

**CARSON CITY AIRPORT AUTHORITY
MEETING AGENDA**

Wednesday, March 3rd, 2022 – 5:30 P.M.

Public Meeting at:

Carson City Airport Terminal
2600 College Parkway #6
Carson City, Nevada

This Agenda Prepared by Corey Jenkins, Airport Manager

- A. CALL TO ORDER, ROLL CALL, AND DETERMINATION OF QUORUM.
- B. PLEDGE OF ALLEGIANCE
- C. APPROVAL OF THE MINUTES OF PAST MEETINGS OF THE AIRPORT AUTHORITY.
- D. MODIFICATION OF THE AGENDA. *The Chairman reserves the right to modify the agenda in order to most effectively process the agenda items. Items may be taken out of order; Items may be combined for consideration by the Authority; Items may be pulled or removed from the agenda at any time.*
- E. PUBLIC COMMENT. Members of the public who wish to address the Airport Authority may speak on *agendized and non-agendized matters* related to the Airport. Comments are limited to three (3) minutes per person or topic. If your item requires extended discussion, please request the Chairman to calendar the matter for a future Airport Authority meeting.

• The public may provide public comment in advance of a meeting by written submission to the following email address: mgolden@flycarsoncity.com. For inclusion or reference in the minutes of the meeting, your public comment must include your full name & address and be submitted via email by not later than 5:00 p.m. the day before the meeting. The Carson City Airport Authority values your input. • Members of the public who wish to provide live public comment may do so during the designated public comment periods, indicated on the agenda in person.

F. CONSENT AGENDA

- 1. FOR POSSIBLE ACTION: AWARD FAA CONTRACT FOR AIP 41 TO THE RESPONSIVE APPARENT LOW BIDDER, TITAN ELECTRICAL CONTRACTING, INC., IN THE AMOUNT OF \$155,263.00.

Staff Summary: A request for Proposals was issued to 4 contractors that had expressed interest in the work on February 2, 2022. Proposals were received by February 10, 2022. Award of the contract will allow the project to proceed.

- 2. FOR POSSIBLE ACTION: APPROVE REVISED GRANT APPLICATION FOR AWOS RELOCATION.

Staff Summary: The grant application for the AWOS relocation requires a revision because of the unexpected increased cost of the site work for the AWOS relocation.

G. PUBLIC HEARINGS

1. DISCUSSION AND ACTION TO CONSIDER BIDS RECEIVED RESPONSIVE TO THE RESOLUTION TO LEASE AND AWARD LEASE FOR THE BRAVO LEASE PARCEL LOCATED WITHIN THE NORTHEAST ONE-QUARTER (1/4) OF SECTION FOUR (4) TOWNSHIP 15, NORTH, RANGE 20 EAST, MDM, CARSON CITY, NEVADA, OF APPROXIMATELY 12.27 ACRES AS DESCRIBED IN THE SURVEY DOCUMENT PREPARED BY CFA RENO AND POSTED ON THE AIRPORT WEBPAGE; LEASE AWARD MADE PURSUANT TO NRS 244.283. (S. Tackes)

Staff Summary: Per NRS 244.283, the required process for leasing airport land is via a public offering and sealed bid process upon adoption of resolution by the Authority. At its public meeting on January 19, 2022, the Authority adopted a Resolution that: (a) Described the property proposed to be leased; (b) Specified a minimum rental rate of \$0.28/sqft/yr based on an appraisal, along with a model lease specifying the terms upon which it will be leased; and (c) Set March 1 as a deadline for sealed bids and set March 3 for a public meeting of the board to be held, at which sealed proposals to lease will be received and considered. The Authority will review, discuss and deliberate on the bids received and if a satisfactory bid is accepted, the Authority will vote to award the lease to that bidder and forward the lease to the Board of Supervisors for their approval.

2. FOR DISCUSSION AND POSSIBLE ACTION: APPROVE AMENDMENT TO LEASE; RECONSIDERATION OF ISSUE RAISED BY TENANT AS TO RENT OFFSET DUE TO DRAINAGE ACTIONS TAKEN BY THE CITY.

Staff Summary: At the meeting held on January 19, 2022, the Authority approved an ownership change to Kevin Updegrove, and set the rent per the terms of the lease at the current market rate of \$0.28/sqft/yr (commercial FBO rate). Those matters are set forth in the lease amendment to be considered by the Authority. At the prior meeting, the Authority also heard and approved a rent offset to the Tenant per an issue raised by the Tenant regarding drainage improvements made by the City to the lease area. This matter is being reheard and re-considered so that Carson City Public Works can give input and/or respond to the Tenant's claims. Depending on the outcome it either will or will not be included in the lease amendment.

H. AIRPORT MANAGER'S REPORT (*Non-Action Item*).

I. LEGAL COUNSEL'S REPORT (*Non-Action Item*).

J. TREASURER'S REPORT (*Non-Action Item*).

K. REPORT FROM AUTHORITY MEMBERS (*Non-Action Item*).

Status review of projects

Internal communications and administrative matters

Correspondence to the Authority

Status reports and comments from the members of the Authority

- L. PUBLIC COMMENT. Members of the public who wish to address the Airport Authority may speak on items discussed on the agenda related to the Airport. Comments are limited to three (3) minutes per person or topic. If your item requires extended discussion, please request the Chairman to calendar the matter for a future Airport Authority meeting.
- M. AGENDA ITEMS FOR NEXT REGULAR MEETING (*Non-Action Item*).
- N. ACTION ON ADJOURNMENT.

* * * * *

DELIVERED (via E-Mail) to the FOLLOWING LOCATIONS for POSTING by 9am, February 28, 2022

The Carson City Airport (CCA) Website: www.flycarsoncity.com	
Airport Terminal Building 2600 College Parkway Carson City, NV	Mountain West Aviation 2101 Arrowhead Dr. Carson City, NV
Sterling Air, Ltd. 2640 College Parkway Carson City, NV	State of Nevada Public Notice Website https://notice.nv.gov
<i>~ Distribution made to others per request and as noted on the Airport Authority Distribution List ~</i> Supporting materials will be posted to the Carson City Airport website www.flycarsoncity.com as available, and can be obtained upon request from the, Airport Manager, 2600 E. College Parkway #6, Carson City, NV	

NOTE: The Airport Authority is pleased to make reasonable accommodations for the public who are disabled and wish to attend this meeting. If special arrangements for the meeting are necessary, please notify the Airport Authority at (775) 841-2255 or cjenkins@flycarsoncity.com

Notice: NRS 241.020(3)(b) states that a request for mailed notice of meetings automatically lapses six months after it is made to the public body. A separate written request is not required for each meeting although requests are limited to six months at a time.

THE CARSON CITY AIRPORT AUTHORITY ENCOURAGES WRITTEN COMMENTS FROM THE PUBLIC. Comments should be addressed to the **Airport Manager**, and sent to the following address:

Carson City Airport Authority 2600 E. College Parkway #6, Carson City, Nevada 89706



FlyCarsonCity.com

CCAA BOARD MEMO

Agenda Item: F-1

BOARD MEMO 2022-12

Meeting Date: March 3, 2022

Agenda Title: AWARD FAA CONTRACT FOR AIP 41 TO THE RESPONSIVE APPARENT LOW BIDDER, TITAN ELECTRICAL CONTRACTING, INC., IN THE AMOUNT OF \$155,263.00.

Staff Summary: A request for Proposals was issued to 4 contractors that had expressed interest in the work on February 2, 2022. Proposals were received by February 10, 2022. Award of the contract will allow the project to proceed.

Agenda Action: Formal Action/Motion

Time Requested 0 Minutes

Proposed Motion

I move to award the construction contract for the AWOS relocation project to Titan Electrical Contracting, Inc.

CCAA'S Strategic Goal

Maintain airport infrastructure in top condition.

Previous Action

The AWOS Relocation Project was approved to move forward early and front the cost that will be reimbursed at the October 25, 2021 CCAA meeting. The agreement was executed on January 12, 2022 to not delay the project.

Executive Summary

N/A

Recommendation:

Award the contract for the AWOS relocation project

Financial Information

Is there a fiscal impact?

No Yes

If yes, account name/number & amount:

General Fund/ Federal Share: \$145,559.06 Match: \$9,703.94.

Is it currently budgeted?

No, the estimated cost did increase

This is AIP reimbursable in FY 22/23 with a 6.25% Match.

Alternatives

Do not proceed with the AWOS Relocation.

Board Action Taken:

Motion: _____ 1) _____
2) _____

Aye/Nay

(Vote Recorded By)

NOTICE OF AWARD

**FOR IMPROVEMENTS TO
CARSON CITY AIRPORT
RELOCATE AND UPGRADE AWOS III PT - SITE WORK
CARSON CITY, NEVADA**

AIP NO. 3-32-0004-041-2022

TO: Titan Electrical Contracting, Inc.
5450 Mill St.
Reno, Nevada 89502

The OWNER has considered the Bid submitted by you for the above described Work in response to its Invitation for Bids and Instructions to Bidders.

You are hereby notified that your Bid for all schedules has been accepted in the amount of One Hundred Fifty Five Thousand Two Hundred Sixty Three Dollars and 00/100 (\$155,263.00).

You are required by the Instructions to Bidders to execute the Agreement and furnish the required Contractor's Performance, and Payment Bonds and Proofs of Insurance within fifteen (15) calendar days from the date of this Notice to you.

If you fail to execute said Agreement and to furnish said Bonds and Proofs of Insurance within fifteen (15) days from the date of this Notice, said Owner will be entitled to consider your Bid abandoned, to annul this Notice of Award and to declare your Bid Security forfeited.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the Owner.

Dated this _____ day of _____, 2022.

CARSON CITY AIRPORT AUTHORITY
(OWNER)

By _____, Airport Manager
2600 East College Parkway, Suite 6
Carson City, Nevada 89706
(775) 841-2255

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged by:

Titan Electrical Contracting, Contractor

By: _____

Date: _____

Title: _____

Telephone: _____



CCAA BOARD MEMO

Agenda Item: F-2

BOARD MEMO 2022-13

Meeting Date: March 3, 2022

Agenda Title: Approve Revised Grant Application for AWOS Relocation

Staff Summary: The grant application for the AWOS relocation requires a revision because of the unexpected increased cost of the site work for the AWOS relocation.

Agenda Action: Formal Action/Motion

Time Requested 0 Minutes

Proposed Motion

I move to Approve the revised Grant Application for the AWOS relocation.

CCAA'S Strategic Goal

Maintain airport infrastructure in top condition.

Previous Action

The AWOS Relocation Project was approved to move forward early and front the cost that will be reimbursed at the October 25, 2021 CCAA meeting. The agreement was executed on January 12, 2022 to not delay the project.

Executive Summary

N/A

Recommendation:

Approve the Revised Grant Application.

Financial Information

Is there a fiscal impact?

No Yes

If yes, account name/number & amount:

General Fund/ Federal Share: \$304,329.38 Match: \$20,288.62.

Is it currently budgeted?

No, the estimated cost did increase

This is AIP reimbursable in FY 22/23 with a 6.25% Match.

Alternatives

Do not proceed with the AWOS Relocation.

Board Action Taken:

Motion: _____ 1) _____
2) _____

Aye/Nay

(Vote Recorded By)

Application for Federal Assistance SF-424

* 1. Type of Submission:

- Preapplication
 Application
 Changed/Corrected Application

* 2. Type of Application:

- New
 Continuation
 Revision

* If Revision, select appropriate letter(s):

A: Increase Award

* Other (Specify):

* 3. Date Received:

4. Applicant Identifier:

Carson City Airport (KCXP)

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

3-32-0004-041-2022

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name:

Carson City Airport Authority

* b. Employer/Taxpayer Identification Number (EIN/TIN):

26-3261989

* c. Organizational DUNS:

0358913860000

d. Address:

* Street1:

2600 East College Parkway

Street2:

Suite 6

* City:

Carson City

County/Parish:

* State:

NV: Nevada

Province:

* Country:

USA: UNITED STATES

* Zip / Postal Code:

89706-0755

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Mr.

* First Name:

Corey

Middle Name:

* Last Name:

Jenkins

Suffix:

Title: Airport Manager

Organizational Affiliation:

* Telephone Number:

(775) 841-2255

Fax Number:

* Email:

cjenkins@flycarsoncity.com

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

C: City or Township Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Federal Aviation Administration

11. Catalog of Federal Domestic Assistance Number:

20.106

CFDA Title:

Airport Improvement Program

*** 12. Funding Opportunity Number:**

N/A

* Title:

N/A

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Relocate AWOS

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:*** a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:* a. Start Date: * b. End Date: **18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="304,329.38"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="20,288.62"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="324,618.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?** a. This application was made available to the State under the Executive Order 12372 Process for review on b. Program is subject to E.O. 12372 but has not been selected by the State for review. c. Program is not covered by E.O. 12372.*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)** Yes No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

 ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:Prefix: * First Name: Middle Name: * Last Name: Suffix: * Title: * Telephone Number: Fax Number: * Email: * Signature of Authorized Representative: * Date Signed:

PART III – BUDGET INFORMATION – CONSTRUCTION

SECTION A – GENERAL	
1. Assistance Listing Number:	20.106
2. Functional or Other Breakout:	

SECTION B – CALCULATION OF FEDERAL GRANT			
Cost Classification	Latest Approved Amount (Use only for revisions)	Adjustment + or (-) Amount (Use only for revisions)	Total Amount Required
1. Administration expense			\$ 31,202
2. Preliminary expense			
3. Land, structures, right-of-way			
4. Architectural engineering basic fees			36,080
5. Other Architectural engineering fees			
6. Project inspection fees			23,210
7. Land development			
8. Relocation Expenses			
9. Relocation payments to Individuals and Businesses			
10. Demolition and removal			
11. Construction and project improvement			155,263
12. Equipment			78,863
13. Miscellaneous			
14. Subtotal (Lines 1 through 13)			\$ 324,618
15. Estimated Income (if applicable)			
16. Net Project Amount (Line 14 minus 15)			324,618
17. Less: Ineligible Exclusions (Section C, line 23 g.)			
18. Subtotal (Lines 16 through 17)			\$ 324,618
19. Federal Share requested of Line 18			304,329
20. Grantee share			20,289
21. Other shares			
22. TOTAL PROJECT (Lines 19, 20 & 21)			\$ 324,618

SECTION C – EXCLUSIONS	
23. Classification (Description of non-participating work)	Amount Ineligible for Participation
a.	
b.	
c.	
d.	
e.	
f.	
g. Total	

SECTION D – PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE	
24. Grantee Share – Fund Categories	Amount
a. Securities	
b. Mortgages	
c. Appropriations (by Applicant)	20,289
d. Bonds	
e. Tax Levies	
f. Non-Cash	
g. Other (Explain):	
h. TOTAL - Grantee share	\$ 20,289
25. Other Shares	Amount
a. State	
b. Other	
c. TOTAL - Other Shares	
26. TOTAL NON-FEDERAL FINANCING	\$ 20,289

SECTION E – REMARKS (Attach sheets if additional space is required)
<p>Exhibit A dated January 2017 incorporated by reference.</p> <p>Plans and Specifications dated April 9, 2021 incorporated by reference.</p>

CIP/PREAPPLICATION DATA SHEET

AIRPORT: Carson City Airport **LOCAL PRIORITY:** _____ **UPDATED:** 2/2022
WORK ITEM: Relocate AWOS

SKETCH:



JUSTIFICATION: The SRE building is required to preserve and protect SRE equipment, therefore the relocation of the AWOS is required to provide adequate building area. Additionally, the current AWOS location does not meet FAA AWOS siting criteria.

SPONSOR SIGNATURE: _____ **DATE:** _____

COST ESTIMATE:

Item

ADMINISTRATION:	\$ 31,202	1: Construction	\$ 155,263	4	\$
ENGINEERING:	\$ 36,080	2: Equipment	\$ 78,863	5	\$
INSPECTION:	\$ 23,210	3:	\$	TOTAL:	\$ 324,618

ADO USE:

PREAPP **GRANT** **NPIAS** **WORK** **FAA**
NO: _____ **NO:** _____ **CODE:** _____ **CODE:** _____ **PRIOR:** _____ **FED \$** _____



FlyCarsonCity.com

CCAA BOARD MEMO

Agenda Item: G-1

BOARD MEMO 2022-14

Meeting Date: March 3, 2022

Agenda Title: DISCUSSION AND ACTION TO CONSIDER BIDS RECEIVED RESPONSIVE TO THE RESOLUTION TO LEASE AND AWARD LEASE FOR THE BRAVO LEASE PARCEL LOCATED WITHIN THE NORTHEAST ONE-QUARTER (1/4) OF SECTION FOUR (4) TOWNSHIP 15, NORTH, RANGE 20 EAST, MDM, CARSON CITY, NEVADA, OF APPROXIMATELY 12.27 ACRES AS DESCRIBED IN THE SURVEY DOCUMENT PREPARED BY CFA RENO AND POSTED ON THE AIRPORT WEBPAGE; LEASE AWARD MADE PURSUANT TO NRS 244.283. (S. Tackes)

Staff Summary: *Per NRS 244.283, the required process for leasing airport land is via a public offering and sealed bid process upon adoption of resolution by the Authority. At its public meeting on January 19, 2022, the Authority adopted a Resolution that: (a) Described the property proposed to be leased; (b) Specified a minimum rental rate of \$0.28/sqft/yr based on an appraisal, along with a model lease specifying the terms upon which it will be leased; and (c) Set March 1 as a deadline for sealed bids and set March 3 for a public meeting of the board to be held, at which sealed proposals to lease will be received and considered. The Authority will review, discuss and deliberate on the bids received and if a satisfactory bid is accepted, the Authority will vote to award the lease to that bidder and forward the lease to the Board of Supervisors for their approval.*

Agenda Action: Formal Action/Motion

Time Requested 10 Minutes

Proposed Motion/ Action

(After bidding process if any) I move we award the lease to _____ on the basis of the bid submitted and at the rate of _____ under the terms offered by the Authority, authorize and direct the chair to execute the lease and to deliver it upon performance and compliance by the lessee by their signature and the performance of any requirements which are to be performed concurrently

therewith, and authorize Staff to present the lease to the Carson City Board of Supervisors for their approval.

CCAA'S Strategic Goal

Management and safety of airport and operations; improved economic use of the Airport and corresponding revenues to cover additional usage; compliance with NRS 844 and federal requirements

Previous Action

At the January 19, 2022, CCAA (Carson City Airport Authority) meeting, the CCAA voted to adopt a Resolution (copy attached) to offer for lease the area on the east side of Taxiway Bravo as a single 12.27 acre lease parcel. The Invitation to Bid Resolution was advertised in the Nevada Appeal for 3 successive weeks (affidavit attached), posted per NRS, and set forth a deadline for receipt of bids by 5pm on March 1, 2022. (This briefing is being sent out prior to the end of business today, so I don't know if there are any bids, or if there is more than one.)

Summary

The NRS 244.283 process for the Authority to follow is that the Authority will at its meeting consider each of the bids received. The Authority will determine if each bid meets the requirements of the Resolution. If more than one bid, the Authority will allow the lower bidder to outbid the higher bidder, and then back and forth via an auction process. If there is only one bid that meets the requirement of the Resolution, the Authority may award the bid to that bidder.

The Authority also has the power to reject all bids and determine whether it wants to re-issue the Resolution on different terms. This would be appropriate if the bids indicate that other terms would make more sense to the Authority and would justify re-issuing a Resolution.

The relevant sections for this stage of the process, under NRS 244.283, are:

4. At the time and place fixed in the resolution for the meeting of the board, all sealed proposals which have been received must, in public session, be opened, examined and declared by the board. Of the proposals submitted which conform to all terms and conditions specified in the resolution of intention to lease and which are made by responsible bidders, the proposal which is the highest must be finally accepted, unless a higher oral bid is accepted or the board rejects all bids.

5. Before accepting any written proposal, the board shall call for oral bids. If, upon the call for oral bidding, any responsible person offers to lease the property upon the terms and conditions specified in the resolution, for a rental exceeding by at least 5 percent the highest written proposal, then the highest oral bid which is made by a responsible person must be finally accepted.

6. A person may not make an oral bid unless, at least 5 days before the meeting held for receiving and considering bids, the person submits to the board written notice of the person's intent to make an oral bid and a statement establishing the person's financial responsibility to the satisfaction of the board.

7. The final acceptance by the board may be made either at the same session or at any adjourned session of the same meeting held within the 21 days next following.

8. The board may, either at the same session or at any adjourned session of the same meeting held within the 21 days next following, if it deems such action to be for the best public interest, reject any and all bids, either written or oral, and withdraw the property from lease.

9. Any resolution of acceptance of any bid made by the board must authorize and direct the chair to execute a lease and to deliver it upon performance and compliance by the lessee with all the terms or conditions of the lessee's contract which are to be performed concurrently therewith.

<https://www.leg.state.nv.us/NRS/NRS-244.html#NRS244Sec283>

Recommendation: Open and review bids. Determine whether each bid meets the minimum rental rate and terms of the Resolution. If more than one bid qualifies, then allow for oral raising of bids until only one bidder remains, and then award the lease. (Note: the Resolution allows anyone who submitted a qualifying bid to orally bid. No other persons have given notification that they want to bid per the statute.) Allow the tenant and Staff 30 days to obtain a fully signed lease and then send it to the Board of Supervisors for their approval. (We need time to obtain the recorded survey so we can insert the precise legal description referencing the recorded survey.)

If the Authority needs more time to consider the bids and an award of a lease, they can continue the matter for no more than 21 days (ie. the next regular Authority meeting in March).

Once the Authority has opened and reviewed the bids, additional advice may be appropriate based on the content of the bids.

Financial Information

Is there a fiscal impact?

No Yes

If yes, account name/number & amount: lease revenues

Is it currently budgeted? No.

Alternatives

Reject all bids.

Board Action Taken:

Motion: _____ 1) _____
2) _____

Aye/Nay

(Vote Recorded By)

**RESOLUTION AND NOTICE OF INVITATION
TO BID CARSON CITY AIRPORT LEASES**

The Carson City Airport Authority will receive sealed bids for the lease of airport property located on the east side of taxiway B (Bravo Lot), upon minimum terms and conditions as adopted by the Carson City Airport Authority on January 19, 2022. The minimum terms, conditions and specifications together with maps identifying the property available for lease are on file and available for inspection at the offices of the Carson City Airport Authority, Airport Manager, 2600 E. College Parkway, Terminal Building, Carson City, Nevada, or on the Authority's webpage www.flycarsoncity.com

Bidders may obtain copies of the documents from the Airport at no charge by downloading them from the Information page on the Authority's webpage.

The Airport Authority resolved its intention to invite bids to lease the following property:

- (a) Area offered for lease. That lot located on the Airport property, referred to as the Bravo Lot, located on the east side of taxiway B located within the northeast one-quarter (1/4) of section four (4) Township 15, North, Range 20 East, MDM, Carson City, Nevada, of approximately 12.27 acres as described in the survey document prepared by CFA Reno and posted on the airport webpage, www.flycarsoncity.com. An easement is reserved to the Airport Authority for Through-the-Fence access ways as shown in the map.
- (b) The minimum rental and terms.
1. Lease term to be 50 years, with an automatic CPI adjustment every 2 years.
 2. Minimum rental rate shall be \$0.28 per square foot per year, ie. an amount per year calculated as \$0.28 times the area leased in square feet.
 3. Lease includes aircraft access to taxiway at no additional cost. Tenant is responsible for paving or other connector to the taxiway and such included internal taxi-lanes as necessary for Tenant's hangar construction.
 4. Lessee must comply with all Airport rules, including those set forth in Carson City Municipal Code Title 19.
 5. A model lease is provided with the document package setting forth the terms.
 6. The proposed uses on the Bravo Lot are for hangar construction and aircraft storage. So long as the successful bidder can provide public access to the leased parcels separated from aircraft movement areas, the lease may provide commercial FBO services beyond aircraft storage (eg. aircraft sales, parts and accessories, charter, rental, repair, instruction, maintenance), as well as other uses proposed by the bidder which the Authority finds reasonable and compatible and otherwise permitted by Title 19.
 7. Bidders may propose a phased schedule for constructing the hangars with no more than 4 phases and no more than 1 year's time for permits and 1 additional year thereafter for completion of construction of each phase. If phased, then the successful bidder must re-parcel the phased areas per requirements of the

Carson City Assessor.

8. The successful bidder must bring utilities to the lease site at the bidder's expense.

9. The successful bidder must reimburse the Airport Authority for the proportional part of the appraisal costs.

(c) Sealed bids must be received at the office of the Carson City Airport Authority by 5:00 p.m. March 1, 2022. The bidder must supply 10 copies of his/her bid. A special public meeting of the Carson City Airport Authority will be held at the Airport Terminal Building, 2600 College Parkway, Carson City, Nevada at 5:30 pm on March 3, 2022. Any interested person may appear at the meeting. At such time all sealed proposals will be opened and examined by the Authority, and at which time the Authority will select the winning bid. In the event that additional time is needed by the Airport Authority to review and select the winning bid, a special meeting will be scheduled within 21 days of bid opening per NRS 244.283. The Airport Authority will examine all bids from the standpoint of best airport land use, appearance, and integration into other airport operations and shall accept the highest bid which meets those and the other specified terms and conditions. Terms and conditions contained in bids which differ from the specified requirements, but are considered reasonable by the Carson City Airport, may be negotiated as a condition of award. Oral bids may be made at that time under the provisions of NRS 244.283. Persons who submit sealed bids shall be considered to have given notice that they may participate in oral bidding. Persons who do not submit sealed bids must notify the Airport Authority in writing at least 5 days prior to bid opening of their intent to participate in oral bidding. At the time of such bidding, said persons must identify how their bids comply with the minimum terms.

Terms and conditions also include a requirement that the first year's minimum rent be paid in advance at the time of execution of the lease, and that said lease is conditioned upon approval by the Carson City Board of Supervisors as required by law.

Bids must be accompanied, at a minimum, by a statement setting forth the area to be leased, the bid amount (\$____ per sqft per year), building material and design specifications for the construction, an artist or architect sketch of the construction on site (general appearance and layout), a completed Lease Proposal Form, and a statement verifying that all terms and conditions set forth in the bid documents are accepted, or identifying alternative terms and conditions. All bids must remain available for acceptance for 60 days.

The Carson City Airport Authority reserves the right to reject any or all bids, or, accept reasonable modifications and limitations.

**Carson City Airport Authority,
Michael Golden, Chairman**

Carson City Airport Land Lease Proposal

Lessee: _____

Number of Years in Business: _____

Desired Lease Term: _____

Proposed Premises Location: _____

Proposed Land Lease Area (Acres): _____

Proposed Rent PSF Per Annum: _____

Proposed Building Area (Sq.Ft.): _____

Proposed Project Description: _____

Will the proposed project have hangars available for rent? _____

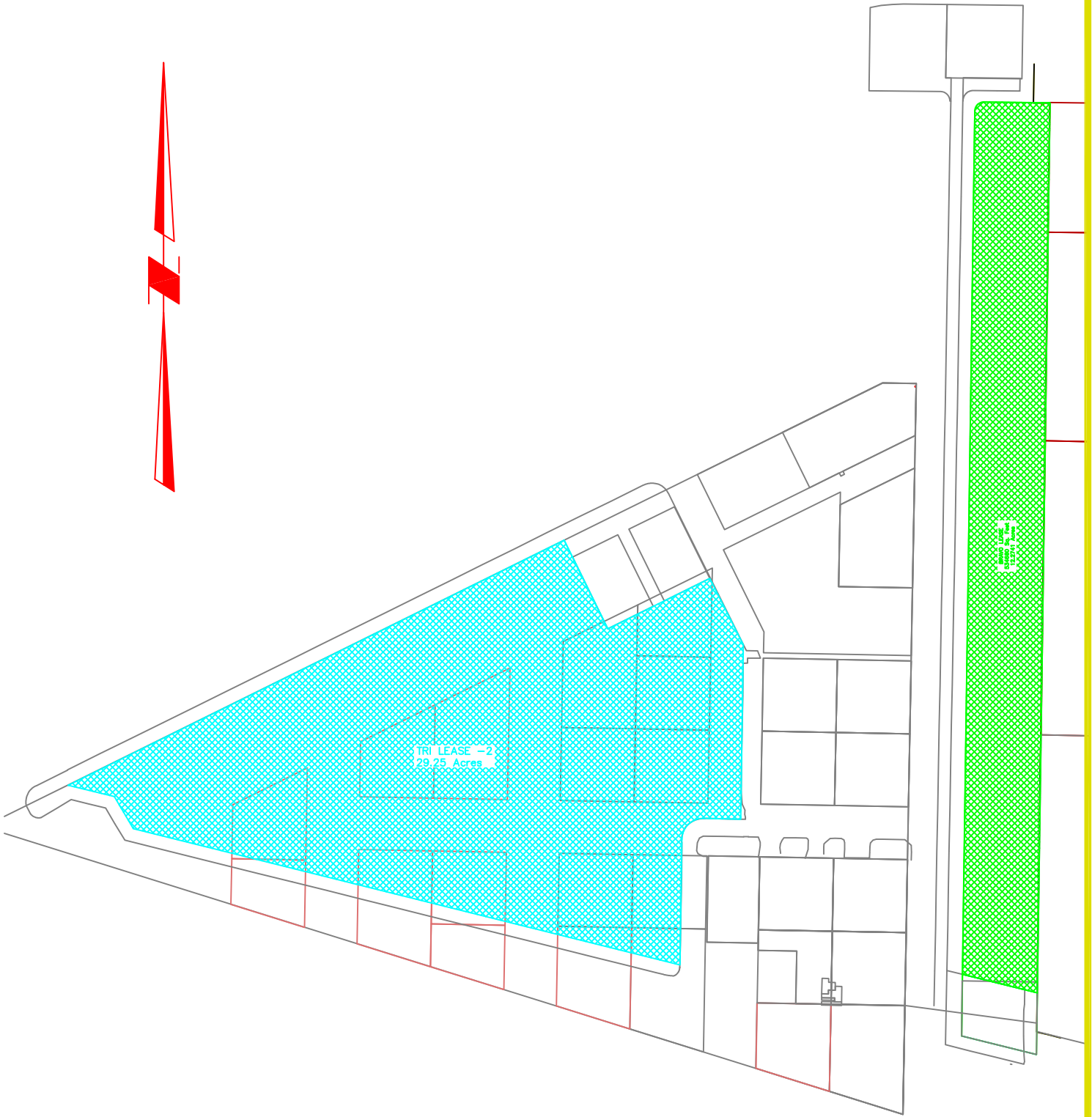
Will the proposed project have hangars available for sale? _____

Lessee's Real Property Development Experience:

If proposing phasing, describe and provide timing:

If intending commercial uses for the lease, identify all such uses:

Please provide Lessee's financial statements as an attachment to this proposal.



LEASE PARCEL EXHIBIT
FOR
CARSON CITY AIRPORT
BEING PORTION OF THE EAST HALF OF SECTION 4,
T.15 N., R 20 E., M.D.M., CARSON CITY COUNTY, NEVADA

LAND SURVEYORS
CIVIL ENGINEERS
LAND USE PLANNERS
1150 CORPORATE BOULEVARD
RENO, NEVADA 89502
775-856-1150 MAIN ■ CFARENO.COM

SHEET
1 / OF **1**

APN

Lessee/ tax statements to:
--INSERT NAME OF TENANT--
ADDRESS of TENANT

The Tenant and Landlord hereto affirm that this document submitted for recording does not contain the social security number of any person or persons. (Per NRS 239B.030).

CARSON CITY AIRPORT LEASE AGREEMENT

This lease, made and entered into this ___ day of _____, 2022, between Carson City, a consolidated municipality, a political subdivision of the State of Nevada, hereinafter referred to as “City” or “Carson City” (property owner) and the Carson City Airport Authority, an Airport operator per NRS 844 hereinafter referred to as “Airport Authority” (and together with City, “Landlord”), whose address is 2600 E. College Parkway #6 Carson City, Nevada 89706 (email to: manager@flycarsoncity.com), and --INSERT NAME OF TENANT-- (“Tenant”), whose address is --insert address-- (email to: --insert email address--).

WITNESSETH:

WHEREAS, the Tenant and Landlord desire to enter a lease as regards certain ground space for construction of hangars as an aircraft storage FBO under Title 19 of the Carson City Municipal Code, or for commercial FBO services so long as public access can be separated from aircraft movement areas; and

WHEREAS, the parties desire to establish such lease in a manner consistent with the Airport Master Plan and Carson City Municipal Code, so as to lease Tenant premises consistent with uses desired by Landlord and to provide economic activity and monetary support to the Carson City Airport (“Airport”); and

THEREFORE, Landlord and Tenant agree as follows:

1. PREMISES. Landlord leases to Tenant and Tenant leases from Landlord the real property located at the Airport and comprised of that lot located at --insert location-- identified as APN _____; further identified as (eg. the Bravo Lease parcel on Survey or Document no. ___ dated _____); and as fully described on Exhibit A (“Legal Description”) to this lease, with the appurtenant rights included in Paragraph 8. The area is comprised of approximately ___ sq ft. of undeveloped property.

2. TERM. The term shall be fifty (50) years from the date of execution hereunder.

3. BASE RENT. Tenant shall pay to Landlord \$_____ per year (\$_____ per month); calculated as \$0.____ per square foot per year (upon lease approval; to be paid on the first of the month following Board of Supervisor approval of the lease). Rent shall be payable monthly with payments due on the first day of each month. Tenant shall be responsible for the paving of ramp and taxilane area within the leasehold boundaries, and connecting to the taxiway. Tenant responsible for coordinating through-the-fence access for properties ease of the lease area.

A. Tenant must bring utilities infrastructure to site at Tenant's cost, and must pay hookup fees or other related fees, if any, assessed by the Carson City Utility Department.

B. Tenant shall maintain, at Tenant's cost, utilities infrastructure in conformance with the engineering design and installation approved by the Airport Authority

C. Tenant to reimburse Landlord for the appraisal cost of \$_____.

4. ADJUSTMENTS TO BASE RENT.

A. CONSUMER PRICE INDEX ADJUSTMENT. An adjustment of the rental and fees described above shall occur first on January 1, 2024, then at two-year anniversary intervals from January 1, 2024, during the term of this Lease. Such adjustment of rental shall be based upon the percentage change reflected by the Consumer Price Index (hereinafter called the "Price Index") for the preceding two-year period. The Price Index shall mean the average for "all items" shown on the "U.S. City Average for All Urban Consumers" as promulgated by Bureau of Legal Statistics of the U.S. Department of Labor, as amended or replaced by the Bureau of Legal Statistics. Landlord shall measure each two-year adjustment using the most recently available report, recognizing that it may be necessary to use a 2-year period with a final quarter ending prior to each January 1 adjustment date. In no event, however, shall any decrease in the Price Index result in a decrease of the rental below the base rate set forth at Section 3 of this lease. For example, if the Price Index for December 2025 is 155.0 (1982-1984=100), and for December 2023 was 150.0, then the rent would be adjusted by the difference (155.0-150.0) divided by 150.0 which equals a 3.3% increase.

B. MARKET TO MARKET LAND APPRAISAL. On January 1, 20__ (insert year 15), and thereafter at each 10-year anniversary of the lease term, the rent rate shall be adjusted to the appraised rate as determined by an MAI certified appraiser, selected from the Carson City Board of Supervisors' approved list of appraisers. Landlord and Tenant shall share equally the expense of such appraisals.

5. IMPROVEMENTS. Tenant shall commence construction of the hangar project as set forth in Exhibit B to this lease with construction of all hangars completed within 2 years of execution of this lease. Tenant shall meet the construction requirements and standards adopted by Landlord pursuant to Title 19 of the Carson City Municipal Code, including but not limited to, expending funds for maintenance on the property, pavement and improvements, at an effective rate of at least \$0.03/sqft/yr averaged over a 10-year period. Upon completion of construction, Tenant shall provide Landlord with an exterior and pavement maintenance plan and shall abide by the plan. Upon each 10-year anniversary of January 1, 2022, the Tenant shall report on its improvements to, and maintenance on, the leasehold made during the 10-year period. Upon request of Landlord, Tenant shall provide supporting documentation of such Tenant expenditures to ensure that the facility is being maintained in the same fashion (i.e. the same, good condition as when improvement construction was completed, normal wear and tear excepted). Such maintenance shall include, as a minimum, adequate care of the Tenant pavement such that the pavement remains no lower than a fair rating (i.e. PCI 58-74). Failure to maintain leasehold improvements at or above these standards shall be treated as a breach of this lease.

6. DEFAULT. The occurrence of any of the following shall constitute a default by Tenant:

A. Failure to pay rent when due if the failure continues for ten (10) days after notice has been given to Tenant.

B. Abandonment and vacation of the premises. Failure to occupy and operate the premises for thirty (30) consecutive days shall be deemed an abandonment and vacation, except to the extent such non-use is within the construction schedule.

C. Violation of Tenant or its contractors, and/or subcontractors of the terms and conditions of this lease, as determined by Landlord at its sole discretion. If such default is not cured, within ten (10) days after written notice thereof from Landlord to Tenant, Landlord may, at its sole discretion, suspend or terminate this Agreement.

D. Failure of Tenant to abide by all applicable laws, ordinances, rules and regulations of the United States, State of Nevada, or Carson City.

E. Filing a petition of voluntary or involuntary bankruptcy regarding Tenant.

F. The making by the Tenant of any general assignment for the benefit of creditors.

G. Violation of any of the standards, rules, and regulations set forth in CCMC Title 19, Appendix A of this lease, or Exhibit B to this lease, or failure to maintain current licenses required for the permitted operation.

H. Failure to provide or maintain the required certificates of insurance.

I. Failure to complete construction of the facilities as required by this lease and any exhibits or amendments thereto, or extensions granted by action of the Airport Authority at a publicly noticed meeting. Landlord may terminate this lease under this subsection at its sole discretion, with thirty (30) days written notice of its intention to terminate this Lease.

Notices given under this paragraph must specify the alleged default, the applicable lease provision(s), and must demand that Tenant cure its default and perform the provisions of this lease or pay the rent that is in arrears, within the applicable period of time, or quit the premises. Unless a different period to cure a default is specified in this lease, any notice of default from Landlord to the Tenant shall provide Tenant ten (10) days to cure its default, if the default is one that can be cured, or quit the premises. No such notice will be deemed a forfeiture or a termination of this lease unless Landlord so elects in the notice.

Failure to declare a breach or the actual waiver of any particular breach of this lease or its material or nonmaterial terms by either Landlord or Tenant shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

7. REMEDIES. Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative to any remedies now or later allowed by law. Such rights and remedies may be exercised and enforced concurrently and whenever and as often as Landlord deems appropriate. Any amount paid, or expense or liability incurred, by the

Landlord for the account of Tenant may be deemed to be additional charges, and the same may, at the option of Landlord, be added to any amounts then due or thereafter falling due.

A. Penalties. Landlord may assess any penalties permitted under Carson City Municipal Code Title 19, or any penalties otherwise provided by law if the default constitutes a violation of law.

B. Tenant's right to possession not terminated. Landlord can continue this lease in full force and effect, and the lease will continue in effect, as long as Landlord does not terminate Tenant's right to possession. Landlord shall have the right to collect rent when due. During the period Tenant is in default, Landlord can enter the premises and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the premises. Reletting can be for a period shorter or longer than the remaining term of this lease. In the event of reletting, Tenant shall still pay to Landlord the rent due under this lease on the dates the rent is due, less the rent Landlord receives from any reletting.

If Landlord elects to relet the premises as provided in this paragraph, rent that Landlord receives from a third party upon reletting shall be applied to the payment of:

First, any indebtedness from Tenant to Landlord other than rent due from Tenant;

Second, all costs, including maintenance, incurred by Landlord in reletting;

Third, rent due and unpaid under this lease, after deducting the payments referred to in this paragraph. Any sum remaining from the rent Landlord received from reletting shall be held by Landlord and applied for payment of future rent as rent becomes due under this lease. In no event shall Tenant be entitled to any excess rent received by Landlord. If, on the date rent is due under this lease, the rent received from reletting is less than the rent due on the date, Tenant shall pay to Landlord, in addition to the remaining rent due, all costs including for maintenance Landlord incurred in reletting, that remain after applying the rent received from the reletting as provided in this paragraph.

C. Termination of Tenant's right to possession. Landlord can terminate Tenant's right to possession of the premises at any time after default. No act by Landlord other than giving notice to Tenant shall terminate this lease. Acts of maintenance, efforts to relet the premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant the unpaid rent that had been earned at the time of termination of this lease, and any other amount, including court costs, necessary to compensate Landlord for all detriments proximately caused by Tenant's default.

8. APPURTENANT RIGHTS AND RESTRICTIONS.

A. Tenant may use the premises primarily for the storage of aircraft; storage of machinery, parts and tools associated with the stored aircraft; office space associated with the stored aircraft; and the permitted FBO activities identified in the FAA Hangar Use Policy as adopted in the Carson City Municipal Code 19.02.020.370, as amended. Tenant may use the premises for commercial FBO services so long as Tenant provides public access in a way that protects aircraft movement areas from public access. Such public access to be approved by the Airport Manager, and will not be unreasonably denied. Commercial FBO services include the following: aircraft sales, parts and accessories, charter, rental, repair, instruction, maintenance, and related services permitted under CCMC Title 19. Tenant is expressly prohibited from conducting any activity at the Airport other than that provided by this lease or as may be approved by Landlord.

Tenant may conduct such non-aviation business upon the premises as are otherwise permitted by law and do not otherwise interfere with the aviation uses permitted under this lease and other leases on this Airport. Landlord's decision shall be final as to claims of conflict over interfering uses. No person may live in, or otherwise inhabit, any hangars constructed on the property leased.

All aircraft stored on the leased area must be registered as personal property in Carson City, Nevada, unless such aircraft are transient and are not on the leased area for more than 21 consecutive days. Tenant shall supply Landlord with evidence of the registration and taxation information for aircraft stored on the leased premises on the two-year anniversaries of this lease, or upon such shorter period as may be requested by the Airport Manager or required by the Hangar Use Ordinance, or other applicable law or policy.

B. Ingress and Egress. Tenant shall have full and unimpaired access to the leased premises and a nonexclusive right to use the taxiways between the leased premises and the Airport's runway. Tenant shall be responsible for, and control the access to, the leased premises. Tenant is responsible for determining whether the designated taxiway access is sufficient for its needs. Access between the leasehold and Airport shall comply with the Landlord's rules, regulations, and/or access plans, and any rules or security regulations which may have been established or shall be established in the future by the FAA, the Transportation Security Administration (TSA), or the State of Nevada. To the extent that the Airport utilizes a key card or other gate control system, and charges Airport users for such system, Tenant shall be entitled to use the system upon the same terms, conditions, and charges as other Airport users.

C. Right of Entry. Landlord, or its designated Airport Manager or agent, reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection deemed expedient or desirable for the proper enforcement of any terms, conditions, provisions, and covenants of this lease.

D. Air Space and Subsurface Rights. This lease confers no rights to the subsurface of the land more than five (5) feet below the ground level of the premises or to airspace more than ten (10) feet above the top of the roof of the building or buildings that is a part of the premises. Exported material must be approved by the Landlord as to placement or sale. Tenant acknowledges that Landlord is the owner of the dirt material in place at the time of lease. All exemptions or applications must have the prior approval of Landlord and comply with the Carson City Municipal Code Title 19, Airport Rules and Regulations.

E. Federal Requirements.

1. The Tenant for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration, does covenant and agree as a covenant running with the land that Tenant shall comply with all Federal Aviation Regulations (FARs) applicable to Tenant's operations on the premises. The Tenant acknowledges that the Airport is the recipient of FAA Airport Improvement Program funds and other federal funds. The Tenant shall take no action which violates or causes others to violate the assurances

Landlord granted to the FAA in conjunction with such federal funding. Such assurances include, but are not limited to compliance with:

- a. Title 49, USC, subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act - 5 U.S.C. 1501, et seq. (if applicable)
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.
- h. Native Americans Grave Repatriation Act -25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.1
- l. Title 49 ,U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Civil Rights Act of 1964 - Title VI - 42 U.S.C. 2000d through d-4.
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended
- r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.
- s. Power plant and Industrial Fuel Use Act of 1978 -Section 403- 2 U.S.C. 8373.
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.
- u. Copeland Anti kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq. (if applicable)
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252)..
- aa. Such Federal Regulations and Executive Orders as may be applicable to FAA AIP funding, and such other OMB Circulars as may apply and are listed at

https://www.faa.gov/airports/aip/grant_assurances/ or such updated listing at the official website maintained by the FAA.

2. The Tenant for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration, covenants and agrees as a covenant running with the land that: 1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the facilities; 2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination.

3. Tenant shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as the Regulation may be amended.

4. Tenant shall furnish its accommodations and/or services on a fair, equal, and not unjustly discriminatory basis to all users and it must charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; PROVIDED that the Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

5. Noncompliance with Provision 4 above shall constitute a material breach of this lease and in the event of such noncompliance, the Landlord shall have the right to terminate this lease without liability, or at the election of the Landlord or the United States; either or both governments shall have the right to judicially enforce these provisions.

6. Tenant agrees that it shall insert the above five provisions in any lease agreement by which the Tenant grants a right or privilege to any person or

entity to render accommodations and/or services to the public on the leased premises.

7. If the conduct of business is permitted on the premises, the Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart.

8. The Landlord reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of the Tenant and without interference or hindrance.

9. The Landlord reserves the right, but shall not be obligated to the Tenant, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of the Tenant in this regard.

10. This lease shall be subordinate to the provisions and requirements of any existing or future agreement between the Landlord and the United States, relative to the development, operation, or maintenance of the Airport.

11. The Landlord, its successors and assigns, for the use and benefit of the public, does reserve a right of flight for the passage of aircraft in the airspace above the surface of the lease premises. This public right of flight shall include the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from, or operation of the Airport.

12. Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the leased premises, or

in the event of any planned modification or alteration of any present or future building or structure situated on the leased premises.

13. The Tenant by accepting this expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the leased premises to a height more than ten (10) feet above the highest part of Tenant's building. In the event this covenant is breached, the Landlord reserves the right to enter upon the premises to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Tenant.

14. The Tenant, by accepting this lease, agrees for itself, its successors and assigns, that it will not make use of the leased premises in any manner which might interfere with the landing and taking off of aircraft from the Airport or otherwise constitutes a hazard. In the event this covenant is breached, the Landlord reserves the right to enter upon the leased premises and to abate the interference at the expense of the Tenant.

15. It is understood and agreed that nothing contained in this lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958 (49 U.S.C. 1349).

F. Tenant assures complete compliance with the Carson City Airport Rules and Regulations upon leased premises.

9. ASSIGNMENT AND SUBLEASING. Tenant shall be permitted to assign this lease to a hangar owners association to allow individual ownership of hangars and such association shall be a single entity responsible to Landlord, but Tenant shall have no other right to assign or sublet its interest in this lease except upon Landlord's prior consent. Any such assignment or sublease will be binding to assignees/sublessees on all terms and conditions in this lease.

Tenant shall have the right to assign, pledge, or hypothecate this lease for the purpose of securing additional financing, but only if the Landlord provides prior, written approval.

The parties agree that a transfer of corporate interests in Tenant exceeding twenty-five percent (25%) shall be deemed an assignment of this lease. The term "corporate interests" shall

include corporate ownership, or the ownership of any partnership, trust, Limited Liability Company, and other entity for ownership by more than one person permitted by law.

The Landlord reserves the right to assign, pledge, or hypothecate this lease upon notice to the Tenant.

10. INSURANCE AND BONDING.

A. Coverage. As a condition precedent to this lease, Tenant shall provide, at its own cost, commercial general insurance coverage in the amount of ONE MILLION DOLLARS (\$1,000,000.00) per occurrence and TWO MILLION DOLLARS (\$2,000,000.00) aggregate, the category to be under-written by a responsible insurance carrier, authorized by the State of Nevada to provide such coverage. The following coverage shall be included:

1. Third-party comprehensive general liability coverage for bodily injury and property damage, including owned and non-owned aircraft, for any claim or liability for any injury or damage to any person or property occurring on the leased premises or arising out of or resulting from Tenant's operations or omissions at the Airport.

2. Products liability coverage in addition to the foregoing comprehensive general liability insurance where the licensee operates a food service or offers goods or merchandise for sale.

3. Fire and extended coverage and vandalism and malicious mischief insurance, for damage or destruction of real property or leasehold improvements, where the Landlord has, or will have, an interest in such property by virtue of an existing lease.

B. Workers' Compensation & Employer's Liability Insurance. In addition, to the extent required by law, Tenant shall provide workers' compensation insurance as required by NRS Chapters 616A through 617 inclusive and Employer's Liability insurance with a minimum limit not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

C. Insured Includes. Both Airport Authority and Carson City, individually, must be named as additional insureds and the insurance carrier underwriting such coverage must

give the Landlord thirty (30) days written notice prior to cancellation of, or material alteration to, the insurance policy.

Landlord requires that Tenant provide Landlord with a Certificate of Insurance evidencing the coverage in effect, including limits and expiration date. Such policy or policies shall be maintained in full force and effect during the term of the lease, including and renewals or extensions of this lease.

D. Review of Insurance coverage. Landlord reserves the right, every five years, to review and adjust the amount and kind of insurance coverage required.

E. Insurance to remain in effect. Tenant agrees to keep all insurance policies in effect, as required by this lease, until the time Tenant surrenders the premises.

11. INDEMNIFICATION. To the extent permitted by law, including, but not limited to, the provisions of NRS Chapter 41, Landlord and Tenant shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other party from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorney's fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying party, its officers, employees and agents arising in connection to this lease. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this Section.

Except as otherwise provided below in this Section, the indemnifying party shall not be obligated to provide a legal defense to the indemnified party, nor reimburse the indemnified party for the same, for any period occurring before the indemnified party provides written notice of the pending claim(s) or cause(s) of action to the indemnifying party, along with: (1) a written request for a legal defense for such pending claim(s) or cause(s) of action; and (2) a detailed explanation of the basis upon which the indemnified party believes that the claim or cause of action asserted against the indemnified party implicates the culpable conduct of the indemnifying party, its officers, employees, and/or agents.

After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall not be obligated to fund or reimburse any fees or costs provided by any additional counsel for the indemnified party, including counsel through which the indemnified party might voluntarily choose to participate in its defense of the same matter.

After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall be obligated to reimburse the reasonable attorney's fees and costs incurred by the indemnified party during the initial thirty (30) day period of the claim or cause of action, if any, incurred by separate counsel.

In addition, and as more fully described in Section 12 of this lease, the Tenant further agrees to indemnify, hold harmless and defend Landlord from environmental liability for contamination or damage to the leased premises and any adjacent area to the leased premises related or connected with the occupation or use of the leasehold property.

12. ENVIRONMENTAL. The Tenant will conduct its business and operation on the leased premises in compliance with all applicable environmental laws and permits. No fuel storage (other than in aircraft fuel tanks of operational aircraft) is permitted on the leased premises. Flammable materials shall be stored in National Fire Code fireproof containers and not to exceed 5 gallons. The Tenant will forthwith notify the Landlord of the occurrence of any of the following and will provide the Landlord with copies of all relevant documentation in connection therewith:

- (a) a release of a hazardous substance on or about the leased premises except in strict compliance with applicable environmental laws and permits;
- (b) the receipt by the Tenant of an Environmental Notice; or
- (c) the receipt by the Tenant of information which indicates that hazardous substances are being used, dissipated, stored, disposed of or introduced into the environment by anyone in or about the leased premises in a manner other than that authorized under environmental laws.

Tenant will not permit the storage, use, treatment, disposal, or introduction into the environment of hazardous substances in or about the leased premises, except in compliance with applicable environmental laws. If the Landlord receives information that hazardous substances are being dissipated, used, stored, disposed of or introduced into the environment by anyone in or about the leased premises in a manner other than that authorized under environmental laws, the Tenant will conduct such investigations, searches, testing, drilling and sampling ("Investigations") as are reasonably requested from time to time by the Landlord to determine the existence of hazardous substances in or about the leased premises or traceable to the leased premises. If the Tenant does not complete the Investigations to the satisfaction of the Landlord, the Landlord may enter the leased premises and take any actions necessary to complete the Investigations, the cost of which actions will

be borne by the Tenant as additional rent. If remedial work is required due to the presence of hazardous substances on or in the leased premises, the Tenant will take all necessary action, at the cost of the Tenant, to restore the leased premises to a level acceptable to the Landlord and to all governmental authorities having jurisdiction. Upon the request of the Landlord, from time to time, the Tenant will provide to the Landlord satisfactory documentary evidence that all environmental permits are valid and in good standing.

Environmental Indemnity. The Tenant will indemnify and hold harmless Landlord, its officers, directors, employees, agents and shareholders, from and against any and all losses, claims, costs, expenses, damages and liabilities, including all costs of defending or denying the same, and all costs of investigation, monitoring, remedial response, removal, restoration or permit acquisition and including all solicitor's fees (on a solicitor and own client basis) and disbursements in connection therewith which at any time may be paid or incurred by or claimed against the Landlord, its officers, directors, employees, agents and shareholders, arising, directly or indirectly, out of:

- (a) a breach by the Tenant of any of the covenants contained in Section 12 of this lease;
- (b) the presence of or release of any hazardous substance on or off-site of the leased premises;
- (c) any action taken by the Landlord with respect to the existence of any hazardous substance on or off-site of the leased premises; or
- (d) any action taken by the Landlord in compliance with any environmental notice with respect to the existence of any hazardous substance on or off-site of the leased premises;

and such indemnity will survive the expiration or any termination of this lease notwithstanding anything in this lease to the contrary.

13. **MAINTENANCE.** Landlord is not required to provide any maintenance, repairs, removal, and construction of the gross area leased or of buildings or facilities erected by Tenant.

Tenant shall provide and pay for all light, gas, electric, water, janitorial, sewer, trash and other utility charges used or incurred in or about the lease premises.

Tenant shall maintain all leased areas, salvage and rehabilitation areas, displays, storage areas, landscaping, pavement, facilities, and structures in a state of repair and good appearance acceptable to the Landlord. Landlord shall have sole discretion in interpreting and enforcing all Federal, State, and local rules, regulations, codes, and ordinances in determining what is, or is not,

acceptable. No parking of vehicles, trailers or Tenant property shall be outside of the hangar, nor blocking any taxiway, except that vehicles will be parked immediately in front of hangar door if such can be done without obstructing any taxiway, taxiway or public use area, or in designated parking areas.

Landlord may require Tenant to perform all necessary maintenance, repairs, removal, construction or cleaning/clearing of unsightly areas upon the leased premises. In the event such maintenance, repairs, removal, construction, or cleaning/clearing of unsightly areas is not undertaken as required, Landlord may perform such maintenance, repairs, removal, construction, or cleaning/clearing of unsightly areas on behalf of Tenant, and at Tenant's expense, plus ten percent (10%) for administration.

14. TAX OBLIGATION. Tenant shall pay all taxes and assessments against any buildings or other structures and improvements used by Tenant in its operations, and if imposed at any future date, any and all real property taxes assessed against the land leased from Landlord, including any possessory interest taxes.

15. REMOVAL OF BUILDINGS AND IMPROVEMENTS. Tenant shall remove at his cost all buildings and improvements upon termination of this lease and restore the premises to its original condition. Title in building and improvements shall at all times during the lease term remain in the Tenant. The Landlord shall have the option on expiration of lease period, or upon termination of this lease, to take title of the buildings and improvements, at no cost or obligation to Landlord, in lieu of Tenant's obligation to restore the premises to its original condition.

16. REPORTING. Anything that affects the safe and efficient operation of the Airport shall be immediately reported to Landlord or the designated Airport Manager.

17. AMENDMENTS. Any amendments to this lease require approval by the Landlord and Tenant. All proposed amendments must be submitted in writing to Landlord for review and placement before a regularly scheduled meeting of the Airport Authority for consideration.

18. GENERAL. It is understood and agreed that each and all the terms of this lease are subject to the regulations and provisions of law applicable to the operation of the Airport as a Federal Aid Airport Project. If any provision of this lease is invalid, the other provisions of this lease which are valid shall remain in effect, and this lease will be re-negotiated to comply with the requirements of the applicable laws and regulations. In the event that negotiation attempts are unsuccessful, either party may petition the First Judicial District Court, which shall then be entitled

to establish such replacement provisions or issue such rulings as are just, for the purpose of satisfying the intent of this lease's provisions.

The Tenant agrees to observe and obey during the terms of this lease all laws, rules, and regulations promulgated and enforced by the State of Nevada, Carson City, and by any other proper authority having jurisdiction over the conduct of operations at the Airport.

Landlord and the Carson City Sheriff's Office shall have complete dominion over the premises herein during the term of this lease for the purpose of, and to the extent necessary, to maintain law, order, and safety, and has the authority and the right to deny access to the Airport for any person who fails to obey all relevant laws, rules, and regulations.

19. NOTICES. It is agreed that any notice to be given or served upon either party shall be sufficient if sent by email; certified mail, postage prepaid, addressed to the address of the party listed at the beginning of this lease; or to such other address as may be designated in writing by such party.

20. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents received from Tenant may be open to public inspection and copying. Landlord will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. Tenant may clearly label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 332.061, provided that Tenant thereby agrees to indemnify and defend Landlord for honoring such a designation. The failure to so label any document that is released by Landlord shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

21. PROPER AUTHORITY. Landlord and Tenant represent and warrant that the person executing this lease on behalf of each party has full power and authority to enter into this lease. Tenant acknowledges that this lease is effective only for the period of time specified in this lease.

22. GOVERNING LAW / JURISDICTION. This lease and the rights and obligations of the Landlord and Tenant shall be governed by, and construed according to, the laws of the State of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law of any other jurisdiction. Tenant consents and agrees to the jurisdiction of the courts of the State of Nevada located in Carson City, Nevada for any dispute arising in relation to this lease.

23. ADDITIONAL CONDITIONS. Unless otherwise provided, Tenant shall comply with the Development/Construction Standards set forth in Appendix A. Unless otherwise provided,

all construction materials, appearance, and building size shall be completed as represented in the submissions to Landlord.

24. ENTIRE CONTRACT AND MODIFICATION. This lease and its integrated attachment(s) constitute the entire agreement of Landlord and Tenant and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other contracts that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this lease specifically displays a mutual intent to amend a particular part of this lease, general conflicts in language between any such attachment and this lease shall be construed consistent with the terms of this lease. Conflicts in language between this lease and any other agreement between Landlord and Tenant on this same matter shall be construed consistent with the terms of this lease. The parties agree that each has had their respective counsel review this lease which shall be construed as if it was jointly drafted.

TENANT
--INSERT NAME OF TENANT--

LANDLORD
CARSON CITY AIRPORT AUTHORITY
CARSON CITY, NEVADA

Name and title if applicable

Michael Golden, CHAIRMAN

ATTEST:

Jon Rogers, TREASURER

STATE OF NEVADA)
 : ss
CARSON CITY)

On this ___ day of March, 2022, before me, the undersigned, a Notary Public, personally appeared --INSERT NAME--, Managing Member of --INSERT NAME OF TENANT--, known to me (or proved to me) to be the person described herein, who executed the foregoing instrument, and he acknowledged to me, that he has the requisite authority and executed the same freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

NOTARY PUBLIC (SEAL)

CARSON CITY

The Board of Supervisors of Carson City, Nevada, as underlying owner of the Airport, and thus the Lease Parcel, hereby approves and acknowledges the Lease, and the right and authority of the Authority to lease the Lease Parcel to Tenant.

Approved by the Board of Supervisors this ____ day of _____, 2022.

LORI BAGWELL, Mayor

ATTEST:

CITY'S LEGAL COUNSEL
Approved as to form.

CLERK/RECORDER (or Deputy)

DEP. DISTRICT ATTORNEY

AIRPORT AUTHORITY COUNSEL
Approved as to form

STEVEN E. TACKES, ESQ.

EXHIBIT A (legal description)--attached

Plot Map on next page.-----

DRAFT

**SUBJECT PLOT MAP CARSON
CITY APN _____**

Subject Outlined in Yellow

DRAFT

**APPENDIX A
CARSON CITY AIRPORT AUTHORITY**

DEVELOPMENT/CONSTRUCTION STANDARDS

CODE REQUIREMENTS - ALL CONSTRUCTION SHALL MEET ALL CARSON CODES AND REQUIREMENTS INCLUDING THE CARSON CITY AIRPORT AUTHORITY (C.C.A.A.)

OUTSIDE STORAGE AREA - T-HANGERS, SHOP-HANGERS/OFFICE BUILDINGS ETC. SHALL NOT HAVE OUTSIDE STORAGE OF ANY KIND.

WATER - WATER SERVICE SHALL BE BROUGHT TO THE PROPERTY BY THE LEASE HOLDER.

FIRE HYDRANTS - FIRE HYDRANTS MAY BE REQUIRED PURSUANT TO FIRE DEPARTMENT REGULATIONS AND ARE THE LEASEHOLDERS RESPONSIBILITY.

POWER - ELECTRIC POWER SHALL BE REQUIRED TO EACH BUILDING.

FLOORS - GROUND LEVEL CONCRETE FLOORS SHALL BE REQUIRED IN EACH BUILDING.

COLORS - EXTERIOR BUILDING COLORS SHALL BE LIMITED TO BLUE AND TAN MATCHING EXISTING STRUCTURES.

DOOR HEIGHT - T-HANGARS MUST HAVE A MINIMUM DOOR HEIGHT CLEAR SPAN OF 12 FT. LARGER OR MULTIPLE AIRCRAFT HANGERS MUST HAVE A MINIMUM DOOR HEIGHT CLEAR SPAN OF 19 FT. UNLESS APPROVED OTHERWISE BY THE AIRPORT AUTHORITY.

NEW CONSTRUCTION - ALL BUILDINGS SHALL BE OF NEW CONSTRUCTION.

LIGHTING - SECURITY LIGHTING SHALL BE AT THE DISCRETION OF THE AIRPORT AUTHORITY.

PARKING - PARKING SPACES SHALL NOT BE REQUIRED FOR HANGARS LOCATED ON THE INTERIOR OF THE AIRPORT. FOR HANGARS THAT ARE LOCATED WITH EXTERIOR ACCESS OR FRONTAGE, ENOUGH SPACES DEEMED PROPER FOR THE SIZE OF THAT BUILDING WILL BE REQUIRED AND WILL BE IN COMPLIANCE WITH THE APPLICABLE CITY CODES. NO PARKING OR STORAGE WILL BE PERMITTED ON AIRPORT PROPERTIES. AUTOMOBILE PARKING WILL BE RESTRICTED TO THE INDIVIDUAL'S LEASEHOLD BUT WILL NOT ALLOW FOR THE EXTERIOR STORAGE OF BOATS, CONTAINERS, RV'S, TRAILERS, WRECKED AIRCRAFT ETC.

FENCING - IF APPROPRIATE, PROPERTIES, WITH EXTERIOR BOUNDARIES SHALL PROVIDE SECURITY FENCING. SAID SECURITY FENCING SHALL BE REQUIRED WITH CONSTRUCTION OF THE STRUCTURE. ALL FENCING SHALL BE 6 FT. HIGH, CHAIN LINK FENCE OR BETTER.

TRASH - ALL PROPERTY, FENCE AND BUILDING LINES SHALL BE KEPT CLEAR OF WEEDS, TRASH, AND LITTER. LANDSCAPING SHALL BE AT THE DISCRETION OF THE AIRPORT AUTHORITY.

EXHIBIT B
CONSTRUCTION EXHIBITS

If required by any Federal, State, or local agency, the Tenant shall prepare and submit an environmental Phase I audit. All structures erected, and paved areas on the Airport, shall comply with all applicable County and State building, health, and safety regulations, including, if applicable, any other building, fire, sign, electrical, heating, zoning, and plumbing codes. Architectural design of all structures and paving shall be reviewed and approved by the Carson City Airport Authority.

Tenant shall be required to furnish to the Carson City Airport Authority a copy of a contract between Tenant and a licensed contractor. The contract shall be protected by a performance bond to guarantee that the improvements will be completed according to the existing codes and the improvements will be free from any liens.

Tenant is obligated to secure all permits that are necessary and required to construct or develop any building, improvements, and additions upon lease parcel.

1. **CONSTRUCTION ON PREMISES.** Tenant shall comply with all Federal, State, and local laws, ordinances, orders, judgments, decrees, regulations, directives, and requirements now, or which may be, applicable to the construction of improvements on the operations and uses of the premises.

A. Construction Phasing

1. All plans completed and submitted to Landlord and governmental offices for approval within 1 year of the effective date of the lease.
2. All permits obtained for construction within 120 days next following.
3. All construction completed within two years of the effective date of the lease.

B. Failure to Use Property. Failure by Tenant to satisfy the requirements as set forth above may result in default of this Agreement and Landlord may, at its discretion, disallow the use of any, or all, of the premises.

C. Certificate of Completion. Upon completion of the improvements, Tenant

shall submit to the Landlord a copy of its acceptance letter certifying completion and a certified copy of any certificate or permit which may be required by any Federal, State, County, or other local government or agency in connection with the completion or occupancy by Tenant. Tenant shall furnish to Landlord a set of reproducible, final "as built" drawings of any and all improvements not later than ninety (90) days following the completion, occupancy, or initial use of such improvements, whichever comes first.

2. TITLE TO IMPROVEMENTS AND FIXTURES. During the term of this lease, all improvements (other than trade fixtures) erected, installed, or constructed by Tenant on the premises shall become part of the land upon which they are erected, or part of the building to which they are affixed, and title to such improvements, facilities, or alterations shall remain with Tenant. "Trade fixtures" shall remain the property of Tenant and that term shall include, but shall not be limited to, personal property, signs used to identify the Tenant's facilities in and about the premises, and all machinery and equipment installed in, placed on, or used in connection with Tenant's operation.



Proof and Statement of Publication
AD #:

580 Mallory Way, Suite 200, Carson City, NV
89701 PO Box 648, Carson City, NV 89702
(775) 881-1201 FAX: (775) 887-2408

Customer Account #:

Legal Account

Jodi Dark says:

That she is a legal clerk of the
Nevada Appeal a newspaper published
Wednesday and Saturday
at Carson City, in the State of Nevada.

Copy Line

PO #:

AD #:

of which a copy is hereto attached, was published
in said newspaper for the full required period of
time(s) commencing on
and ending on,
all days inclusive.

Signed:

Jodi Dark

Statement:

Date	Amount	Credit	Balance
------	--------	--------	---------



FlyCarsonCity.com

CCAA BOARD MEMO

Agenda Item: G-2

BOARD MEMO 2022-15

Meeting Date: March 3, 2022

Agenda Title: FOR DISCUSSION AND POSSIBLE ACTION: APPROVE AMENDMENT TO LEASE; RECONSIDERATION OF ISSUE RAISED BY TENANT AS TO RENT OFFSET DUE TO DRAINAGE ACTIONS TAKEN BY THE CITY.

Staff Summary: *At the meeting held on January 19, 2022, the Authority approved an ownership change to Kevin Updegrave, and set the rent per the terms of the lease at the current market rate of \$0.28/sqft/yr (commercial FBO rate). Those matters are set forth in the lease amendment to be considered by the Authority. At the prior meeting, the Authority also heard and approved a rent offset to the Tenant per an issue raised by the Tenant regarding drainage improvements made by the City to the lease area. This matter is being reheard and re-considered so that Carson City Public Works can give input and/or respond to the Tenant's claims. Depending on the outcome it either will or will not be included in the lease amendment.*

Agenda Action: Formal Action/Motion

Time Requested 10 Minutes

Proposed Motion/ Action

1. Tenant request for offset due to City drainage work: I move to (depends on discussion and action found appropriate by the Authority).
2. Lease Amendment: I move to approve the lease amendment as discussed with/without the offset payment to the tenant.

CCAA'S Strategic Goal

Management and safety of airport and operations; compliance with NRS 844 and federal requirements

Previous Action

This Lease was originally issued to Cubix Corporation in 1988 (Doc No 0070745); the lease was amended and restated in 2006 with Cubix with a 30 year extension and Cubix providing making a prepayment of rent up to the year 2021. "Beginning in the year 2022, the rate will be set at the then-current market rate for the remainder of the lease term, and shall be adjusted by a reasonable CPI adjustment." In June of 2017, the lease was assigned to Goni Aviation LLC by Assignment and Assumption of Airport Lease recorded 06/05/2017 as Document No. 475493. At that time Goni Aviation was owned 50% by Steve Lewis, 25% by Bill Hartman and 25% by George Clary.

At the January 19, 2022, CCAA meeting, the Authority voted to approve a rate of \$0.28/sqft/yr based on a recent appraisal of similar property as the then-current market rate, with rent to begin January 1, 2022.

The Authority also voted to approve the change in ownership from Mssrs Hartman and Clary to Kevin Updegrove as to 50% ownership. Steve Lewis holds the other 50% ownership. Lastly, the Authority voted to provide a rent rebate to the tenant by way of an offset to future rent, plus a reduction in rent for 5500 sq ft of the leasehold until the drainage issue was resolved or until January 1, 2025, along with a requirement on the timing of construction. It is this latter action that is being reconsidered so that input can be received from Carson City Public Works.

Additionally, the Staff has received feedback from the City that they do not appreciate the claim that this is somehow the City's problem, or that the City should be spending their resources on private businesses instead of public projects. The City feels the statements made by the tenant that were critical of the Public Works Dept were untrue, out-of-line and particularly troublesome since they were not advised of the meeting so that the Authority could hear their viewpoint on that matter. Lastly, all lease amendments must also be approved by the Board of Supervisors, and it is Airport Counsel's opinion, based on the feedback, that an amendment reflecting the vote in January to offset rent would not be approved by the Board of Supervisors.

Background on drainage/rent abatement issue. In 2006, Cubix approached the Airport Authority and requested a 30 year extension of their lease. As a part of the renegotiated lease, the parties agreed to a prepayment of part of the rent to 2021. At that time, the drainage ditch in question was in place. Cubix did not raise any objection to the drainage, nor ask for any rent abatement, nor request removal of any unusable areas of the leasehold. In 2017, Goni Aviation purchased an assignment of the Cubix lease and requested approval from the Airport Authority and the City of the assignment. Goni Aviation did not raise any objection to the drainage, nor ask for any rent abatement, nor request removal of any unusable areas of the leasehold. Rather the Assignment obligated Goni Aviation to the existing terms of the lease. The Assignment also states that the Assignor (Cubix) was to indemnify Goni Aviation from any claims that arose prior to the Assignment. Thus Goni's remedy for any liability occurring prior to closing would be by seeking relief from Cubix. Nothing in either the lease or the assignment, said that the City or the Airport Authority were obligated to reduce rent for the lease as accepted.

Against that background, the Airport Staff (Manager and Counsel) continued to look for a win-win solution for the tenant (Goni Aviation). We met with Steve Lewis and brain stormed on solutions ranging from redirecting surface flow water to the south, to a line under Goni Road (if one exists) or to the east but not to the detriment of other tenants. All ideas were to better maximize the usable space that the tenant wishes to turn into tie-down area. During that effort, we observed some drains and underground lines that appear to go under the Goni Aviation leasehold and may connect to the main water drainage pipe that travels east to the primary underground channel running to the south. These drains are the current means for the surface water drainage albeit via a surface ditch on the west side of the leasehold. Mr. Lewis believes that there may still be a line further to the north that connects in with that system. If so, redirecting the drainage along the east-west fence line (on the south side of Arrowhead Rd) and then down to the pipe system may be a workable solution. Airport Staff encouraged Mr. Lewis to investigate it further as we do not have any information on the line that Mr. Lewis hopes is to the north. Lastly, this is outside the scope of work under the Airport Authority engineering contract with Armstrong. As a result, Armstrong has informed us that they will not work on this issue.

Conclusion.

Since the actions complained of pre-dated the time when Goni Aviation took their Lease Assignment and Assumption, Goni Aviation accepted the situation, just as Cubix did in 2006. In short, this is Goni Aviation’s problem to solve to maximize usage of their leasehold. The Airport Authority does not budget funds to enhance usable leasehold issues, nor to remedy tenant (private party) problems. If the Authority did so, there would likely be a rush of tenants asking for rent reductions for land areas they cannot maximize the use of. Nearly all leases have unusable areas. Further, the Assignment the tenant signed in 2017 says that the Assignor (Cubix) was to indemnify the tenant from any claims that arose prior to the Assignment. If Goni Aviation has a claim, their remedy would be with Cubix, not the Authority. Lastly, Airport Staff still supports a solution with a win-win result. Thus if the pipe exists to the north and can be used to change the situation, Airport Staff will work with the tenant, albeit not to the point of expending Airport Authority funds.

Recommendation: Recommend reconsideration of rent offset and determine whether or not any offset should be given. Then approve the lease amendment consistent with that action.

Financial Information

Is there a fiscal impact?

No Yes

If yes, account name/number & amount: lease revenues

Is it currently budgeted? No.

Alternatives

Do not reconsider and approve Draft 1 of the Amendment; Reconsider and approve Draft 2 of the Amendment; or other action? Failing to approve any amendment could disrupt revenue to the Airport that is otherwise due under the lease.

Board Action Taken:

Motion: _____	1) _____	Aye/Nay
	2) _____	_____

(Vote Recorded By)

APN 005-011-99

When Recorded, Return To:

Corey Jenkins, Airport Manager
Carson City Airport
2600 College Parkway #6
Carson City, NV 89706

**AMENDMENT TO
CARSON CITY AIRPORT LEASE AGREEMENT**

This Amendment to lease, made and entered into this ___ day of March, 2022, between the CARSON CITY AIRPORT AUTHORITY (Landlord), whose address is 2600 College Parkway #6 Carson City, Nevada 89706, and GONI AVIATION, LLC., a Nevada limited liability company(Tenant), whose address is 2640 College Parkway, Carson City, Nevada 89706.

WITNESSETH:

WHEREAS, the lease held by Tenant was prepaid through 2021 by the entity (Cubix) that assigned the lease to Tenant, and which Assignment was approved by Landlord and Carson City, and recorded with the Carson City Recorder on June 5, 2017 as Document No. 475493.

WHEREAS, the underlying lease to Cubix, recorded October 19, 2006 as Document No. 360015, provides:

Tenant shall have no right to assign or sublet its interest in this lease except upon Landlord's prior consent. Any such assignment or sublease will be binding to assignees/sublessees on all terms and conditions in this lease. ... The parties agree that a transfer of corporate interests in excess of twenty-five percent (25%) shall be deemed an assignment of this lease. (Lease, Section 9 on p12)

WHEREAS, the original owners of Tenant were Steve Lewis (50%), Bill Hartman (25%) and George Clary (25%), and that Kevin J. Updegrave has recently purchased the interests of William Hartman and George Clary, thus resulting in ownership of Steve Lewis (50%) and Kevin J. Updegrave (50%).

WHEREAS, Tenant has requested approval of the ownership change.

WHEREAS, said underlying lease also provides:

“Beginning in the year 2022, the rate will be set at the then-current market rate for the remainder of the lease term, and shall be adjusted by a reasonable

CPI adjustment.

WHEREAS, the Landlord engaged an MAI certified appraiser for other similar land on the Carson City Airport, and that the most recent and current appraisal of land for FBO commercial leases without direct public road access is \$0.28 per sq ft per year.

WHEREAS, Tenant has requested approval for a rent abatement due to actions on drainage alleged by Tenant to have been caused by Carson City affecting an area of 5500 sq ft claimed to be unusable due to a surface water drainage ditch.

WHEREAS, the parties desire to amend the lease to address these issues.

THEREFORE, Landlord and Tenant agree as follows:

1. The change in ownership to Steve Lewis (50%) and Kevin Updegrave (50%) is approved. Further, such owners may place their interests in their individual family trusts over which they remain owners.

2. The rental amount due from Tenant going forward from January 1, 2022 is \$0.28 per sq ft per year, and thus Lease Section 3, subsections A and B are so amended. The CPI provision set forth in Lease Section 4 shall apply on two year anniversary intervals from January 1, 2022.

3. That a rebate of rent for 5500 sqft is made for the past 1.5 years at the rate of \$0.20 per sqft per year, and the rent on 5500 sqft is abated at the rate of \$0.28 per sq ft per year for a period of 3 years from January 1, 2022, or until the drainage is modified such that the area can be used. Said abatement is made on the condition that the Tenant builds the ramp described with permits due within 12 months of the problem being corrected and construction within 12 months thereafter.

4. All of the other terms and conditions of the original lease and amendment are unchanged.

TENANT
GONI AVIATION, LLC,

LANDLORD
CARSON CITY AIRPORT AUTHORITY
CARSON CITY, NEVADA

Steve Lewis, LLC Manager

Michael Golden, CHAIRMAN
ATTEST:

Kevin J. Updegrave, Manager

Jon Rogers, TREASURER

STATE OF NEVADA)
 : ss

CARSON CITY)

On this ____ day of January, 2022, before me, the undersigned, a Notary Public, personally appeared Steve Lewis and Kevin J. Updegrave, Managers of GONI AVIATION, LLC, known (or proved) to me to be the persons described herein, who executed the foregoing instrument, and they acknowledged to me, that they have the requisite authority and executed the same freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

NOTARY PUBLIC (SEAL)

CARSON CITY

Approved by the Board of Supervisors this ____ day of _____, 2022.

LORI BAGWELL, Mayor

ATTEST:

CITY'S LEGAL COUNSEL
Approved as to form.

AUBREY ROWLATT, Clerk/Recorder

DISTRICT ATTORNEY

AIRPORT AUTHORITY COUNSEL
Approved as to form

STEVEN E. TACKES, ESQ.

APN 005-011-99

When Recorded, Return To:

Corey Jenkins, Airport Manager
Carson City Airport
2600 College Parkway #6
Carson City, NV 89706

**AMENDMENT TO
CARSON CITY AIRPORT LEASE AGREEMENT**

This Amendment to lease, made and entered into this ___ day of March, 2022, between the CARSON CITY AIRPORT AUTHORITY (Landlord), whose address is 2600 College Parkway #6 Carson City, Nevada 89706, and GONI AVIATION, LLC., a Nevada limited liability company(Tenant), whose address is 2640 College Parkway, Carson City, Nevada 89706.

WITNESSETH:

WHEREAS, the lease held by Tenant was prepaid through 2021 by the entity (Cubix) that assigned the lease to Tenant, and which Assignment was approved by Landlord and Carson City, and recorded with the Carson City Recorder on June 5, 2017 as Document No. 475493.

WHEREAS, the underlying lease to Cubix, recorded October 19, 2006 as Document No. 360015, provides:

Tenant shall have no right to assign or sublet its interest in this lease except upon Landlord's prior consent. Any such assignment or sublease will be binding to assignees/sublessees on all terms and conditions in this lease. ... The parties agree that a transfer of corporate interests in excess of twenty-five percent (25%) shall be deemed an assignment of this lease. (Lease, Section 9 on p12)

WHEREAS, the original owners of Tenant were Steve Lewis (50%), Bill Hartman (25%) and George Clary (25%), and that Kevin J. Updegrave has recently purchased the interests of William Hartman and George Clary, thus resulting in ownership of Steve Lewis (50%) and Kevin J. Updegrave (50%).

WHEREAS, Tenant has requested approval of the ownership change.

WHEREAS, said underlying lease also provides:

“Beginning in the year 2022, the rate will be set at the then-current market rate for the remainder of the lease term, and shall be adjusted by a reasonable

CPI adjustment.

WHEREAS, the Landlord engaged an MAI certified appraiser for other similar land on the Carson City Airport, and that the most recent and current appraisal of land for FBO commercial leases without direct public road access is \$0.28 per sq ft per year.

WHEREAS, Tenant has requested approval for a rent abatement due to actions on drainage alleged by Tenant to have been caused by Carson City affecting an area of 5500 sq ft claimed to be unusable due to a surface water drainage ditch.

WHEREAS, the drainage ditch appears to have been placed in 1989-1990; that Cubix renewed and extended the lease in 2006 and did not object to the drainage nor reduce the area rented; that Goni Aviation (Tenant) purchased an assignment of the lease from Cubix and did not object to the drainage at that time, nor request a reduction in the area leased.

WHEREAS, the parties desire to amend the lease to address these issues.

THEREFORE, Landlord and Tenant agree as follows:

1. The change in ownership to Steve Lewis (50%) and Kevin Updegrave (50%) is approved. Further, such owners may place their interests in their individual family trusts over which they remain owners.
2. The rental amount due from Tenant going forward from January 1, 2022 is \$0.28 per sq ft per year, and thus Lease Section 3, subsections A and B are so amended. The CPI provision set forth in Lease Section 4 shall apply on two year anniversary intervals from January 1, 2022.
3. That no rebate to rent is given as Tenant accepted the lease as it existed in 2017.
4. All of the other terms and conditions of the original lease and amendment are unchanged.

TENANT
GONI AVIATION, LLC,

LANDLORD
CARSON CITY AIRPORT AUTHORITY
CARSON CITY, NEVADA

Steve Lewis, LLC Manager

Michael Golden, CHAIRMAN
ATTEST:

Kevin J. Updegrave, Manager

Jon Rogers, TREASURER

STATE OF NEVADA)
 : ss

CARSON CITY)

On this ____ day of January, 2022, before me, the undersigned, a Notary Public, personally appeared Steve Lewis and Kevin J. Updegrave, Managers of GONI AVIATION, LLC, known (or proved) to me to be the persons described herein, who executed the foregoing instrument, and they acknowledged to me, that they have the requisite authority and executed the same freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

NOTARY PUBLIC (SEAL)

CARSON CITY

Approved by the Board of Supervisors this ____ day of _____, 2022.

LORI BAGWELL, Mayor

ATTEST:

CITY'S LEGAL COUNSEL
Approved as to form.

AUBREY ROWLATT, Clerk/Recorder

DISTRICT ATTORNEY

AIRPORT AUTHORITY COUNSEL
Approved as to form

STEVEN E. TACKES, ESQ.

APN 005-011-99

When Recorded, Return To:

Tim Rowe, Airport Manager
Carson City Airport
2600 College Parkway #6
Carson City, NV 89706
227 1184R

RECORDED AT THE REQUEST OF
FIRST CENTENNIAL - RENO (MAIN)
06/05/2017 08:37AM
FILE NO. 475493
SUSAN MERRIWETHER
CARSON CITY RECORDER
FEE \$43.00 DEP RMH

ASSIGNMENT AND ASSUMPTION OF AIRPORT LEASE

THIS ASSIGNMENT AND ASSUMPTION OF AIRPORT LEASE (“**Assignment**”) is made effective as of the date of recordation (“**Effective Date**”) by and between **CUBIX CORPORATION**, a Delaware corporation (“**Assignor**”) and **GONI AVIATION, LLC.**, a Nevada limited liability company (“**Assignee**”).

RECITALS:

WHEREAS, Assignor is the tenant under that certain Carson City Airport Lease Agreement (the “**Airport Lease**”) between Assignor and the Carson City Airport Authority (“**Airport**”) as landlord, dated August 16, 2006, and recorded in the Official Records of Carson City, Nevada, as Document No. 360015, on October 19, 2006;

WHEREAS, Assignor desires to assign the Airport Lease to Assignee as permitted with Landlord’s consent under Section 9 of the Airport Lease and Assignee desires to assume the same.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee covenant and agree as follows:

1. **Airport Lease Assignment and Assumption.**

(a) Assignor hereby assigns, conveys and transfers to Assignee all of Assignor’s right, title and interest under the Airport Lease for Parcel W1-C, as more particularly described on **Exhibit A** hereto.

(b) Assignee hereby accepts the foregoing assignment and agrees to assume, perform and discharge, as and when due, all of the covenants and obligations of the Assignor under the Airport Lease which arise after the Effective Date of this Assignment, and agrees to be bound by all of the terms and conditions thereof from and after the Effective Date.

2. **Indemnification**

Assignee shall defend, indemnify, hold harmless and release Assignor, its successors and assigns, from and against any and all damage, loss, liability, claim, cost, expense, action and

475493

cause of action (including, without limitation, attorneys' fees and the reasonable costs of investigation) (collectively, "Claims") incurred by or asserted against Assignor, its successors and assigns, arising under the Airport Lease and accruing subsequent to the Effective Date of this Assignment.

Assignor shall defend, indemnify, hold harmless and release Assignee, its successors and assigns, from and against any and all Claims incurred by or asserted against Assignee, its successors and assigns, arising under the Airport Lease and accruing prior to the Effective Date of this Assignment.

3. **Miscellaneous.**

(a) Successors. This Assignment shall be binding upon the heirs, successors, assigns and personal representatives of the parties hereto.

(b) Headings. The captions to the paragraphs are intended for convenient reference only and shall not be used and are not intended to modify, aid, describe or otherwise affect the meaning of the paragraph from that which is indicated by the text of the paragraph alone.

(c) Construction. This Assignment is the product of negotiation and the parties agree that it shall not be construed against the drafter. If any part of this Assignment shall be found to be invalid or unenforceable, the remainder of the Assignment shall be enforceable in accordance with its terms, deleting such unenforceable or invalid provisions.

(d) Entire Agreement. This Assignment constitutes the entire agreement between the parties with regard to the Airport Lease and any prior negotiations, agreements or other writings pertaining to the subject matter of this Assignment are merged herein and extinguished.

(e) Governing Law. This Assignment shall be construed under the laws of Nevada.

(f) Attorney Fees. In the event of any action or proceeding brought by either party against the other pertaining to or arising out of this Assignment, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorney fees.

(g) Counterparts. This Assignment may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(h) Effective date. This Assignment & Assumption of Lease shall be effective upon recording.

SIGNATURES CONTINUED ON FOLLOWING PAGE

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the day and year first written above.

ASSIGNOR:

ASSIGNEE:

CUBIX CORPORATION,
A Nevada Corporation

GONI AVIATION, LLC,
A Nevada Limited Liability Company

By: *Al Fieghen*
Al Fieghen
Its: President

By: *George R. Clary* *William Hartman*
George R. Clary William Hartman
Its: Managers/Members

Date: 5/15/17

Date: 5/16/2017

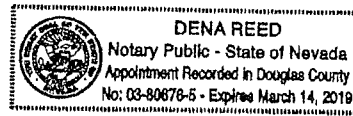
STATE OF NEVADA)
 : ss
CARSON CITY)

On this 15th day of May, 2017, before me, the undersigned, a Notary Public, personally appeared AL FIEGEHEN, president of CUBIX CORPORATION, known to me to be the person described herein, who executed the foregoing instrument, and he acknowledged to me, that he has the requisite authority and executed the same freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

Dena Reed
NOTARY PUBLIC
(Signature of Notarial Officer)

(SEAL)



STATE OF NEVADA)
 : ss
CARSON CITY)

On this 16th day of May, 2017, before me, the undersigned, a Notary Public, personally appeared GEORGE R. CLARY and WILLIAM HARTMAN, Manger/Members of GONI AVIATION, LLC., known to me to be the persons described herein, who executed the foregoing instrument, and they acknowledged to me, that they have the requisite authority and executed the same freely and voluntarily, and for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

Dena Reed
NOTARY PUBLIC
(Signature of Notarial Officer)

(SEAL)

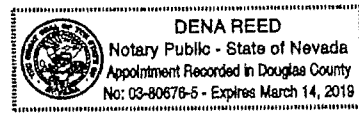


EXHIBIT A

Parcel W1-C

A certain parcel of land situate in the NE ¼ of the NW ¼ of Section 4, T.15N., R.20E., M.D.B.M., Carson City, Nevada, particularly described as follows, to wit:

Commencing at the NW corner of Lot 41 of the Ormsby County Industrial Airpark subdivision of Carson City as shown and located on Map No. 318, File No. 41674 of the Official Records of Carson City; thence on a Nevada State plane coordinate (modified grid) bearing of N89°12'35"W 460.00 ft. to the true point of beginning. Thence S0°43'58"W 290.00 ft., thence N89°12'35"W 150.00 ft., thence N19°14'37"W 58.54 ft., thence N0°43'58"E 135.00 ft., thence N89°12'35"W 20.00 ft., thence N0°43'58"E 100.00 ft., thence S89°12'35"E 190.00 ft. to the true point of beginning.

Said parcel containing 50,749 sq. ft.

TOGETHER WITH its appurtenances and hereditaments, including but not limited to the right of full access thereto and uses thereon, and the further right, in common with others, to use public roads, driveways, runways, taxiways, and ramps.

Note: the above legal description previously appeared in Lease of Carson City Airport Property, recorded May 9, 1988, as Document No. 70745, Official Records of Carson City, Nevada, and in the Lease of Carson City Airport Property, recorded October 19, 2006, as Document No. 360015, Official Records of Carson City, Nevada.

CONSENT TO ASSIGNMENT- Airport Authority

Approved this 17th day of May, 2017, pursuant to Notice, meeting and vote.

CARSON CITY AIRPORT AUTHORITY

By: 
LINDA CHANDLER LAW, Chairperson

ATTEST:

By: 
LARRY HARVEY, Secretary/Treasurer


CONSENT TO ASSIGNMENT- Carson City

CARSON CITY

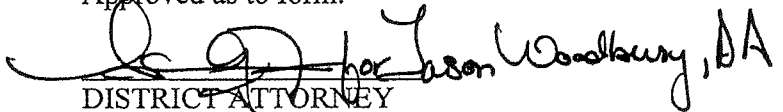
Approved by the Board of Supervisors this 1st day of June, 2017.


ROBERT L. CROWELL, Mayor

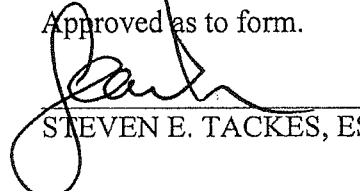
ATTEST:


SUSAN MERRIWETHER, Clerk/Recorder

CITY'S LEGAL COUNSEL
Approved as to form.


DISTRICT ATTORNEY

AIRPORT AUTHORITY
LEGAL COUNSEL
Approved as to form.


STEVEN E. TACKES, ESQ.