of an itemized invoice therefore setting out such costs in reasonable detail. Within sixty (60) days following final resolution of any such challenge, Lessor shall issue to Lessee a new Reconciliation Statement reflecting such resolution.

c) Contingencies

i. This Lease is contingent on Lessor acquiring, on or before June 15, 2021, all of the following (each a "Lessor Condition"): (A) complete interest, right in and title to the Premises so as to enable Lessor to fulfill its obligations under this Lease; (B) written approval from the City of Brookfield of the use of the Premises for office, storage, and garage uses in connection with State law enforcement operations; and (C) to the extent required under the Declaration of Restrictions for Gateway West Commerce Center, recorded in Waukesha County as Document No. 2235853, written approval from the Gateway West Owners Association of the Initial Alterations and the use of the Premises for office, storage, and garage uses in connection with State law enforcement operations. In the event that Lessor fails to meet all of the Lessor Conditions on or before such date, either party hereto may elect to terminate this lease by written notice to the other party on or before July 15, 2021 and, upon such notice, this Lease will be deemed void and without force and effect ab initio.

ii. This Lease is contingent on Lessee acquiring, on or before June 15, 2021, all of the following (each a "Lessee Condition"): (A) approval of this lease from the State Building Commission; (B) either approval or passive waiver of review of this Lease from the Joint Committee on Finance; and (C) approval of this lease from the Governor. In the event that Lessor fails to meet all of the Lessee Conditions or before such date, either party hereto may elect to terminate this lease by written notice to the other party on or before July 15, 2021 and, upon such notice, this Lease will be deemed void and without force and effect ab initio.

d) Compliance with Laws, Regulations, Rules, and Guidelines.

- i. Lessor and Lessee shall each observe and comply with all applicable laws, orders, rules, and regulations now in effect or which may be enacted during the term of this Lease by any municipal, county, State, or Federal authority having or asserting jurisdiction over the Premises, as well as the restrictions of the Gateway West Commerce Center, as set forth in the Declaration of Restrictions (the "Declaration") recorded with the Waukesha County Register of Deeds as Document No. 2235853, and the written guidelines issued in accordance with Section 1.1 thereof.
- ii. If such compliance requires any work to performed in or to the Premises, the Building, or any appurtenances thereto, such work shall be performed promptly by Lessor at Lessor's sole cost and expense, except if and to the extent such compliance is necessitated by the specific manner of Tenant's use or occupancy of the Premises (as distinguished from ordinary office, garage, and storage uses), in which event Lessor shall perform such work at Lessee's cost. Lessee shall reimburse Lessor for Lessor's reasonable out of pocket costs in connection with work so

- necessitated by Tenant promptly after Lessee's receipt of a reasonably detailed invoice therefor, along with such additional supporting documentation as Lessee may reasonably request.
- iii. Lessor shall not exercise its rights as a member of the Gateway West Owners Association (the "Association", as more particularly described in Section 5 of the Declaration), including voting rights, in any way that would (except to a de minimis extent): (A) adversely affect the rights of Lessee or Tenant under this lease; (B) interfere with Tenant's ability to conduct its operations in the Premises; or (C) increase the obligations of Lessee or Tenant under this Lease (items (A), (B), and (C), hereinafter, "Adverse Effects"). Lessor shall diligently exercise its rights as a member of the Association in order to prevent any action by the Association that would be reasonably likely to have any such effects. If any action taken by the Association has an Adverse Effect and Lessor and Lessee cannot reach a written agreement modifying this Lease to alleviate the impact of such Adverse Effect to Lessee's reasonable satisfaction within one hundred and twenty (120) days after Lessee provides Lessor written notice of such Adverse Effect, then Lessee may terminate this Lease.
- 29. ENTIRE AGREEMENT. This Lease constitutes the entire agreement between the parties with respect to its subject matter and constitutes and supersedes all prior agreements, representations and understandings of the parties, written or oral.

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IN WITNESS WHEREOF, the parties have hereunto subscribed their names as of the date of the last signature below.

LESSOR:

PCI - BROOKFIELD GATEWAY, LLC

By: Bradley D Schwebs
Bradley D Schwebs (Apr 27, 2021 16:49 CDT)
Bradley D. Schwebs, Manager

Dated: Apr 27, 2021

LESSEE: State of Wisconsin

"The undersigned certifies that this request for Governor's approval meets all applicable state and federal statutes, rules, regulations and guidelines. This certification is based upon a thorough and complete analysis of this request."

Ву:	Ву:	_
CHRIS PATTON	TONY EVERS	
DEPUTY SECRETARY	GOVERNOR	
DEPARTMENT OF ADMINISTRATION	STATE OF WISCONSIN	
Dated:	Dated:	

File No. 455-013

EXHIBIT A

Site Plan

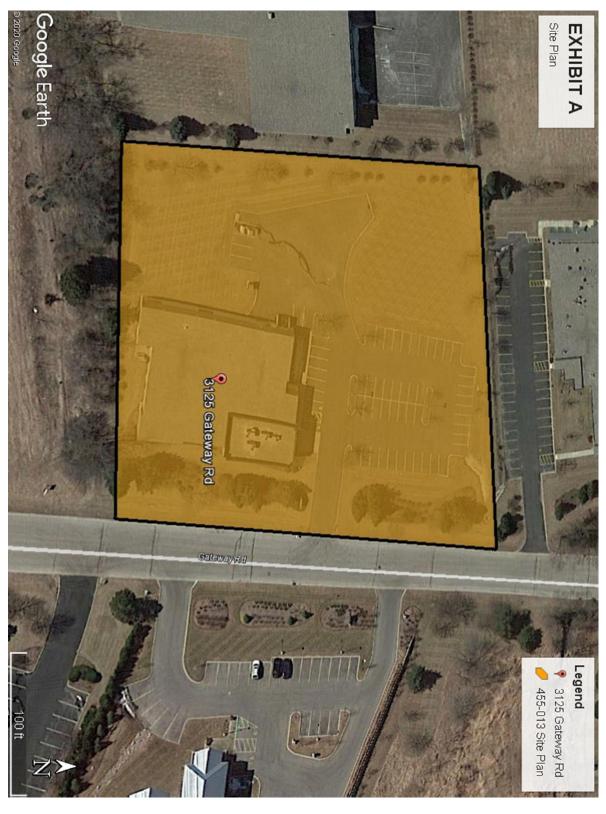
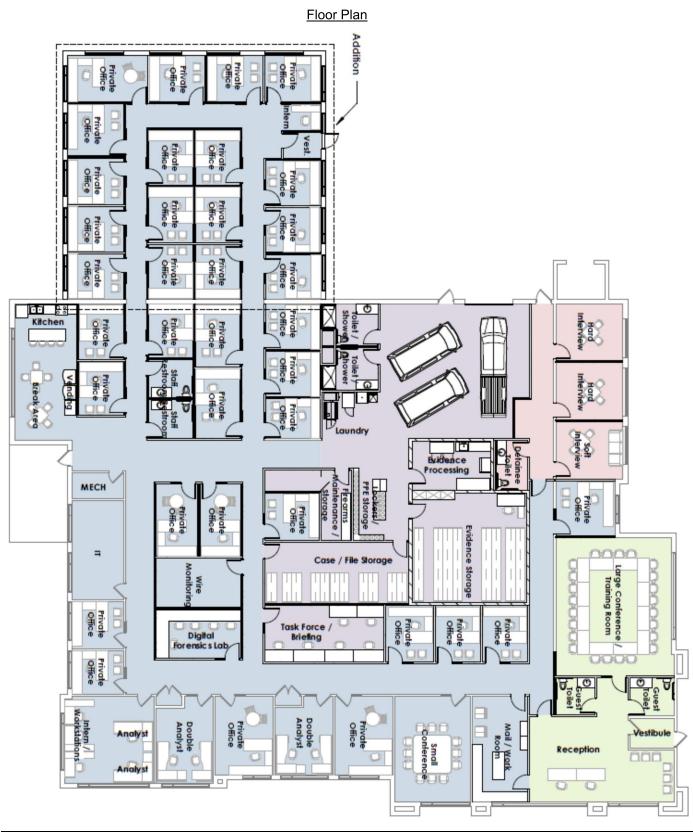


EXHIBIT B



Lease 455-013

DOJ Schedule I

The Lessor, <u>at Lessor's cost</u>, shall furnish to the Lessee during the term of this Lease, as part of the rental consideration, the following:

1. The environmental control system shall maintain a comfortable humidity level and temperatures for an estimated use of 60 hours per week as follows:

Summer Winter

76 Degrees (+/- 2⁰)

50% Humidity Level (+/- 10%)

70 Degrees (+/- 2⁰)

25% Humidity Level (+/- 5%)

The temperature range during unoccupied times (generally 6 p.m. to 6 a.m.) may be varied by up to $\pm 10^{\circ}$ of the above temperatures.

- 2. Provide, maintain and service heating, air conditioning, plumbing and ventilating equipment as per manufacturers and/or installers recommendations.
 - Must be compliant with State of Wisconsin Administrative Codes SPS 363 and 364, and ASHRAE 62.1-2016, in addition to all other applicable Federal, State and local codes. Relative to ventilation codes, where SPS 364 and ASHRAE 62.1-2016 conflict, apply SPS 364 to existing HVAC and ASHRAE 62.1-2016 to new HVAC equipment selections ensuring in all circumstances, that HVAC ventilation requirements will always meet or exceed State of Wisconsin Administrative Code SPS 364 minimum guidelines. Lessor shall meet the following requirements:
 - All new or replacement HVAC units and equipment installed shall be new, high-efficiency type; gasfired heating.
 - b) All rooms shall have sufficient air movement to meet the Wisconsin code for air exchanges and CFM for office space and have adequate zoning in order to maintain the humidity and temperatures as listed above.
 - c) Provide a fully ducted supply and plenum return HVAC system with adequate zoning.
 - d) All new exterior walls and ceilings must meet minimum insulation code requirements.
 - e) Provide perimeter heating for exterior walls if required to meet seasonal set-points.
 - f) Provide space heating for airlocks and lobbies, if necessary.
 - g) Change air-handling equipment filters quarterly.
 - h) Provide automatic temperature adjustment capability for unoccupied modes.
 - i) Provide separate venting/fans for restrooms.
 - j) Provide an approved "Test and Balance" report, for newly constructed and/or remodeled space, which is taken and completed <u>after</u> the space is fully occupied and the construction and/or remodeling projects are completed.
 - k) Placement of thermostats throughout the Premises must be coordinated with the installation of furniture to avoid having the thermostats blocked.
 - 1) Thermostat locations in all enclosed rooms to be above light switch, unless zoning does not allow.
 - m) The use of non-tenant adjustable thermostats or locking thermostat covers.
- 3. Install and maintain fire extinguishers according to any governmental building code and Underwriters Laboratories (UL) recommendations.
- 4. Provide safe drinking water with hot and cold running water for restrooms, counter sinks and janitorial facilities. Such drinking water shall meet minimum State of Wisconsin Drinking Water Quality Standards.

- 5. All areas to have ambient light level of 50 foot-candles throughout the demised area with 70 foot-candles at desktop. Provide a minimum of 30 foot-candles in corridors. Provide a minimum of 1 foot- candle security lighting for on premise parking areas.
- 6. Provide 3 master keys for entrance doors.
- 7. Provide Water & Sewer and Heat & Air conditioning.
- 8. Provide electricity for lights and other electrical equipment necessary for operation of the Premises.
- 9. Furnish, install and replace during the term of this Lease and any extension thereof, light bulbs, fluorescent tubes, starters, ballasts or transformers.
- 10. All demised and common areas of the facility and exterior areas, including parking, utilized under this lease, including restrooms and any elevator(s) <u>must meet all requirements of new construction</u> for accessibility, health and safety standards in compliance with and in accordance with Wisconsin Administrative Code, Chapters SPS 332, 361-365, and the ANSI A117.1. ANSI Regulations will take precedence over Wisconsin Administrative Codes, except when such codes shall be equal to or exceed the ANSI Regulations. All elevators shall meet the Wisconsin Administrative Codes, SPS 318 and SPS 362 and ANSI A117.1.
- 11. Furnish building occupancy or use permit(s) if required.
- 12. Provide walk-off mats at each entrance. Replace as needed when worn.
- 13. Furnish all necessary janitorial and maintenance equipment and supplies for restrooms including soap, towels and toilet tissue.
- 14. Lessor is to provide all services, supplies and equipment required to clean and keep clean all areas of the building, sidewalks, parking areas, and grounds. This includes, but is not limited to, the plowing and removal of snow, ice removal and salting, removal of trash, pest control and the proper disposal of recyclable materials separated by Lessee. Proper disposal of materials shall comply with sections 16.15(3) and 287 Wis. Stats., which require recycling the following items: aluminum containers, corrugated paper or other container board, foam polystyrene packaging, glass containers, magazines, newspaper, office paper, plastic containers, steel containers, and waste tires. Lessor shall provide a central collection area and separate collection containers as require for the deposit of all such recyclable and non-recyclable waste generated at the leased premises. Lessor and Lessee further agree to comply with all applicable municipal recycling requirements adopted under section 287.13, Wis. Stats.

15. LESSOR PERSONNEL

- 15.1. Identification. The Lessor shall provide a list of the names, dates of birth, and addresses of all Lessor's employees, contracted personnel, and subcontracted personnel (collectively, "Personnel") who will have any access to the Premises, specifying each such person's connection to the Lessor, the services that will be performed on the Premises by each person, and other particulars as the DOJ may require. The Lessor shall furnish all of the Personnel with a means of identifying themselves as agents, or employees of the Lessor assigned to perform services at the Premises, and furnish the DOJ with Lessor ID's on these Personnel.
- 15.2. The DOJ reserves the right to refuse any person providing services who, in the sole opinion of the DOJ, would be undesirable; provided said reason is a lawful reason. A DOJ employee must be present on the premises at all times while any other non-DOJ personnel is on the premises.
- 15.3. Background or Criminal History Investigation. Before any Personnel is permitted on the Premises, the DOJ will require a fingerprint-based background check. The background check will be performed by the DOJ. DOJ holds the right to conduct periodic re-checks of Personnel. If any of the stated Personnel is not

acceptable, to the DOJ in its sole opinion as a result of the background or criminal history investigation, the DOJ will require prompt replacement of the person.

- 15.4. Right to Approve Changes of Personnel. If there are any changes in Personnel, the DOJ must be given reasonable notice of any newly assigned Personnel so that the DOJ can perform a background check on the new Personnel before such Personnel is granted access to the Premises. Based upon the results of the background check, the DOJ shall have the absolute right to approve or disapprove a proposed change of Personnel. Any new Personnel cannot access the Premises until the DOJ informs Lessor that the background check has been completed with satisfactory results. DOJ shall provide the background check and notify Lessor in writing (or via email) of the background results within 72 business hours from when Lessor notifies DOJ in writing (or via email) of a change in Personnel. If, on more than one occasion, Lessor permits an employee to work on the Premises without identifying that person to DOJ or without following the procedures outlined above, and Contractor fails to implement a corrective action plan approved by the DOJ, the DOJ reserves the right to cancel this Lease.
- 15.5. Personnel Removal. Should the DOJ feel that the removal of Lessor Personnel is merited, Lessor and the DOJ will discuss the matter, and if both parties cannot mutually agree on an alternate resolution, the DOJ may direct the Lessor to remove or reassign Personnel; however, the DOJ's right to do so shall be a lawful reason and does not implicate the DOJ as a party to any of the Lessor's obligations in the Lease.
- 15.6. Notification of Personnel Removal. The Lessor shall inform DOJ by the close of business on the first business day following the day any Personnel that has access to the DOJ's information systems is terminated from employment.
- 16. <u>Janitorial Services</u>: The following is a list of required activities to be performed at least as often as indicated. While this list may omit some minor activities, it is the intent of this list to promote a building with a High Standard of Cleanliness.

AREA AND FREQUENCY INDICATION:

ONCE WEEKLY

- a) All Common Areas (Entrances/ Hallways/ Stairways/Snack or Break Area/Janitor Closet/Storeroom/etc.) Clean glass in doors and metal framework; Empty/clean exterior ashtrays, waste containers and replace can liners; Sweep, mop floor, steps, landings, etc.; Vacuum carpet and walk-off mats and remove spots/stains; Clean, de-scale and polish water fountains; and spot clean walls and doors.
- b) Restrooms Clean and disinfect dispensers, sinks, toilets, urinals and polish bright work.
- c) Office Areas Empty waste containers and replace can liners, if used; Dust and/or damp wipe accessible furnishings, fixtures, vents and sills; Spot clean doors, walls and sidelights; Sweep/mop floors; and vacuum carpet and remove spots/stains.
- d) Restrooms Clean inside toilet bowls and urinals; and damp wipe walls.
- e) Offices Common Areas Dust and/or damp wipe furnishings, moldings, handrails, fixtures, etc. Clean/disinfect and polish brightwork.
- f) Offices Vacuum upholstered furniture; and edge-vacuum carpet.

SEMI-ANNUAL

- a) Resilient/Hard floor Areas Strip, seal and refinish floors in spring and fall.
- b) Carpet Areas Wet extract carpet and apply soil retardant in spring and fall.
- c) Restrooms Wash walls, ceilings, doors and partitions in winter and summer.
- d) Windows Wash windows and storms both inside and outside and vacuum
- e) screens in spring and fall.
- f) Light Fixtures Clean fixtures and diffusers.
- g) Air Vents Clean supply air diffusers and return air grilles.

PUBLIC HEALTH EMERGENCY CLEANING

In addition to the forgoing cleaning requirements, in the event that the federal, state, or applicable local government issues an order or declares a public health emergency in the geographic region encompassing the Premises to prevent the spread of a communicable disease, Lessor shall perform any applicable additional cleaning measures recommended by such authority(ies) to prevent the spread of a communicable disease, including, without limitation, changes to the frequency or scope of cleaning and the use of cleaning chemicals meeting particular standards. In addition, Lessor shall, in the event of such an order or declaration of a public health emergency, direct all of its staff and contractors (including, but not limited to, janitorial staff and contractors) to comply with any reasonable precautions recommended by such authority(ies) in order to prevent the spread of a communicable disease. The foregoing additional cleaning measures and precautions shall be required for the duration of the declared public health emergency or for the period specified in such order, and for such reasonable time thereafter as Lessee may request.

Lessee will reimburse Lessor for the reasonable out-of-pocket cost to Lessor of the additional cleaning above the base cleaning required under this Lease after receipt by Lessee of paid written invoices that detail the additional charges. Such invoices shall be submitted regularly by Lessor, but in no event more frequently than monthly, nor less frequently than every three months.

- 17. Provide sufficient onsite parking, which is understood by the parties hereto to include 24/7 parking for staff and client owned vehicles.
- 18. Provide snow and ice control and removal. Snow and ice will be removed from designated walking surfaces on Lessor controlled parking lots and sidewalks on building grounds by 7:30 AM each weekday and 9:00 AM on weekends. These walk areas shall be maintained in a reasonably slip resistant condition and passable for people with disabilities (i.e. individuals who use walkers, canes, crutches, wheelchairs, etc.). Walking surfaces will be maintained to ensure that they remain safe for pedestrians and reasonably clear of snow and ice during working hours. Particular attention shall be paid during on-going snowfalls, ice storms or when melting snow and ice re-freezes on walking surfaces. Parking lots shall be cleared within 24 hours of a 2-inch or greater snowfall (or sooner if weather permits) on weekdays and within a reasonable time on weekends.

In the event that the Lessor fails to meet the standards set forth in the paragraph above, the Lessee may cause the same to be done and deduct the cost of such snow and ice removal from the rent due the Lessor.

Lessee's removal of snow and ice shall not release Lessor of liability or obligation under the provisions of this lease or any law or regulation.

- 19. Lessor agrees to construct and/or remodel and equip the building in accordance with State and local building codes, in accordance with mutually agreed upon plans attached hereto.
- 20. Throughout the term of this Lease Lessor will, at Lessor's cost, touch-up paint and repair or replace the carpet tile in the Premises, each as and where necessary to ensure the professional appearance and safety of the Premises in Lessee's sole but reasonable judgement. Upon Lessee's exercise of the first renewal option under paragraph 5 of this Lease, Lessor will at Lessor's cost, repaint and re-carpet the Premises. Lessor shall complete the repainting and re-carpeting by a mutually agreed upon date, but not later than twelve (12) months from the date of Lessee's exercise of such option, and shall coordinate the performance of such work with Tenant's local staff. Lessor at Lessor's sole cost is responsible for moving Tenant's furniture and equipment to accommodate the repainting and re-carpeting of the Premises. Carpet and paint color selections must be mutually agreed to by Lessor and Lessee, in writing. Lessor will provide 4% attic stock prior to commencement date of re-carpeting.

If for any reason the Premises is not re-carpeted and/or repainted as provided herein, the Lessor shall provide the Lessee with a rent credit for these avoided costs. The credit shall be equal to the sum of \$6.50 per square foot for re-carpeting and \$2.00 per square foot for repainting, subject to annual increases of 1.75% beginning with the second year of the initial lease term. In the event, that Lessor partially re-carpets or

repaints the Premises, as provided herein, the credit shall be reduced by any actual costs incurred. This credit shall be applied against Lessee's monthly rent beginning in the first month of the sixteenth lease year. Lessor may not choose on its own to not perform the above work in order to avoid Lessor's obligation. Lessee may not choose on its own to forego or decline the above work in order to receive the foregoing rent credit. The credit calculation above does not limit Lessor's cost of this work.

21. Provide the Premises with a fire alarm and detection system that complies with all State building codes, International Building Code (IBC) and Local building codes. In the event the Premises are not required to have a fire alarm and detection system by any code, Lessor shall install and maintain a fire detection system consisting of automatic detection (heat and smoke detectors), audio/visual notification devices and pull stations in accordance with the National Fire Protection Association (NFPA) under NFPA 72 and National Electric Code NEC 760. The fire alarm and detection system shall be inspected, maintained and tested in accordance with NFPA 72, by licensed contractors and fully documented. Documentation shall be made available to Lessee, within ten (10) days of Lessee's written request.

In the event the Lessor does not furnish the aforementioned services and items in this Schedule or the demised Premises are un-tenantable for any other reason which is not due to the negligence of the Lessee, the Lessee may provide such services and items at its own expense and deduct these expenses from rental payments, provided Lessee notifies Lessor thirty (30) days in advance of any deduction, and provides an itemized statement listing the services and items not being furnished.

Schedule II

CONSTRUCTION REQUIREMENTS

GENERAL CONDITIONS: All workmanship shall be done in compliance with standard and accepted trade practice. All regulations of the Federal Government, State of Wisconsin, and the local municipality will be complied with fully. After completion of work, the leased premises will be left in a clean and orderly condition, ready for occupancy. Wherever practical, construction and remodeling will conform to the Division of Facilities Development & Management (DFDM) Master Specifications/Design Guidelines available at:

https://doa.wi.gov/Pages/DoingBusiness/MasterSpecsDesignGuide.aspx

1. Ceilings:

- a) Offices, open office, conference, data/phone closet, reception/waiting areas: acoustical drop ceiling, with 2 x 2 or 2 x 4 x 3/4" grid, drop-in tile, color white, STC 35-39, minimum; NRC 50-60, minimum, light reflectance 75% minimum. Some rooms may require insulation above the dropped ceiling for noise abatement.
- b) All other areas such as restrooms, entrances, service closets, storage rooms, file rooms: may be finished, painted drywall.
- c) Finished Ceiling Height: Dependent upon room size and open area size. Ideal 8'6" to 9' (min. 8', max 12').
- d) Ceiling Tile Attic stock: Lessor shall maintain an attic stock of approximately 4% for any necessary replacements during the lease term.\

2. Floors: All floors will be level

- a) Office, reception area, conference room, work/mail area (unless otherwise specified in the RFP: Carpet tile: 24 oz./sq. yd., level loop, manufacture standard composition materials for primary back with water resistant, mildew resistant adhesive as recommended by carpet tile manufacturer. Pile must be ADA compliant.
- b) Restrooms: Ceramic floor tile.
- c) Storage room, data/phone closet, vestibules, etc.: ceramic tile, vinyl tile or sheet goods.
- d) Vestibule/lobby: provide recessed mats similar to DecoGard "Pedi mat".
- e) Cove Base: Provide 4" vinyl cove base wherever carpet and vinyl flooring are used.

3. Walls:

- a) All new walls to be drywall: one layer 1/2" or 5/8" type X gypsum wallboard applied to each side of 3-5/8" metal or wood studs; with 1" type S drywall screws 8" on center, to vertical edges and 12" on center to intermediate studs. Stagger joints on each side.
- b) All interior walls to be insulated for sound abatement.
- c) Walls to extend to finished ceiling unless otherwise specified in the RFP and for restrooms which should be finished to the floor deck.
- d) Provide expansion joints as necessary.
- e) All walls to receive painted finish of one primer coat and <u>two</u> finish coats of semi-gloss or eggshell with an orange peel finish.
- f) Corner guards: provide 44" guards on all outside corners and columns, color clear or match wall color.
- g) Restrooms: Provide 48" wainscoting of ceramic wall tile or another hard washable surface.
- h) Provide touch-up painting thirty (30) days after move-in.
-) Provide 3"- 4" stained or painted (color to match doors) hardwood chair rail molding (i.e., shaped or formed) on perimeter in all offices, clerical area, interview rooms and

- conference room at chair back height.
- j) The Lessor will hang/install a reasonable number of bulletin boards, pictures, tack strips, chalkboards, screens, etc., as provided and directed by the Tenant prior to the Commencement Date.
- **4.** Doors, door frames, hardware:
 - a) The primary accessible entry doors may require ADA compliant power door openers.
 - b) All interior doors: solid core construction, 3'-0" x 6'-8" x 1-3/4", SLC-5 construction (glue-blocked, 5 ply), stained and varnished.
 - c) Exterior metal doors, all door frames, window frames: 16-gauge, 2" width, shall be factory painted or 1 coat primer, 2 coats satin enamel
 - d) All doors to have appropriate ADA compliant hardware including but not limited to: ADA compliant levers, pulls, panic hardware, compatible latches; kick-plates for restroom and service room doors; wall/floor stops, door silencers; ADA compliant closures for all exterior entrance/exit, suite and restroom doors; passage and/or keyed latch sets as specified, minimum 1 key per lockset per onsite staff.
 - e) All solid core doors to be warranted from warpage and defect for 1 year from occupancy.
 - f) The doors in the offices, from the hallways and into the conference rooms, work areas and the main entry door shall have a window or sidelight window.
- **Windows**: It is desirable that at least 10% of the entire area have direct natural lighting. This may be accomplished by using skylights.
 - a) All new exterior windows shall be insulated Low-E glass
 - b) All exterior windows shall have mini blinds.
 - c) Windows may be either fixed or operable.
- **6.** Heating, Air conditioning, plumbing and ventilation:

Lessor shall meet the following requirements:

- a) Provide perimeter heating for exterior walls if required to meet seasonal set-points.
- b) Provide space heating for airlocks and lobbies, if necessary.
- c) Provide separate venting/fans for restrooms.
- d) Provide an approved "Test and Balance" report, for newly constructed and /or remodeled space, which is taken and completed <u>after</u> the space is fully occupied and the construction and/or remodeling projects are completed.
- 7. Electrical: All work and materials are to conform in every detail to applicable rules and requirements of the Wisconsin Administrative Code chapter SPS 316, the National Electrical Code (ANSI/NFPA 70), other applicable National Fire Protection Association codes, the National Electrical Safety Code, present manufacturing standards (including NEMA).
 - a) Each enclosed room shall have a minimum one duplex electrical outlet every 12 lineal feet and a minimum of two data outlets unless otherwise specified in the RFP.
 - b) Standard office requirements shall include provisions for copiers, faxes, computers and related equipment, and other standard office equipment.
 - c) Electrical installation shall be everything for an end-to-end installation including all wiring, junction boxes, conduit, grounding, switches, panels, boxes, circuits, switch-plates, faceplates, receptacles, card readers, etc.
 - d) The training/large conference and/or break room shall have sufficient outlets for a refrigerator, microwave, and coffee maker unless otherwise specified in the RFP.
 - e) Lessor to provide electric base feed connections for systems furniture power. Cables or "whips" to be provided by the furniture vendor.

- **8. Lighting**: All work and materials are to conform in every detail to applicable rules and requirements of the Wisconsin Administrative Code SPS 316, the State Energy Code, SPS Chapter 363 and the National Electrical Code.
 - a) All areas to have ambient light level of 50 foot-candles throughout the demised area with 70 foot-candles at desktop. Provide a minimum of 30 foot-candles in corridors.
 - b) Provide 2' x 4' drop-in LED fixtures as described in the Department of Administrations, Division of Facilities Development and Management's Division 26, Electrical Master Specifications and Guidelines, Section 26 51 13. Interior Lighting Fixtures, Lamps, and Ballasts.
 - c) Lamps shall be TLCP requirements for low mercury and all mercury in the product shall be recycled material.
 - d) Prismatic acrylic lenses are acceptable for file storage, data/telephone room, mechanical room, restrooms, waiting area, and halls.
 - e) Provide adequate lighting in restrooms with light fixtures above the sinks.
 - f) Provide LED strip lighting below cabinets in conference room.
 - g) Each constructed space to have separate light switch.
 - h) Provide lighting at all exterior entrances/exits.
 - i) Provide adequate security lighting for on premise parking areas.
 - j) Prior to construction, lighting design will be reviewed for approval by Lessee to ensure compliance with tenant requirements.
 - k) Lessor to furnish and install light bulbs, starters, ballasts and transformers required for occupancy. Incandescent light bulbs are prohibited.
 - Occupancy sensors shall be used for restrooms, interview rooms, conference rooms and offices. (Occupancy sensors shall typically be used for required automatic light shut off instead of central time-clock controls or central energy management system control).
- **9.** Data Wiring unless otherwise specified in the RFP:
 - a) All outlets to be installed according to approved plan. Each room, as identified will have at least two outlets consisting of 3/4" 1" conduit in all new walls from above the suspended ceiling and terminating in a 4" x 4" junction box.
 - b) Data shall be furnished and installed by the Lessor.
 - Landlord shall run required data cable through cubicle furniture, provided by DOJ, and do final terminations.
- **10. Cabinetry/Carpentry**: All areas provided must meet minimum standards of ADA compliance.
 - a) The kitchen/break area shall have at least 5' of linear countertop with cabinets above and below and a double-basin stainless steel sink of standard depth and height with splashguard. These rooms must also have upper and lower cabinetry with two adjustable shelves in each section with laminated fronts. Cabinets and countertops will meet ADA requirements.
 - b) Provide a coat closet with shelf and rod near the reception area and training room.
 - Work/Mail rooms shall both have a countertop and upper and lower cabinetry, laminated fronts.

11. Plumbing:

a) The kitchen/break room counter(s) shall meet the minimum ADA requirements and must have include a sink or sinks with hot/cold running water and a garbage disposal(s).

- b) All rest room fixtures and furnishings will be ADA compliant.
- c) Insulate all under sink lavatory piping in restrooms.
- d) One janitorial sink shall be provided in the mechanical room.
- e) Water will be available if needed for connection to coffee maker and refrigerator in kitchen/break room.

12. Accessibility and Safety:

- a) All demised and common areas of the facility and exterior areas, including parking, utilized under this lease, including restrooms and any elevator(s) <u>must meet all</u> <u>requirements of new construction</u> for accessibility, health and safety standards in compliance with and in accordance with Wisconsin Administrative Code, Chapters SPS 332, 360 365, and the ANSI A117.1. ANSI A117.1 will take precedence over Wisconsin Administrative Codes, except when such codes shall be equal to or exceed the ANSI Regulations. All elevators shall meet the Wisconsin Administrative Codes, SPS 318 and SPS 362 and the ANSI A117.1.
- b) On-Line Electronic Access Control System: Lessor shall furnish and install at the indicated locations the specified electrified and integrated door hardware and access control firmware for a completely operational access control and security site management system. System includes, but is not necessarily limited, to the following:
 - 1. System functionality to include ability to identify hours/shifts approved for employee entry by employee, restrict access to those not approved for entry during hours/shifts not specified, ability to receive reports concerning staff arrival and departure times.
 - 2. Hardware to include network control processors, reader controller panels, door position switches, remote card readers, keypads, special tools, operating manuals, and required cabling and accessories.
 - a. Provide the appropriate number of reader controller panels and I/O monitoring/control expansion interfaces as needed to handle the number of card readers, locking devices, door status devices, as shown on the approved floor plan/security drawing.
 - b. Provide manufacturer approved exit hardware, and remote [mullion, jamb, wall] mounted card readers, keypads, and display terminals that are functionally compatible with the specified access control equipment interfaces.
 - 3. Access control system equipment to be installed and furnished by Lessor in an enclosure/station compatible with the manufacturer's requirements. This enclosure/station may include, but is not necessarily limited to, the network control processor, power supplies, terminal strips, wire ducts, keyed lock cylinder, integrated outlet for A/C power. NOTE: DOJ will provide standalone, desktop computer to access the system.

Enclosure to be located in the designated IT Equipment/Telecom room(s) with connection to the local area network for communication back to the central server host.

13. Exterior of Building and Landscaping:

- a) Provide landscape as necessary or required by city ordinance.
- b) Parking areas to be paved and striped and complying will all Wisconsin Administrative Codes and ANSI A117.1. Include all signage required for accessible parking stalls.
- c) All entrances and exterior doors to be accessible with grade complying with ANSI A117.1

- and Wisconsin Admin Code.
- d) Ensure all exterior walls, windows, roof, walkways are in good repair.

14. Signage:

- a) Provide and install signage on the exterior of the building and/or parking lot (if allowed by local ordinance) identifying address which is visible from the main street.
- b) Provide and install ADA compliant directional signage in main entrance and in hallways as necessary to direct clientele to offices, which are not located at the main entrance. Signage to be visible and legible from a 15'-0" distance and well lit
- Provide and install ADA compliant restroom signage utilizing Grade 2 Braille and pictographs.
- d) Provide and install miscellaneous signage such as Emergency Exit Only, Employees Only, No Admittance, etc.
- 15. Fire Protection: Provide the Premises with a fire alarm and detection system that complies with all State building codes, International Building Code (IBC) and Local building codes. In the event the Premises are not required to have a fire alarm and detection system by any code, Lessor shall install and maintain a fire detection system consisting of automatic detection (heat and smoke detectors), audio/visual notification devices and pull stations in accordance with the National Fire Protection Association (NFPA) under NFPA 72 and National Electric Code NEC 760, unless otherwise specified in Appendices 2 and 3. The fire alarm, detection and suppression systems shall be inspected, maintained and tested in accordance with NFPA 72, by licensed contractors and fully documented. Documentation shall be made available to Lessee, within ten (10) days of Lessee's written request.
- **Plans/Submittals**: Prior to commencement of any work, Lessor shall submit to the Department of Administration preliminary plans for review and signature and provide a copy of the final signed/sealed copy of plans (if required by code). The plan package shall consist of, but not limited to the construction and demolition plans including the following:
 - a) Mechanical/HVAC plans
 - b) Electrical, data/telephone, and lighting cut sheets
 - c) Door and finish schedules
 - d) Plumbing plans
 - e) Site plans with parking indications
 - f) General construction drawings with dimensions.
 - g) Cabinetry drawings
 - h) Materials list and samples including:
 - 1) Paint and finishes
 - 2) Ceiling
 - 3) Flooring