ACKNOWLEDGMENT OF NO ADVERSE IMPACT

I, Roger Kipar, personally and on behalf of RSR Contracting, LLC ("RSR") hereby execute this Acknowledgment as of the 15 day of July, 2020.

WHEREAS, RSR holds a Gravel Lease with the City of Valdez executed on February 27, 2020 ("Gravel Lease") for the City owned premises identified as a 37-acre portion of Tract A, ASLS 79-116 (1500 Airport Road) more fully described in Exhibit A to the Gravel Lease ("Premises").

WHEREAS, RSR desires to allow Pruhs Construction to operate an asphalt/paving plant on the premises.

WHEREAS, Pursuant to Section 20 of the Gravel Lease, the City of Valdez retains the authority to permit compatible uses on the Premises that do not unreasonably interfere with RSR's right to use the Premises under the Gravel Lease.

NOW THEREFORE, RSR agrees as follows:

- 1) The operation of a asphalt/paving plant on the Premises will not unreasonably interfere with RSR's rights to use the premises under the Gravel Lease.
- 2) RSR is aware of the nature of the proposed use of the Premises and desires to allow such use on the Premises.
- 3) RSR hereby waives any and all claims against the City of Valdez related to the operation of a paving/asphalt plant on the Premises.

RSR Construction, LLC MRoger Kipar Date: 07/15/2020