



SOUTHEAST ALASKA POWER AGENCY

Date: February 25, 2022
To: SEAPA Board of Directors
From: Trey Acteson, Chief Executive Officer
Subject: SEAPA Storage Lease

SEAPA has leased 410 square feet of storage space (Suite #319) from the Ketchikan Gateway Borough (KGB) since 2011. Our current agreement with KGB includes a monthly increase of \$0.05 per square foot, starting at \$1.91 in February (\$783 for storage space) and increasing to \$2.46 (\$1,009) in December. Comparable storage space is currently available with Tongass Indoor Storage for \$277 month on a month-to-month basis. SEAPA staff has evaluated that the cost savings would outweigh the inconvenience of off-location storage, but prior to entering into a rental agreement for the new location, Board authorization is required to amend the existing lease with KGB. Please consider the following suggested motion:

SUGGESTED MOTION
I move to authorize staff to enter into Amendment No. 4 to the Lease Agreement between SEAPA and the Ketchikan Gateway Borough to terminate SEAPA's tenancy of Suite 319 effective March 31, 2022.

- Cost savings in 2022 would be approximately \$5K (after moving expense) through year-end.
- The building has a freight elevator with pallet jacks and rolling carts available for tenants.
- The storage location (3880 Tongass Ave) is near the site of SEAPA's future headquarters