

Southeast Alaska Power Agency Special Meeting Minutes

Location: Held Electronically¹

Date: April 28, 2026

Time: 2:00 p.m. AKDT

Agenda Items

1) Call to Order

A. Roll Call.

Chairperson Lynn called the special meeting to order at 2:00 p.m. AKDT on April 28, 2026. The following directors and alternates were present, thus establishing a quorum of the board:

Directors	Present Electronically (E) In Person (IP)	Alternates	Present Electronically (E) In Person (IP)	Representing	Community
Bob Sivertsen	IP	Robert Briggs	E	Swan Lake	Ketchikan
Dick Coose	IP	Shawn Hart	IP	Swan Lake	Ketchikan
Mason Villarma	E	David Powell		Tyee Lake	Wrangell
Patricia Gilbert	E	David McHolland	E	Tyee Lake	Wrangell
Bob Lynn	E	Karl Hagerman	E	Tyee Lake	Petersburg

Others present electronically: Stephan Harbour (incoming Petersburg Board Director) and Jay Dallas (McMillen, Inc.)

The following SEAPA staff and Joel Paisner, SEAPA's counsel, were also in attendance as indicated below:

Staff	Present Electronically (E) In Person (IP)	Staff/Counsel	Present Electronically (E) In Person (IP)
Robert Siedman, P.E., CEO	IP	Kris Womack, Elec Contr Eng	E
Clay Hammer, Ops Manager		Kay Key, Controller	IP
Mark Hilson, P.E., Proj. Mgr.	E	Marcy Graves, Office Mgr.	IP
Tim Ross, Engineering Intern		Joel Paisner, SEAPA Counsel	E
Sharon Thompson, EA/CA	IP		

B. *Communications/Lay on the Table Items:* Mr. Siedman noted that the Lease associated with New Business Item 4.A. was not available for the initial board packet but was distributed to the Directors via email prior to the meeting. The document will be appended to the final approved minutes.

C. *Disclosure of Conflicts of Interest:* Director Villarma declared a conflict of interest regarding the lease approval, citing his prior involvement in negotiations while serving as the Wrangell Borough Manager. Consequently, he abstained from voting on the matter.

Delegation of Voting Authority: For all other agenda items, Director Villarma announced that his designated alternate would exercise his voting authority, as he was participating in the meeting remotely via Zoom while traveling.

Seating of Alternate: Due to Director Villarma's remote status and the absence of his designated alternate, the Clerk seated Wrangell's second alternate, David McHolland, to serve as the voting member for the remainder of the meeting.

¹ The meeting was held electronically via Zoom.



2) Approval of the Agenda

Chairperson Lynn requested a motion to approve the Agenda.

> Motion	M/S (Sivertsen/Gilbert) to approve the Agenda as presented. The motion was approved unanimously by polled vote. ✓	Action 26-1241
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3) Persons to be Heard: None

4) New Business

A. Consideration of Wrangell Lease

> Motion	M/S (Gilbert/Sivertsen) to authorize staff to enter into the Ground Lease Agreement between the Southeast Alaska Power Agency and the City and Borough of Wrangell presented at SEAPA's April 28, 2026 board meeting. The motion was approved unanimously by polled vote. ✓	Action 26-1242
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B. Consideration of Contract Re Solar Design

> Motion	M/S (Sivertsen/Gilbert) to authorize staff to enter into a contract with Commonwealth Associates, Inc. for SEAPA's 1.5MW PV + 5MS BESS Design Project for the lump-sum value of \$313,000, and further authorize a 10% contingency of \$31,300 for unforeseen expenses for a total of \$344,300. The motion was approved unanimously by polled vote. ✓	Action 26-1243
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C. Consideration of Change Order Re Tyee 3rd Turbine & Generator Design

> Motion	M/S (Sivertsen/Coose) to authorize staff to enter into Change Order No. 4 to SEAPA's Contract No. 24017 with McMillen, Inc. for \$181,334. The motion was approved unanimously by polled vote. ✓	Action 26-1244
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D. Executive Session Re Discussions Related to Employee Contract

Executive Session was cancelled by the Chair. The Board moved immediately to the agenda item: Possible Action Following Executive Session.

E. Possible Action following Executive Session

> Motion	M/S (Sivertsen/Gilbert) to approve SEAPA's CEO's revised Employment Agreement, the terms and conditions of which have been finalized by the Board Chair, consistent with prior discussions and negotiations, and authorize the Board Chair to execute the approved Agreement on behalf of the Board of Directors. The motion was approved unanimously by polled vote. ✓	Action 26-1245
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5) Next Meeting Dates

There were no objections to SEAPA's next regular board meeting date of March 27-28, 2026 in Wrangell.

6) Director Comments

Directors exchanged various comments.



7) Adjourn

The Chair requested a motion to adjourn the meeting.

> Motion	M/S (Sivertsen/Gilbert) to adjourn the meeting. Following the Chair's request for a voice vote, the motion to adjourn was carried by voice vote with the 'ayes' prevailing.	✓ Action 26-1246
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The meeting adjourned at 4:20 p.m.

Signed:

Attest:

Secretary/Treasurer

Chairperson

Attachment:

Ground Lease Agreement



GROUND LEASE AGREEMENT

BY AND BETWEEN

THE CITY AND BOROUGH OF WRANGELL

A Municipal Corporation and Unified Home Rule Borough of the State of Alaska

AND

SOUTHEAST ALASKA POWER AGENCY

A Joint Action Agency of the State of Alaska

PREAMBLE

This Ground Lease (the "Lease") is made and entered into as of _____ (the "Effective Date"), by and between the City and Borough of Wrangell, Alaska ("Lessor" or "Borough"), a municipal corporation organized under the laws of the State of Alaska, whose address is P.O. Box 531, Wrangell, Alaska 99929 and the Southeast Alaska Power Agency ("Lessee" or "SEAPA"), a joint action agency of the State of Alaska, whose principal office is located at 55 Don Finney Lane, Ketchikan, Alaska. Lessor and Lessee may hereinafter be referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the City and Borough of Wrangell ("Borough") owns certain real property suitable for energy infrastructure development within the Borough; and

WHEREAS, the Southeast Alaska Power Agency ("SEAPA") is a joint action agency of the State of Alaska that provides wholesale hydroelectric power to its member communities, including Wrangell, Petersburg, and Ketchikan, and is responsible for ensuring long-term energy reliability, affordability, and system stability; and

WHEREAS, over the past decade, SEAPA has studied alternative energy resources to complement its hydroelectric generation and enhance regional grid resiliency, capacity, and stability, including, but not limited to, wind, geothermal, and nuclear energy; and

WHEREAS, based on such evaluations, SEAPA has determined that solar energy generation, when paired with battery energy storage systems, represents a viable and cost-effective opportunity to improve system resiliency and provide a positive economic return to its member communities; and

WHEREAS, beginning in or around 2023, SEAPA initiated a site selection process for solar energy development and identified Wrangell as the preferred location due to favorable environmental conditions, solar resource potential, and the availability of Borough-owned property suitable for such development; and

WHEREAS, SEAPA commissioned a solar feasibility study conducted by Commonwealth Engineering, which demonstrated the technical and economic merits of developing a solar energy facility in Wrangell; and

WHEREAS, SEAPA subsequently approached the Borough and submitted an application to lease Borough-owned real property on March 18, 2026 for the purpose of developing a solar energy generation facility, to be financed through a combination of federal investment tax credits and local funding sources; and

WHEREAS, the proposed project contemplates the phased development of a solar energy facility, initially consisting of approximately 1.5 megawatts (MW) of solar generation paired with a battery energy storage system (BESS) with a capacity of up to 5 MW, with future expansion of the solar generation component up to approximately 5 MW; and

WHEREAS, the Parties recognize that solar generation and BESS will enhance the resiliency and stability of the regional electrical grid, particularly during periods of reduced hydroelectric generation caused by drought or other conditions affecting SEAPA's Tyee Lake and Swan Lake hydroelectric projects; and

WHEREAS, the Borough and SEAPA acknowledge that the development of this project will provide direct and indirect benefits to Wrangell and other SEAPA member communities by improving energy security, reducing operational risk, and supporting long-term infrastructure resilience; and

WHEREAS, the SEAPA Board of Directors has authorized advancement of the project and approved funding in the amount of approximately \$6,000,000 pursuant to SEAPA approved Motion 26-1227; and

WHEREAS, in recognition of the public benefits associated with the project, the Borough and SEAPA desire to enter into this Lease under terms that support the successful development, financing, and operation of the solar energy facility;

NOW, THEREFORE, in consideration of the mutual covenants herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. LEASE OF BOROUGH OWNED REAL PROPERTY. Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, upon the terms and conditions hereinafter set forth, approximately forty four (44) acres of Borough-owned real property located within Lot 2, according to Plat No. 2020-5, situated in the Wrangell Recording District, First Judicial District, State of Alaska (the "Property") and access easements. The Property is located within the City and Borough of Wrangell, Alaska, and is intended for the development, construction, and operation of a solar energy generation and battery energy storage facility. The Property is more particularly depicted on that certain exhibit attached hereto as **Exhibit "A"** and incorporated by reference as if fully set forth herein. The access easement granted to Lessee is attached hereto as **Exhibit "B"** and incorporated herein by this reference.

2. ORIGINAL TERM OF LEASE. The term of this Lease (the "Term") shall be for a

period of twenty-five (25) years, commencing on **May 1, 2026** (the "Commencement Date"), and expiring on **April 30, 2051**, unless sooner terminated, canceled, or extended as provided herein. It is the express intent of the Parties that the Term of this Lease align with the useful life of the solar energy generation and battery energy storage assets to be constructed and placed into service on the Property.

3. OPTIONS TO EXTEND THE LEASE. Any option granted by Lessor to Lessee is a privilege and is neither a right nor bargained-for-consideration. Notwithstanding, Lessor pursuant to WMC 16.10.070, hereby grants, in its sole discretion, to Lessee, separate consecutive options to extend the Original Term for two (2) separate consecutive additional periods (the "Extension Periods") of five (5) years each provided:

- a. Lessee makes written application therefore at least ninety (90) days prior to the expiration of the Original Term or any Extension Period then in effect;
- b. Lessee is not in default under the Lease;
- c. The proposed use is compatible with the Lease, current use classification, and Borough Code including zoning provisions; and
- d. Mutually agreeable terms, consistent with the provisions of Borough code governing lease terms, are negotiated by Lessor and Lessee and approved by the Borough Assembly.

BASE RENT. In consideration of the public purpose of this Lease and the material public benefits to be provided by Lessee as set forth herein, Lessor agrees to lease the Property to Lessee for a base rent of One Dollar (\$1.00) per year during the Term and any Extension Periods of this Lease. If the solar energy facility is not constructed and placed into service, or the material public benefits described in Section 5 of this Lease are not realized, on or before **December 31, 2029**, the lease may be cancelled in accordance with Section 22: Termination, Cancellation and Forfeiture.

4. PUBLIC BENEFIT CONSIDERATION. As material consideration for the reduced Base Rent provided under this Lease, Lessee agrees to provide the following public benefits:

- a. **Priority Energy Allocation During Outages.** During any planned or unplanned outage or reduced generation event affecting SEAPA's hydroelectric resources, Lessee shall provide the City and Borough of Wrangell with priority access to available solar energy generation from the Property. Power supplied by the Project shall be billed at the applicable published wholesale power rate. In the event Lessor does not receive priority access during such outages, it has the right to issue a notice of default and to terminate the lease so long as it grants Lessee an opportunity to cure such default in accordance with Section 20.b. The Parties understand that this is to be consistent with SEAPA's bylaws and the power sales agreement.
- b. **Switchyard Infrastructure Commitment.** Lessee shall commit to restoring and installing no less than one (1) five-megawatt (5 MW) transformer at the SEAPA switchyard in Wrangell. Such infrastructure shall be intended to support increased electrical capacity and provide sufficient power availability to serve industrial

development, including the Borough's planned deepwater port industrial subdivision. Subject to the approval described below, such improvements shall be completed no later than **September 30, 2028**:

- i. **Board Approval Requirement.** The Parties acknowledge that the switchyard improvements described herein constitute a capital improvement project requiring approval by SEAPA, separate and apart from this Lease.
 - ii. **Timeline to Seek Approval.** Execution of this Lease shall commence an eight (8) month period within which SEAPA shall use commercially reasonable efforts to present the proposed switchyard improvements to the SEAPA Board of Directors for consideration and vote.
 - iii. **Condition Precedent; Termination Right.** In the event the SEAPA Board of Directors does not approve the switchyard improvements within such eight (8) month period, or affirmatively declines to approve such improvements, the City and Borough of Wrangell may, in its sole discretion, terminate this Lease upon written notice to Lessee, without penalty or further obligation.
- c. **Public Access Easement for Recreational Use.** Lessee shall grant to Lessor a public access easement across SEAPA-controlled lands and/or transmission corridors, commencing at a point adjacent to the Property and extending generally to its connection with the Wrangell road system at Zimovia Highway, as more particularly described in **Exhibit "C."** The intent of such easement is to allow the Borough to develop, construct, and maintain recreational trail infrastructure for the benefit of the community of Wrangell and its visitors. The exact location, width, and terms of the easement shall be mutually agreed upon by the Parties and documented in a separate easement instrument. Notwithstanding the foregoing, the deadline for completion shall be extended for a reasonable period to the extent delayed by causes beyond Lessee's reasonable control, including but not limited to long-lead equipment procurement, supply chain disruptions, manufacturer delays, transportation or barge delays, permitting delays, utility or governmental approval delays, labor shortages, force majeure events, or other unforeseen circumstances not caused by Lessee's negligence or willful misconduct, provided that Lessee is diligently pursuing completion of such improvements.
- d. Notwithstanding subparagraphs (a) and (b) above, the deadlines for completion shall be extended for a reasonable period to the extent delayed by causes beyond Lessee's reasonable control, including but not limited to long-lead equipment procurement, supply chain disruptions, manufacturer delays, transportation or barge delays, permitting delays, utility or governmental approval delays, labor shortages, force majeure events, or other unforeseen circumstances not caused by Lessee's negligence or willful misconduct, provided that Lessee is diligently pursuing completion of such improvements.

5. LESSEE'S PERMITTED USE. The Property shall be used by Lessee exclusively for the

purpose of developing, constructing, operating, and maintaining a renewable energy generation facility, including but not limited to, a solar photovoltaic energy system and associated battery energy storage system (BESS), together with all related infrastructure, equipment, and appurtenances necessary or desirable for the generation, storage, transmission, and delivery of electrical power (the "Project"). The Project may be developed in phases, including an initial installation of approximately 1.5 megawatts (MW) of solar generation paired with a battery energy storage system with a capacity of up to 5 MW, with the ability to expand the solar generation component up to approximately 5 MW, or such other capacity as may be reasonably necessary to meet the operational and economic objectives of the Project.

- a. **Compliance with Law.** Lessee's use of the Property shall conform to all ordinances of the Borough, including any applicable zoning ordinance and with all state and federal regulations, rules, and laws, as the code or any such rules, regulations, or laws may affect the activity upon or associated with the Property.
- b. **Improvements.** Lessee shall submit to Lessor a detailed development plan for the Project (the "Development Plan"), which shall describe the proposed layout, design, phasing, infrastructure, and operational components of the Project, including but not limited to solar generation facilities, battery energy storage systems, interconnection infrastructure, access, and site improvements. The Development Plan shall be subject to review and approval by the Borough Manager and, where required, the Planning and Zoning Commission and Borough Assembly, in accordance with applicable Borough ordinances and code. Such approval shall not be unreasonably withheld. Consistent with the approved Development Plan, Lessee shall substantially complete construction of the Project and place the solar energy facility into service on or before **December 31, 2028**, or be actively engaged in reasonable and good faith efforts to complete such construction. Failure to substantially complete construction of the Project and place the solar energy facility into service on or before **December 31, 2029** shall constitute a material breach of this Lease, and Lessor may, in its sole discretion, terminate this Lease upon written notice to Lessee, unless such failure is due to force majeure as defined herein. All improvements constructed on the Property shall be consistent with the Development Plan and shall be for the purpose of supporting the Project, including but not limited to solar arrays, battery storage systems, inverters, substations, transmission interconnection facilities, access roads, fencing, and related site improvements.

6. QUIET POSSESSION. Notwithstanding any other provisions of this Lease to the contrary or any other rights Lessor may have, Lessor covenants and agrees not to encumber the Property or otherwise alter or permit to the alteration of the status of the title to the Property such that Lessee's right to use the Property for Lessee's permitted use is diminished without Lessee's prior written consent. If Lessor breaches Lessor's covenants as set forth in this section, then Lessee may, in addition to any and all other remedies available at law or in equity, terminate this Lease without owing any liability to Lessor. In the event that Lessor cures such breach within twenty (20) days after written notice from Lessee, then Lessee's termination shall be null and void.

7. PERMITS AND APPROVALS. Lessee shall be responsible for obtaining any and all

permits, approvals, authorizations, easements and entitlements necessary for Lessee to utilize or develop the Property for its permitted use as described herein and in the Development Plan (collectively, the "Approvals"). In the event Lessee does not receive, or is denied or refused, any such Approvals (including, but not limited to, building permits, zoning approvals, land use approvals, environmental permits, interconnection approvals, authorizations, variances, or easements necessary for the Project), or if such Approvals are granted subject to conditions that materially prevent or impair Lessee from utilizing or developing the Property for its permitted use, then Lessee may terminate this Lease by providing written notice to Lessor, without owing any liability to Lessor. If the Lease is terminated because Lessee does not receive, or is denied or refused, any such Approvals, the annual Base Rent last made by the Lessee shall be forfeited and retained by the Lessor. Notwithstanding such forfeiture, upon such termination, Lessee's obligation to pay Base Rent shall immediately cease, and each Party shall be relieved of all further obligations under this Lease, except for those obligations which expressly survive termination.

8. RIGHT TO BUILD AND OWNERSHIP OF IMPROVEMENTS. Subject to the provisions of this Lease, the Development Plan, and applicable law, Lessee has the right to design, develop, construct, install, operate, maintain, repair, replace, and expand the Project on the Property.

- a. **Construction Rights.** Lessee shall have discretion in designing the Project and selecting contractors for construction, provided that all such work is consistent with the approved Development Plan and applicable law. Lessor's approval of the Development Plan shall constitute approval of the general scope and layout of the Project, and such approval shall not be unreasonably withheld.
- b. **Ownership of Improvements.** All improvements, equipment, and facilities constructed or installed on the Property by or on behalf of Lessee, including but not limited to solar arrays, battery energy storage systems, inverters, substations, transmission and interconnection infrastructure, and related appurtenances (collectively, the "Improvements"), shall be and remain the sole property of Lessee during the Term of this Lease.
- c. **Removal of Improvements.** Upon expiration or earlier termination of this Lease, Lessee shall, at its sole cost and expense, remove the Improvements from the Property and restore the Property to a reasonably clean and safe condition, ordinary wear and tear excepted. Notwithstanding the foregoing, Lessor may, at its option and upon written notice to Lessee, elect to have some or all of the Improvements remain in place, in which event ownership of such Improvements shall transfer to Lessor without additional consideration.

9. MAINTENANCE OF THE PROPERTY. Lessee shall be solely responsible, at its own cost and expense, for the operation, repair, replacement, and maintenance of the Project and all Improvements constructed on the Property, including all major and capital maintenance, and shall maintain the Property and Improvements in good, safe, and serviceable condition and in compliance with all applicable laws, rules, and regulations. All maintenance, repair, and

replacement obligations shall be performed regardless of whether the need arises from ordinary wear and tear, age, or obsolescence, and any damage or condition caused by the acts or omissions of Lessee, its contractors, agents, employees, or invitees shall be the sole responsibility of Lessee. Lessor shall have no obligation whatsoever for the operation, maintenance, repair, or replacement of the Property or any Improvements constructed thereon.

10. MUTUAL WAIVER OF CONSEQUENTIAL DAMAGES. Neither Party shall be liable to the other Party, in connection with or arising out of such Party's rights or obligations under this Lease, for any special, incidental, indirect, exemplary, punitive, or consequential damages of any nature.

11. ENVIRONMENTAL. Lessor makes no warranty or representation with respect to the presence of Hazardous Materials on, above, or beneath the Property or any parcel in proximity thereto. Lessee expressly accepts the risk and assumes any and all liability for the facts, circumstances, conditions, and defects, if any, listed on the Alaska Department of Environmental Conservation, Division of Spill Prevention and Response, Contaminated Sites Database.

- a. As used herein, the term "Hazardous Materials" means: (a) those substances included within the definitions of any one or more of the terms "hazardous materials," "hazardous wastes," "hazardous substances," "industrial wastes," and "toxic pollutants," as such terms are defined under Environmental Laws, or any of them; (b) petroleum and petroleum products, including, without limitation, crude oil and any fractions thereof; (c) natural gas, synthetic gas, and any mixtures thereof; (d) asbestos and/or any material which contains any hydrated mineral silicate, including, without limitation, chrysotile, amosite, crocidolite, tremolite, anthophyllite, and/or actinolite, whether friable or non-friable; (e) polychlorinated biphenyl ("PCBs") or PCB containing materials or fluids; (f) radon; (g) any other hazardous or radioactive substance, material, pollutant, contaminant, or waste; and (h) any other substance with respect to which any Environmental Law or governmental authority requires environmental investigation, monitoring, or remediation.

- b. As used herein, the term "Environmental Laws" means: all federal, state, and local laws, statutes, ordinances, and regulations, now or hereafter in effect, in each case as amended or supplemented from time-to-time, including, without limitation, all applicable judicial or administrative orders, applicable consent decrees, and binding judgments relating to the regulation and protections of human health, safety, the environment, and natural resources, including without limitation, ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§ 9601 et seq.), the Hazardous Material Transportation Act, as amended (49 U.S.C. §§5101 et seq.), the Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. § 136 et seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. §§ 9601 et seq.), the Toxic Substances Control Act, as amended (15 U.S.C. §§ 2601 et seq.), the Clean Air Act, as amended (42 U.S.C. §§ 7401 et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C. §§ 1251 et seq.), the Safe Drinking Water Act, as amended (42 U.S.C. §§300f et seq.) any state or local

counterpart or equivalent of any of the foregoing, and any federal, state, or local transfer of ownership notification or approval statutes.

- c. Lessee is relying solely upon Lessee's own knowledge of the Property based on its own investigation, inspection, and due diligence of the Property in determining the Property's value and physical condition and Lessee agrees that it shall, subject to the express warranties, representations, and conditions, if any, contained in this Lease, assume the risk that adverse matters, including but not limited to, construction defects and adverse physical and environmental conditions, may not have been revealed by Lessee's investigations.
- d. Lessee shall not cause any Hazardous Substance to be located, used, spilled, leaked, disposed of, or otherwise released on or under the Property. Lessee shall comply with all environmental laws and exercise a high degree of care in the use and handling of Hazardous Substances.
- e. Lessee shall immediately notify Lessor upon becoming aware of the following: (i) any spill, leak, disposal or other release of a Hazardous Substance on, under or adjacent to the Property required to be reported to the United States Coast Guard ("USCG") or the State of Alaska Department of Environmental Conservation ("ADEC") and shall provide Lessor with a copy of any written notification submitted to USCG or ADEC; (ii) any notice or communication from a governmental agency or any other person relating to any Hazardous Substance on, under or adjacent to the Property; or (iii) any violation of any Environmental Law with respect to the Property or Lessee's activities on or in connection with the property.
- f. In the event of a spill, leak, disposal or other release of a Hazardous Substance on or under the Property caused by Lessee or any of its contractors, agents or employees or invitees, or the suspicion or threat of the same, Lessee shall: (a) immediately undertake all emergency response necessary to contain, clean up and remove the released Hazardous Substance; (b) promptly undertake investigation, remedial removal and other response action necessary or appropriate to insure that any Hazardous Substances contamination is eliminated to Lessor's reasonable satisfaction; and (c) provide Lessor copies of all correspondence with any governmental agency regarding the release (or threatened or suspected release) or the response action, and a detailed report documenting all such response action.
- g. Upon expiration or sooner termination of this Lease for any reason, unless otherwise agreed by Lessor, Lessee shall remove all Hazardous Substances and facilities used for the storage or handling of Hazardous Substances from the Property and shall restore the affected areas by repairing any damage caused by the installation or removal of the facilities.
- h. Lessee shall indemnify, defend, and hold harmless Lessor, its employees and agents and the respective successors and assigns of each of them from and against all claims, demands, liabilities, damages, fines, losses, costs (including without limitation the cost of any investigation, remedial, removal or other response action required by

Environmental Law) and expenses (including without limitation attorney fees and expert fees in connection with any trial, appeal, petition for review or administrative proceeding) arising, arisen, or to arise out of or in any way referring or relating to the release or presence of Hazardous Substances on or under the Property caused by Lessee or any of its contractors, agents or employees or invitees.

- i. Lessee's obligations under sub-section g above shall survive the expiration or termination of this Lease for any reason. Lessor's rights under sub-section h above are in addition to and not in lieu of any other rights or remedies to which Lessor may be entitled under this lease or otherwise.
- j. Lessor shall indemnify, defend and hold harmless Lessee, its employees and agents and the respective successors and assigns of each of them from and against all claims, demands, liabilities, damages, fines, losses, costs (including without limitation the cost of any investigation, remedial, removal or other response action required by Environmental Law) and expenses (including without limitation attorney fees and expert fees in connection with any trial, appeal, petition for review or administrative proceeding) arising out of or in any way relating to the use, treatment, storage, generation, transport, release, leak, spill, disposal or other handling of Hazardous Substances on or under the Property caused by Lessor or any of its contractors, agents, or employees or invitees prior to the Commencement Date, or unrelated to, Lessee's or its contractors', agents' or employees' or invitees' activities on the Property.

12. RIGHT TO INSPECT AND ASSUMPTION OF THE RISK.

- a. Lessee shall pay as due all claims for work done on and for services rendered or material furnished to or on the Property and shall keep the property free from any liens. If Lessee fails to pay any such claims or to discharge any lien, Lessor may do so and collect the cost directly from Lessee. Such action by Lessor shall not constitute a waiver of any right or remedy which Lessor may have on account of Lessee's default.
- b. Lessee shall inspect the Property prior to commencement of the Original Term. Lessor agrees to provide reasonable access to the Property during regular business hours for Lessee's inspection and site due diligence activities including the right to dig test holes.
- c. Lessee expressly assumes the risk of loss, damage, or injury arising, arisen, or to arise out of or referring or relating in any way to conditions existing on the Property prior to the Commencement Date.
- d. Lessor makes no representations with respect to the conditions of the Property. The Parties hereto expressly agree that the risk that actual physical conditions at the Property are materially different from the expected physical conditions at the Property is borne solely by the Lessee.

13. INSURANCE. During the Original Term and any Extension Periods of this Lease, Lessee shall obtain and maintain, at Lessee's sole cost and expense:

- a. Comprehensive general liability insurance with limits of not less than \$2,000,000 per occurrence covering all risks arising directly or indirectly out of Lessee's activities on or any condition of the Property, and covering claims of Lessor against Lessee under the indemnity obligations assumed by Lessee in this Lease;
- b. Property damage and fire insurance for the replacement value of any improvements on the Property and on Lessee's personal property located on the Property;
- c. Worker's compensation in accordance with applicable law as well as employer's liability coverage of not less than \$1,000,000 per occurrence.
- d. Pollution insurance, \$2,000,000 combined single limit per loss applicable to bodily injury, property damage, including loss of use of damaged property or of property that has not been physically injured or destroyed; cleanup costs; and defense, including costs and expenses incurred in the investigation, defense or settlement of claims. Coverage shall apply to sudden and non-sudden pollution conditions resulting from the escape or release of petroleum products, smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids or gases, waste materials, or other irritants, contaminants, or pollutants.

All of the required insurances (except for worker's compensation and USL&H) shall name Lessor as an additional insured and waive subrogation in favor of Lessor. Lessee's insurance coverage shall be primary insurance as respects Lessor, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by Lessor, its officers, officials, employees and volunteers shall be excess of Lessee's insurance and shall not contribute to it. Insurance is to be placed with reputable insurers qualified to do business in Alaska. Certificates evidencing such insurance and bearing endorsements requiring 30 days' written notice to Lessor prior to any decrease in limits or cancellation shall be furnished to Lessor prior to the Commencement Date.

14. LESSEE'S OBLIGATION TO INDEMNIFY. To the fullest extent allowed by law, during the Original Term and any Extension Periods of this Lease, Lessee shall protect, defend, indemnify and hold harmless Lessor, its elected officials, officers, directors, subsidiaries, Assembly members, employees and agents (collectively, "**Indemnitees**") from and against any and all demands, claims, causes of action, proceedings, damages, liabilities, fines, losses, costs and expenses, including but not limited to, reasonable attorneys' fees and litigation expenses, arising, arisen, or to arise out of or referring or relating in any way to Lessee's performance, or obligations under this Lease, Lessee's activities, while the Property is under the possession or control of Lessee, or Lessee's acts or omissions whether caused by Lessee's officers, directors, employees, servants, agents, representatives, invitees, or subcontractors, which results in damage to property and/or injuries to persons, provided, however, that Lessee's obligation to indemnify shall not apply to any claims, damages, or losses to the extent they

arise solely from the negligence or willful misconduct of the Lessor or its Indemnitees. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a Party or person described in this Section. Lessee's obligation to protect, defend, indemnify and hold harmless shall survive the expiration, cancellation, or termination of this Lease.

15. LESSOR'S OBLIGATION TO INDEMNIFY. Likewise, to the fullest extent allowed by law, Lessor shall protect, defend, indemnify and hold harmless Lessee, its officers, directors, subsidiaries, commissioners, employees and agents (collectively, "Indemnitees") from and against any and all demands, claims, causes of action, proceedings, damages, liabilities, fines, losses, costs and expenses, including but not limited to, reasonable attorneys' fees and litigation expenses, arising from Lessor's performance of its operations or obligations under this Lease, whether caused by Lessor's officers, directors, employees, servants, agents, representatives, invitees, or subcontractors, which results in damage to property and/or injuries to persons provided, however, that Lessor's obligation to indemnify shall not apply to any claims, damages, or losses to the extent they arise solely from the negligence or willful misconduct of the Lessee or its Indemnitees. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a Party or person described in this Section. Lessor's obligation to protect, defend, indemnify and hold harmless shall survive the expiration or termination of this Lease.

16. LESSOR'S REPRESENTATIONS. Lessor hereby covenants, warrants and represents to Lessee that:

- a. Lessor has the sole right, legal power, and authority to enter into this Lease.
- b. All requisite municipal actions or any other required action have been taken and satisfied by Lessor to authorize the execution and performance of this Lease. No other proceedings or actions on the part of Lessor are necessary to authorize this Lease or to carry out the transactions contemplated hereby. This Lease constitutes the legal, valid and binding obligation of Lessor enforceable against Lessor in accordance with its terms.
- c. The individual(s) executing this Lease, on behalf of Lessor, has (or have) the full right, legal power and actual authority to bind Lessor to the terms and conditions hereof.
- d. Neither the execution nor the provisions of this Lease violates or breaches or shall violate or breach any term or provision of any other agreement, written or oral, between Lessor and any third party, and that if legal proceedings are instituted by any party based upon any term or provision of any other agreement to prohibit the use, operation or enjoyment of the Property, or any part thereof, as provided in this Lease, Lessor shall assume the defense of any such legal proceedings and shall indemnify Lessee from and against any and all claims arising from or out of any such legal proceedings and/or the total or partial loss of the use, operation or enjoyment of the Property.

17. EMINENT DOMAIN OR DESTRUCTION OF THE PROPERTY. If a portion of the Property is condemned, this Lease shall continue on the following terms:

- a. Lessee shall be entitled to all of the proceeds of condemnation relating to improvements constructed by Lessee, and Lessor shall be entitled to all of the proceeds of condemnation relating to the unimproved Property.
- b. After the date on which title vests in the condemning authority, the Base Rent shall be reduced in proportion to the reduction in value of the Property as an economic unit on account of the partial taking.
- c. If such partial taking renders the Property reasonably unusable for Lessee's permitted use, then Lessee may at its option terminate this Lease without owing any liability to Lessor to be effective as of the date title vests in the condemning authority and the rights of Lessor and Lessee shall be as set forth below in the case of a total taking.
- d. If a condemning authority takes all the Property or a portion sufficient to render the remaining Property reasonably unsuitable for the permitted use that Lessee was then making of the Property, this Lease shall terminate as of the date the title vests in the condemning authority. Lessor shall be entitled to all the proceeds of condemnation, and Lessee shall have no claim against Lessor as a result of the condemnation.
- e. Sale of all or part of the Property to a purchaser with the power of eminent domain in the face of a threat or probability of the exercise of the power shall be treated as a total taking by condemnation.
- f. If the Property is damaged or destroyed so that Lessee is unable to reasonably use the Property for its permitted use, Lessor may terminate this Lease effective as of the date of the damage or destruction by giving Lessee written notice within five (5) days of the date of the damage or destruction.

18. FORCE MAJEURE. Lessee shall be entitled to suspend its operations or terminate this Lease in the event a Force Majeure occurrence makes Lessee's performance of its rights, duties, and/or obligations under this Lease economically impracticable. Such Force Majeure events shall include, but are not limited to, acts of God; war; invasion; hostilities; rebellion; strikes; lockouts; fire; flood; hurricanes; epidemics; pandemics; outbreak; earthquake; explosion; decision of any court or other judicial body; unavailability of materials; labor shortages; volatile market conditions; transportation; satellite failure; or acts of governments. In the event of Lessee's suspension of operations or termination of this Lease pursuant to this provision, Lessee shall only be entitled to pay a prorated amount of Base Rent and Additional Rent calculated up and through the date of Lessee's notice of suspension or termination. In the event of suspension, Lessee's Base Rent and Additional Rent obligation shall resume when Lessee resumes use of the Property.

19. ASSIGNMENT AND SUBLETTING. No part of the Property may be assigned, mortgaged, or subleased by Lessee without the prior written approval of the Borough

Assembly. In the event the Borough Assembly consents to an assignment at any time during this Lease, Lessee shall continue to remain liable to Lessor under the terms of this Lease, unless otherwise agreed in writing. Any assignment/sublease shall be in writing and be subject to the terms and conditions of this Lease and such further terms and conditions as the Borough Assembly may deem appropriate.

20. DEFAULT. The following shall be events of default:

- a. Failure of Lessee to pay any rent or other charge within ten (10) days after it is due.
- b. Failure of Lessee to comply with any term or condition or fulfill any obligation of this Lease (other than the payment of rent or other charges) within ninety (90) days after written notice by Lessor specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 90-day period, Lessee shall be in compliance with this provision if Lessee begins correction of the default within the 90-day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.
- c. Insolvency of Lessee; an assignment by Lessee for the benefit of creditors; the filing by Lessee of a voluntary petition in bankruptcy; an adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; the filing of any involuntary petition of bankruptcy and failure of Lessee to secure a dismissal of the petition within 30 days after filing; attachment of or the levying of execution on the leasehold interest and failure of Lessee to secure discharge of the attachment or release of the levy of execution within ten (10) days shall each constitute a default.
- d. Lessee's failure to occupy the Property for one or more of the purposes permitted under this Lease, for at least thirty (30) days per year, unless such failure is excused under other provisions of this Lease.
- e. Lessee's failure to comply with all regulations, rules, and the code of the Borough, and with all state and federal regulations, rules, and laws, as the code or any such rules, regulations, or laws may affect the activity upon or associated with the Property.
- f. Failure of Lessor to comply with any term or condition or fulfill any obligation of this Lease within ninety (90) days after written notice by Lessee specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 90-day period, Lessor shall be in compliance with this provision if Lessor begins correction of the default within the 90-day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

21. REMEDIES FOR DEFAULT. In the event of a default, this Lease may be terminated at the option of Lessor or Lessee by written notice to the other Party in default. If the Lease is

terminated because of any default by the Lessee, the annual Base Rent payment last made by the Lessee shall be forfeited and retained by the Lessor.

- a. In the event the Lease is terminated, or in the event that the Property, or any part thereof, are abandoned by the Lessee during the Original Term or any Extension Period, the Lessor or its agents, servants, or representatives may, immediately or any time thereafter, re-enter and resume possession of the Property or such part thereof, and remove all persons and property therefrom either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No re-entry by the Lessor shall be deemed an acceptance of a surrender of the Lease.
- b. In the event of termination or retaking of possession following default, Lessor shall be entitled to recover immediately all Base Rent due and payable for the remainder of the calendar year in which the termination took place.
- c. The foregoing remedies shall be the sole remedies available to the Parties.

22. TERMINATION, CANCELLATION AND FORFEITURE. This Lease may be canceled in whole or in part at any time, upon written consent by the Lessee and the Borough Assembly.

- a. If any leased Property is used for an unlawful purpose, this Lease may be terminated by the Borough Assembly, in its sole discretion.
- b. If the Lessee shall default in the performance or observance of any of the Lease terms, covenants, or stipulations, or any applicable ordinance of the Borough, and said default continues for ninety (90) calendar days after service of written notice by the Lessor on the Lessee without remedy by Lessee of the default, the Borough Assembly shall take such action as is necessary to protect the rights and the best interests of the Lessor, including the exercise of any or all rights after default set forth in this Lease. No improvements may be removed by Lessee or any other person during any time the Lessee is in default.
- c. Failure to make substantial use of the Property, consistent with the permitted use identified in Section 5 by **December 31, 2029**, without the approval of the Borough Assembly, constitute good cause for cancellation. This time period may be extended by the Borough Assembly by resolution in its sole discretion.

23. EXPIRATION OF LEASE. Unless the Lease is renewed or sooner terminated as provided herein, the Lessee shall peaceably and quietly leave, surrender, and yield up unto Lessor, the Property on the last day of the Original Term or any Extension Periods.

- a. All improvements constructed or purchased on the Property by Lessee shall within sixty (60) calendar days after the expiration of the Original Term or any Extension Periods, be removed by the Lessee; provided, that the Borough Assembly may

extend the time for removing such improvements in cases where hardship is proven. All periods of time granted Lessee to remove improvements are subject to Lessee's paying to the Borough pro rata Base Rent and Additional Rent for said periods.

24. NOTICES. All notices provided under this Agreement shall be in writing and shall be sent by certified mail, return receipt requested, and addressed as follows:

To the LESSOR:

City and Borough of Wrangell
Attn: Mason Villarma, City Manager
P.O. Box 531
Wrangell, Alaska 99929

To the LESSEE:

Southeast Alaska Power Agency
Attn: Robert Siedman, Chief Executive Officer
55 Don Finney Lane
Ketchikan, Alaska 99901

25. GENERAL PROVISIONS.

- a. This Lease (and the documents referred to herein) constitutes the entire agreement between the Parties pertaining to the subject matter contained herein and supersedes any prior and contemporaneous agreements, representations and understandings, oral or otherwise, between or among the Parties with respect to the matters contained herein.
- b. This Lease shall be binding upon, and inure to the benefit of, the Parties hereto and their respective heirs, legatees, distributees, legal representatives, successors, and assigns.
- c. This Lease shall not be modified, amended or supplemented, in whole or part, without the prior written consent of the Parties hereto. Each and every waiver of any covenant, representation, warranty or any other provision hereof must be in writing and signed by each Party whose interests are adversely affected by such waiver. No waiver granted in any one instance shall be construed as a continuing waiver applicable in any other instance.
- d. The Parties hereby agree that each Party and its attorneys have reviewed and revised this Lease and that the normal rule of construction, to the effect that any ambiguities are resolved against the drafting party, shall not be employed in the interpretation of this Lease and no other rule of strict construction shall be used against any Party. All exhibits and schedules attached or to be attached hereto, and all other agreements and instruments referred to herein, are hereby incorporated herein by reference, as fully as if copied herein verbatim.
- e. The Parties further agree that upon request, they shall do such further acts and deeds, and shall execute, acknowledge, deliver and record such other documents and

instruments, as may be reasonably necessary from time to time to evidence, confirm or carry out the intent and purposes of this Lease.

- f. If any one or more of the provisions hereof shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity or enforceability of any other provision hereof, which shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. The Parties intend that if any provision hereof is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.
- g. This Lease shall be governed exclusively by the laws of the State of Alaska, regardless of any choice of law provisions that might otherwise be applicable. The Parties shall attempt to resolve any dispute that arises out of or is related to this Lease by first submitting the dispute to mediation. Any mediation will be conducted by one mediator selected by the Parties and will be conducted in Wrangell, Alaska, or such other place selected by the Parties.
- h. The receipt of Base Rent by Lessor with knowledge of any breach of the Lease by the Lessee or of any default on the part of the Lessee in observance or performance of any of the conditions or covenants of the Lease shall not be deemed to be a waiver of any provision of the Lease. No failure on the part of the Lessor to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by Lessor unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of Lessor to enforce the same in the event of any subsequent breach or default. The receipt by Lessor of any other sum of money after the termination, or after the giving by Lessor of any term demised, or after the giving by Lessor of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, unless so agreed to in writing and signed by the borough mayor.
- i. If suit or any action is instituted in connection with any controversy arising out of this Lease, the prevailing party shall be entitled to recover, in addition to costs, such sum as the court may adjudge reasonable as attorney fees at trial, on petition for review, and on appeal.
- j. Any notice or demand, which under the terms of this Lease or under any statute must be given or made by the Parties thereto, shall be in writing and be given or made by registered or certified mail, addressed to the other party at the address of record. However, either Party may designate in writing such new or other address to which such notice or demand shall thereafter be so given, made, or mailed. A notice given hereunder shall be deemed delivered when deposited in the U.S. mail enclosed in a registered or certified mail prepaid envelope addressed as herein provided.
- k. The Lessee shall allow an authorized representative of Lessor to enter the Property at any reasonable time for the purposes of inspecting the Property and improvements

thereon.

- l. Lessor shall have the right to audit Lessee's records and to require Lessee to prepare summaries or reports from its records to determine compliance with the payment terms of this Lease.
- m. Any rent or other payment required of Lessee by this Lease shall, if not paid within twenty (20) days after it is due, bear interest at the rate of ten percent (10%) per annum from the due date until paid, as Additional Rent.
- n. In the event of commencement or termination of this Lease at a time other than the beginning or end of one of the specified rental periods, for a reason other than breach of Lessee, then the Base Rent and Additional Rent shall be prorated as of the date of commencement or termination and in the event of termination for reasons other than default, all prepaid rent shall be refunded to Lessee or paid on its account; provided, however, that in the event that the Lease should be terminated because of any breach by Lessee, as herein provided, the annual rental payment last made by Lessee shall be forfeited and retained by Lessor.
- o. Time is of the essence of the performance of each of Lessee's obligations under this Lease.
- p. All oil, gas and other minerals and all deposits of stone, earth or gravel valuable for extraction or utilization are reserved by the Lessor and shall not be removed from the Property. The Lessee shall not sell or remove for use elsewhere any timber, stone, gravel, peat moss, topsoil, or any other material valuable for building or commercial purposes; provided, however, that material required for the development of the Property may be used, if its use is first approved by the Borough Assembly in writing.
- q. Lessor expressly reserves the right to grant easements or rights-of-way across the Property if it is determined in the best interest of the Lessor to do so, unless such easement materially interferes with the operation of the Project by Lessee, and then the Parties agree to work together to limit such material impacts to the Project. If Lessor grants such non-material easements or rights-of-way across any of the Property, or does not obtain Lessee's consent for a material interference, Lessee shall be entitled to damages for all Lessee-owned improvements destroyed or damaged. Damages shall be limited to improvements only and loss shall be determined by fair market value. Annual rentals may be adjusted to compensate the Lessee for the loss of use.
- r. Lessee shall make no temporary or permanent improvements on the Property of any kind without first obtaining all approvals and permits required by federal, state, and local law.
- s. Lessor does not warrant by its classification or leasing of the Property that the Property is suited for the use authorized under the Lease and no guaranty is given or implied that it will be profitable to employ the Property to said use.

- t. Any lawsuit brought by either Landlord or Lessee to enforce, interpret, or apply this Lease may only be brought in a court of competent jurisdiction in Wrangell, Alaska, and Lessor and Lessee hereby consent to the exclusive jurisdiction and venue of such court.
- u. This Lease embodies the entire understanding between the Parties and supersedes all prior Leases and understandings, written or oral, related to the subject matter of this Lease.
- v. In the event any provision, or any portion of any provision of this Lease is held invalid, the other provisions of this Lease and the remaining portion of said provision, shall not be affected thereby, and shall continue in full force and effect.
- w. Nothing contained in this Lease shall be deemed or construed by the Parties, or by any third person, to create the relationship of principal and agent or of partnership or of joint venture or of any association between Lessor and Lessee.
- x. The individuals signing this Lease on behalf of Lessor and Lessee represent and warrant that they are empowered and duly authorized to bind Lessor or Lessee to this Lease according to its terms.
- y. Any headings used in this Lease are for convenience only and do not define or limit the scope of this Lease.
- z. This Lease may be executed in counterparts (including by electronic transmission), each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first above written.

*SIGNATURE PAGES TO FOLLOW;
REMAINDER OF PAGE LEFT INTENTIONALLY BLANK*

LESSOR:

CITY AND BOROUGH OF WRANGELL

By: Mason Villarma
Its: Borough Manager

STATE OF ALASKA
FIRST JUDICIAL
DISTRICT

On this ____ day of _____, 2026, before me, a Notary public in and for the said State and Borough, duly commissioned and qualified, personally appeared **Mason Villarma**, on behalf of the **City and Borough of Wrangell**, known to me to be the person identified above and who, upon oath, acknowledged that he voluntarily executed the foregoing Lease for the purpose therein contained.

NOTARY PUBLIC

My Commission Expires: _____

LESSEE:

SOUTHEAST ALASKA POWER AGENCY

By: Robert Siedman
Its: Chief Executive Officer

STATE OF ALASKA
FIRST JUDICIAL DISTRICT

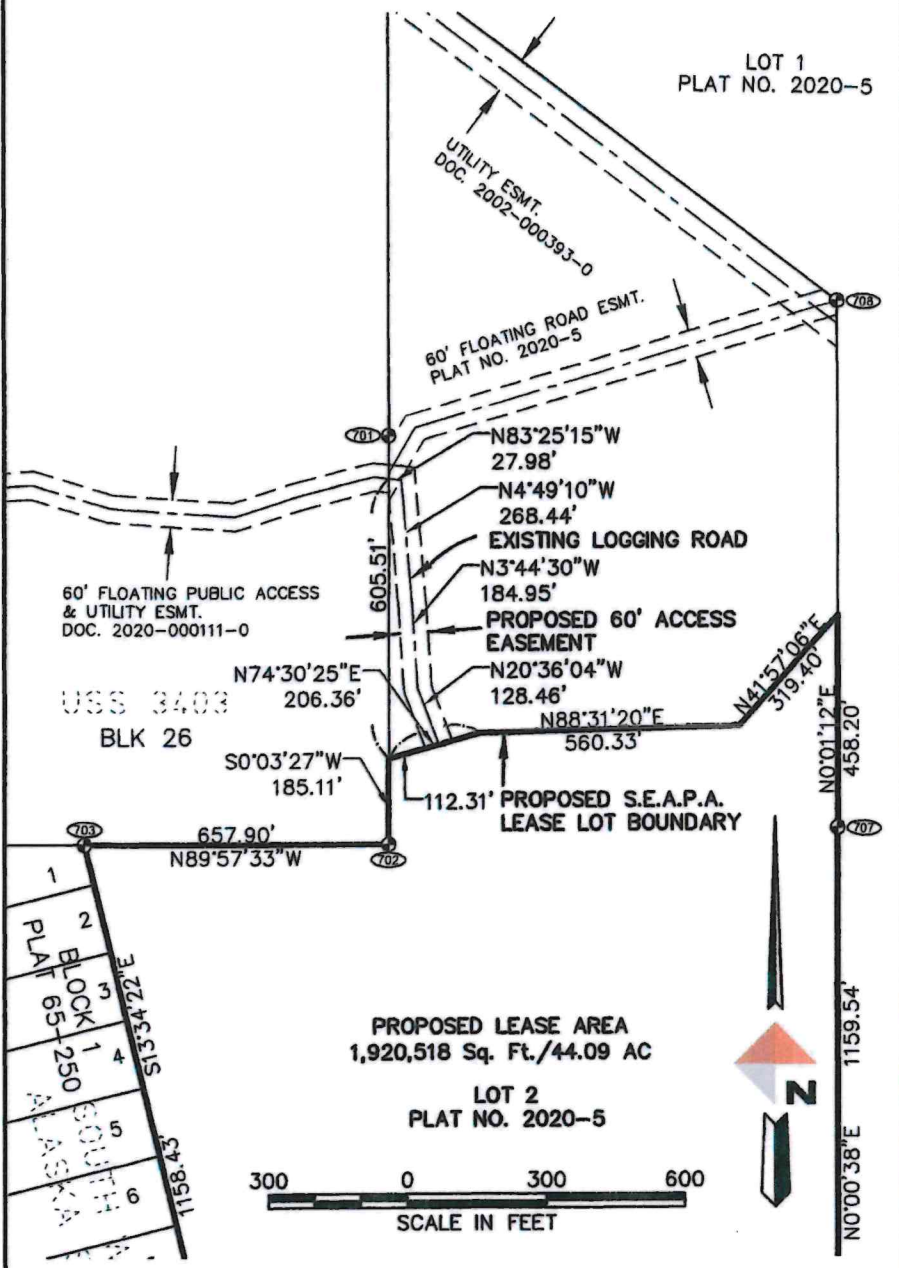
On this ____ day of _____, 2026, before me, a Notary public in and for the said State and the Southeast Alaska Power Agency, duly commissioned and qualified, personally appeared **Robert Siedman**, on behalf of the **Southeast Alaska Power Agency**, known to me to be the person identified above and who, upon oath, acknowledged that he voluntarily executed the foregoing Lease for the purpose therein contained.

NOTARY PUBLIC

My Commission Expires: _____

NOTES

1. THIS EXHIBIT IS BASED ON LOT 2, TRUST LAND SURVEY 2018-10, RECORDED AS PLAT 2020-5 IN THE WRANGELL RECORDING DISTRICT.
2. THE 60' PUBLIC ACCESS AND UTILITY EASEMENT AS DEPICTED WAS RECORDED AS DOCUMENT NO. 2020-000111-0 IN THE WRANGELL RECORDING DISTRICT. THE EASEMENT IS BASED ON THE PHYSICAL LOCATION OF THE INFRASTRUCTURE AND IS GRAPHICALLY SHOWN HEREON FOR REFERENCE.

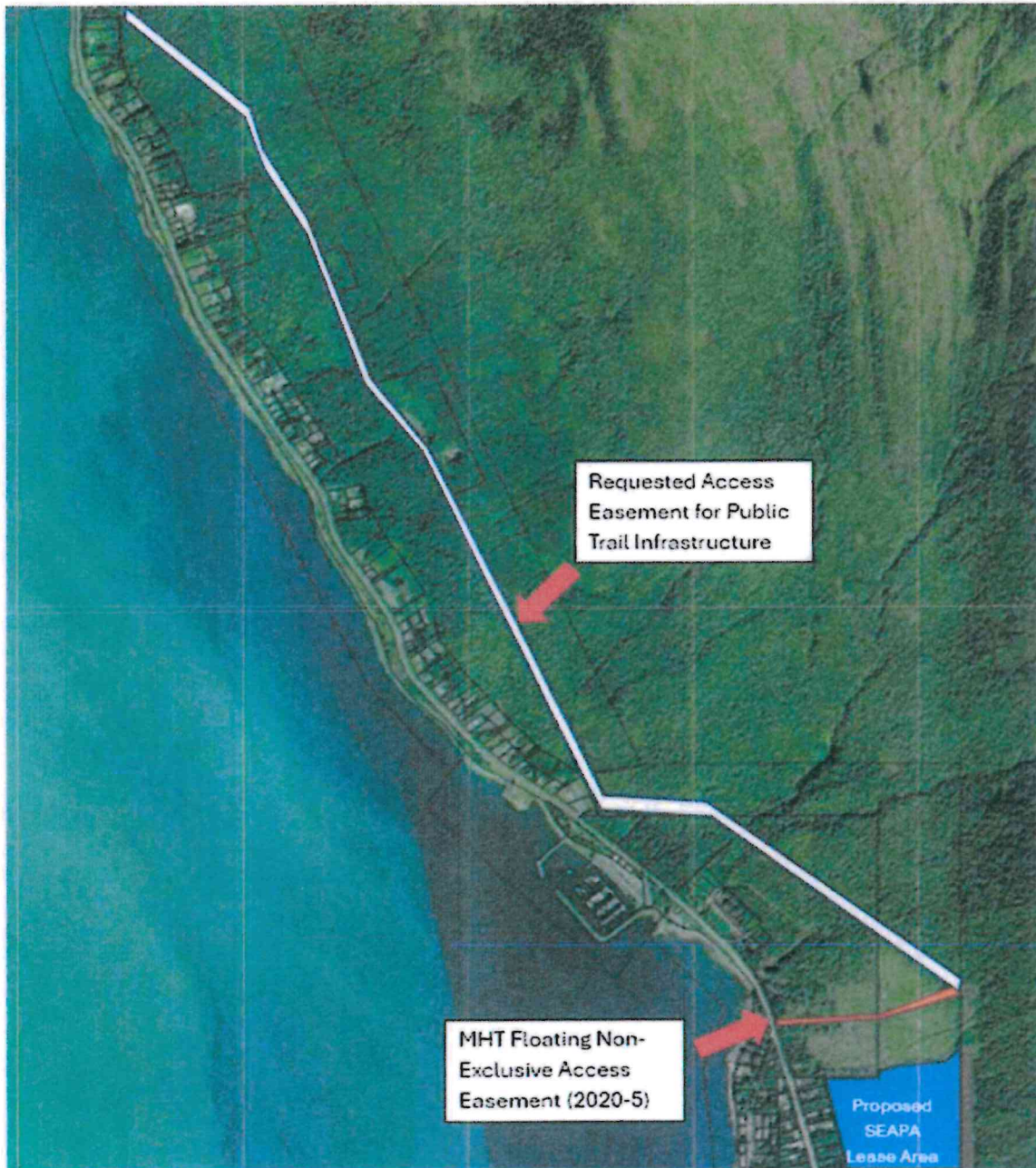


SOUTHEAST ALASKA POWER AGENCY
WRANGELL - 5MW BESS / 5MW SOLAR
WRANGELL, ALASKA

PROJECT	1182.000998.01
DATE	04/21/2026
SCALE	1"=300'
EXHIBIT B	

Exhibit C
Public Access Easement for Recreational Use

The image below illustrates the proposed location of a public access easement for recreational trail infrastructure (the "Easement Area"). The Easement Area is generally located within and along the Southeast Alaska Power Agency (SEAPA) transmission line corridor and is intended to provide a continuous public access route connecting the SEAPA Lease Area to Zimovia Highway.



The Easement Area is depicted for illustrative purposes only and reflects the Parties' intent to establish a non-exclusive corridor for pedestrian and non-motorized recreational use, including the development, construction, and maintenance of public trail infrastructure.

The proposed Easement Area traverses lands owned by multiple parties, including the City and Borough of Wrangell, the United States Forest Service (USFS), and the Alaska Mental Health Trust Authority (MHT), and generally includes the following parcels:

City and Borough of Wrangell: 03-009-600, 03-008-500, 03-007-400

United States Forest Service (USFS): 03-009-500

Alaska Mental Health Trust Authority (MHT): 03-001-100

The final location, width, and legal description of the Easement Area shall be established in a separately recorded easement agreement and may vary from the alignment shown here to accommodate topography, environmental considerations, land ownership boundaries, and permitting requirements.

Nothing in this Exhibit conveys a present property interest, but instead reflects the Parties' mutual intent to work in good faith to secure the necessary rights, approvals, and authorizations to establish the Easement Area as generally depicted.