Sawmill Cove
INDUSTRIAL PARK
329 Harbor Dr. Suite 212, Sitka, AK 99835 907-747-2660

Monday, March 18, 2013

MEMORANDUM

To: Jim Dinley

From: Garry White, Director

Subject: Barnard Construction Company Lease Amendment

Introduction

The Sawmill Cove Industrial Park (SCIP) Board of Directors met on Thursday, March 7, 2013 to discuss an amendment to the lease between Barnard Construction Company Inc. and the CBS. The SCIP Board recommended CBS Assembly approval of lease amendment #1.

Background

Barnard Construction Company Inc. and the CBS entered into a lease agreement in November 2012 for property at the SCIP to be used in association with the Blue Lake Dam Expansion project.

In December 2012, Barnard determined that they needed additional property. The SCIP Executive Director accommodated the request, postponing the increased billing until the subject properties could be properly subdivided and an accurate property size could be determined via a survey.

The property survey has been completed (02/15/2013) and the square footage of each lot has been adjusted to reflect actual lease area.

Lease Amendment

Current ground lease

1. Lot 12 – 121,555 SF @ $0.36/SF/YR = $43,759.80 annually
2. Lot 13 – 20,810 SF @ $0.36/SF/YR = $7,491.60 annually
3. Lot 15 – 113,369 SF @ $0.36/SF/YR = $40,812.84 annually

Total = $92,064.24 annually

Due to the recent paving project at the SCIP lot sizes have been adjusted to account for a new access road into the park. The lot sizes of lots 9 & 12 were affected with the new access road.

Lot 9c was added to the Barnard leased due to needing additional area for their operation.

Amended ground lease

a. Lot 9c – 34,636 SF @ $0.36/SF/YR = $12,468.96 annually
b. Lot 12 – 117,608 SF @ $0.36/SF/YR = $42,338.88 annually
c. Lot 13 – 20,810 SF @ $0.36/SF/YR = $7,491.60 annually
d. Lot 15 – 113,369 SF @ $0.36/SF/YR = $40,812.84

Total = $103,112.28 annually.

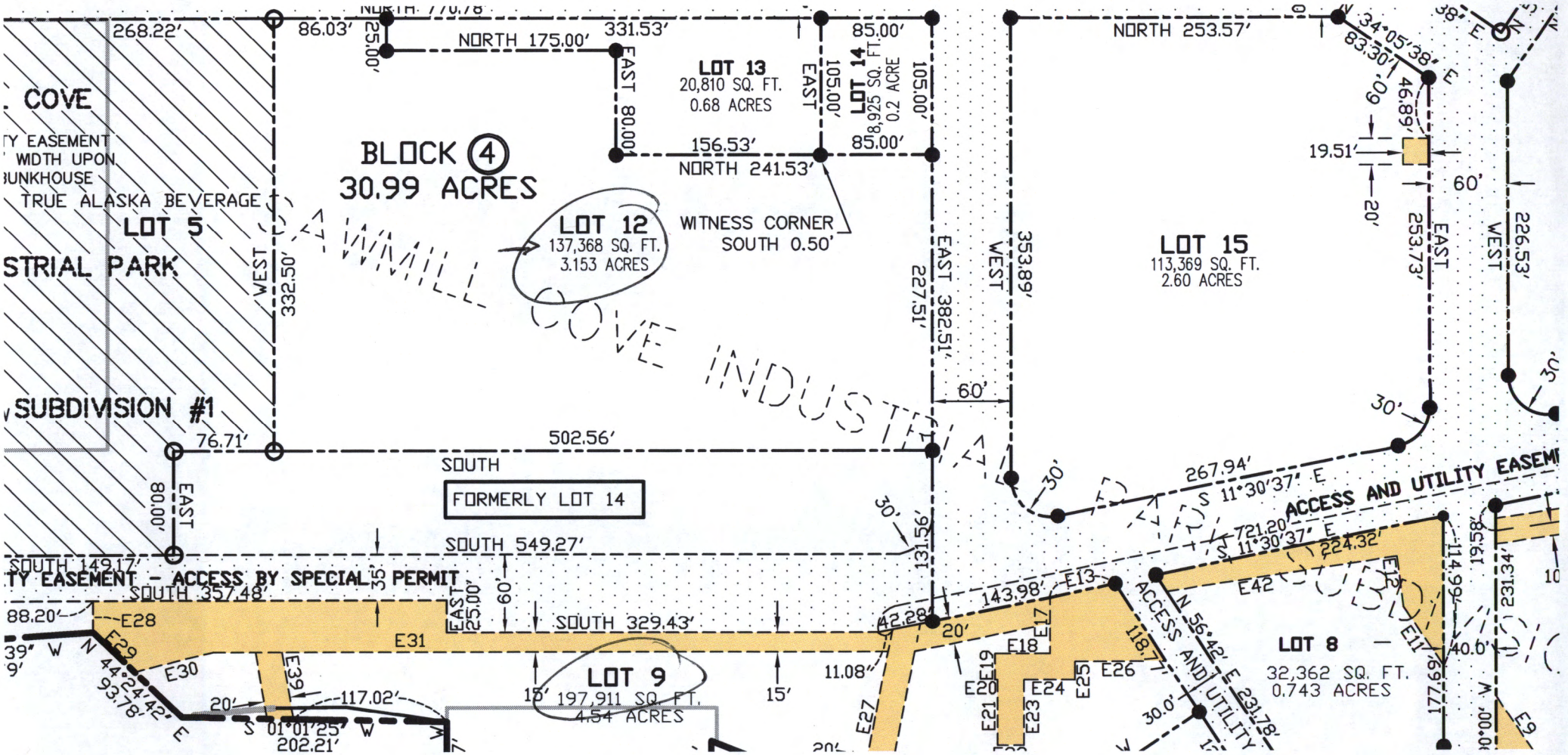
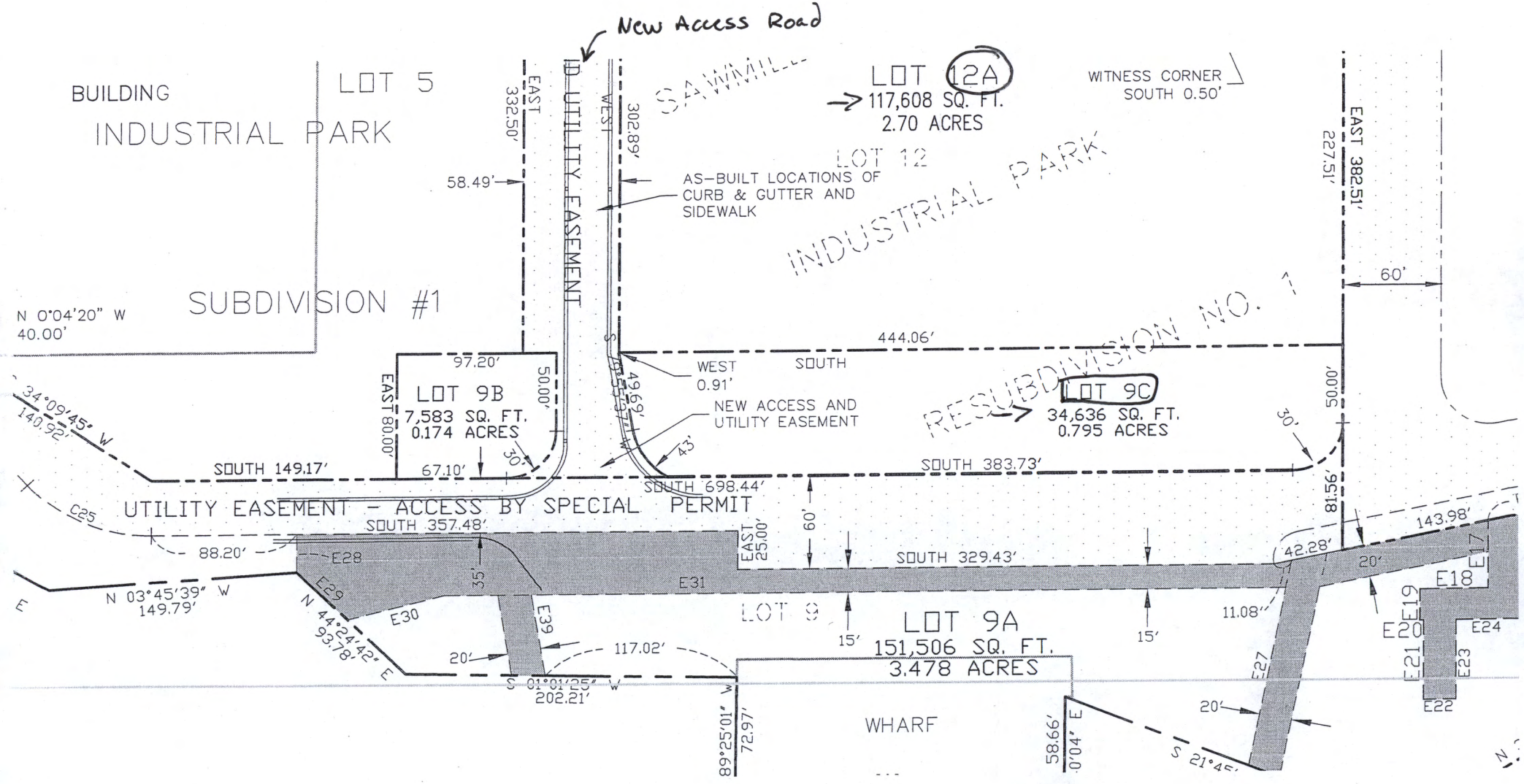
Additional Information

- The Barnard will make up the past payment difference.

Action

- **Approval of Amendment #1.**

Original plat - 2008



Amended plat - 2-15-2013