

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2012-04

AN ORDINANCE AUTHORIZING A 10-YEAR MATERIAL SALE & LEASE AGREEMENT WITH McGRAW'S CONSTRUCTION REGARDING MUNICIPAL PROPERTY AT QUARRY TRACTS 2 AND 3 OF THE GRANITE CREEK INDUSTRIAL AREA.

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to become a part of the Sitka General Code ("SGC").

2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. **PURPOSE.** McGraw's Construction (Lessee) has had an agreement with the City and Borough of Sitka (Lessor) to lease municipal property to operate a quarry as well as a disposal site for overburden waste disposal, including trees, stumps, brush, and other debris at the Granite Creek Industrial area since November, 2001, that included two 5-year extensions options which were executed. The Lessee has continued in "hold-over" while a new agreement has been negotiated.

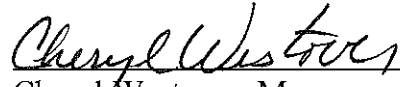
The attached Agreement For Material Sale & Lease Of Municipal Property ("Agreement") has a term of 10 years, beginning February 15, 2012. As part of the consideration for this 10 year Agreement, the Lessee will allow public access to other CBS future quarry sites through this lease area.

Pursuant to Sitka Home Rule Charter at Art. 3.01 and SGC 18.12.010, Assembly approval by ordinance is required to approve any lease of municipal property, which is included in this agreement. By approving this lease, the Assembly authorizes the Municipal Administrator to execute the Agreement. The Agreement is attached to this Ordinance as Exhibit A.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that the Municipal Administrator is authorized to execute the attached Agreement For Material Sale & Lease of Municipal Property between City and Borough of Sitka and McGraw's Construction.

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 14th of February, 2012.


Cheryl Westover, Mayor

ATTEST:



Colleen Ingman, MMC
Municipal Clerk