

CCAA BOARD MEMO

Agenda Item: G-2

BOARD MEMO 2024-21

Meeting Date: October 16, 2024

Agenda Title: FOR DISCUSSION AND POSSIBLE ACTION: RENEWAL OF THE CINDERLITE CONTRACT FOR THREE YEARS.

Staff Summary: The Cinderlite Contract will be up for renewal on November 1, 2024. The renewal includes a 15.07% CPI increase and language that allows for coordination of the installation of a MALSF if required. Staff recommends renewal.

Agenda Action: Formal Action/Motion **Time Requested** 0 Minutes

Proposed Motion

I move to approve the renewal of the Cinderlite Contract.

CCAA'S Strategic Goal

Maintain financial stability and support economic activity in the region.

Previous Action

February 15, 2012 (Item G-1) – The CCAA approved the first contract with Cinderlite

November 18, 2015 (Item F-2) – The CCAA approved an extension to the Cinderlite contract

November 14, 2018 (Item G-3) – The CCAA approved an extension to the Cinderlite contract

October 25, 2021 (Item G-2) – The CCAA approved an extension to the Cinderlite contract

Executive Summary N/A	
Recommendation:	
Approve the contract renewal	
Financial Information	
Is there a fiscal impact? □ No ⊠ Yes	
If yes, account name/number & amount: 3099 General	ıl Fund
General Fund/ Federal Share: 15.07% increase from \$\frac{9}{2}\$ material sold from the site.	\$1.81 to \$2.08 per ton of
Is it currently budgeted? Yes Alternatives	
Do not approve the contract as presented and suggest	changes.
Board Action Taken:	
Motion:1)	
	Aye/Nay
(Vote Recorded By)	

Board Memo

Surplus Rock and Aggregate Material Extension Agreement

This Extension Agreement ("Agreement") is made effective November 1, 2024, by and between Corey Jenkins, A.A.E., Airport Manager, on behalf of the CARSON CITY AIRPORT AUTHORITY ("Airport") and CINDERLITE TRUCKING CORPORATION ("BUYER") (collectively, the "parties"). Pursuant to Section P (Miscellaneous) of the existing Extension Agreement entered into by the parties, the parties hereby agree to extend the Surplus Rock and Aggregate Material Agreement (dated November 21, 2018 and extended on November 1, 2021) for an additional 3 years.

All terms and conditions remain in place and are extended to the new termination date except for the royalty paid to the Airport. The royalty shall be adjusted to reflect the CPI increase of 15.07% from August 2021 to August 2024 (most current available data). The royalty paid to the Airport shall be \$2.08 per ton of material sold from the site during the term of the extension. (15.07% increase to \$1.81)

The parties agree that BUYER will begin the restoration of terrain in the area designated by the Airport in coordination with the Airport Manager. The remainder of the restoration shall occur on or before the termination date of the Agreement. BUYER has been notified that the Airport may need to install a Medium Intensity Approach Lighting System with Sequenced Flashing Lights (MALSF) in the work area, and if such occurs then BUYER will cooperate with Airport so that BUYER's work does not interfere with the installation of the lighting.

P. MISCELLANEOUS

- 1. This Agreement may be otherwise amended or modified only in writing and only upon the mutual written consent of the parties hereto.
- 2. The rights and privileges hereby granted or reserved to the parties may not be assigned.
- 3. This Agreement shall inure to the benefit of and shall be binding upon the heirs, successors and assignees of the parties hereto.
- 4. This Agreement shall be construed in accordance with the laws of the State of Nevada. Jurisdiction over any legal action shall be in Carson City, Nevada.
- 5. In the event any phrase, Section or other portion of this Agreement is deemed to be illegal, null, void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the fullest extent permissible by law.
- 6. By signing this Agreement, the signatories represent that they have full authority to bind their respective entities.

IN WITNESS WHEREOF, this agreement has been executed.

Greg Lehman
Cinderlite Trucking Corporation
Tim Puliz, CCAA Chair

Date

Date

Surplus Rock and Aggregate Material Agreement

This Agreement is made effective this 13th day of March, 2012, by and between Tim Rowe, Airport Manager, on behalf of the CARSON CITY AIRPORT AUTHORITY ("Airport") and CINDERLITE TRUCKING CORPORATION ("BUYER") (collectively, the "parties"), regarding the agreement of the parties to sell to BUYER such surplus rock and aggregate material ("material") for use off-Airport.

Whereas, the Airport has excess material (collectively "material") which Airport desires to sell to BUYER, and which has been declared surplus by the Airport; and

Whereas, BUYER desires to purchase said material; and

Whereas, BUYER will pursue a grading permit and any other permits required to remove the material, if needed; and

Now therefore, the parties agree to the terms as follows:

A. TERM and CONDITIONS

- The material to be purchased is that identified in the RFP. BUYER has made his own estimate of the volume and quality of the material.
- BUYER may begin removing the material on the execution date of this Agreement or as soon thereafter as permitting allows, and shall complete its removal no later than 4 years after execution of this Agreement.
- 3. Terms of any grading permit, time of operations on Airport, location and traffic flow, shall be subject to Airport Manager approval.
- BUYER shall remove all surplus material identified in the approved grading plan unless otherwise approved by the Airport Manager to relocate some or all of the material to another area on the Airport.
- The area of material removal and the location of any processing will be designated by agreement between the Airport Manager and BUYER so as to minimize interference to airport operations or annoyance to neighbors.
- BUYER shall post a performance bond in an amount necessary to ensure that grading and seeding is completed at the conclusion of the rock removal, in the amount of \$15,000. (BUYER may use secured savings account with the Airport Authority named for the bond amount).

B. PRICE and VOLUME:

- 1. The Airport will sell to BUYER the excess material as designated above at the sales price of \$1.52 per ton (bid amount).
- Volume of material: No determination of quantity has been made by the Airport. It shall be the BUYER's responsibility to determine

the quantity of surplus material available for removal from the Airport. Airport is not guaranteeing purchase of material beyond that which Airport can supply on site as surplus.

The Airport makes no warranties as to the quality of the material.
 BUYER has inspected the material and has satisfied itself that such is suitable for its needs.

C. MATERIAL REMOVAL LOCATION

Airport Manager shall determine access points to Airport such that rock removal and transportation minimizes impact to Airport operations. BUYER agrees to not interrupt Airport operations, except when permitted by Airport Manager and under terms designated by Airport Manager.

D. DRAINAGE

Drainage shall be maintained such that the areas from which material is removed shall not bear an appreciably greater portion of the storm water flow than prior to the project. Additionally, existing Airport drainage patterns shall not be altered without approval by the Airport Manager and Airport Engineer.

E. DUST CONTROL

Dust control by water application and or other means shall be maintained by the BUYER as required by the NDEP dust control permit and/or the City grading permit.

F. ENVIRONMENTAL CONTROL

Environmental control and the compliance with all applicable Federal, State and local laws and requirements related thereto shall be the responsibility of BUYER.

G. GRADING PLAN

- BUYER shall prepare and submit a grading plan to be approved by Airport Manager and Airport Engineer prior to removal of material.
- Location of a haul road through the Airport shall be determined by Airport Manager. BUYER shall be responsible for any off-Airport haul arrangements and permits.
- 3. Airport Engineer shall, upon request, provide such existing documentation as may assist BUYER in developing a grading plan. If such provision involves more than nominal expense on the part of the Airport Engineer, Airport Engineer shall notify BUYER of such expense and BUYER shall make arrangements with the Airport to compensate the Airport Engineer.

H. RECLAMATION AND RESEEDING PLAN

A reclamation and reseeding plan shall be developed by the BUYER and shall be approved by the Airport Manager and Airport Engineer prior to removal of material.

I. PERMITS

All permits and Licenses required by the United States of America, the State of Nevada, Carson City, or the Carson City Airport Authority shall be obtained by BUYER at their own expense.

J. SAFETY

RADIO: The BUYER's on site representative shall have on their person a
working aviation radio tuned to the UNICOM frequency of 123.0 and shall
monitor all aircraft radio traffic to ensure men and equipment do not
interfere with airport operations. The Airport Manager can assist the
BUYER with operation of the radio as necessary.

2. EQUIPMENT: All equipment shall be kept outside of the Runway Safety Area, Object Free Area, and Airspace unless otherwise approved by the

Airport Manager.

3. FLAGS: The BUYER shall use flags or flashing amber lights on all

equipment operating on the Airport property.

 RUNWAY PROTECTION: The BUYER shall notify the Airport Manager at least 72 hours prior to working at or above the grade of the runway when adjacent to area marked as Off Limits –No Work on the RFP Grading exhibit.

K. TAXES

All taxes related to the sale of material, except income taxes due by the Airport, shall be the responsibility of BUYER.

L. INSURANCE

- BUYER shall provide liability insurance in an amount no less than two million dollars naming the Carson City Airport Authority, and Carson City as additional insured.
- BUYER to maintain auto insurance covering liability in an amount of not less than \$1,000,000 and property damage of not less than \$100,000 for all vehicles operated on Airport property.

M. HOLD HARMLESS - INDEMNITY

- 1. BUYER shall indemnify, defend and hold harmless Airport from and against any and all suits, actions, legal or administrative proceedings, claims, debts, demands, damages, liabilities, interest, reasonable attorney's fees, costs and expenses of whatsoever kind or nature occurring as the result of BUYER's acts or omissions or anyone acting under its direction, control, or on its behalf or for whom it is legally responsible, in connection with or incident to the removal of construction material from Airport's property. Without limiting the generality of the foregoing, the same shall include injury or death to any person or persons, and damage to any property, regardless of where located, including the property of Airport. Notwithstanding anything contained in this Agreement that may be construed to the contrary, neither party will be liable to the other for any indirect, special or consequential damages.
- Notwithstanding anything contained in this Agreement to the contrary, BUYER will not be responsible for any hazardous materials that were present prior to BUYER's first entry onto the Airport's property pursuant to

this Agreement or were caused by the willful or negligent act of Airport or a Third Party who are not BUYER's employees, partners, agents, invitees, contractors or subcontractors subsequent to the date of this Agreement. Airport shall indemnify, defend and hold harmless BUYER, its administrators, officers, employees, agents from and against all liabilities, claims, demands, injuries, damages, losses, awards, actions, causes of action or judgments arising out of or resulting from any hazardous materials found prior to the date of this Agreement or caused by the act or omission of Airport or anyone for whom Airport is responsible including its representative and agents subsequent to the date of this Agreement.

 BUYER shall be responsible for any uncontrolled dust related to BUYER's operations under this agreement during the period of the agreement and extending until the acceptable completion of the Reclamation and Reseeding plan under H above.

N. MEASUREMENT AND PAYMENT TERMS

- 1. Measurement of surplus material removed from the Airport shall be made by the tonnage per day. BUYER shall provide load tickets to to determine the amount of surplus material removed each day or other method as approved by the Airport Manager. Measurement of the surplus material removed from the Airport may be waived by the Airport Manager if the BUYER chooses to make lump sum payments based on quantities determined by a land surveyor licensed in the State of Nevada and verified by the Airport Manager as being accurate.
- 2. For any payments due, BUYER shall promptly make monthly payments within 15 days following the month in which material was removed. Failure to make such payments shall be cause for the Airport Manager to suspend all further operations of BUYER and proceed with termination of the Agreement without limiting the rights of the Airport to pursue collection and damages for BUYER's breach.
- Should BUYER not remove its equipment and vacate property within 30 days of the expiration of BUYER's right to remove material, BUYER shall pay a monthly equipment space rent of \$10,000 until all equipment is removed.

O. TERMINATION

- In the event that BUYER violates the terms of this Agreement or if BUYER's actions under this Agreement endanger airport operations, the Airport Manager will notify BUYER as to the problem and work with BUYER to find a solution. If no solution can be found, then Airport may terminate this Agreement.
- In any termination of this Agreement, if BUYER has begun removal of material, then the terms of this Agreement regarding payment and remediation shall still apply.

P. MISCELLANEOUS

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- 6. By signing this Agreement, the signatories represent that they have full authority to bind their respective

IN WITNESS WHEREOF, this agreement has been executed.

BUYER Cinderlite Trucking Corp

Greg Lehman

authorized representative

Tim Rowe,

Airport Manager

DATE

DATE

Surplus Rock and Aggregate Material Extension Agreement

This Extension Agreement ("Agreement") is made effective this 16th day of November 2018, by and between Kenneth G. Moen, A.A.E., Airport Manager, on behalf of the CARSON CITY AIRPORT AUTHORITY ("Airport") and CINDERLITE TRUCKING CORPORATION ("BUYER") (collectively, the "parties"). Pursuant to Section P (Miscellaneous) of the existing Extension Agreement entered into by the parties, the parties hereby agree to extend the Surplus Rock and Aggregate Material Agreement (dated November 18, 2015) beginning November 16, 2018 through November 30, 2021.

All terms and conditions remain in place and are extended to the new termination date except for the royalty paid to the Airport. The royalty shall be adjusted to reflect the CPI increase of 9.82% from 2012 contract inception date. The royalty paid to the Airport shall be \$1.67 per ton of material sold from the site beginning November 1, 2018.

P. MISCELLANEOUS

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IN WITNESS WHEREOF, this agreement has been executed.

Greg Lehman

Cinderlite Trucking Corporation

Kenneth G. Moen, A.A.E.

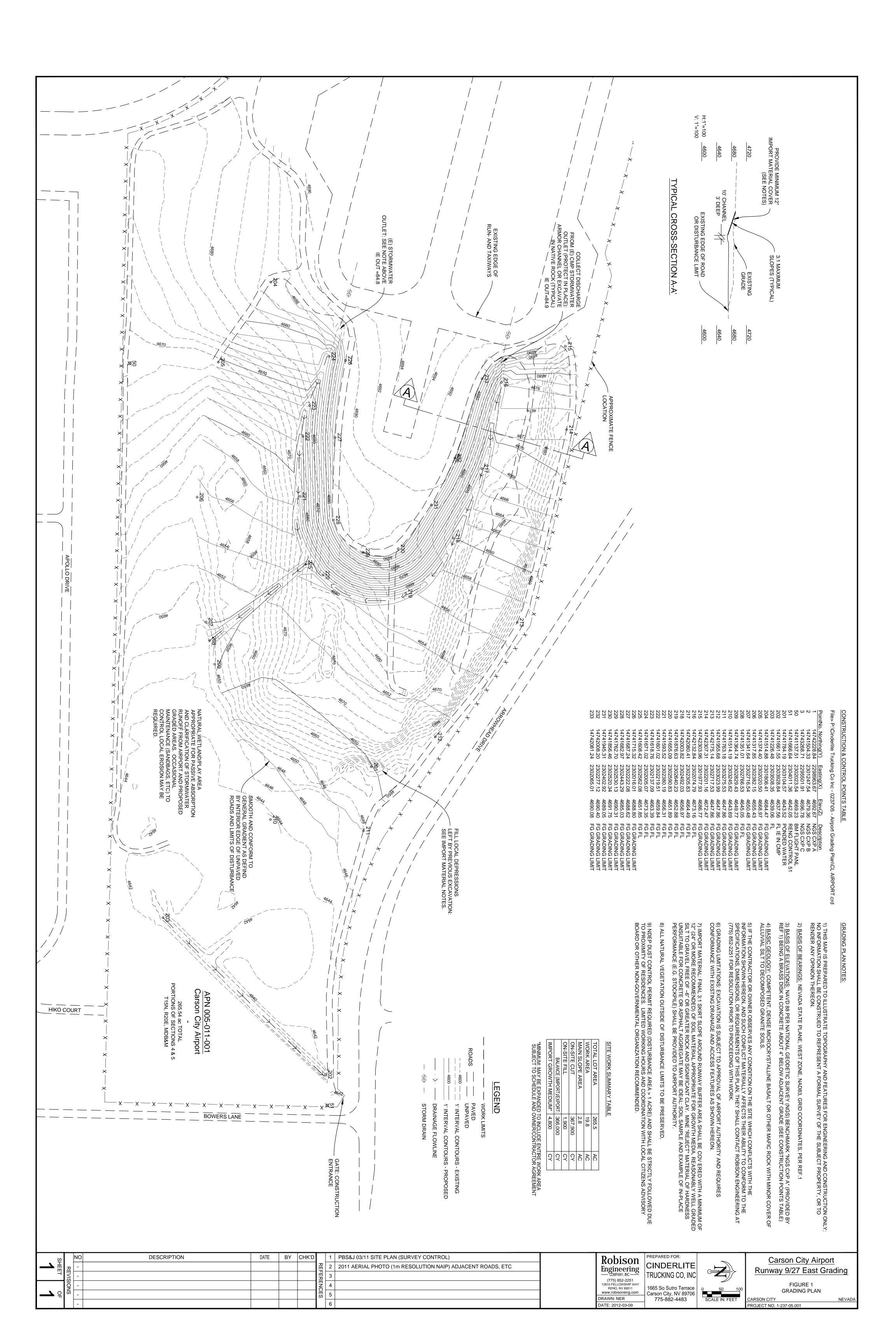
Airport Manager

Linda Law, CCAA Chair

Date

11/21/18 Date





P.O. Box 2351 Reno, Nevada 89505 (775) 852-6611

March 29, 2012

Re: Security Deposit

To Whom It May Concern:

Cinderlite Trucking Corporation opened a secured deposit account with Nevada State Bank. The account was opened on March 29, 2012 in the amount of \$15,000.00. This account has been opened for the benefit of Carson City Airport Authority.

If you have any questions or concerns please feel free to call the North Carson City Branch at 775-884-5500

Thank you,

Jennifer Arneson

Financial Service Supervisor North Carson City Branch

Nevada State Bank



P.O. Box 990 · Las Vegas, NV 89125-0990 | www.nsbank.com

0048090

2472-06-0000-NSB-PG0030-00000

CINDERLITE TRUCKING CORPORATION FBO CARSON CITY AIRPORT AUTHORITY JENNIFER GLANZMANN 1665 S SUTRO TER CARSON CITY NV 89706-0356

SUMMARY OF ACCOUNT BALANCE

Statement of Accounts

Page 1 of 2

This Statement: September 28, 2018 Last Statement: June 30, 2018

Primary Account 0628010290

DIRECT INQUIRIES TO:

Reddi Response 24-hour Account Information: Las Vegas: (702)383-0009 Reno: (775)852-6611

1 (800) 727-4743 (outside local areas)

Loan By Phone

Las Vegas: (702)399-Loan (5626) Reno: (775)851-8811 1 (800) 789-4671 (outside local areas)

Account Type Business Savings	Account Number 0628010290						nding Owed	
BUSINESS SAVINGS	062801029)					830	
Previous Balance 15,017.37	Deposits/Credits 0.38			W	ithdrawals/Charges 0.00	Ending Balance 15,017.75		
3 DEPOSITS/CREDITS		***************************************	••••••	•••••••••••				
Date 07/31 08/31 09/28	Amount Description 0.13 INTEREST PAYMENT 0001501737 0.13 INTEREST PAYMENT 0001501750 0.12 INTEREST PAYMENT 0001501763							
WITHDRAWALS/CHARGE There were no transactions thi	is period.							
AGGREGATE OVERDRAFT	AND RETURN	ED ITEM FEES						
Total Overdraft Fees Total Returned Item Fees	Total f	or This Period \$0.00 \$0.00		Total Year-to-Date \$0.00 \$0.00)			
DAILY BALANCES			••••••		***************************************			
DateBalance 07/31 15,017.50)ate 8/31	Balance 15,017.63		Date 09/28	Balance 15,017,75	
INTEREST			••••••					
nterest Earned This Interest Period \$0.38 nterest Paid Year-To-Date 2018 \$1.13			Number Of Days This In Annual Percentage Yield	Days This Interest Period centage Yield Earned 0.				

Surplus Rock and Aggregate Material Extension Agreement

This Extension Agreement ("Agreement") is made effective November 1, 2021, by and between Corey Jenkins, A.A.E., Airport Manager, on behalf of the CARSON CITY AIRPORT AUTHORITY ("Airport") and CINDERLITE TRUCKING CORPORATION ("BUYER") (collectively, the "parties"). Pursuant to Section P (Miscellaneous) of the existing Extension Agreement entered into by the parties, the parties hereby agree to extend the Surplus Rock and Aggregate Material Agreement (dated November 21, 2018) for an additional 3 years.

All terms and conditions remain in place and are extended to the new termination date except for the royalty paid to the Airport. The royalty shall be adjusted to reflect the CPI increase of 8.5% from November 2018 to November 2021. The royalty paid to the Airport shall be \$1.81 per ton of material sold from the site during the term of the extension.

The parties agree that BUYER will begin the restoration of terrain in the area designated by the Airport in coordination with the installation of the instrument lighting system and upon such timing as directed by the Airport Manager. The remainder of the restoration shall occur on or before the termination date of the Agreement.

P. MISCELLANEOUS

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IN WITNESS WHEREOF, this agreement has been executed.

Great ehman

Cinderlite Trucking Corporation

Michael Golden, CCAA Chair

Date

Date



