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CA 1131

PROFESSIONAL SERVICES CONTRACT BETWEEN

STATE OF ALASKA
ALASKA STATE LEGISLATURE
LEGISLATIVE BUDGET & AUDIT COMMITTEE

AND

PEGASUS GLOBAL HOLDINGS, INC.
1750 EMERICK ROAD
CLE ELUM, WA 98922

CONTRACT AMOUNT: \$35,000
(including reimbursement for expenses)

The parties to this contract are the State of Alaska, Alaska State Legislature, Legislative Budget & Audit Committee, whose address is 120 4th Street, State Capitol, Room 3, Juneau, AK 99801-1182, hereinafter referred to as the "Committee", and PEGASUS GLOBAL HOLDINGS, INC., whose address is 1750 EMERICK ROAD, CLE ELUM, WA 98922, hereinafter referred to as the "Consultant".

THE PURPOSE OF THIS CONTRACT is to provide the Committee with consulting services.

IT IS THEREFORE MUTUALLY AGREED THAT:

CLAUSE I - STATEMENT OF SCOPE OF WORK

The Consultant shall advise, consult, and present information to the Committee and Legislature related to: construction contracts for large projects; the allocation of risk in construction contracts for large projects, including, but not limited to, "Engineering, Procurement, and Construction" (EPC) contracts; and best management policies and practices for the State of Alaska as the owner of natural resources produced and delivered by a large project to minimize risk, including, but not limited to, the risk cost overruns.

CLAUSE II - PERIOD AND DATES OF PERFORMANCE

- (A) The work under this contract shall begin when the Executive Director of the Legislative Affairs Agency or her designee signs the contract and will terminate December 31, 2019.
- (B) Upon delivery of written notice to the Consultant, this contract may be terminated by the project director with or without cause. To terminate, the Committee shall provide notice by e-mail or delivery of a hard copy to the Consultant, whichever method is selected in the sole discretion of the Committee. If this contract is so terminated and the termination is not based on a breach by the Consultant, the Committee shall compensate the Consultant for services provided under the terms of this contract up to the date the termination notice is delivered, provided the Consultant provides the Committee with a statement in writing containing a description of the services provided

prior to contract termination, detailed time records for the services provided prior to contract termination, and a copy of all documents, reports, material, and other items required to be delivered to the project director by Clause XIV (Ownership and Reuse of Documents) of this contract.

CLAUSE III - COMPENSATION

- (A) The Consultant shall perform the work specified in this contract, including providing all labor, materials, and equipment required to complete the work, at the specific rates for assignment of work set out as follows, and these rates will not change during the contract:

Key Personnel	Per Hour
President / CEO / Executive Consultant	\$450.00
Senior Vice President / Specialist Consultant	\$385.00
Vice President	\$360.00
Senior Consultant	\$325.00
Consultant	\$250.00
Support Personnel	
Senior Analyst	\$200.00
Analyst	\$150.00

- (B) Payment shall be based on billings provided by the Consultant that include the items required for time records by Clause XIII (Records; Audit).
- (C) The Project Director must approve a billing before it may be paid.
- (D) If a payment is not made within 90 days after the Committee has received a billing, the Committee shall pay interest on the unpaid balance of the billing at the rate of 1.5 percent per month from, and including, the 91st day through the date payment is made. A payment is considered made on the date it is mailed or personally delivered to the Consultant.
- (E) In addition to the hourly rates under (A) of this Clause, the Committee shall reimburse the Consultant for reasonable expenses billed at cost that are incurred by the Consultant in the performance of this contract and that are supported by receipts and approved for reimbursement by the Project Director.
- (F) In addition to the payments under (A) and (E) of this Clause, if the Project Director requires the Consultant to travel outside of the Consultant's home base of Cle Elum, Washington, the Consultant will be reimbursed for reasonable travel expenses that are supported by receipts and that are approved by the Project Director. If approved, transportation expenses will be reimbursed at the following rates: airfare at coach rate and car mileage at the federal rate. The Consultant shall be reimbursed for meals and lodging based on reasonable actual expenses. The Consultant will not be paid for time spent traveling, unless a description of the work to be done while traveling has been provided in writing and approved in advance in writing by the Project Director. The

Consultant will then be paid at the hourly rates in (A) of this Clause for work done while traveling.

- (G) Total payments under this contract, including reimbursement for expenses, may not exceed Thirty-Five Thousand and No/100 Dollars (\$35,000.00).

CLAUSE IV - EXPENSES AND DUPLICATION

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

CLAUSE V – ASSIGNMENT OR TRANSFER

Assignment or transfer of the contract is subject to the approval of the Committee Chair.

CLAUSE VI – WORKERS' COMPENSATION

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

CLAUSE VII – FEDERAL AND STATE LAWS

In addition to the other requirements of this contract, the Consultant must comply with all applicable Federal and State labor, wage/hour, safety and other laws which have a bearing on the contract, and must have all licenses and permits required by the Federal government, State, and/or municipality for performance of the contract covered by this contract, including, but not limited to, a valid Alaska business license and any necessary applicable professional licenses. The Consultant must pay all fees associated with the licenses and permits required for performance of the contract. The Consultant shall pay all Federal, State, and local taxes incurred by the Consultant, in the performance of the contract. The Consultant's certification that taxes have been paid may be verified before final payment by the Committee.

CLAUSE VIII – HUMAN TRAFFICKING

By the Consultant's signature on this contract, the Consultant certifies that the Consultant is not headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report, and that, if this changes, the Consultant will submit a certified copy of the Consultant's policy against human trafficking to the Committee.

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

CLAUSE IX – VENUE

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

CLAUSE X – BINDING ON SUCCESSORS

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

CLAUSE XI – INDEMNIFICATION

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

CLAUSE XII – COVERAGE UNDER THE ETHICS LAW

Certain provisions of the Legislative Ethics Act (AS 24.60) apply to legislative consultants and legislative independent contractors, and their employees. It is the responsibility of the Consultant to review AS 24.60 and determine whether Consultant is in compliance with AS 24.60.

CLAUSE XIII – RECORDS; AUDIT

In addition to any other records required by this Contract, the Consultant shall accurately maintain detailed time records that state the date of the work, break down the time in quarters of an hour, describe in detail the work done during the quarter of an hour, and identify which individual did the work and the rate charged for that work. The Consultant shall also keep any other records that are required by the Project Director. The records required by this Contract are subject to inspection by the Committee or the Project Director at all reasonable times.

CLAUSE XIV – OWNERSHIP AND REUSE OF DOCUMENTS

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

CLAUSE XV - PROJECT DIRECTOR

The Project Director is the person appointed by the Chair of the Legislative Budget & Audit Committee. The Project Director is authorized to oversee and direct the activities of the Consultant under this contract. The Project Director serves at the discretion of the Chair and may be replaced by the Chair, and if replaced, the Chair will give notice of the replacement to the Consultant.

CLAUSE XVI - AUTHORIZATION; CERTIFICATION

Execution of this contract by the Committee Chair hereby constitutes a certification that funds are available in an appropriation to pay for work performed under this contract through June 30, 2019. Availability of funds to pay for work performed on and after July 1, 2019 is contingent upon appropriation of funds for the next fiscal year. If, in the judgement of the Certifying Authority of this contract, sufficient funds are not appropriated for the appropriate fiscal year, the contract will be terminated under Clause II (B) without liability of the Committee for the termination, or amended."

CLAUSE XVII - MODIFICATION AND PREVIOUS AGREEMENTS

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

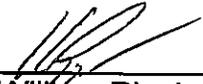
IN WITNESS WHEREOF, the parties have executed this contract on the dates indicated below:

CONSULTANT:

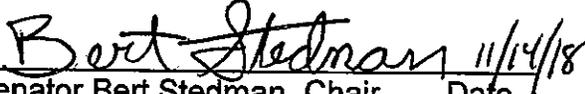
COMMITTEE:

PEGASUS GLOBAL HOLDINGS, INC.

LEGISLATIVE BUDGET & AUDIT
COMMITTEE



William Riggins, President 11/9/18
Pegasus Global Holdings, Inc. Date
Alaska Business License:1088053



Senator Bert Stedman, Chair 11/14/18
Legislative Budget & Audit Committee Date
Procurement Officer

CERTIFYING AUTHORITY:

APPROVED AS TO FORM:

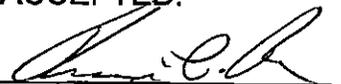


Jessica Geary 11/14/18
Executive Director Date
Legislative Affairs Agency



Legal Counsel 11/8/18
Date

ACCEPTED:



Randy Ruaro 11/14/18
Project Director Date