



City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

Coast Guard City, USA

Administration
100 Lincoln Street
Sitka, AK 99835
907-747-1812
administrator@cityofsitka.org

VIA REGULAR MAIL AND EMAIL

December 11, 2020

K & E Alaska, Inc.
102 Burkhart Street
Sitka, Alaska 99835

Dear K & E Alaska, Inc (K&E),

K&E was assigned the lease of Granite Creek Lease Area Site 4 from Tisher Construction on August 28, 2018, however, that lease expired on September 1, 2019. Since then, K&E has continued to occupy and use Site 4 making it responsible for rent and royalties, if any materials were removed, to present.

As you know, CBS is willing to enter into a temporary lease (month-to-month) of Site 4, effective September 1, 2019, with K&E on the following conditions:

- CBS must receive the required surveys prior to December 31, 2020 to determine royalties due from K&E (if any)
- All balances due to CBS are paid in full
- Acceptance of a 30-day notice of termination by either party
- CBS may actively advertise for future use of Lease Area Site 4 during the temporary lease.

To that end, attached is the "Temporary Lease Between CBS and K&E for Municipal Property at Granite Creek Lease Area Using Prior Agreement" for your consideration. Please advise if you're agreeable and I'll proceed to get approval for the temporary lease from the Assembly.

Please address any questions you may have in this matter to the CBS Municipal Attorney, Brian E. Hanson, (907)747-1879. Thank you.

Sincerely,

John Leach
Municipal Administrator

cc: Brian E. Hanson, Municipal Attorney (via email)
Michael Harmon, Director of Public Works (via email)
Melissa Haley, Director of Finance (via email)
Kerry Kuenzi, President K&E (via email)
Holly Simpson, K&E (via email)
Joe Williams, K&E (via email)
Adam McLeod, K&E (via email)