RESOLUTION NO. ____ - 2026

A RESOLUTION AUTHORIZING THE MAYOR, ON BEHALF OF THE URBAN COUNTY GOVERNMENT, TO EXECUTE A LEASE AGREEMENT WITH VULCAN CONSTRUCTION MATERIALS, LLC, FOR THE EXTRACTION OF MINERALS BENEATH LFUCG-OWNED PROPERTIES ON OLD FRANKFORT PIKE, FOR AN INITIAL TEN (10) YEAR TERM WITH AN OPTION FOR THREE (3) RENEWAL TERMS OF TEN (10) YEARS EACH, IN EXCHANGE FOR PAYMENT TO THE URBAN COUNTY GOVERNMENT OF AN ANNUAL ROYALTY PAYMENT OF FIVE PERCENT (5%) OF THE AVERAGE UNIT SELL PRICE PER TON OF STONE AGGREGATE, WITH MINIMUM ANNUAL ROYALTY PAYMENTS THAT ESCALATE OVER THE LIFE OF THE LEASE, SUBJECT TO AND CONDITIONED UPON THE OBTAINING OF ALL OTHER APPROVALS NECESSARY TO GIVE FORCE AND EFFECT TO THE AGREEMENT.

BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That the Mayor, on behalf of the Lexington-Fayette Urban County Government, be and hereby is authorized to execute the Lease Agreement, which is attached hereto and incorporated herein by reference, with Vulcan Construction Materials, LLC, for the extraction of minerals beneath LFUCG-owned properties on Old Frankfort Pike, for an initial ten (10) year term with an option for three (3) renewal terms of ten (10) years each, in exchange for payment to the urban county government of an annual royalty payment of five percent (5%) of the average unit sell price per ton of stone aggregate, with minimum annual royalty payments that escalate over the life of the lease, subject to and conditioned upon the obtaining of all other approvals necessary to give force and effect to the agreement.

Section 2 – That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

_____
MAYOR

ATTEST:

_____
CLERK OF URBAN COUNTY COUNCIL

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