

**Subject:** Re: History of Cle Elum Arbitration; Personal Motives  
**Date:** Sunday, January 26, 2025 at 7:08:54 PM Pacific Standard Time  
**From:** Cory Wright  
**To:** Karl Ohlemann  
**CC:** Matthew Lundh (.gov), sharper@cleelum.gov, KenRatliff, jweis@cleelum.gov, scook@cleelum.gov, amalek@cleelum.gov, BethWilliams, cbuechle-curtis@cleelum.gov

Mr. Ohlemann,

I have removed my fellow commissioners from this email as having them on it could possibly constitute an Open Public Meetings Act violation. However, I have copied the full Cle Elum council and Mayor since I am not a member of that body.

Preemptively, I will be blunt in this email and will not request your forgiveness for it.

Your continued insertion of yourself as a citizen not represented by Cle Elum government into this matter is not a good look for you whatsoever. In fact, when coupled with your incessant assertion of your alleged career experience and credentials, this looks even more like a desperate ploy to gain accolades for yourself.

The fact that you are promoting a site titled RecallOurMayor.com and proposing the recall of other council members makes your intentions quite clear. You are a provocateur with little regard for the broader consequences of your actions outside of personal gain. The pejorative term “carpetbagging” also could be inferred given your recent arrival to this area coupled with these repeated attempts to position yourself into a matter outside of your own representative government’s affairs.

Here are two options for you:

- 1) Run for office in the city in which you reside. At this time, this would be for a Roslyn City Council position. Should you choose to become a Cle Elum resident and fulfill the lawful residency requirement for candidacy you could then run for Cle Elum City Council or Mayor and have the direct role you desire in this issue. You are also free to run for a board member position on the multitude of special districts in which you reside, county office, and/or state or federal office.
- 2) Allow this issue to play out without continuing to imagine yourself as having an active role in it. While you are free to always exercise your first amendment rights and petition your government, the government you continue to petition does not represent you.

I don’t speak for the Mayor or Councilors of Cle Elum, but I can reasonably assume they would agree with these sentiments. You’ve said your piece, all have heard, no response has been forthcoming, and now it’s time to be done.

You are welcome to use this message in its entirety on any of your multiple social media pages.

Cory Wright | Commissioner  
Kittitas County, District 1  
(509) 962-7508

On Jan 25, 2025, at 13:59, Karl Ohlemann <[karl.ohlemann@outlook.com](mailto:karl.ohlemann@outlook.com)> wrote:

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Mayor/Council/Commissioners,

I felt like it would be helpful to send you some content that is on my site that would give you a bit better idea as to what my personal interests, motivations, position, and why.

(From WeHeartCleElumRoslyn.com<<https://na01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fweheartcleelumroslyn.com%2F&data=05%7C02%7C%7C9b4d32b9649147081fe508dd3e7fec2b%7C84df9e7fe9f640afb435aaaaaaaaaaaa%7C1%7C0%7C638735441339515600%7CUnknown%7CTWfpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIslIAiOiJXaW4zMjIsIkFOIjoiTWFpbCIsIldUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=gmk4%2Fh54Wd%2BjAalnbzS%2B4Nz5E3%2BSPbFTyKxVJoUrUaA%3D&reserved=0>>>:)

As a full-time resident of Roslyn, and longtime business owner (CEO/CFO) in the housing industry and several others (CEO/CFO) and student of the law, when I became aware of the latest round of litigation between City Heights and the City of Cle Elum in mid-2023, I began conversations with Mayor Matthew Lundh and City Heights owner Sean Northrop.

My concerns were twofold:

1. How do we avoid catastrophic outcomes for the city?
2. How do we find opportunities through negotiations for affordable housing?

I attended City Heights' Town Hall Meeting on July 10, 2024, and at Mayor Lundh's request (see text below) and with Sean's approval, I took video of the whole event (posted below in its entirety).

During this meeting, I asked many questions about how they could use this situation to alter plans to allow for affordable housing (sub \$400k/\$500k product) and possibly built to rent product to help bring in some our collective business owner's staff that are currently commuting from Ellensburg, Yakima, and others. This is a very serious need of our area, and as we grow, we need to be extremely mindful of this need to provide housing geared specifically towards full-time residents who work in our communities and live elsewhere. Sean/City Heights was surprisingly receptive to and supportive of this.

During the following months, I attempted repeatedly to meet with Mayor Lundh to discuss thoughts on resolution. I was unsuccessful.

Fast forward to November 7th, 2024 when news broke of the \$22M arbitration award. I was very concerned, and began a deep dive to understand the facts leading up to the arbitration, and looked into many legal ways to navigate through this. I came to the conclusion after a few days that receivership would likely be the cleanest way through this, should the City either not be willing to negotiate, or attempt more harmful routes such as Chapter 9 bankruptcy (which it very likely would not qualify for at this time).

I called Sean on November 13, 2024 (see text below) and explained my analysis, and told him that I was on the side of the city/community, and whether he agreed to it or not, I would going to strongly and vocally advocate for receivership immediately before bankruptcy was pursued.

As of today, January 25, 2025, it has been 79 days since the arbitration award was given, and at a rate of approx. \$8,100 in interest cost alone, this has cost the City an additional \$637,542, plus now another \$2.3M in attorney fees awarded to City Heights, for a total of approx. \$25,184,266.

The bottom line for me is this. I asked myself two questions: If not me, who? Because I can, shouldn't I?

I have a very broad yet robust set of skills that lend themselves to being able to understand situations like this and how to navigate through them. My wife and I have a company, Preserve<<https://na01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fpreserve.inc%2F&data=05%7C02%7C%7C9b4d32b9649147081fe508dd3e7fec2b%7C84df9e7fe9f640afb435aaaaaaaaaaaa%7C1%7C0%7C638735441339531902%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiIwLjAuMDAwMCIiOiIjZXhkaWZlIHR5cGU6IjE9LjEucmVkaXQ%3D%3D%7C0%7C%7C%7C&sdata=WW7bWHVb0B71z%2FpbkBG2mJDLcZDitzy1tsxliEes5o%3D&reserved=0>>, that was launched in 2021 that specifically engages in situations like this with the goal of helping parties navigate through cataclysmic situations and avoid implosion. We are quite successful at this, and have devoted "Chapter Two" of our lives to this. By far, this is not the most complex or highest dollar/stakes situation that we are engaged in, but it is one that resonates deeply with us as active members of the greater community.

That said, this isn't about me, Sean, Mayor Lundh, Council Members...it is about the community. I am squarely on the side of doing what I feel is in the best interest of the community, and providing information, resources, and a voice to help direct conversations towards outcomes that are the best of the worst, meaning there are no great options...only various levels of bad options, specifically in this order:

1. Voluntary appointment by the City of a professional/professionals who can come in and manage the Financial, Legal, and Development roles of the City.
2. Voluntary/Involuntary receivership. This would mean that the court appoints a "manager" to unilaterally run the Financial, Legal, Development, and other departments as needed with full legal authorization to make any and all changes needed for the survival of the City and with the purpose of satisfying the financial obligations of its Creditors.
3. Recall of Mayor/Council Members. In general terms, this would require the courts approval, based on evidence presented that meet the standards for a recall. It would then require a total vote of least 35% of the number of total votes cast for each position in the previous election in which they were elected. If the Mayor is recalled, then the Mayor Pro Tem (Council Member Steven Harper) would step in until the next election, unless they too were recalled. I'll add more details on this below in the near future.
4. Chapter 9 Bankruptcy (if all else fails). In many ways, this leads to receivership, but can have VERY damaging results on the short and long-term stability, reputation, and creditworthiness of the City, as well as a likely drop in property values and general disinterest in those who might otherwise be inclined to "invest" into the community. It is unlikely that the City could be granted Chapter 9 since it does not appear they have satisfied many of the qualifications required. (See below for Memorandum Regarding Chapter 9 Bankruptcy Qualifications)

This is a brief summary. I have and will expand on more of these below.

I write this to make it very clear what my motives are, why I am taking the positions I have, and why I feel so passionately about being engaged in these discussions.

I always welcome feedback, whether you agree with me or not. Please reach out to me at:

[Karl.Ohlemann@Preserve.Inc](mailto:Karl.Ohlemann@Preserve.Inc)<mailto:[Karl.Ohlemann@Preserve.Inc](mailto:Karl.Ohlemann@Preserve.Inc)>

or

509-856-5676

Thank you. It is an honor to live here and to feel like we can make a difference. Together, we can get through this.

Kindly,  
Karl Ohlemann

Please let me know if you have any comments or questions.

Thank you,  
Karl Ohlemann

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Karl Ohlemann  
Founder | CEO | CFO  
Head of Strategy, Innovation, and Technology

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