

## **POSSIBLE MOTION**


**I MOVE TO** authorize the Municipal Administrator to execute Amendment No. 2 to the lease agreement between the City and Borough of Sitka and S&S General Contractors & Equipment Rentals, Inc. to extend the lease for approximately 38,000 square feet of property in the Granite Creek Industrial area “Pit Run” site for a staging area to store and sort rock for 6 months beginning February 12, 2014.

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## MEMORANDUM

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**To:** Mark Gorman, Administrator  
Mayor McConnell and Members of the Assembly

**From:** Stephen L. Weatherman P.E. Municipal Engineer   
Michael Harmon, Director of Public Works

**Reviewed:** Jay Sweeney, Finance Director  
Tori Fleming, Contract Coordinator

**Date:** February 5, 2014

**Subject:** Temporary Property Lease Extension - Granite Creek Industrial Area Pit Run Site

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**Background:**

S&S General Contractors & Equipment Rentals Inc. of Sitka, Alaska is working on various projects in Sitka. They are in need of a staging area to store and sort rock for their projects. They have requested to extend the lease of the approximately 38,000 square feet of property in the Granite Creek Industrial Area Pit Run Site for approximately 6 additional months.

Pursuant Sitka General Code, Chapter 18.12.010A, the lease of any municipal property may be executed by the Municipal Administrator upon ordinance approved by the assembly.

**Fiscal Note:**

S & S General Contractors shall pay the City rent in the amount of \$760.00 per month plus city sales tax, for the temporary lease of property in the Granite Creek Industrial Area.

**Recommendation:**

Authorize the Administrator to execute a lease amendment with S&S General Contractors & Equipment Rentals Inc. to lease approximately 38,000 square feet of property in the Granite Creek Industrial Area Pit Run Site for a staging area to store and sort rock for 6 months, beginning February 12, 2014. S & S General Contractors & Equipment Rentals Inc. shall pay the City the amount of \$760.00 per month plus city sales tax.

**AMENDMENT NO. 2 TO THE  
LEASE AGREEMENT BETWEEN CITY AND BOROUGH OF SITKA AND  
S & S GENERAL CONTRACTORS & EQUIPMENT RENTALS INC.**

WHEREAS, on January 1, 2011, City and Borough of Sitka, 100 Lincoln Street, Sitka, Alaska 99835 (“Lessee” or “Sitka”) and S & S General Contractors & Equipment Rentals Inc., PO Box 1440, Sitka, Alaska 99835 (“Lessor” or “S & S”) entered into an 18-month Lease Agreement Between City And Borough Of Sitka And S & S General Contractors & Equipment Rentals, Inc. (“Lease”) for approximately 38,000 square feet of property located at the Granite Creek Industrial area “Pit Run,” and

WHEREAS, the Lease expired on July 30, 2012; and

WHEREAS, on February 1, 2013, Sitka and S & entered into an Amendment No. 1 to extend the Lease one year expiring on February 1, 2014; and

WHEREAS, S & S would like to extend the Lease on a month-to-month basis under the same terms and conditions as previously agreed to under the Lease; and

WHEREAS, Sitka and S & S agree to amend the Lease as set out in this Amendment No. 2; and

WHEREAS, this Amendment No. 2 was approved by Assembly on \_\_\_\_\_, 2014 by motion, authorizing the Municipal Administrator to sign Amendment No. 2, effectively extending the lease and amending the terms of the lease to be on a month-to-month basis.

NOW, THEREFORE, the Lease is amended at Section 1.1 as follows (new language underlined; deleted language stricken):

\* \* \*

**Section 1.1 Conveyance of Estate in Lease.**

Lessor, for and in consideration of the rents received and of the covenants and agreements made by Lessee, does lease to Lessee, and Lessee leases from Lessor, the Property or Premises as shown on Exhibit A, located at the Granite Creek Industrial area “Pit Run” site. Exhibit A shows the Property as approximately 38,000 square feet. The term for this ground lease is month to month for purposes of storage, sorting and staging of Lessee’s material, ~~and commences on the first day of January, 2011 and terminates one year after Amendment No. 1 to the Lease is signed, on February 1, 2014.~~ Lessor shall notify Lessee within 30 days of Lessor’s intent to terminate this month-to-month lease.



City of Sitka, Alaska City Pit Run Site



- A Address No.
- A Parcel ID
- 2007 Comp. Plan
- A Tract
- Ownerships
- Zoning
- Floodzones
- Streets
- Parcels
- Nautical Charts



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1 in = 159.55 ft



1 : 1914.6

Data Currency:  
 Property Records: 12/5/2008 GIS Parcel Lines: 11/1/2008

