CITY OF CRAIG ORDINANCE No. 636

AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE WITH VIKING LUMBER THE TERMS OF A LEASE OF CITY-OWNED WOOD DRYING EQUIPMENT FOR USE BY VIKING LUMBER

Section 1. Classification. This is a non-code ordinance.

Section 2. <u>Severability</u>. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall be effective immediately upon adoption.

Section 4. <u>Action</u>. This ordinance authorizes the City Administrator to negotiate a market value lease of city-owned wood drying equipment to be purchased by the City of Craig. The equipment considered for the lease is limited to that dryer and all associated equipment as outlined in a final lease agreement. Final terms of said lease are subject to the approval of the Craig city council. The leased equipment will be used to dry biomass fuel to be used by the City of Craig and others.

The City Administrator is under no obligation to negotiate for the lease the wood drying equipment, and the City Council is under no obligation to approve any lease negotiated by the City Administrator with Viking Lumber.

Passed and approved on <u>August 11</u> th, 2011.

Mayor Al Millie Schoonover

Attest Vecke Hamilton, City Clerk