

Presented by: The Manager
Introduced: 6-7-79
Referred to:

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 577

A RESOLUTION AUTHORIZING THE MANAGER TO RENEGOTIATE THE AGREEMENT WITH ALASKA ELECTRIC LIGHT AND POWER COMPANY UNITIZING MINING PROPERTIES, DATED MARCH 14, 1975 AND AUTHORIZING THE MANAGER TO LEASE PROPERTIES UNDER SUCH NEW AGREEMENT, OR AGREEMENT TO A THIRD PARTY.

WHEREAS, Alaska Electric Light and Power Company and the City and Borough of Juneau, on March 14, 1975 entered into an agreement unitizing certain mining properties owned by both parties, and

WHEREAS, it was the purpose of said agreement to provide a single entity with which interested mining companies could deal regarding exploration and development of said properties, and

WHEREAS, no proposals were received for the exploration or development of said properties because of a subsequent drop in the gold market, and

WHEREAS, the gold market has risen again and stabilized at a higher level, and

WHEREAS, Occidental Minerals Corporation (OxyMin), a wholly owned affiliate of Occidental Petroleum Corporation, has expressed a firm interest in exploring certain properties covered by said agreement, which properties are located on Douglas Island, and

WHEREAS, OxyMin and the parties involved believed it to be in the interest of all parties to cancel said agreement dated March 14, 1975 and to replace it with two separate, but similar, agreements; the first agreement to cover properties owned by the city and borough and by AEL&P which are in the Treadwell area on Douglas Island; the second agreement to cover the remaining properties in the Juneau area which were in the original agreement, and

WHEREAS, on April 12, 1979, the assembly authorized and directed the manager to execute the two separate unitization agreements to replace the original agreement, and

WHEREAS, the Treadwell area agreement (Douglas Gold) was executed on June 6, 1979 and the Juneau area agreement (Juneau Gold) will be similar in form to the Douglas Gold agreement when the former is executed, and

WHEREAS, OxyMin has requested expedited consideration of its proposal and the execution of instruments which will be necessary in order to permit their proposed exploration to commence during the early spring of this year,

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

1. That the Douglas Gold Agreement as executed on June 6, 1979 is confirmed and ratified.

2. That the Juneau Gold Agreement similar in form to the Douglas Gold Agreement, with such minor changes as the manager deems necessary, is approved and the manager is authorized to execute such agreement.


3. That upon execution of said agreements, those properties of the city and borough which are covered by said agreements shall be immediately available for leasing under the terms and procedures of the applicable agreement. Approval of the lease of properties under said agreements may be given by the assembly by motion.

4. That said properties may be leased for surface and subsurface mining and mineral exploration, extraction, processing and similar or related uses.

5. That said properties may be leased upon the effective date of this resolution and approval by the assembly of the proposed lease.

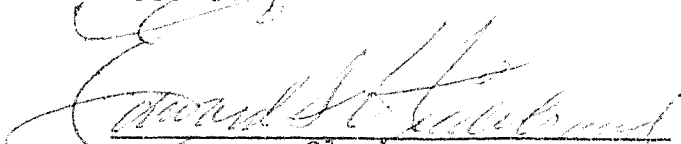
6. That this resolution shall become effective immediately.

Adopted this 7th day of June.



Mayor

Attest:



Deputy Clerk