

KETCHIKAN GATEWAY BOROUGH SCHOOL DISTRICT BOARD OF EDUCATION
AGENDA STATEMENT

No. 11c.

MEETING OF June 25, 2025

ITEM TITLE:

CONSENT CALENDAR:

Motion to approve FY2025-2026 office space lease
agreement amendment #5 with the Ketchikan Gateway
Borough

REVIEWED BY:

☒ Superintendent
☒ Finance

SUBMITTED BY: Daniel Schuler, Business Manager 907 247 2116

APPROVED FOR SUBMITTAL: Michael Robbins, Superintendent

SUMMARY STATEMENT:

The School Board is being asked to approve leasing office space at the Ketchikan Gateway Borough White Cliff facility.

ISSUE: Board Policy governs the district's purchasing and contracting procedures. Board Policy requires Board approval for expenditures and financial obligations over \$25,000.

RECOMMENDATION:

Approval of a lease agreement amendment #5 with the Ketchikan Gateway Borough for office space at the White Cliff facility. The total cost of the lease has been reduced from \$56,620.20 to \$34,987.00 due to a reduction in the amount of square footage being leased.

ATTACHMENTS:

- Lease Agreement Amendment #5

FISCAL NOTE:

ANNUAL EXPENDITURE REQUIRED: \$34,987.00

RECOMMENDED ACTION: "I move that the Board of Education approve a lease agreement amendment #5 with the Ketchikan Gateway Borough for office space at the White Cliff facility."



KETCHIKAN GATEWAY BOROUGH

1900 First Avenue, Suite 210, Ketchikan, Alaska 99901

• telephone: (907) 228-6625 • fax (907) 228-6684

Office of the Borough Manager

June 9, 2025

Michael Robbins
Superintendent, KGBSD
333 Schoenbar Road
Ketchikan, Alaska 99901

Re: Notification of White Cliff Lease Amendment No. 5

Dear Mr. Robbins,

The purpose of this letter is to formally provide you with the details regarding the revised lease terms for the School District office space in the White Cliff building. The amendment reflects updates to the rental agreement based on changes in usage effective for the upcoming fiscal year.

For Fiscal Year 2026, due to a decrease in rental square footage for KGBSD the base rate will decrease from \$56,620.20 to \$34,987 annually. Base rent is calculated as a pro-rata share of the operating costs of the White Cliff building using the same formula as allocations for Borough Departments, with the exception that Bond Debt or COP payments and daily building security for common spaces shall be excluded from KGBSD's share.

The Borough is not charging the square footage rate for Suite 306 (Server Room) until August 30, 2025 in order to provide KGBSD ample time to vacate the suite.

If you have any questions regarding this matter, please contact me at your convenience.

Sincerely,

Cynna Smith
Assistant Borough Manager
Ketchikan Gateway Borough

cc: Charlanne Thomas, Finance Director
Katherine Tatsuda, Board President
Daniel Schuler, KGBSD Business Manager

**AMENDMENT NO. 5
LEASE AGREEMENT**

THIS AMENDMENT (the "Lease Amendment") is made and entered into this ____ day of _____, 2025 by and between the KETCHIKAN GATEWAY BOROUGH, a general law municipality, whose address is 1900 First Ave., Suite 210, Ketchikan, AK, 99901 (hereinafter called the "Landlord"), and Ketchikan Gateway Borough School District whose address is 333 Schoenbar Road, Ketchikan, AK 99901 (hereinafter called the "Tenant"). Landlord and Tenant may be referred to as a "Party" or Parties" in this Lease Agreement and **IT IS HEREBY AGREED AS FOLLOWS:**

The parties have a lease in effect dated August 26, 2020 which affords Tenant office space on the third floor of the White Cliff Building at 1900 First Avenue, Ketchikan, Alaska. This lease and any amendment thereto, is referenced as Borough Document No. 20-051.

The parties wish to extend the lease now in effect and modify said lease as set forth below. Terms contained in the lease dated August 26, 2020 and not amended herein shall continue in full force and effect.

The following sections are hereby modified as follows:

1. Defined Terms

The following terms shall have the meanings specified in this section, unless otherwise specifically provided. Other terms may be defined in other parts of the Lease.

Premises:	That portion of the Building that will be leased by the Tenant. The Premises consists of offices 312, 314, and 319 approximately 1,852 square feet of Rentable Space.
Commencement Date:	The Commencement Date shall be the date upon which revised rent amount first starts to accrue and is July 1, 2025.

4. Rental Rates

4.1 Base Rent: In accordance with Section 2.1, Tenant shall pay Base Rent of \$2,915.58, or \$34,987 annually.

<< END OF AMENDMENTS >>

All remaining terms and conditions remain in effect. Except as specifically amended herein, all terms, conditions and provisions of said original agreement (Borough Document No. 20-051) shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names.

APPROVED:

Dated: _____, 2025

Ketchikan Gateway Borough

By: _____
Ruben Duran
Borough Manager

Attest:

By: _____
Kacie Paxton
Borough Clerk

Approved as to Form:

By: _____
Glenn Brown
Borough Attorney

Certified Funds Available:

By: _____
Charlanne Thomas
Director of Finance

Dated: _____, 2025

Ketchikan Gateway Borough School District

By: _____
Title: _____