

BOARD OF ADJUSTMENT
CONVENE

1.

I move to convene as the Board of Adjustment

2.

I MOVE TO approve a Conditional Use Permit for natural resource extraction at 501, 509, and 517 Granite Creek Road submitted by the City and Borough of Sitka with the following conditions recommended by the Planning Commission:

1. The project shall be completed in general conformance with the plans submitted in the conditional use permit to the Planning Commission
 - a. The Assembly recognizes that the location of settling ponds and other features provided in the application are conceptual in nature and may change through the process;
 - b. The Assembly recognizes that a lease will be in place to implement requirements for the exact locations of the storm water pollution prevention plan and other plans;
2. Prior to the activation of the conditional use permit, the operator shall certify to the municipality, in writing, that all necessary permits have been received;
3. The applicant recognizes that the permit must be activated within two years of any Assembly approval or the permit becomes void;
4. In addition, prior to the activation of the conditional use permit, the Planning Director shall indicate, in writing, that all permits have been received that the municipality considers necessary;
5. The applicant recognizes that other permits, not specifically mentioned by the municipality may be required;
6. The applicant shall provide a narrative on the status of the operations nine months after the activation of the conditional use permit;
7. The Planning Commission has an annual review of the first nine to twelve months of operation of the facility within one year of the activation of the conditional use permit. The purpose of the annual review is to determine what, if any impacts of the operation need to be mitigated. The Planning Commission, by its own motion, may undertake a second annual review if the Board considers it to be necessary;
8. The Assembly, at its discretion, may complete an annual review if any issues are not resolved at the Planning Commission level.

3.

I MOVE TO adopt the identical findings approved by the Planning Commission at their July 5, 2011 meeting found on pages 3 and 4 of their official meeting minutes.

4.

RECONVENE

**I MOVE TO RECONVENE AS THE ASSEMBLY IN REGULAR
SESSION**




City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

Memorandum

TO: Jim Dinley, Municipal Administrator
Mayor Cheryl Westover and Members of the Assembly

FROM: Wells Williams, Planning Director 

SUBJECT: Conditional Use Permit for Natural Resource Extraction – Granite Creek Road

DATE: July 19, 2011

The Sitka Planning Commission is recommending approval of a conditional use permit for natural resource extraction at 501, 509, and 517 Granite Creek Road. The proposed quarry would be up Granite Creek Road and to the left past the McGraw's Lease area. The board's recommendation, with conditions, was made on July 5, 2011. The vote on the recommendation was 3-0.

No public comment has come in on this request.

The board's recommendation included the following conditions:

1. The project shall be completed in general conformance with the plans submitted in the conditional use permit to the Planning Commission
 - a. The Planning Commission recognizes that the location of settling ponds and other features provided in the application are conceptual in nature and may change through the process;
 - b. The Planning Commission recognizes that a lease will be in place to implement requirements for the exact locations of the storm water pollution prevention plan and other plans;
2. Prior to the activation of the conditional use permit, the operator shall certify to the municipality, in writing, that all necessary permits have been received;
3. The applicant recognizes that the permit must be activated within two years of any Assembly approval, or the permit becomes void;
4. In addition, prior to the activation of the conditional use permit, the Planning Director shall indicate, in writing, that all permits have been received that the municipality considers necessary;
5. The applicant recognizes that other permits, not specifically mentioned by the municipality may be required;
6. The applicant shall provide a narrative on the status of the operations nine months after the activation of the conditional use permit;

Providing for today...preparing for tomorrow

7. The Planning Commission has an annual review of the first nine to twelve months of operation of the facility within one year of the activation of the conditional use permit. The purpose of the annual review is to determine what, if any impacts of the operation need to be mitigated. The Planning Commission, by its own motion, may undertake a second annual review if the Board considers it to be necessary;
8. The Assembly, at its discretion, may complete an annual review if any issues are not resolved at the Planning Commission level.

The Planning Commission minutes, that include a follow up motion making the necessary findings, are attached.

RECOMMENDED ACTION:

Approve the conditional use request with the conditions recommended by the Planning Commission.



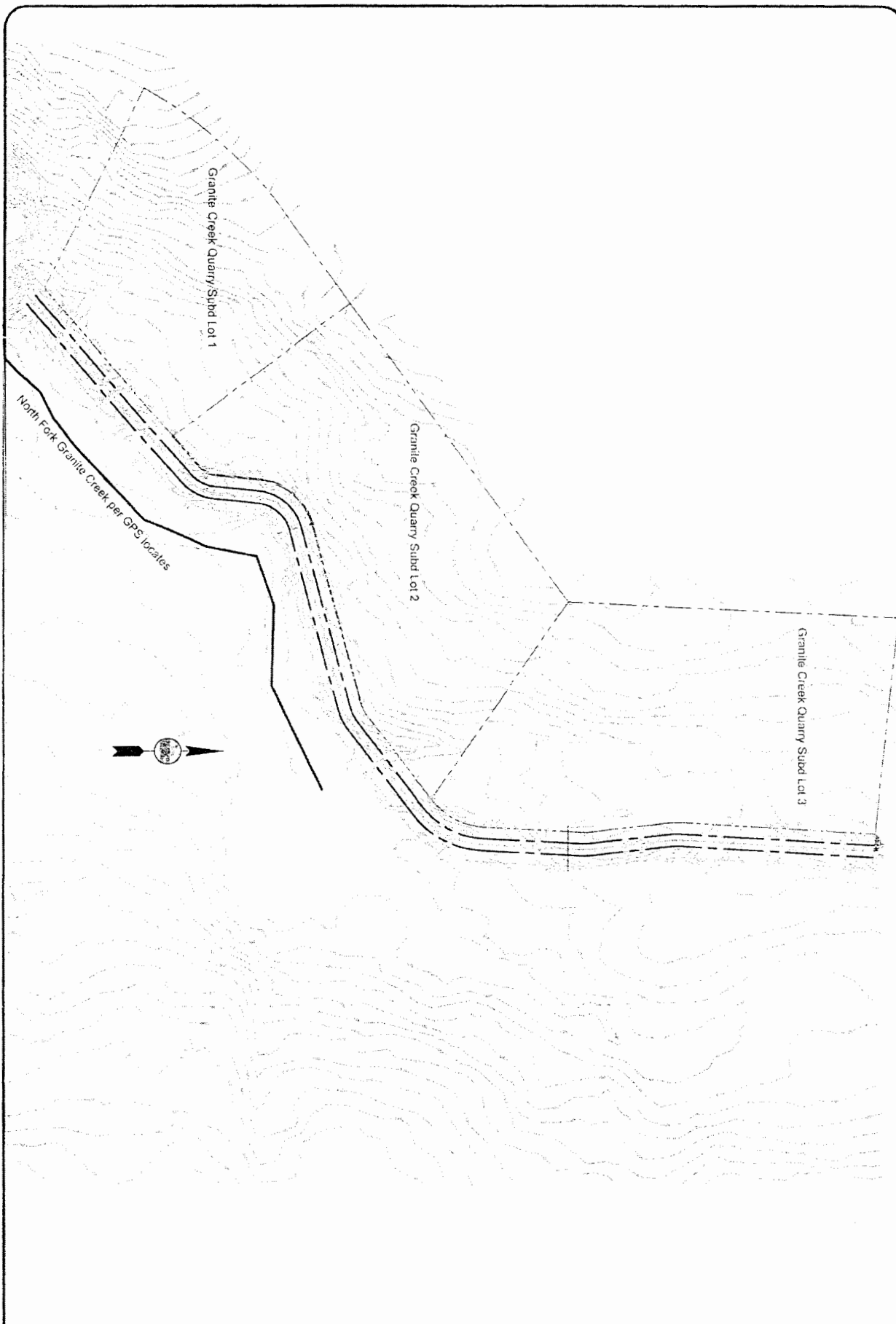
AWL TAD SCALE: 1"=800'
 CRD: DATE: Feb 2011
 Author: mthompson
 AWLIG: GCOQ Overview
 ME



City and Borough of Sitka
 DEPARTMENT OF PUBLIC WORKS
 100 LINCOLN STREET • SITKA, ALASKA 99835

Granite Creek Quarries Lots and Leases Location Map

REVISIONS		
NO	DATE	DESCRIPTION



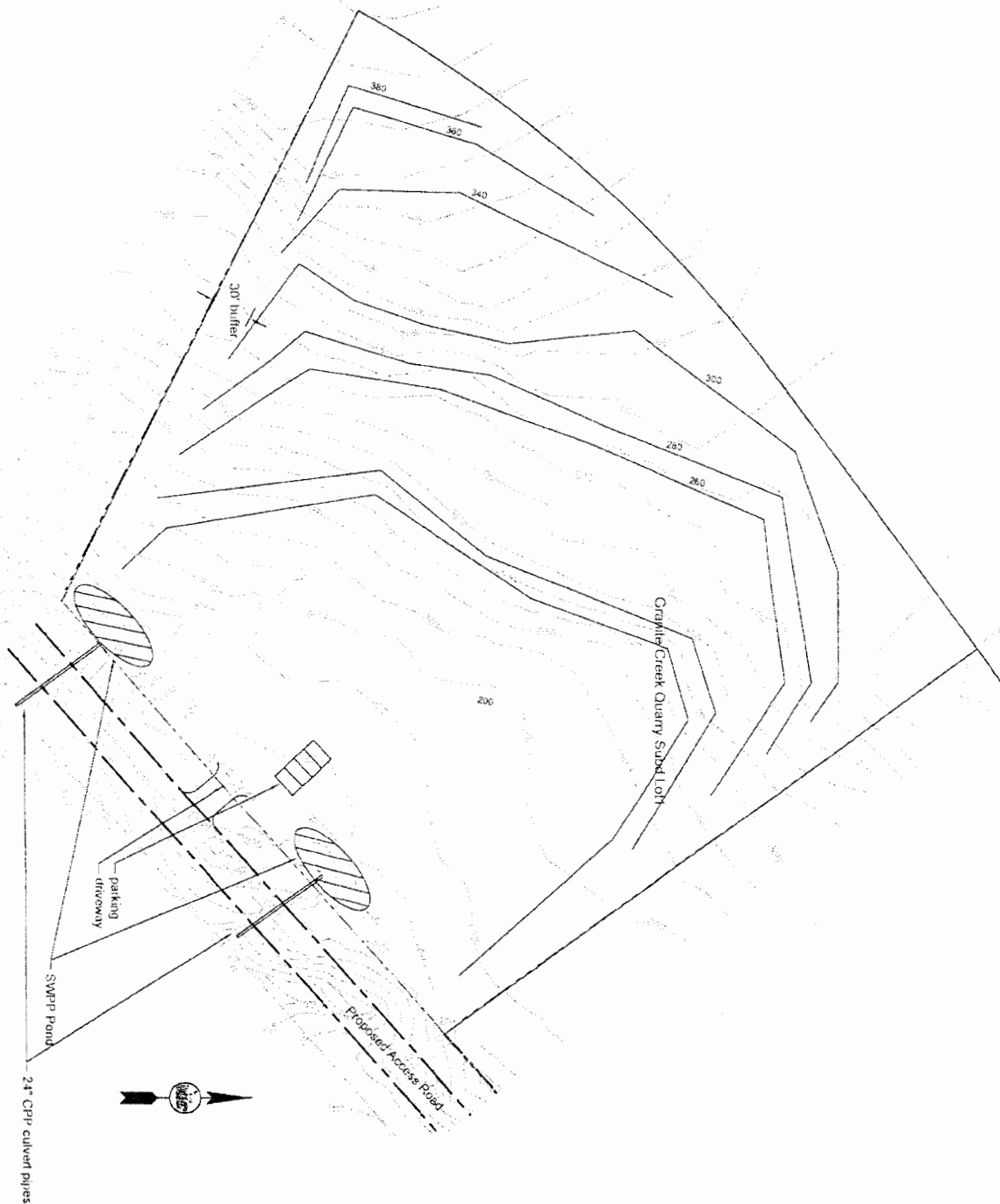
DRAWN: TAD/O'N SCALE: 2.00"
 1"=300'
 SHEET NO. 1 / 4
 DATE: May 2011
 DRAWING NAME: Lots & Road
 SHEET NO. 1 / 4



City and Borough of Sitka
 DEPARTMENT OF PUBLIC WORKS
 100 LINCOLN STREET • SITKA, ALASKA 99835
 TEL (907) 747-1804 FAX (907) 747-3158

Overall View
 Granite Creek Quarry Subd.
 Topographic Data

REVISIONS		
NO.	DATE	DESCRIPTION



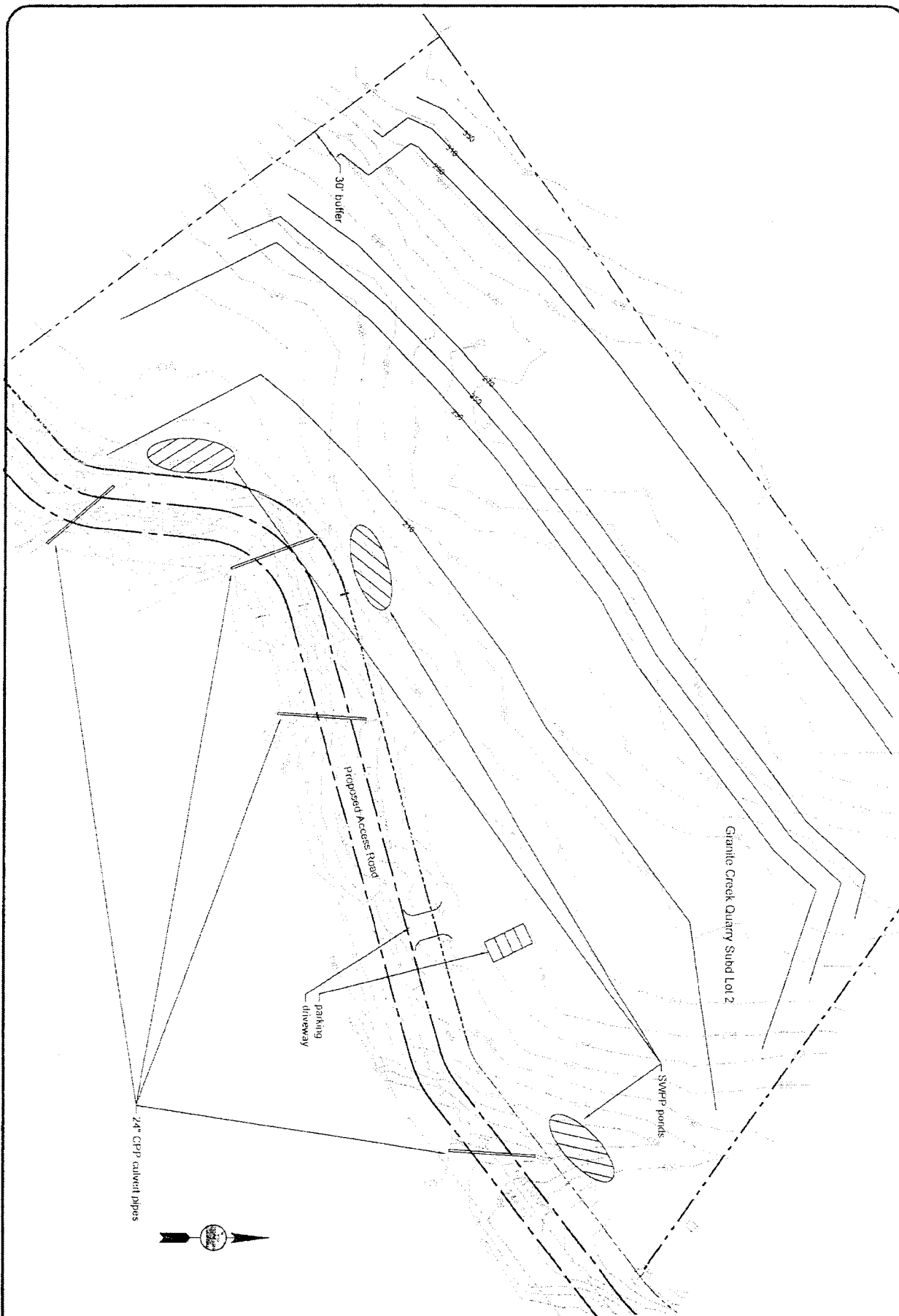
DRAWN: TAD/CIN
 CHECKED: SWeatherman
 DATE: May 2011
 DRAWING NAME: Lots & Road
 SHEET NO. 2 / 4



City and Borough of Sitka
 DEPARTMENT OF PUBLIC WORKS
 100 LINCOLN STREET • SITKA, ALASKA 99535
 TEL (907) 747-1804 FAX (907) 747-3158

Lot 1
 Granite Creek Quarry Subd.
 Topographic Data

REVISIONS		
NO.	DATE	DESCRIPTION



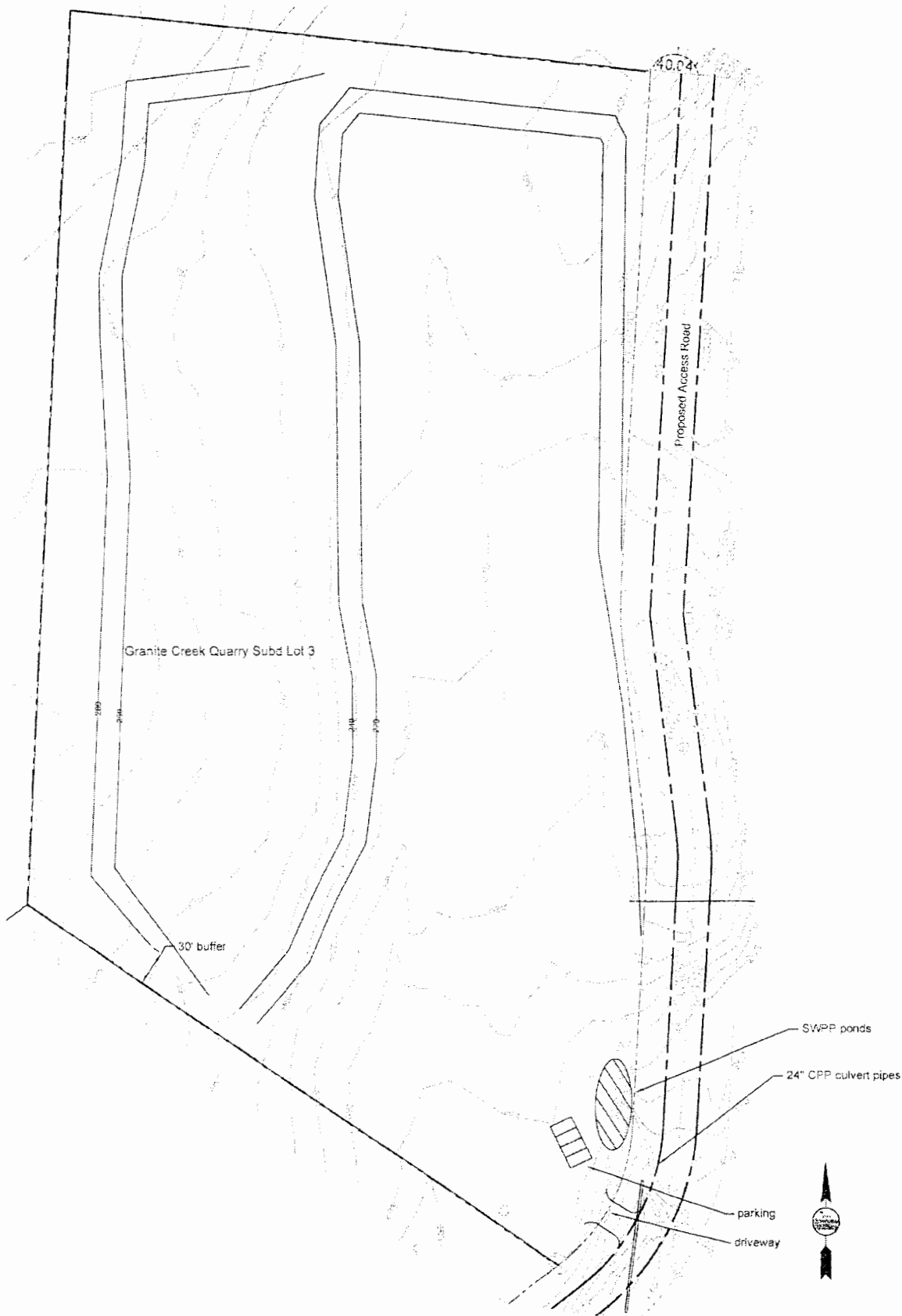
DRAWN: RAD/O'N
 CHECKED: Sweatherman
 DATE: May 2011
 DRAWING NAME: Lots & Road
 SHEET NO. 3 / 4



City and Borough of Sitka
 DEPARTMENT OF PUBLIC WORKS
 106 LINCOLN STREET • SITKA, ALASKA 99835
 TEL (907) 747-1804 FAX (907) 747-3158

Lot 2
 Granite Creek Quarry Subd.
 Topographic Data

REVISIONS		
NO.	DATE	DESCRIPTION



DRAWN: TAD/C/N SCALE: 1" = 40'
 CHECKED: Sweatherman DATE: May 2011
 DRAWING NAME: Lots & Road
 SHEET NO.: 4 / 4



City and Borough of Sitka
 DEPARTMENT OF PUBLIC WORKS
 100 LINCOLN STREET - SITKA, ALASKA 99635
 TEL (907) 747-1804 FAX (907) 747-3158

Lot 3
 Granite Creek Quarry Subd.
 Topographic Data

REVISIONS		
NO.	DATE	DESCRIPTION

Drainage Evaluation for Granite Creek Quarries Lots 1, 2 and 3 Granite Creek Quarry Subdivision

The project site is located within a portion of the remainder of lot 1, U.S. Survey 3670. It is located east of Halibut Point Road and accessed via Granite Creek Road. It is located north of the existing Quarry Lease Site 2. The site is currently undeveloped and is covered in trees with some areas of wetlands muskeg.

The project will include striping the existing trees and topsoil from the lots either sequentially as the quarry is developed or all at once depending on the Lessees development plans. The Lessee will be required to construct the access road prior to developing the lot to allow access to the next leased lot.

The existing conditions include an existing CN of 80 to account for several factors. These include the forested landform underlain by shallow rock and ash. Also accounted for is the temperate rain forest nature of the Sitka area. While forested areas would normally have a much lower CN. The steepness of the slopes, shallowness of the rock and ash layer and the saturated soils due to the incessant rainfall characterized by a temperate rain forest indicate a much higher CN value. The time of concentration is estimated to be 15 minutes. The flow rates for the drainage basins as shown on the basin map are shown below;

Subbasin 6 = 9.99 Acres, 0.0156 Square Miles and a flow rate of 11.6 CFS
Subbasin 7 = 5.76 Acres, 0.0090 Square Miles and a flow rate of 6.8 CFS
Subbasin 8 = 5.26 Acres, 0.0082 Square Miles and a flow rate of 6.2 CFS
Subbasin 9 = 5.73 Acres, 0.0089 Square Miles and a flow rate of 4.2 CFS
Subbasin 10 = 3.45 Acres, 0.0054 Square Miles and a flow rate of 4.2 CFS
Subbasin 11 = 7.16 Acres, 0.0111 Square Miles and a flow rate of 8.4 CFS
Subbasin 12 = 1.79 Acres, 0.0028 Square Miles and a flow rate of 2.3 CFS
Total runoff to the access roadway 41.4 CFS

The proposed conditions include a CN of 95 which accounts for the raw rock face and benches after the quarry is striped of overburden and during the quarrying process. The flow paths spill over each rock face and flow across the benches before spilling down to the next bench. The time of concentration is estimated as 10 minutes.

Subbasin 6 = 9.99 Acres, 0.0156 Square Miles and a flow rate of 15.3 CFS
Subbasin 7 = 5.76 Acres, 0.0090 Square Miles and a flow rate of 8.9 CFS
Subbasin 8 = 5.26 Acres, 0.0082 Square Miles and a flow rate of 6.2 CFS
Subbasin 9 = 5.73 Acres, 0.0089 Square Miles and a flow rate of 8.1 CFS
Subbasin 10 = 3.45 Acres, 0.0054 Square Miles and a flow rate of 8.8 CFS
Subbasin 11 = 7.16 Acres, 0.0111 Square Miles and a flow rate of 11.0 CFS
Subbasin 12 = 1.79 Acres, 0.0028 Square Miles and a flow rate of 2.7 CFS
Total runoff to the access roadway 54.8 CFS

Project: Granite Creek Proposed Simulation Run: Proposed Conditions

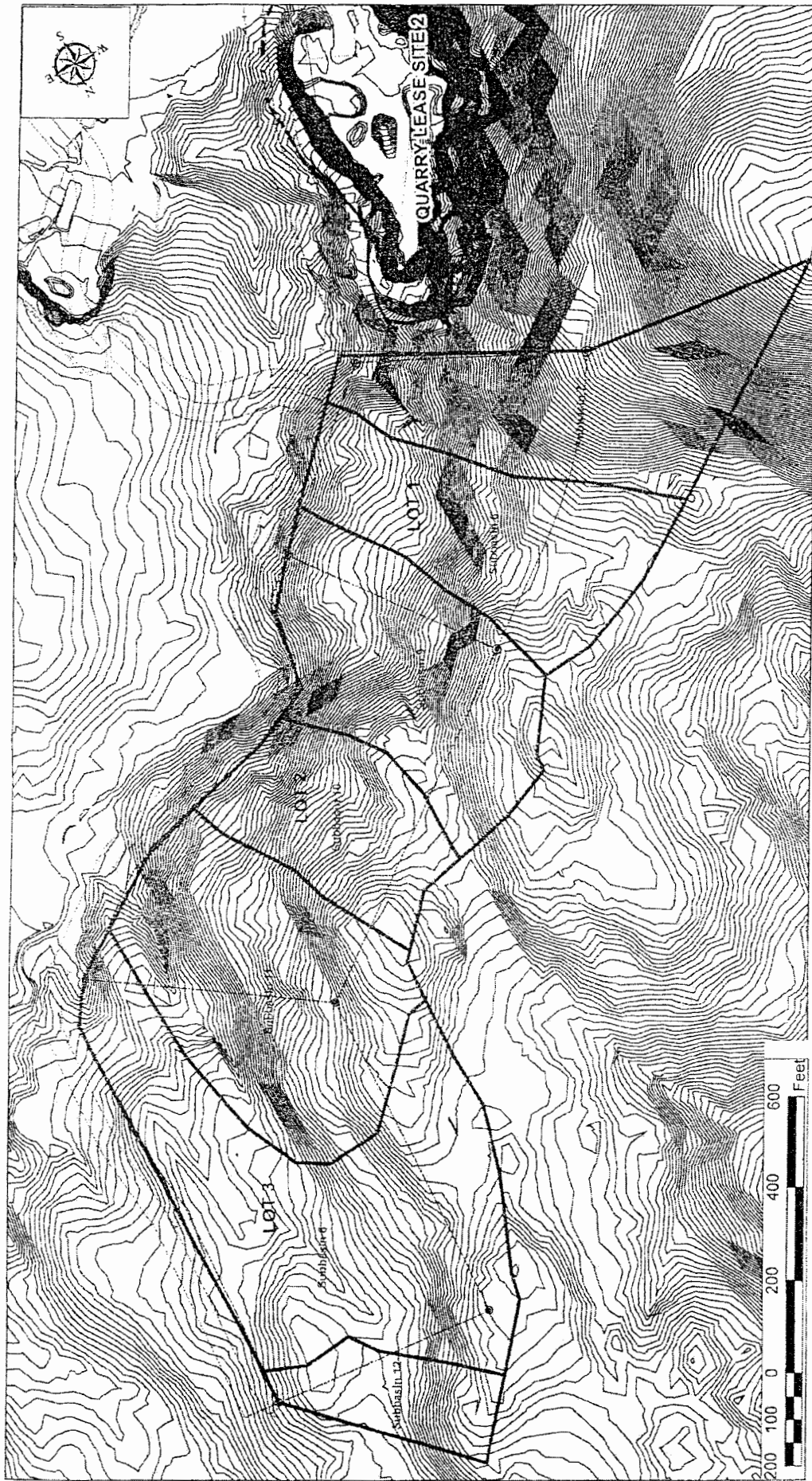
Start of Run: 01Jan2000, 00:00 Basin Model: Proposed
End of Run: 02Jan2000, 00:00 Meteorologic Model: Sitka Design Storms
Compute Time: 10Jun2011, 12:04:16 Control Specifications: 24-Hour Event Control

Hydrologic Element	Drainage Area (MI ²)	Peak Discharge (CFS)	Time of Peak	Volume (IN)
Subbasin-6	0.01560	15.3	01Jan2000, 08:00	7.94
Reach-6	0.01560	13.8	01Jan2000, 08:00	7.93
Subbasin-11	0.01119	11.0	01Jan2000, 08:00	8.18
Reach-11	0.01119	10.0	01Jan2000, 08:00	8.17
Subbasin-7	0.00900	8.9	01Jan2000, 08:00	8.38
Reach-7	0.00900	8.1	01Jan2000, 08:00	8.37
Subbasin-9	0.00890	8.8	01Jan2000, 08:00	8.39
Reach-9	0.00890	8.0	01Jan2000, 08:00	8.38
Subbasin-8	0.00820	8.1	01Jan2000, 08:00	8.48
Reach-8	0.00820	7.4	01Jan2000, 08:00	8.47
Subbasin-10	0.00540	5.5	01Jan2000, 08:00	9.07
Reach-10	0.00540	4.9	01Jan2000, 08:00	9.06
Subbasin-12	0.00280	2.9	01Jan2000, 08:00	10.67
Reach-12	0.00280	2.7	01Jan2000, 08:00	10.66
Junction-1	0.06109	54.8	01Jan2000, 08:00	8.40

Project: Granite Creek Existing Simulation Run: Existing Condition

Start of Run: 01Jan2000, 00:00 Basin Model: Existing
End of Run: 02Jan2000, 00:00 Meteorologic Model: Sitka Design Storms
Compute Time: 10Jun2011, 11:47:24 Control Specifications: 24-Hour Event Control

Hydrologic Element	Drainage Area (MI ²)	Peak Discharge (CFS)	Time of Peak	Volume (IN)
Subbasin-6	0.01560	11.6	01Jan2000, 08:00	6.17
Reach-6	0.01560	10.4	01Jan2000, 08:00	6.16
Subbasin-11	0.01119	8.4	01Jan2000, 08:00	6.41
Reach-11	0.01119	7.5	01Jan2000, 08:00	6.39
Subbasin-7	0.00900	6.8	01Jan2000, 08:00	6.61
Reach-7	0.00900	6.1	01Jan2000, 08:00	6.60
Subbasin-9	0.00890	6.7	01Jan2000, 08:00	6.62
Reach-9	0.00890	6.0	01Jan2000, 08:00	6.61
Subbasin-8	0.00820	6.2	01Jan2000, 08:00	6.71
Reach-8	0.00820	5.6	01Jan2000, 08:00	6.70
Subbasin-10	0.00540	4.2	01Jan2000, 08:00	7.30
Reach-10	0.00540	3.8	01Jan2000, 08:00	7.29
Subbasin-12	0.00280	2.3	01Jan2000, 08:00	8.90
Reach-12	0.00280	2.1	01Jan2000, 08:00	8.88
Junction-1	0.06109	41.4	01Jan2000, 08:00	6.63



GRANITE CREEK QUARRIES EXISTING BASIN MAP

CITY AND BOROUGH OF SITKA
100 LINCOLN STREET
SITKA, AK. 99835

DRAFT AGREEMENT

MATERIAL SALE

FROM

MUNICIPALLY OWNED PROPERTY

The City and Borough of Sitka, represented by the Administrator or his authorized representative, hereinafter referred to as the CBS, does hereby sell; and

hereinafter called the Purchaser or lessee, does hereby agree to purchase the material designated herein, subject to the following terms and conditions:

SECTION I. DESCRIPTION

A. MATERIAL SALE AREA:

Lot [] as shown on the Granite Creek Quarry Subdivision, A subdivision of a Portion of the Remainder of Lot 1, U.S. Survey 3670. The Lease area contains [] Acres more or less.

B. TERMS

1. The term of this agreement is through [], 2021
2. The Purchaser agrees to pay the following royalty fees for the material removed from the material site:
[] Per Cubic Yard, in place
3. It is not the intent of the CBS to allow indeterminate holding of lease areas without development. The Contractor shall be required to begin development prior to August 1, 2013 and pay royalties for a minimum of \$5,000.00 per year in royalty fees during the 10 years of this lease.

SECTION II. PAYMENTS

1. Purchaser shall be required to submit a lease bond in the amount of \$100,000.00 issued by a Surety licensed to do business in Alaska. At the time each year on the lease anniversary that the pit cross sections are accomplished and purchaser is inspected for adherence to a continuation plan, the CBS shall release the prior year's bond, in writing and accept a new bond for the next year of operation. (See Section III, 1)

The purpose of said bond shall be correct non-conforming conditions created by the Purchaser. An example might be to do necessary continuation work left undone or otherwise correct site problems such as drainage control. Said bond may also be used to pay for unpaid royalties or other costs fairly owed to the CBS such as anniversary surveys.

2. The [] per cubic yard Royalty Fee shall be paid using one of the following methods;
 - a. Prior to each shot based on in place calculated blast yield quantities. These quantities shall be verified for each 100,000 yards removed from the quarry by field survey cross-sections certified by a registered engineer/surveyor.
 - b. Monthly based on submitted shot records and verified by Field cross-sections certified by a registered engineer/surveyor for each 100,000 yards of material removed. This method of payments will be guaranteed by a payment bond. The shot records are due with the royalty payment check on the First of the Month for the previous months work. Failure to submit the payment by the 15th of the month will result in a penalty of double the royalties due for the month.

This method is verified by field survey cross-sections for each 100,000 yards certified by a registered engineer/surveyor unless the quarry has produced no rock for the preceding quarter. However the initial quarry cross section, yearly on the leases anniversary quarry cross sections and the final quarry cross sections are required.

- c. Monthly based on quantities measured by a certified scale. The scale tickets will be used to determine the weight of material removed from the quarry. If certified scale method of measurement is used, quarterly quantity based cross section of the quarry is not required. However the initial quarry cross section, yearly on the leases anniversary quarry cross sections and the final quarry cross sections are required.

This method of payments will be guaranteed by a payment bond. The certified scale records are due with the royalty payment check on the First of the Month for the previous months work. Failure to submit the payment by the 15th of the month will result in a penalty of double the royalties due for the month.

- d. The payment bond required for payment methods b and c above will be based on one of two methods. The first method that may be used is the

surface area of the quarry that has not been quarried. For each full acre and or fraction of an acre that has not been quarried a \$25,000 payment bond is required up to a maximum of \$100,000. The area quarried does not include the area with only overburden removed.

The second method is based on the average amount of material that has been removed per month in the preceding year. Each \$25,000 of royalties paid for material removed per month or fraction of \$25,000 of royalties paid for material removed per month requires a \$25,000 payment bond up to a maximum of \$100,000.

New material producing Quarry leases will use the first method until a minimum of six (6) months of material removal operations. At that time they may request a change to the second method using the average of the material removed based on the previous six months of material production. However new quarries under development that are not yet producing material will begin with a \$25,000 payment bond until the quarry begins producing material. When the quarry begins producing material the first method as noted above will be used to determine the payment bond.

3. Whatever method is used to determine payment and verification, if it becomes apparent that a lessee is consistently under-reporting the rock removed and or falsifying the records to under-report the rock removal the Lessee will be fined. A fine of double royalty payments of the under-reported amount will be assessed and the lease may be terminated.
4. Final royalty payments shall be based on records required in Section III, and shall be submitted to the CBS no later than the fifteen (15) working days following the month in which operations on the material site are completed.

Payment shall be accomplished by an accounting voucher provided by the CBS.

SECTION III. RECORDS

1. Yearly on the leases anniversary, at the beginning and at the end of the term of this agreement the Purchaser shall have the quarry fully cross-sectioned by a registered engineer/surveyor, licensed to practice in the State of Alaska. The cross sections shall be certified by said engineer/surveyor and submitted to the CBS. Surveyed volume will be compared to royalty yardage paid as a method of accounting control.
2. Alternately the Purchaser may have the material taken from the quarry measured by a certified scale. The scale tickets will be used to determine the weight of material removed from the quarry and must be submitted to CBS. If certified scale method of measurement is used, quantity cross sections of the quarry are not required. However the initial quarry cross sections, yearly on the leases anniversary quarry cross sections and the final end of lease quarry cross sections are required.

3. Alternately the Purchaser may have the material taken from the quarry measured by shot records. The shot records will be used to determine the volume of material removed from the quarry and must be submitted to CBS. If shot records are used to used, quantity cross-sections are required every 100,000 CY. In addition to the intermediate cross-sections, initial quarry cross sections, yearly on the leases anniversary quarry cross sections and the final end of lease quarry cross sections are required.
4. All final royalty payments will be adjusted based on survey cross-section quantities.
5. The overburden removed and disposed is incidental to the quantities measured. However the Purchaser may at their discretion provide additional cross-sections with the overburden removed prior to blasting to be used as a base of the quantities measured.

SECTION IV. OPERATING REQUIREMENTS

1. **Boundary Lines and Survey Monuments** – Upon execution of this lease, the Purchaser shall bear the responsibility to have the lease area surveyed and control monuments placed by a registered land surveyor to fully identify the boundaries. No boundary mark of the sale area or any survey lines or witness tree to any survey corner or monument, shall be severed or removed, nor shall any survey corner or monument be damaged or destroyed. Any violation of this clause will require the Purchaser to bear the expense of re-establishing the lines, corners, or monuments by a registered land surveyor.

The Purchaser shall also bear the responsibility of having the lease area, as it exists when the lease is signed, cross sectioned within thirty (30) days of the lease execution and prior to the removal of any material. The purpose shall establish the beginning configuration of the lease and base line to be used when the quarterly cross section is accomplished.

2. **Access Road** – The Lessee is required to construct the access road along the full frontage of the leased lot except the Wetlands delineated on Lot 3. The road shall be constructed per the plans provided by CBS Public Works Department. The access road will be maintained by the lessee along the full frontage to allow other lessees to access their lots at all times. The access road shall be constructed in accordance with the Army Corp of Engineers permit obtained by CBS for the quarry lots.
3. **Corp of Engineers permit** – In addition to access road the Lessee shall abide by the Corp of Engineers permit as it relates to the wetlands delineation and buffer. No overburden removal or rock quarry operations shall take place within the are delineated as wetland and the buffer placed around the wetlands.

4. **Erosion Control and Protection of Waters** – Road construction or operations in connection with this contract shall be conducted so as to avoid damage to streams, lakes or other water areas and lands adjacent thereto. Vegetation and materials shall NOT be deposited into any stream or other waste area. Locations and/or improvements such as road crossings over streams shall be approved, in advance, by the CBS.

The CBS has prepared an overall Soil Erosion and Control Plan called the Granite Creek Quarries Storm Water Pollution Prevention Plan. The Lessee shall implement the SWPPP during construction of the access road and during mining operations. However the lessee is also required to develop a quarry specific SWPPP which incorporates the CBS plan with the quarry specific plan.

All roads or other areas to be abandoned or an area to cease being an active portion of the Lessee's operation shall be treated with such measures to prevent erosion and shall be reclaimed per the required reclamation plan. Any damages resulting from any failure to perform to these requirements shall be repaired by the Purchaser to the satisfaction of the CBS. This includes, but is not limited to waters defined in Title 5 – Fish and Game and Title 6 – Protection to Anadromous Fish; State of Alaska.

All operations shall be performed in accordance with an approved Storm Water Pollution Prevention Plan (SWPPP). This plan shall be prepared by the purchaser and approved by the CBS and the Alaska State Department of Environmental Conservation before work begins in the material sale area. The SWPPP may require the installation and maintenance of siltation control structures at the Purchasers expense.

Should CBS determine that the operations cause silting or pollution of Granite Creek to a degree unacceptable to the Department of Environmental Conservation, the U.S. Fish and Wildlife Service after all reasonable attempts have been made to have the Purchaser correct the problems, this lease shall be void upon notification to the Purchaser by CBS. The Purchaser shall hold CBS harmless from any litigation whatsoever which may result from this action.

Siltation of Granite Creek and associated tributaries is to be minimized. Therefore, no earthmoving will be allowed during heavy rains, and the Purchaser will, at their own expense, provide all proper drainage and routine settlement ponds for permanent uses.

Construction equipment, aggregate stockpiles, etc shall not be stored within 25 feet of Granite Creek. The Purchaser will make every effort to preserve the 25- foot stream buffer.

5. **Reclamation Plan** – Attached and appended to this agreement is Appendix A – Reclamation Plan – Granite Creek Quarry Subdivision. All lessees shall be responsible for the adherence to said plan. The leaseholder shall demonstrate

compliance to said reclamation plan on a yearly basis and substantial non-compliance shall be grounds for termination or cancellation of the affected lease.

6. **Mining Plan-** The purchaser shall conduct all operations in accordance with industry standards, and an approved MSHA mining plan. This plan shall be prepared by the purchaser and approved by the CBS and the MSHA before work begins in the material sale area. Operations shall also be in accordance with the following:
 - a. Warning signs shall be placed every 50 feet along the top of all rock cuts over 20 feet in height. The metal signs shall be 12" x 12" in size with the legend "Warning, Steep Embankment" clearly displayed. They will be installed on metal sign posts. Signs shall be painted safety orange in color.
 - b. Slopes of back walls of rock cuts and benching shall be as determined by MSHA requirements.
 - c. Upon completion of a rock cut the back wall shall be scaled back of all loose rock rubble.
 - d. Storage and handling of explosives shall be performed under the direction of persons holding proper certifications for such work.
7. **Continuation Plan-** In addition to the mining plan, operations shall be performed in a manner designed to leave the material sale area in a condition conducive to additional mining after termination of this agreement. A continuation plan shall be prepared by the purchaser and approved by the CBS before work begins in the material sale area.
8. **Fire Protection** – Purchaser shall take all necessary precautions for the prevention of wild fires and shall be responsible for the suppression and bear the suppression costs of any and all destructive or uncontrolled fires occurring within or without the contract area resulting from any and all operations involved under the provisions of this contract. The Purchaser shall comply with all laws, regulations and rules promulgated by the agency responsible for fire protection in the area.
9. **Roads** – Before constructing any haul road, secondary or spur roads across Municipal lands, the Purchaser shall obtain written approval of the location and construction standards of such roads from the CBS.
10. Access over any route not under Municipal control is the sole responsibility of the Purchaser. The Purchaser agrees that any permanent route, access or right of way obtained over privately owned property shall include a permanent easement to the CBS.
11. The Purchaser shall maintain adequate supervision at all times when operations are in progress to insure that the terms and conditions of this contract and all applicable Federal, State and local laws, rules and regulations governing such operations are enforced. At all times, when operations are in progress, the

Purchaser or a person authorized by him to assume the responsibilities imposed by this contract, shall be present on the contract area.

12. The terms and conditions of this contract shall apply with equal force upon any agent, employee or contractor designated by the Purchaser to perform any or all of the operations of severance, extraction or removal of the materials sold under this contract, and the Purchaser shall be liable for non-compliance caused by any such agent, employee or contractor.
13. The Purchaser shall be responsible for the accurate location of operations under this contract, including any survey that may be necessary for such location unless otherwise specified in this contract.
- 14.
15. **Special Provisions** – It is mutually agreed that:
 - a. Sound engineering practices and procedures shall be adhered to at all times during removal operations. Engineering plans for roads, drainage and other components of the project shall be submitted for review. The plans shall be sealed and signed by a registered engineer, licensed to practice in the State of Alaska.
 - b. Stumps and any other debris shall be disposed of by burning (subject to ADEC approval) or burying at the Granit Creek Overburden Site and in a manner considered suitable by the CBS representatives.
 - c. In working the land to effect the removal of the contract entitlement, the Purchaser agrees to so manage that upon completion of the removal, a reasonable degree of level land is maintained, per the continuation plan, from which material has been taken, and no holes-of-water are formed.
 - d. At the expiration of this contract, the Purchaser shall notify the Director of Public Works, so that an inspection for release can be scheduled. This inspection shall include general clean-up, compliance with the reclamation plan, removal of all Purchasers equipment and any other item felt a responsible element of any final inspection.
 - e. All responsibilities and liabilities of the Purchaser shall remain in effect until this lease contract file shall be closed. This includes cleanup of site and compliance with all contract items.
 - f. The Purchaser agrees to submit the Standard Accounting Voucher and payment for material removed within fifteen (15) working days of the expiration date or completion, whichever occurs earlier.

- g. If the Purchaser is forced to end, restrict or curtail his operations due to State or Federal law or regulations or for any other cause over which the CBS has no control, the CBS shall have no liability, whatsoever.
- h. The Purchaser shall coordinate his activities insofar as possible with the other purchasers who now or in the future may hold material sale agreements. Before removing material under any roadway or otherwise interrupting access to any other operations, the Purchaser shall make arrangements satisfactory to the affected parties for coordinating operations. The affected parties cannot unreasonably withhold such approval if proper alternate arrangements have been made. In the case where the affected parties cannot reach agreement, the Municipality shall be the sole arbitrator to reach a satisfactory result.
- i. The lease area may be used for the processing and storage of material removed from the municipal lands of Upper Granite Creek and for the temporary location and operation of an asphalt batching plant, scales, crushers and other such equipment necessary to produce marketable materials products. Other material incidental to the production of asphalt or mineral products such as asphalt, fillers, or coagulants needed for the settlement ponds may be stored on the site, as needed. A temporary small one bay gravel equipment maintenance shop may also be allowed specifically for equipment used at the site.

Granite Creek is, in fact, a long term source of gravel and other mineral products. As such, it is not a contractor's storage yard area. Permanent or long term improvements such as garages and shops or other type buildings and uses shall NOT be allowed.

- j. Except for those portions of the operation which are associated with low noise levels such as maintenance of equipment, the Purchasers operations shall be confined to the hours of 7:00 A.M. to 7:00 P.M. daily. The Municipality reserves the right to restrict operations on weekends and holidays with liability to Purchaser or its customers.

16. Purchaser may not assign its rights under this lease or allow other parties to produce gravel material on the site without prior written approval of the CBS.

Prior to the approval of any such sub-lease, the CBS shall be provided with all the terms of the proposed assignment or production agreement. This shall include time of assignment and potential volumes of production. If such terms are deemed inflationary or of such a type to be considered a total abandonment of further interest in the lease by the original party, the assignment may be denied.

17. Maintenance of the main road, culverts and other such improvements shall be maintained by the Purchasers at no expense to the CBS.

18. Siltation of Granite Creek and associated tributaries is to be minimized. Therefore, no earthmoving will be allowed during heavy rains, and the Purchaser will, at their own expense, provide all proper drainage and routine settlement ponds for permanent uses. This is covered in the Reclamation Plan, as attached.
19. The Purchaser shall adhere to all State and local regulations regarding the storage and handling of explosives.

SECTION V. LIABILITY

1. The Purchaser shall indemnify the CBS and hold it harmless from any and all claims, demands, suits, loss, liability and expense for injury to or death of persons and damage to or loss of property arising out of or connected with the exercise of the privileges granted with the Purchaser by this contract, or arising out of any incident whatsoever which may occur on the lease site or commonly used facility. This includes but not limited to damage to power lines, poles and facilities, telephone lines and poles, survey monuments, roads, bridges and culverts, pollution and/or damage to water systems, or personal injury.

SECTION VI. INSURANCE

1. The Purchaser shall carry Workers' Compensation insurance, in accordance with the rules and regulations of the State of Alaska. This policy shall also include Employers' Liability limits of no less than \$500,000. If applicable, the policy shall also cover USL&H and Maritime employees that may be employed by purchaser, as relates to the activities of this agreement.
2. The Purchaser shall carry Commercial General Liability insurance with occurrence limits of \$1,000,000 and aggregate limits of \$2,000,000. This policy shall in no way limit or exclude blasting operations and any other significant exclusions of coverage shall be shown on the certificate of insurance. This policy shall name the City & Borough of Sitka as an additional insured.
3. The Purchaser shall carry Business Automobile insurance with limits of \$1,000,000. This shall cover all owned, non-owned and hired automobiles that used in the operations related to this agreement. The policy shall name the City & Borough of Sitka as an additional insured.
4. The Purchaser shall carry Excess or Umbrella Liability insurance with limits of no less than \$5,000,000. This insurance shall be excess to the Commercial General Liability, Business Automobile and Employers' Liability.

The Purchaser shall provide a Certificate of Insurance that evidences the above. This Certificate shall also allow for a 30 day notice of cancellation or material change of coverage.

SECTION VII. IMPROVEMENTS AND OCCUPANCY

1. Any improvements to transportation facilities including crushers, mixing plants, buildings, bridges, roads or any other constructed by the Purchasers in connection with this lease and within the lease area shall be in accordance with plans approved by the CBS. Improvement and facility safety (both design & operation) shall be the responsibility of the Purchaser not the CBS. Purchaser agrees to follow all applicable safety codes and regulations.
2. The Purchaser shall, within sixty (60) days, after the expiration of termination date of this contract, remove all equipment and other personal property from the contract area. (See Section IV, 10, f.)

SECTION VIII. INSPECTION

1. Authorized agents of the CBS shall have access at all times to the sale area.
2. At all times, when operations are in progress, the Purchaser shall have a representative readily available at the site of operations who shall be authorized to receive on behalf of the Purchaser, any notices and instructions given by authorized CBS personnel in regard to the performance under this contract, and to take such action thereon as is required by the terms of this contract.

SECTION IX. TERMINATION AND SUSPENSION

1. This contract may be terminated by the CBS if the Purchaser breaches the contract and fails to correct this breach within thirty (30) days after written notice is served upon the Purchaser.
2. Failure of the Purchaser to take immediate action to correct unwarranted damage to natural resources may be corrected by the CBS to prevent additional damage. Any cost incurred by the CBS shall be paid by the Purchaser.
3. This contract may be terminated by mutual agreement of both parties on terms and conditions agreed upon, in writing by both parties.

SECTION X. RESERVATIONS

1. The CBS makes no representations as to the suitability of the property as a material source for any particular use. The Purchaser shall determine the suitability of the material for any application.
2. The Municipality reserves the right to lease additional sites in the Granite Creek Quarry area to other parties during the term of this lease.
3. The Municipality reserves the right to permit other compatible users, including the sale of materials, on the lands near the contract area provided the Municipality determines that such uses will not unduly impair the Purchasers operations under this contract.

Should the Municipality lease any other such areas, within the Granite Creek area, the Purchaser shall pay lease fee and royalties not less than amounts as set forth in Section II of this document.

SECTION XI. PERMITS

1. The Purchaser must prepare and submit a Storm Water Pollution Prevention Plan (SWPPP). The plan shall be approved by the CBS and the Alaska State Department of Environmental Conservation before work begins in the material sale area.
2. All operations shall be in accordance with the City and Borough of Sitka Conditional Use Permit, as it now exists or modified in the future.
3. The Purchaser shall obtain any other permits required as needed to construct and operate the Quarry.

SECTION XII. PASSAGE OF TITLE

1. All rights, title and interest in or to any material included in this contract shall remain with the CBS until it has been paid for, or removed from the site, provided however, that the right, title and interest in or to any material which has been paid for, but not removed from the sale area by the Purchaser within the period of the contract or any extension there shall vest in the CBS.

SECTION XIII. EXPIRATION AND EXTENSION

1. This contract shall expire 1 April 2016

SECTION XIV. WARRANTIES

1. THIS LEASE IS MADE WITHOUT ANY WARRANTIES BY THE CBS, EXPRESS OR IMPLIED, AS TO THE QUANTITY, QUALITY, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE, CONCERNING THE MATERIAL TO BE EXTRACTED UNDER CONTRACT.

SECTION XV. WAIVER

1. No agent, representative or employee of the CBS has authority to waive any provision of this agreement unless expressly authorized to do so, in writing, by the Administrator.

IN WITNESS WHEREOF, on this _____ day of _____, 20

CITY AND BOROUGH OF SITKA

By _____
Lessee

By _____
Administrator

(SEAL)

ATTEST:

By _____
Municipal Clerk

**City and Borough of Sitka
Planning and Zoning Commission
Minutes of Meeting
July 5, 2011**

Present: William Stortz (Chairperson), Richard Parmelee (Member), Darrell Windsor (Member), Wells Williams (Planning Director), Melissa Henshaw (Planner).

Members of the Public: Pat O'Neill, Michael Harmon, Marco Hernandez, Virginia Olney, Stephen Weatherman (Municipal Engineer), Craig Giammona (Daily Sitka Sentinel).

Chairman Stortz called the meeting to order at 7:00 p.m.

Consideration of the Minutes from the June 21, 2011 meeting:

MOTION: M/S PARMELEE/WINDSOR moved to approve the meeting minutes for June 21, 2011.

ACTION: Motion **PASSED** unanimously on a voice vote.

This evening's business:

**CONDITIONAL USE PERMIT REQUEST
CITY AND BOROUGH OF SITKA
501, 509, 517 GRANITE CREEK ROAD**

Public hearing and consideration of a conditional use permit request for natural resource extraction (rock quarry) and mining support facilities. The location to this request is 501, 509, 517 Granite Creek Road. The request is filed by the City and Borough of Sitka. This property is also known as Lot 1, 2, 3, Granite Creek Quarry Subdivision US Survey 3670.

Mr. Williams review this request. This is a quarry that has been previously approved by the Planning Commission but has since lapsed due to no activity, so they are going through the process again. The City and Borough of Sitka is the applicant, and if this item is approved then there will be a lease process. The property is up Granite Creek Road and to the left. The three properties have been platted out for this purpose. Included in the application was a conceptual grading plan, a portion of a soils and wetlands analysis, a sample lease and a drainage evaluation for the sites. Additional permitting will be required with CORPS, storm water and pollution prevention permits.

The Stephen Weatherman came forward as representing applicant for this item. He also explained that the road will be cross-graded with the low side toward the quarry so any runoff would go that way and will make its way to the ponds and rain will go toward the ditching. This will protect the creek. Extensive studies have showed that with the precautions that Public Works has done in the past and is doing for this project will allow the creek to be removed from the impacted list. Wetlands are in the area and as the project moves forward the wetlands will be buffered. The road will be put in by the lease

holders. Mr. Weatherman also showed some examples of the benching for the properties and the ponds.

Mr. Williams confirmed the conditions with Mr. Weatherman.

Mr. Weatherman answered Commissioner Stortz questions about the storm water prevention plan. He stated that they will be the same that has been established as previous quarries that have been approved where the lease holders will be required to have them and the City over looks it through a consultant. Commissioner Parmelee asked about the ponds, in which Mr. Weatherman explained that there will be an onsite plan to hook into the entire plan for the creek. The the ponds will be dredged out approximately yearly.

Public Comment:

There was no public comment at the meeting.

MOTION: M/S PARMELEE/WINDSOR moved to recommend approval to the Assembly with the following conditions:

1. The project shall be completed in general conformance with the plans submitted in the conditional use permit to the Planning Commission;
 - a. The Planning Commission recognizes that the location of settling ponds and other features provided in the application are conceptual in nature and may change through the process;
 - b. The Planning Commission recognizes that a lease will be in place to implement requirements for the exact locations of the storm water pollution prevention plan and other plans;
2. Prior to the activation of the conditional use permit, the operator shall certify to the municipality, in writing, that all necessary permits have been received;
3. The applicant recognizes that the permit must be activated within two years of any Assembly approval, or the permit becomes void;
4. In addition, prior to the activation of the conditional use permit, the Planning Director shall indicate, in writing, that all permits have been received that the municipality considers necessary;
5. The applicant recognizes that other permits, not specifically mentioned by the municipality may be required;
6. The applicant shall provide a narrative on the status of the operations nine months after the activation of the conditional use permit;
7. The Planning Commission has an annual review of the first nine to twelve months of operation of the facility within one year of the activation of the conditional use permit. The purpose of the annual review is to determine what, if any impacts of the operation need to be mitigated. The Planning Commission, by its own motion, may undertake a second annual review if the Board considers it to be necessary;

8. The Assembly, at its discretion, may complete an annual review if any issues are not resolved at the Planning Commission level.

ACTION: Motion **PASSED 3-0** on a voice vote.

Staff recommended findings in support of the approved request:

MOTION: M/S PARMELEE/ROGERS moved to approve the following findings in support of the approved conditional use permit:

1. The Planning Commission finds that the general approval criteria have been met by the applicant specifically that they site topography, slope and soil stability have been addressed;
2. That the necessary utilities are in place specifically with the provision with the extension of the road to serve the quarry;
3. That the lots are of appropriate size for natural resource extraction;
4. That the proposed conditional use permit has been properly addressed including overall internal traffic circulation;
5. The Planning Commission finds that there is not a need for additional items over and above what has been proposed by the Public Works Department with regards to fencing and screening.

Furthermore that Planning Commission finds in 22.30.160:

1. The Planning Commission finds that there are necessary design standards which will be implemented and required for the property;
 1. That the proposed conditional use permit will not be detrimental to public health, safety, and general welfare;
 2. Will not adversely affect the existing character of the surrounding facility;
 3. Will not be injurious to properties, improvements or other areas in the vicinity;
2. That the granting of the conditional use permit is consistent with the comprehensive plan policy 2.5.2 that states "To encourage commercial and industrial developments of a quality that does not adversely impact any adjacent recreational and residential areas" and 2.1.1 "Contribute to a stable, long-term, local economic base";
3. The Planning Commission finds all conditions necessary to lessen impacts are in place or will be in place;
4. The proposed use will not introduce hazardous conditions;
5. That the Planning Commission finds that the conditional use permit is supported by and will not adversely affect public facilities specifically that there will be the necessary road drainage installed to serve the quarry;
6. That the Planning Commission finds that the applicant has met the burden of proof.

The Planning Commission also finds the proposed conditional use permit request in 22.24.010:

- a. The Planning Commission finds that there will not be adverse impacts on vehicular traffic;
- b. That there will not be adverse impacts on noise being generated;
- c. That odors will not be generated by the project;

- d. That the hours of operation will be dealt with through the municipal lease;
- e. That the property is adjacent to a to-be constructed access road;
- f. There will not be access through residential neighborhoods;
- g. There will not be any adverse effects on vehicular and pedestrian safety;
- h. That there are not any police, fire or emergency services issues;
- i. The Planning Commission finds that an internal traffic layout which has been provided in conceptual detail will be fully addressed through the lease process;
- j. The Planning Commission finds that signage is not an issue;
- k. That buffers on adjacent properties are not an issue;
- l. The Planning Commission has previously found that 2.5.2 and 2.1.1 apply;
- m. The Planning Commission has not received any public comment.

ACTION: Motion **PASSED 3-0** on a voice vote.

ADJOURNMENT

MOTION: M/S PARMELEE/WINDSOR moved to adjourn at 8:08 p.m.

ACTION: Motion **PASSED 3-0** on a voice vote.

William Stortz, Chair

Melissa Henshaw, Secretary

Request:

Conditional use permit request for a natural resource extraction (rock quarry) and mining support facilities.

Zoning District: I

Front: 20 feet
Rear: 10 feet
Side: 5 feet

Meeting Flow

- Report from Staff
- Applicant comes forward
- Applicant identifies him/herself – provides comments
- Commissioners ask applicant questions
- Staff asks applicant any questions
- Floor opened up for Public Comment
- Comment period closed - brought back to the board

- Motions

Tonight's Motions

- A motion recommending approval is suggested
- Move to approve findings in support of recommended approval or denial

City and Borough of Sitka
Conditional Use Request – Rock Quarry
501, 509, 517 Granite Creek Road
July 5, 2011

The City and Borough of Sitka's Stephen Weatherman, Municipal Engineer is requesting a conditional use permit for a natural resource extraction (rock quarry) and mining support facilities up Granite Creek Road.

There was a request back in 2008 for a minor subdivision for these three lots for future creation of quarry sites. The City was seeking more sites for rock quarries on municipal land. With decreased rock supply available, the municipality was trying to look for alternate quarry site locations.

Public Works staff will be there Tuesday night to give more information and answer any questions that the Board may have. In the interim, they have submitted a very detailed application that is included in this packet.

So far, we have not received any comments on the request. We'll let you know if any come in during the verbal staff report.

A motion recommending approval is suggested with the conditions that:

1. The project shall be completed in conformance with the plans submitted in the conditional use application to the Planning Commission;
2. Prior to the activation of the conditional use permit, the operator of the facility shall certify to the municipality, in writing, that all necessary permits have been received;
3. The applicant recognizes that the permit must be activated within two years of any Assembly approval, or the permit before void;

4. In addition, prior to the activation of the conditional use permit, the Planning Director shall indicate, in writing, that all permits have been received that the municipality considers necessary;
5. The applicant recognizes that other permits, not specifically mentioned by the municipality, may be required;
6. The applicant shall provide a narrative on the status of operations nine months after the activation of the conditional use permit;
7. The Planning Commission has an annual review of the first nine to twelve months of operation of the facility within one year of the activation of the conditional use permit. The purpose of the annual review is to determine what, if any impacts of the operation, need to be mitigated. The Planning Commission, by its own motion, may undertake a second annual review if the board considers it to be necessary;
8. The Assembly, at its discretion, may complete an annual review if any issues are not satisfactorily resolved at the Planning Commission level.

A follow up motion containing findings will be offered by staff after the initial vote.

CITY AND BOROUGH OF SITKA
PLANNING DEPARTMENT
CONDITIONAL USE PERMIT APPLICATION

Conditional Use Permit FEE	\$100.00
plus current city sales tax	

APPLICANT'S NAME: City and Borough of Sitka
PHONE NUMBER: 747-4042
MAILING ADDRESS: 100 Lincoln Street Sitka AK

OWNER'S NAME: _____
(If different from applicant)
PHONE NUMBER: _____
MAILING ADDRESS: _____

PROJECT ADDRESS: _____
LEGAL DESCRIPTION Lot: 1, 2, 3 Block: _____
 Subdivision: Granite Creek Quarry Subdivision
 U.S. Survey: 3670 Zoning Classification: I

☐ List specific request: Natural Resource Extraction

☐ State all reasons for justifying request: The Public and CBS Assembly have requested that additional rock and gravel sources be made available

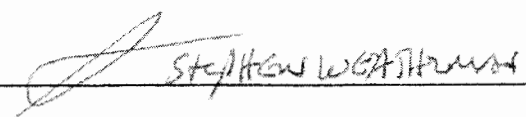
☐ List all features and details of request: The lots will be offered to the highest bidder based on the amount of royalty offered for in place rock. The successful bidder will be responsible for constructing the access road and developing the quarry for their use. The successful bidder will be required to meet requirements of the Corp of Engineers Permit, SWPPP plan and other State of Alaska or Federal requirement for quarry operations

☐ State the schedule and timing of request: _____

Please attach drawings, maps, and additional narrative as appropriate.

The applicant must verify, to the satisfaction of the Public Works Department, that utility lines and services are not under proposed structures.

In applying for and signing this application, the property owner hereby grants permission to Municipal staff to access the property before and after Planning Commission's review for the purposes of inspecting the proposed and/or approved structures.

SIGNATURE OF APPLICANT:  Date: 6/14/11
SIGNATURE OF OWNER: _____ Date: _____
(If different from the applicant)

*Approval will be based on plans submitted
or approved by the Planning Commission or Assembly*



City and Borough of Sitka

PUBLIC WORKS

100 LINCOLN STREET • SITKA, ALASKA 99835
PHONE (907) 747-1804 • FAX (907) 747-3158

6/14/11

To: Wells Williams, Planning Director

From: Stephen Weatherman P.E., Municipal Engineer

Re: Granite Creek Quarry Subdivision Conditional Use Permit Application

The Public Works Department is submitting a Conditional Use Permit Application for the Granite Creek Quarries known as lots 1, 2 and 3 of the Granite Creek Quarry Subdivision which is a remainder of Lot 1, U.S. Survey 3670. The lots are currently undeveloped at this time and will receive access from the Right of Way through existing Quarry Lease Site 2 as shown on the subdivision plan.

The quarry lots will require a Corp of Engineers permit which the Public Work Department will obtain prior to leasing the quarry lots. The two of the quarry lots include wet lands which will be buffered from the active quarry operations. Public Works may through the Corp of Engineers Permit develop a mitigation plan to allow the wet lands to be developed. However at this time the wetlands shall be buffered from the active quarry operations.

The Public Works Department will also prepare a Storm Water Pollution Prevention Permit (SWPPP) which the successful lessees will be required to implement prior to and during quarry operations. In addition to these issues the successful lessees will be required to construct and maintain the access road along the frontage of their quarry to provide access to all of the lots.

A preliminary quarry plan is being provided to show how each quarry could be quarried by prospective lessees. The plan shows the access road along the quarry frontage, a feasible benching scheme, the location of proposed SWPPP ponds, culverts, wetlands and onsite parking for employees. The successful Lessee will be required to provide a site specific mining plan incorporating the required components.

The following supporting documentation is being provided for review.

Granite Creek Quarry Subdivision plan

Granite Creek Quarry Subdivision conceptual grading plans showing feasible benching scheme

A portion of the 2000 Granite Creek Soils Probe and Wetlands Investigation Mapping by Steph Engineers

A sample lease for the Granite Creek Quarries

A Drainage evaluation of the project site

McGraw Construction & Gravel
PO Box 185
Sitka, AK 99835

Southeast Earthmovers
PO Box 784
Sitka, AK 99835

Tisher Construction
315 Seward Street
Sitka, AK 99835