

CITY OF VALDEZ, ALASKA

RESOLUTION #25-58

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, AUTHORIZING A GRAVEL EXTRACTION LEASE WITH KNIK CONSTRUCTION CO., INC, FOR A PORTION OF PARCEL E 1, Tract A, ASLS 79-116, PLAT 2002-12 AND TRACT C-1, ASLS 79-116, PLAT 2002-13

WHEREAS, Parcel E 1, Tract A, ASLS 79-116, Plat 2002-12 has been utilized for gravel extraction by Harris Sand and Gravel for the past 23 years and Tract C-1, ASLS 79-116, Plat 2002-13 has been used to support the gravel extraction on Parcel E 1; and

WHEREAS, these parcels are no longer being used by Harris Sand and Gravel and are now available; and

WHEREAS, Knik Construction Co., Inc has applied for a gravel lease on this property; and

WHEREAS, Chapter 4.08 of the Valdez Municipal Code provides for the lease of lands owned by the City of Valdez; and

WHEREAS, the Planning and Zoning Commission, at their November 12, 2025, meeting recommended that the city council approve the request to authorize a gravel extraction lease with Knik Construction Co., Inc. on a portion of Parcel E 1, Tract A, ASLS 79-116, Plat 2002-12 and Tract C-1, ASLS 79-116, Plat 2002-13;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that:

- Section 1. The City Manager or their designee is authorized to negotiate a new gravel lease for a portion of Parcel E 1, Tract A, ASLS 79-116, Plat 2002-12 and Tract C-1, ASLS 79-116, Plat 2002-13 with Knik Construction Co., Inc.
- Section 2. The term of this lease will be five years.
- Section 3. The initial rental rate will be a minimum rent of three thousand dollars (\$3,000.00) paid annually. Gravel removed by the Lessee during that calendar year will then be credited against the rent payment at the established per cubic-yard price. Upon the removal of \$3,000 worth of gravel, Lessee shall then make payments for gravel removed at the established cubic-yard price.

Section 4. A Phase I Environmental Site Assessment will be completed at the termination of this lease. Knik Construction Co., Inc will be responsible for reimbursing the City for the cost of the Assessment.

Section 5. Upon approval of this lease, a volumetric survey will be done on the property to determine existing contours and quantity of stockpiled material prior to establishment of the lease agreement. Knik Construction Co., Inc will be responsible for reimbursing the City for the cost of the survey.

Section 6. Gravel extraction shall be limited to Parcel E 1 unless a conditional use permit for material resource extraction is approved for Tract C-1.

Section 7. Any storage of imported material or storage of equipment that is not actively being used in the gravel extraction is prohibited without a separate land lease.

Section 8. The lessee shall be responsible for the restoration of the land and removal or reversion of improvements upon termination of lease, as required by VMC 4.08.260.

Section 9. The lease shall not be effective until after public notice is provided pursuant to VMC 4.08.160.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 2nd day of December, 2025.

CITY OF VALDEZ, ALASKA

Dennis Fleming, Mayor

ATTEST:

Sheri L. Pierce, MMC, City Clerk