



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: February 9, 2021

DATE: January 13, 2020

TO: Board of County Commissioners

FROM: Dan Cahalane, Planner, Planning and Building Division, Community Services Department, 775-328-3628, dcahalane@washoecounty.us

THROUGH: Mojra Hauenstein, Arch., Planner, Division Director, Planning & Building, Community Services Department, 328-3619, mhauenstein@washoecounty.us

SUBJECT: Public Hearing: Second reading and adoption of an Ordinance pursuant to Nevada Revised Statutes 278.0201 through 278.0207 adopting a Development Agreement between Washoe County and Rilite, Inc., to clarify the accurate boundary of the Rilite Aggregate Facility and Special Use Permit SP-34-76W to include APNs 016-730-61, 016-730-62, and 016-730-06 based on considerations including, without limitation, history of use and procedural history for the pit operations, and other matters necessarily connected therewith and pertaining thereto.

The term of the agreement is the shorter of either a) the date Rilite completes the reclamation of the aggregate in accordance with the reclamation plan or b) December 31, 2050.

The project is located southeast of Western Skies Drive at 9208 Western Skies Drive in Reno, Nevada. The project encompasses a total of 3 parcels that total approximately 197.13 acres. The parcels are located within the South East Truckee Meadows Area Plan. The property is located within the South Truckee Meadows/Washoe Valley Citizen Advisory Board boundaries and within Washoe County Commission District No. 2. (Commission District 2.)

SUMMARY

The Washoe County Board of County Commissioners are asked to hold the second reading of an ordinance adopting a development agreement to clarify the accurate boundary of Rilite Aggregated Facility and the special use permit to include APNs 016-730-06 and 016-730-62 (original APN 016-730-05) based on considerations including, without limitation, history of use and procedural history for the pit operations.

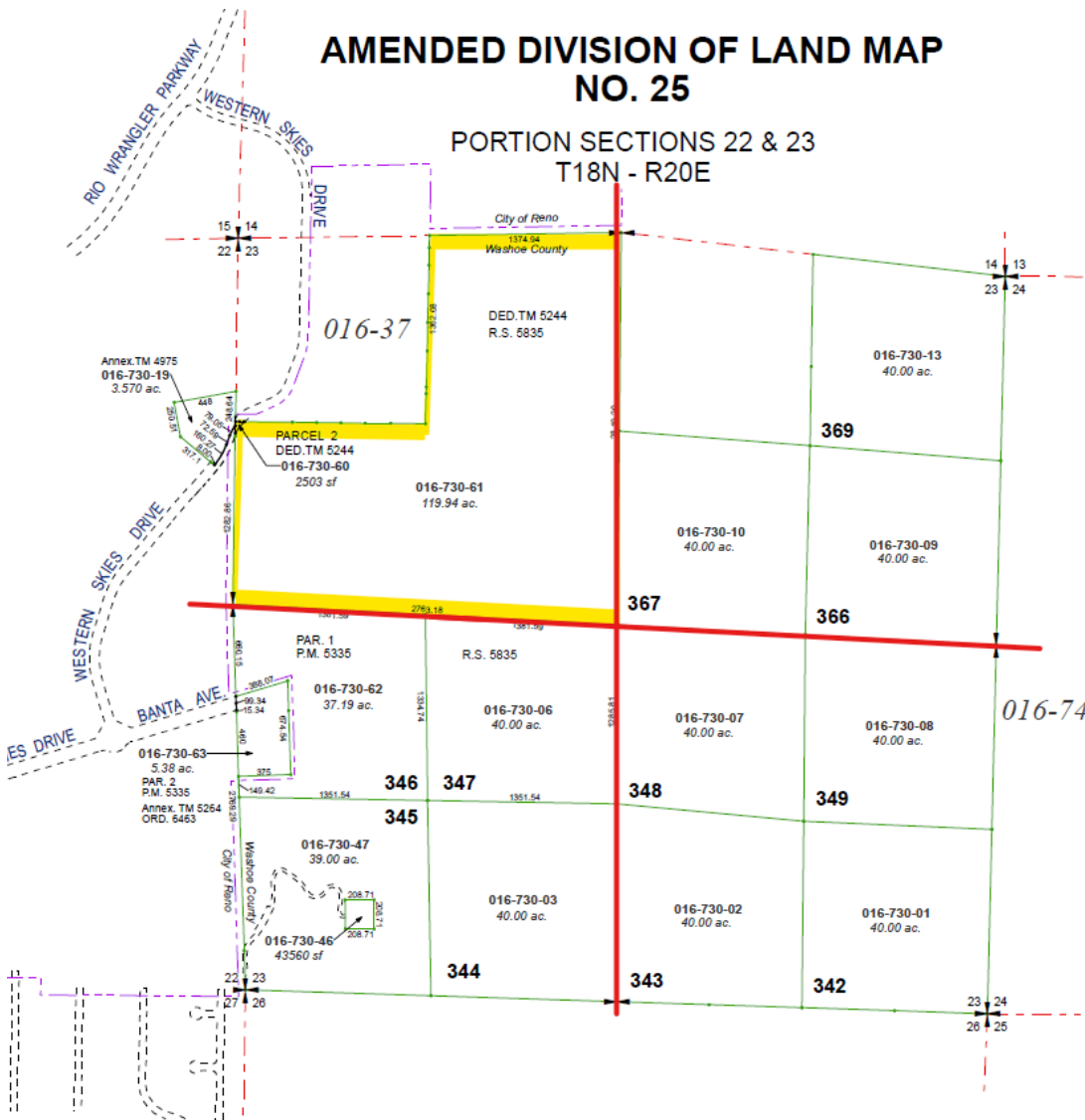
Washoe County Strategic Objective supported by this item: Responsible Growth Management.

AGENDA ITEM # _____

PREVIOUS ACTION

On January 12, 2021, the Board of County Commissioners (Board) heard and approved the introduction and first reading of an ordinance for the development agreement between the County and Rilite, Inc.

On May 25, 1976, Rilite, Inc.'s aggregate pit was approved via special use permit (SUP) SP-34-76W with the permit subject to termination in 20 years with annual review to determine compliance with plans and conditions. The special use permit applied to the area in the NE ¼ of the NW ¼ and S½ of the NW ¼ of Section 23, T18N, R29E, as outlined below:



This area describes the general property lines of current APN 016-730-61.



Aggregate pit
area beyond
SUP area

1997 Orthophotography

On Sept 4, 2001, Washoe County Planner Paul Kelly sent notice to Rilite Aggregate requiring that a new special use permit be submitted in compliance with Washoe County Code (WCC) 110.332.3. A staff report dated December 12, 2001 recommended compliance with new updated conditions. Rilite submitted a mining and reclamation Plan on April 14, 2002. A memorandum by Paul Kelly dated April 22, 2002 stated that:

“Per instruction of Maddy Shipman, Washoe County Assistant District Attorney, this memo will serve to revise the description of the Rilite Aggregate Pit, approved under SP-34-76W, to include APN 016-730-05 and APN 016-730-06, each being approximately forty (± 40) acres square in size and configuration.”

In 2006, the Planning Commission reviewed the 5-year aggregate pit compliance review as required per WCC 110.332.40. The staff report recommended approval with additional conditions and listed parcels 016-730-05 and 06 as part of the original SUP. The Planning Commission debated the approval of the compliance review and approved it by a vote of 3-2 on June 7, 2006. The meeting minutes noted that any expansion of a special use permit would have required public notice. The compliance review letter acknowledged (but did not approve) the ± 40 -acre expansion of the aggregate facility use across parcels 016-730-05 (now primarily parcel 016-730-62) and 016-730-06 totaling ± 80 -acres.

BACKGROUND

Rilite, Inc. has been operating an aggregate pit in this area since at least 1966 when Special Use Permit SP22-66W was approved. Rilite, Inc. received an extension of the aggregate facility use type in 1976 with the approval of SP-34-76W. These parcels are located in the City of Reno's Sphere of Influence (SOI), but not within its exerted SOI, which has caused some confusion over the years as to which entity had jurisdiction between 2010 and 2017.

On December 20, 2019, Washoe County staff initiated a 5-year review of the aggregate pit in compliance with WCC 110.332.40. Staff outlined the full timeline of SP-34-76W and discovered that SP-34-76W did not expressly apply to ±40 acres of aggregate facility operations across current APNs 016-730-62 and 016-730-06 (which are a combined ±80-acres) as there was no public hearing specifically and expressly authorizing that change. This timeline is summarized briefly below:

- 1976 – SP-34-76W approved by the Board of Adjustment on May 11, 1976
 - Condition 10 – Special Use Permit subject to termination in 20 years with annual review to determine compliance with plans and conditions.
- 1977– Orthophotography captured in April 1977 shows expansion beyond originally permitted limits
- 1983– Rilite, Inc., purchased APNs 016-730-05 (currently 016-730-62) and 016-730-06 from Recreational Tourist Parks.
- 1996- 20 years since SUP was approved.
- 1997- Orthophotography captured in 1997 shows expansion of aggregate facility activities to include ±40 acres on 016-730-05 (currently 016-730-62) and 016-730-06.
- 2001
 - Sept 4 - Washoe County Planner, Paul Kelly, sends Rilite Aggregate notice requiring a new special use permit in compliance with WCC 110.332.35 be submitted
 - Dec 12 – Staff report recommended compliance with new updated conditions
- 2002
 - April 14 – Rilite Aggregate submitted a mining and reclamation plan
 - April 22 – Memorandum by Planner, Paul Kelly, states that the description of SP-34-76 is revised to include APNs 016-730-05 (currently 016-730-62) and 016-730-06
- 2006 – Washoe County Planning Commission, by a vote of 3-2, approved the 5-year annual review with additional conditions on June 7, 2006, noting that any expansion of a special use permit would require public notice. The review

included APNs 016-730-05 (currently 016-730-62) and 016-730-06 as part of the description.

- 2011 - Rilite, Inc. requested a 5-year compliance review on July 19, 2011.
- 2014 – Reno expands its Sphere of Influence to include APNs 016-730-11 (currently 016-730-61), 016-730-05 (currently 016-730-62), and 016-730-06.
- 2017 – Reno clarifies that its Sphere of Influence includes APNs 016-730-11 (currently 016-730-61), 016-730-05 (currently 016-730-62), and 016-730-06 but they are not within its exerted jurisdictional area in an email dated May 23, 2017 from Nathan Gilbert, Associate Planner, City of Reno.
- 2019- Rilite, Inc. submitted a letter outlining compliance with all SUP conditions on July 30, 2019.

On December 20, 2019, Washoe County staff initiated a 5-year review of the aggregate pit in compliance with WCC 110.332.40. Staff discovered that SP-34-76W did not specifically and expressly apply to ±40 acres of aggregate facility operations across current APNs 016-730-62 and 016-730-06 (which are a combined ±80-acres) as there was no public hearing authorizing that change. Accordingly, this Development Agreement was drafted to remedy the above discrepancies.

FISCAL IMPACT

No fiscal impact.

POSSIBLE ACTIONS

It is recommended that the Board of County Commissioners conduct a second reading and adopt an ordinance approving a Development Agreement, which clarifies the accurate boundary of the Rilite Aggregate Facility and Special Use Permit SP-34-76W to include APNs 016-730-61, 016-730-62, and 016-730-06 based on considerations including, without limitation, history of use and procedural history for the pit operations.

If adopted, the Ordinance will be effective on February 19, 2021.

POSSIBLE MOTION FOR ADOPTION OF THE DEVELOPMENT AGREEMENT

“Move to adopt Ordinance Number (insert ordinance number as provided by the County Clerk) pursuant to Nevada Revised Statutes 278.0201 through 278.0207 adopting a Development Agreement between Washoe County and Rilite, Inc., to clarify the accurate boundary of the Rilite Aggregate Facility and Special Use Permit SP-34-76W to include APNs 016-730-61, 016-730-62, and 016-730-06 based on considerations including, without limitation, history of use and procedural history for the pit operations. The approval is based on the Board’s ability to make all the findings required by WCC Section 110.814.30(d), Findings; and further to authorize the Chair to execute the final Development Agreement upon adoption of the Ordinance.”

Attachments: A. Ordinance & A-1 Development Agreement containing:
Exhibit A (Legal Description)
Exhibit B (Special Use Permit)

cc:

Applicant: Rilite, Inc, 3025 Mill St, Reno, NV 89502.

Property Owner: Lightweight Properties, LLC, an affiliate of Rilite, Inc, 3025
Mills St. Reno NV 89502

Consultant: Alonso Law Limited, 6160 Plumas St, Suite 200, Reno, NV 89519.

Notice: Per NRS 239B.030, this document does not contain personal information as defined in NRS 603A.040

Summary: *To adopt a Development Agreement to clarify the accurate boundary of the Rilite Aggregate Facility and Special Use Permit SP-34-76W to include APNs 016-730-61, 016-730-62, and 016-730-06 based on considerations including, without limitation, history of use and procedural history for the pit operations, and other matters necessarily connected therewith and pertaining thereto.*

BILL NO. _____

ORDINANCE NO. _____

TITLE:

An Ordinance pursuant to Nevada Revised Statutes 278.0201 through 278.0207 adopting a Development Agreement between Washoe County and Rilite, Inc., to clarify the accurate boundary of the Rilite Aggregate Facility and Special Use Permit SP-34-76W to include APNs 016-730-61, 016-730-62, and 016-730-06 based on considerations including, without limitation, history of use and procedural history for the pit operations, and other matters necessarily connected therewith and pertaining thereto. The term of the agreement is the shorter of either a) the date Rilite completes the reclamation of the aggregate in accordance with the reclamation plan or b) December 31, 2050.

The project is located southeast of Western Skies Drive at 9208 Western Skies Drive in Reno, Nevada. The project encompasses a total of 3 parcels that total approximately 197.13 acres. The parcels are located within the South East Truckee Meadows Area Plan. The property is located within the South Truckee Meadows/Washoe Valley Citizen Advisory Board boundaries and within Washoe County Commission District No. 2.

WHEREAS:

- A. Following a first reading and publication as required by NRS 244.100 (1), and after a duly noticed public hearing, this Board of County Commissioners desires to adopt this Ordinance; and

January 12, 2021

C. This Board of County Commissioners has determined that this ordinance is being adopted pursuant to requirements set forth in Chapter 278 of NRS, and is therefore not a "rule" as defined in NRS 237.060 requiring a business impact statement.

SECTION 1.

The Development Agreement between Washoe County and Rilite, Inc., attached hereto as Attachment A-1 is hereby APPROVED by this ordinance. The Chair is authorized to execute and deliver it for recording in the official records of Washoe County.

SECTION 2. General Terms.

1. All actions, proceedings, matters and things heretofore taken, had and done by the County and its officers not inconsistent with the provisions of this Ordinance are ratified and approved.
2. The Chair of the Board and the officers of the County are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this ordinance. The District Attorney is authorized to make non-substantive edits and corrections to this Ordinance.
3. All ordinances, resolutions, bylaws and orders, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance, resolution, bylaw or order, or part thereof, heretofore repealed.
4. Each term and provision of this Ordinance shall be valid and shall be enforced to the extent permitted by law. If any term or provision of this Ordinance or the application thereof shall be deemed by a court of competent jurisdiction to be in violation of law or public policy, then it shall be deemed modified, ipso facto, to bring it within the limits of validity or enforceability, but if it cannot be so modified, then it shall be excised from this ordinance. In any event, the remainder of this ordinance, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected.

January 12, 2021

Proposed on _____ (month) _____ (day), _____ 2021.

Proposed by Commissioner _____.

Passed _____ (month) _____ (day), _____ 2021.

Vote:

Ayes: Commissioners _____

Nays: Commissioners _____

Absent: Commissioners _____.

Attest:

Janis Galassini, County Clerk

Bob Lucey, Chair
Washoe County Commission

This ordinance shall be in force and effect from and after the 19th day of the month of February of the year 2021.

When recorded, return to:

Rilite, Inc,
3025 Mill St,
Reno, NV 89502.

APN: 016-730-61, 016-730-62, and 016-730-06

Recorder Affirmation Statement: The undersigned hereby affirms that this document, including any exhibit, hereby submitted for recording does not contain the social security number of any person or persons (per NRS 239B.030(2)).

ATTACHMENT A-1

AGREEMENT CONCERNING DEVELOPMENT OF LAND
(Rilite Aggregate Facility)

AGREEMENT

THIS AGREEMENT ("Agreement") is made by and between **Rilite, Inc.** (the "Rilite"), and the **COUNTY OF WASHOE**, a political subdivision of the State of Nevada, ("County").

1. GENERAL.

1.1 Property. Rilite is the lessee of real property located in Washoe County, Nevada known as Assessor's Parcel Numbers 016-730-61, 016-730-62 and 016-730-06 in Washoe County, Nevada (the "Property") as more particularly described in Exhibit A, attached hereto, which is subject to County's Southeast Truckee Meadows Area Plan.

1.2 Property Owner. Rilite transferred the Property to Lightweight Properties, LLC, an affiliate of Rilite, which hereby approves this Agreement, shall be afforded the rights of Rilite hereunder and agrees to be subject to its terms.

1.3 Special Use Permit. The Property has a County land use designation including General Rural and Medium Density Rural. Rilite's rights to operate the aggregate pit have been established over the years, including but not limited to the approval of Special Use Permit (SUP) SP-34-76w on May, 25, 1976. On the face of that special use permit, the permit applied to the area in the NE ¼ of the NW ¼ and S½ of the NW ¼ of Section 23, T18N, R29E. The foregoing special use permit, as clarified by this Agreement shall be referred to as the "Special Use Permit". By this Agreement, the parties intend to clarify that the Special Use Permit applies to all 3 APNs referenced in Section 1.1 of this Agreement. The operation of the aggregate pit must be conducted pursuant to: (a) the provisions of the approved Special Use Permit; (b) this Agreement; and (c) the Washoe County Development Code (the "Code").

1.4 Previous Actions. While Rilite has operated an aggregate pit on the Property since the 1960's, the parties are not able to agree upon an exact date or the rights that have been established over those decades.

1.5 Purpose of Agreement. The Washoe County Development Code, Section 110.332.40, requires a review of aggregate facilities, without an otherwise specified interval of review in their conditions of approval, at least every five years. Previous reviews have been conducted. During examination of the 5-year review, the County informed Rilite it wished to further address the scope of the Aggregate Pit Facility and Special Use Permit. In addition to the circumstances provided in Section 1.6 below, the purpose of this Development Agreement is to clarify the accurate boundary of the Rilite Aggregate Facility and Special Use Permit to include APNs 016-730-61, 016-730-62 and 016-730-06 based on considerations including, without limitation, history of use and procedural history for the pit operations.

1.6 Circumstances Requiring A Development Agreement. The County has proposed and the Rilite agrees, that it is in the best interest of the County, Rilite, and citizens of the County to enter into this Development Agreement consolidating all County conditions of approval for the Special Use Permit into one document that is clear and may be relied upon by all parties and

further: (a) confirming that Rilite is currently in compliance with all such conditions; and (b) confirming the County's expectations regarding such conditions.

2. AGREEMENT CONCERNING DEVELOPMENT OF LAND.

2.1 Compliance with NRS 278.0201 and Code. This Agreement is an agreement concerning the development of land under NRS 278.0201 and Article 814 of the Code. Rilite has a legal interest in the Property by virtue of its leasehold interest. In compliance with NRS 278.0201(1), the following covenants, terms and conditions are set forth:

2.1.1. The land which is subject to this Agreement and the Special Use Permit is APN 016-730-61, 016-730-62 and 016-730-06 which is described in Exhibit A: Legal Description.

2.1.2. Unless terminated sooner as provided in Section 2.4, the duration of this Agreement shall begin on the date of signing by the Board of County Commissioners, and shall remain in effect until the earlier to occur of: (a) the date Rilite completes the reclamation in accordance with the Reclamation Plan; or (b) December 31, 2050. Until terminated, this Agreement shall control with respect to the term of the permit, property boundaries of the permit, applicable permit conditions and other terms and conditions of the Special Use Permit to the extent addressed herein. Upon termination of this Agreement for any reason, each of the parties shall have the rights, remedies and obligations existing immediately prior to entering into this Agreement, it being understood that each party shall be restored to the position each occupied immediately prior to entering into this Agreement.

2.1.3. The permitted uses on the Property and the density or intensity of its use, are as provided in the approved Special Use Permit and the Code. A copy of the Special Use Permit and conditions is attached hereto as Exhibit B. The permitted use of the Property pursuant to the approved Special Use Permit is an aggregate pit.

2.1.4. County agrees that Rilite has satisfied all of the following conditions in the past and through the present. Rilite agrees, subject to the qualifications below, that the following conditions shall be in effect, to the extent possible:

Special Use Permit Case Number SP-34-76w conditions; provided, however, that conditions 4, 5 and 11 have been completely satisfied:

1. Map and Plot plans as submitted.
2. Full compliance with all applicable ordinances, rules and regulations of Washoe County.
3. If requested by the County Engineer, applicant will submit aerial photos or any other reasonable information deemed necessary to indicate compliance with approved plan.
4. Road from State Route 17 to area of operation to be paved.
5. Post 30 m.p.h. speed limit signs in area.
6. Approval of the Washoe County Health Department.
7. Final slopes to be a maximum of 2 to 1.
8. Sprinkler system to be installed to reduce dust in the area.

9. Bond in the amount deemed necessary by the County Engineer to assure compliance with grading plan and revegetation.
10. Special Use Permit subject to termination in 20 years with annual review to determine compliance with plans and conditions.
11. Submission of a written report on or before May 11, 1977, to the Board of Adjustment setting forth the current status of compliance with the above conditions.

Conditions imposed by 5-year review in 2002; provided, however, that conditions 1(a), 1(b) and 1(c), 2, 3 and 4 below have been completely satisfied and condition 1(d) has been completed to the satisfaction of the parties to date:

1. The following conditions required by the Development Code shall be met by April 1, 2002:
 - a. Section 110.332.15(b) Drainage Preservation: Applicant shall submit a hydraulic report containing plans that shall allow for and conserve the historic topographical drainage. In so complying, the applicant shall in no way increase drainage and/or runoff water to or from any adjacent property.
 - b. Section 110.332.20(h) Provision of restoration and/or reuse of the site: Applicant needs to submit a reclamation plan for the pit for approval by the Engineering Division.
 - c. Section 110.332.20(i) Provision of a bonding program commensurate with the total costs of requirements imposed: Applicant shall submit a bond or other assurance to which the County is a party in the amount agreed to by the Engineering Division for reclamation of the pit site.
 - d. Section 110.332.30 Non-compliance with conditions: Compliance with conditions shall be reviewed on an annual basis. This review shall be based upon submittal of a yearly report by the applicant detailing compliance with conditions of the special use permit.
2. Over the course of 2007, the entire west side of the pit shall be bermed to a minimum height of eight feet, and the west -facing slope reseeded and irrigated to provide a sight and sound barrier for the landowners on the west side of the pit. All work shall be completed by December 4, 2007. The Department of Community Development shall be notified upon completion of the berming and reseeding for an inspection of the measures taken.
3. The next Planning Commission review of Special Use Permit No. SP-34-76W shall be before December 4, 2011. Applicant shall submit an application for project review at this time in conformance with Section 110.332.40. The Department of Community Development shall determine compliance with this provision.
4. All exposed and disturbed slopes not being actively mined shall be covered with an emulsifier or tackifier as frequently as needed to control dust until re-vegetation is firmly established. Re-vegetation shall be in the form of hydro-seeding, with a seed mix approved by the Washoe-Storey Conservation District, and with temporary irrigation provided as approved by the staff of the Department of Community Development. Staff shall be notified at completion of inspection of the completed work.

New 2020 Conditions, provided, however, that conditions 1, 2 and 3 below have been completely satisfied:

1. Applicant shall provide proof that the certificate of deposit is sufficient to cover the cost of revegetation in 2020. The applicant shall increase the amount in the certificate of deposit if the current certificate of deposit is insufficient for revegetation costs.
2. The existing Reclamation Plan includes parcels 016-730-62, 016-730-63, and 016-730-06.
3. Resolve the outstanding WCHD Air Quality Violations within the timelines prescribed in the enforcement action per WCHD.
4. The applicant shall submit a comprehensive report to Washoe County every 5 years, beginning in 2025, in accordance with WCC Section 110.332.40.

2.2 Code and Changes to the Law. The parties agree that changes in county law concerning public health, safety or welfare will apply to all future operations; understanding, however, consistent with NRS 278.0201(3), no future enacted county code, ordinance, rule or other law shall adversely affect or impact the rights or obligations of the parties hereunder.

2.3 Public Notice. Any and all public notices required to be given in connection with this Agreement shall be given in accordance with Section 110.814.25 of the Code

2.4 Termination of Agreement. In the event of a material default of either party for failing to comply with the terms and conditions of this Agreement, the defaulting party shall have thirty (30) days after written notice of the default by the non-defaulting party to cure any such noticed default. In the event the default cannot reasonably be cured within said thirty (30) days, the defaulting party shall have as long as reasonably necessary to diligently cure the default. If the defaulting party fails to cure as required herein, said failure to cure shall result in a material breach of this Agreement and the non-breaching party shall have the right to terminate. Upon termination of this Agreement for any reason, each of the parties shall have the rights, remedies and obligations existing immediately prior to entering into this Agreement, it being understood that each party shall be restored to the position each occupied immediately prior to entering into this Agreement.

3. MISCELLANEOUS PROVISIONS.

3.1 Time is of the Essence. Time is of the essence of this Agreement.

3.2 Waiver. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of time for performance of any other obligation or act except those of the waiving party, which shall be extended by a period of time equal to the period of the delay.

3.3 Assignability of the Agreement. This Agreement shall be binding upon and inure to the benefit of all future successors in interest of the Property as described in Exhibit A (Legal Description), and the successor shall assume the duties and obligations under this Agreement.

3.4 Entire Agreement. This Agreement is the final expression of, and contains the entire agreement between, the parties with respect to the subject matter hereof and supersedes all prior understandings with respect thereto; provided, however, that upon any termination (or the invalidity) of this Agreement for any reason, each of the parties shall have the rights, remedies and obligations existing immediately prior to entering into this Agreement, it being understood that each party shall be restored to the position each occupied immediately prior to entering into this

Agreement.

3.5 Governing Law. The parties hereto acknowledge that this Agreement has been negotiated and entered into in the State of Nevada. The parties hereto expressly agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada and venue for any action shall be solely in state district court for Washoe County, Nevada.

3.6 Days of Week. If any date for performance herein falls on a Saturday, Sunday or holiday, pursuant to the laws of the State, the time for such performance shall be extended to 5:00p.m. on the next business day.

3.7 Written Amendments. Amendments to this Agreement shall be defined as changes which are not in substantial compliance with this Agreement. Amendments, if any, shall be approved as provided in NRS 278.0205. Changes hereto which are in substantial compliance with this Agreement may be requested by Rilite and approved or denied by the Director of Planning & Building. The Director of Planning & Building shall also decide whether or not a proposed change is in substantial compliance with the overall Development Agreement. Rilite may appeal an adverse decision by the Director of Planning & Building to the Board of County Commissioners by written notice filed with the Director of Planning & Building, if filed within twenty (20) days of receipt of the notice of the adverse decision unless an appeal to the Board of Adjustment is required to occur first. Any mutually agreed upon amendments to this Agreement shall be in writing. No oral statements or representations subsequent to the execution hereof by either party are binding on the other party, and neither party shall have the right to rely on such oral statements or representations.

3.8 Future Cooperation. Each party shall, at the request of the other, at any time, execute and deliver to the requesting party all such further instruments as may be reasonably necessary or appropriate in order to effectuate the purpose and intent of this Agreement.

3.9 Third Party Beneficiary Rights. This Agreement is not intended to create any third- party beneficiary rights in any person not a party hereto.

3.10 Interpretation. The parties hereto acknowledge and agree that each has been given the opportunity to review this Agreement with legal counsel independently. The parties have equal bargaining power and intend the plain meaning of the provisions herein. In the event of an ambiguity in or dispute regarding the interpretation of the Agreement, the interpretation of this Agreement shall not be resolved by any rule of interpretation providing for interpretation against the party who causes the uncertainty to exist, or against the draftsmen.

3.11. Counterparts. This instrument may be executed in two or more counterparts, which, when taken together, shall constitute one and the same instrument. Any signature page of this instrument may be detached from any counterpart without impairing the legal effect of any signatures thereon, and may be attached to another counterpart identical in form thereto, but having attached to it one or more additional signature pages.

[Signatures appear on following page]

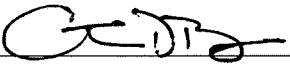
[Signature page to Development Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date above last written below.

RILITE:

COUNTY:

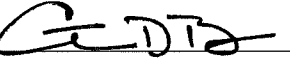
**COUNTY OF WASHOE, a political
subdivision of the State of Nevada, by its
BOARD OF WASHOE COUNTY
COMMISSIONERS**

By: 
Date: 10/12/2020
Name: Christopher D Benne
Title: President

By: Chairman, Bob Lucey
Date: _____

**LIGHTWEIGHT
PROPERTIES, LLC:**

ATTEST:

By: 
Date: 10/12/2020
Name: Christopher D Benne
Title: Manager

County Clerk

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on 10-13- 2020, by Christopher Benna as President of Rilite, Inc., a Nevada corporation.



Darlene M. Uptain
Notary Public
My Commission Expires: 3-24-24

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on 10-13, 2020, by Christopher Benna as manager of Lightweight Properties, LLC., a Nevada limited liability company.



Darlene M. Uptain
Notary Public
My Commission Expires: 3-24-24

STATE OF NEVADA)
)ss.
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 2020, by Bob Lucey as Chairman of the Board of Washoe County Commissioners, County of Washoe.

Notary Public
My Commission Expires: _____

Exhibit "A"
Legal Description

The real property situate in the County of Washoe, State of Nevada, described as follows:

THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER AND THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 23, TOWNSHIP 18 NORTH, RANGE 20 EAST, OF THE MOUNT DIABLO BASE AND MERIDIAN, WASHOE COUNTY, NEVADA.

EXCEPTING THEREFROM THAT PARCEL 2, AS SHOWN ON THAT CERTAIN DEDICATION TRACT MAP NO. 5244, FILED FOR RECORD IN THE OFFICE OF THE COUNTY RECORDER, ON NOVEMBER 22, 2017, AS DOCUMENT NO. 4765764, OFFICIAL RECORDS, WASHOE COUNTY, NEVADA.

APN: 016-730-061

The real property situate in the County of Washoe, State of Nevada, described as follows:

A PORTION OF LOT 346, AS SHOWN ON THE AMENDED DIVISION OF LAND MAP, RECORDED OCTOBER 19, 1977, UNDER FILING NO. 493440, OFFICIAL RECORDS, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1 OF PARCEL MAP NO. 5335 FOR RILITE AGGREGATE CO., ACCORDING TO THE MAP THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, STATE OF NEVADA, ON MARCH 1, 2018, AS DOCUMENT NO. 4792492, OFFICIAL RECORDS OF WASHOE COUNTY, NEVADA.

EXCEPTING THEREFROM ALL OIL, GAS, MINERALS, HYDROCARBON AND KINDRED SUBSTANCES LYING BELOW A DEPTH OF 500 FEET, BUT WITHOUT THE RIGHT OF SURFACE ENTRY.

APN: 016-730-62

The real property situate in the County of Washoe, State of Nevada, described as follows:

LOT 347 AS SHOWN ON THE AMENDED DIVISION OF LAND MAP, RECORDED OCTOBER 19, 1977 UNDER FILING NO. 493440, OFFICIAL RECORDS.

EXCEPTING THEREFROM ALL OIL, GAS, MINERALS, HYDROCARBON AND KINDRED SUBSTANCES LYING BELOW A DEPTH OF 500 FEET, BUT WITHOUT THE RIGHT OF SURFACE ENTRY.

APN: 016-730-06

Exhibit "B"

SPECIAL USE PERMIT





OFFICE OF THE WASHOE COUNTY CLERK

COUNTY COURTHOUSE, VIRGINIA AND COURT STS.
P. O. BOX 11130, RENO, NEVADA 89510
PHONE (702) 785-4236

ALEX COON
COUNTY CLERK

May 28, 1976

Bruno Benna, et al
3025 Mill Street
Reno, Nevada 89502

Dear Sir:

I, Alex Coon, County Clerk and Clerk of the Board of County Commissioners, Washoe County, do hereby certify that at a regular meeting held on May 25, 1976, the following order was made, to-wit:

76-1025 PLANNING - SPECIAL USE PERMIT CASE NO. SP-34-76W

9:15 a.m. The Assistant to the County Manager advised that the applicant had been notified by certified mail of time set to consider Special Use Permit Case No. Sp-34-76W.

Dan Whitmore, Senior City Planner, was present to answer any questions the Board might have.

Upon recommendation of the Board of Adjustment, on motion by Commissioner Rusk, seconded by Commissioner Gaunt, which motion duly carried, it was ordered that Special Use Permit Case No. SP-34-76W be issued in the following form:

SPECIAL USE PERMIT CASE NO. SP-34-76W
BRUNO BENNA ET AL

WHEREAS, the Board of Adjustment has recommended that a Special Use Permit be issued to Bruno Benna, et al, and

WHEREAS, to appeal from the decision of the Board of Adjustment has been made to the Washoe County Commissioners, and

WHEREAS, the time within which an appeal may be taken from said decision of the Board of Adjustment has lapsed, and

WHEREAS, the Board of Washoe County Commissioners has authorized the Clerk of the Board to issue such Special Use Permit.

NOW, THEREFORE, Special Use Permit Case No. SP-34-76W is hereby issued to Bruno Benna, et al to 1. Amend the original plan for removal of sand, gravel and like earth products approved on March 25, 1966 under Special Use Permit Case No. SP-22-66W (see Item 66-282) and 2. Add authorization for on site processing of the earth materials in an A-1 (First Agricultural) zone in the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ and the S $\frac{1}{2}$ of the NW $\frac{1}{4}$, Section 23, T18N, R20E, M.D.B. & M.,

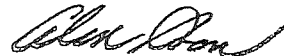
Bruno Benna, et al
Page 2

May 28, 1976

Washoe County, Nevada, subject to the following eleven
(11) conditions:

- (1) Map and plot plans as submitted.
- (2) Full compliance with all applicable ordinances, rules and regulations of Washoe County.
- (3) If requested by the County Engineer, applicant will submit aerial photos or any other reasonable information deemed necessary to indicate compliance with approved plan.
- (4) Road from State Route 17 to area of operation to be paved.
- (5) Post 30 m.p.h. speed limit signs in area.
- (6) Approval of the Washoe County Health Department.
- (7) Final slopes to be a maximum of 2 to 1.
- (8) Sprinkler system to be installed to reduce dust in the area.
- (9) Bond in the amount deemed necessary by the County Engineer to assure compliance with grading plan and revegetation.
- (10) Special Use Permit subject to termination in 20 years with annual review to determine compliance with plans and conditions.
- (11) Submission of a written report on or before May 11, 1977, to the Board of Adjustment setting forth the current status of compliance with the above conditions.

Sincerely yours,



Alex Coon, County Clerk
and Clerk of the Board of
County Commissioners
Washoe County, Nevada

AC/lw

cc: Board of Adjustment
County Engineer
District Health Dept.
Building Dept.
Public Works

RILITE AGGREGATE
3025 MILL STREET
RENO, NV 89502
775-329-8842

July 30, 2020

Washoe County Community Services Department
1001 East Ninth Street
Reno, NV 89512

RE: Rilite Aggregate Reclamation Cost Estimate

Rilite Aggregate produced a reclamation cost estimate as part of the Mining and Reclamation Plan submitted to Washoe County on April 15, 2002 (copy Attached). The reclamation cost estimate was based on 2002 equipment, wages and material costs. We examined the plan submitted in 2002 to determine if the cash bond currently being held jointly by Rilite Inc. and Washoe County is sufficient to cover the cost of revegetation in 2020.

We found that the cost of equipment, wages, and materials on average have increased by 33.12%. However, the total acreage of slope that needs to be contoured has decreased by 40% from 150 acres to 90 acres. In 2002 the cost estimate used a D9 dozer. The current Rilite operation owns the same D9 dozer but has also acquired a D10R and a D10T dozer. With the larger D10 dozer production rates for scarification, recontouring and medium distribution production rates increase by 12.10%. The Rilite operation also has five water trucks on site and a fork lift that can be utilized during reclamation.

The Reclamation Cost Estimate anticipates using rental equipment not equipment currently owned by the company. Use of company owned equipment would further decrease the total equipment cost of reclamation.

Schedule A attached reflects that with the increase in costs, an increase in dozer production and a decrease in total acres, the bond posted in 2002 is more than sufficient to cover the current cost of reclamation in 2020.

Sincerely,



Christopher D. Benna
President

RILITE AGGREGATE
2020 RECLAMATION COST ESTIMATE

SCHEDULE A

SCHEDULE	2002 RECLAMATION COST	33.12% COST ESCLATION	2020 RECLAMATION COST
<u>SCHEDULE A.1</u>			
RECONTOURING	\$37,544	\$12,435	\$49,979
SCARIFICATION	\$9,880	\$3,272	\$13,152
GROWTH MEDIUM DISTRIBUTION	\$40,508	\$13,416	\$53,924
<u>SCHEDULE A.2</u>			
SEEDING	\$4,438	\$1,470	\$5,908
<u>SCHEDULE A.3</u>			
SEED MIX COST	\$15,170	\$5,024	\$20,195
<u>SCHEDULE A.4</u>			
RECLAMATION MONITORING	\$936	\$310	\$1,246
<u>SCHEDULE A.5</u>			
FUGITIVE DUST CONTROL	\$32,841	\$10,877	\$43,718
<u>SCHEDULE A.6</u>			
MOBILIZATION/DEMobilIZATION	\$920	\$305	\$1,225
SCHEDULE SUBTOTALS	\$142,237	\$47,109	\$189,346
CONTRACTOR PROFIT 10%	\$14,224	\$4,711	\$18,935
TOTAL ESTIMATED RECLAMATION COST	\$156,461	\$51,820	\$208,281
12% D10T PRODUCTION COST SAVINGS			(\$7,023)
40% REDUCTION IN ACRES TO RECLAIM			(\$83,312)
			<u>(\$90,335)</u>
2020 TOTAL ESTIMATED RECLAMATION COST			\$117,946
TOTAL ACRES	200		200
TOTAL ACRES DISTURBED NOT RECLAIMED	150		90
COST PER ACRE FOR RECLAMATION	\$1,043		\$1,311



Business Time Account (CD) Maturity Notice

March 6, 2019



DCCDRDTJR 000731



RILITE, INC.
OR WASHOE COUNTY
3025 MILL ST
RENO NV 89502-2136

Dear Customer:

Thank you for banking with Wells Fargo. We are writing to remind you that your Wells Fargo Business Time Account (CD) will mature on April 3, 2019 and renew automatically for the same term. Here are important details about your account:

Account Number:	197604978
Account Opened/Last Renewed:	April 3, 2018
Value at Maturity:	\$156,461.00
Term:	12 months
Current Maturity Date:	April 3, 2019
Grace Period End Date:	April 10, 2019
Next Maturity Date:	April 3, 2020
Please refer to the back of this letter for additional terms and conditions.	

You made a sound decision opening your Wells Fargo Business CD with a guaranteed interest rate and the backing of the Federal Deposit Insurance Corporation (FDIC). The interest rate for your automatic CD renewal will be set on your maturity date, April 3, 2019, and will be based on the value of the account and the term on that day. Other CD interest rates and terms will also be available to you from your maturity date through the grace period ending on April 10, 2019. If you wish to make changes to your CD when it matures, you will have an opportunity until April 10, 2019 to:

- **Add** funds to the account - higher balances may earn higher interest rates
- **Change** the term - longer terms may earn higher interest rates
- **Close** the account

For information about current CD interest rates based on balance and term, special CD offers, or other products that may meet your needs, please:

- Contact your Banker or
- Call us at 1-800-225-5935, 24 hours a day, 7 days a week

We appreciate your business and look forward to continuing to help you with your financial needs.

Wells Fargo Bank

DCCDRDTJR 000731 NNNNNNNNNN NNN NNN 001 001 001465 21096542.1

Amended
Reclamation Cost Estimate
(Appendix C - Mining and Reclamation Plan)

Rilite Aggregate Company
Rilite Aggregate Pit
Washoe County, Nevada

This report presents the amended reclamation cost estimate for Rilite Aggregate Company's pit on Mira Loma Road in the South Truckee Meadows. The mining plan includes approximately 150-acres of planned disturbance.

The cost estimate has been completed in accordance with the currently accepted Washoe County standards. All wage rates are based on the Davis-Bacon scale derived from the Nevada Department of Labor, 2001 Wage Rates for Washoe County. Equipment productivity was taken from the Caterpillar Performance Handbook, edition 30. Equipment rental rates are based on quotes from Cashman Equipment Company on February 14, 2002. Table 1 summarizes the reclamation cost estimate.

This amended reclamation cost estimate reflects the recommendations of the Washoe-Storey Conservation District regarding seed mixtures and application methods. A copy of their letter and recommendations is attached.

Schedule A.1: Site Scarification and Recontouring

Criteria and Assumptions:

- Scarify and recontour 120-acres of disturbed area to an overall 3H:1V (horizontal:vertical) or less slope with a D9 bulldozer. The central eastern portion of the site (approximately 20% of the entire disturbance) will need to be a 2H:1V and will not be scarified or reseeded, per attached Washoe-Storey recommendations dated May 6, 2002.
- On site growth medium will be distributed over the 3:1 or less slopes prior to seeding at an average thickness of at least six inches.
- If average material move was 400 feet then dozer production would be 300 cubic yards per hour.

Disturbed area: 150 acres
(120 acres 3:1 or less)
(30 acres 2:1)

- Scarification equipment production rate is 1.5 acres per hour
- Recontouring equipment production rate is 0.5 acres per hour

D9 daily rate (based on a monthly rental rate of \$15,300) = \$696.00
Operator daily rate = \$292.00
Total daily operational cost = \$988.00

Estimated Scarification Cost:

120 acres / 1.5 acres per hour / 8 hour day = 10 days
10 days * \$988.00 (daily D9 operational cost) = \$9,880.00

Estimated Recontouring Cost:

150 acres / 0.5 acres per hour / 8 hour day = 38 days
38 days * \$988.00 (daily D9 operational cost) = \$37,544.00

Estimated Growth Medium Distribution Cost:

(120 acres * 0.5/27 * 43,560) / 300 cubic yards / 8 hours = 41 days
41 days * \$988.00 (daily D9 operational cost) = \$40,508.00

Schedule A.1 Subtotal = \$87,932.00

Schedule A.2: Seeding Cost

Criteria:

Drilled Seeding Method

- Seeding will be accomplished by drilled seed application over disturbed area with a Drill-Seeding tractor, truck and forklift
- Seeding equipment production rate is 30 acres per day or 3.75 acres per hour
- Total hourly seeding cost = \$138.68
- Hourly seeding cost breakdown

Operator labor	= \$36.36
Laborer labor	= \$14.58
Equipment rate (all)	= \$87.71

(equipment and production rates are based on a information obtained from the State of Nevada's Bureau of Mining Regulation and Reclamation; labor rates were based on the Davis-Bacon wage scale derived from the Nevada Department of Labor, 2001 Wage Rates for Washoe County)

Estimated Drilled Seeding Cost:

120 acres / 3.75 acres per hour	= 32 hours
32 hours * \$138.68 (combined hourly labor and equipment rates)	= \$4,437.76

Schedule A.2 Subtotal = \$4,437.76

Schedule A.3: Seed Mix Cost

The seed mix used for this reclamation cost estimate was provided by the Washoe-Storey Conservation District.

Reclamation Seed Mix:

Species	Application Rate Pounds of Pure Live Seed per Acre
Vavilov Siberian wheatgrass	6.0
Bannock thickspike wheatgrass	2.0
Bottlebrush squirreltail	1.0
Cedar palmer penstemon	0.25
Scarlet globemallow	0.25
Rincon fourwing saltbush	2.0
Rice hulls	2.0
Total	13.50

Estimated Seed Mix Cost:

Seed Mix \$126.42 per acre

(estimated seed cost from Comstock Seed of Reno, May 16, 2002)

Drilled Seed Method:

120 acres * \$126.42 per acre of Seed Mix

= \$15,170.40

Schedule A.3 Subtotal = \$15,170.40

Schedule A.4: Reclamation Monitoring

Criteria:

- Monitoring conducted once a year
- Maximum duration, 3 years (3 inspections)
- Third party vegetation consultant/specialist will be based in Reno, Nevada
- Round trip mileage to site from Reno equals 20 miles
- Estimated consultant vehicle cost \$0.60 per mile
- Third party vegetation contractor estimated at \$75.00 per hour. This is a standard contractor field rate not set by the U.S. Department of Labor.

Estimated Mileage Costs:

3 inspections * 4 hours each (travel, field work and letter report)	= 12 hours
12 hours * \$75.00 per hour (contractor rate)	= \$900.00

Estimated Mileage Costs:

3 inspections * 20 miles	= 60 miles
60 miles * \$0.60 per mile	= \$36.00

Schedule A.4 Subtotal = \$936.00

Schedule A.5: Fugitive Dust Control

Criteria:

- A 2000 gallon water truck will be kept on site during reclamation while heavy machinery is operating to control Fugitive dust.
- Daily operational cost for a water truck and driver is: = \$369.00

Estimated Water Truck Cost:

89 days heavy machinery * \$369.00 = \$32,841.00

Schedule A.5 Subtotal = \$32,841.00

Schedule A.6: Equipment Mobilization and Demobilization

Criteria:

- Mobilize all equipment from the Reno/Sparks, Nevada area

Equipment	Mobilization	Demobilization	Cost
1 each D9N dozer	\$ 250.00	\$ 250.00	\$ 500.00
1 farm tractor w/ drill seed attachment, harrow	\$ 100.00	\$ 100.00	\$ 200.00
1 2000 gallon water truck	\$ 60.00	\$ 60.00	\$ 120.00
50' stakebody truck and forklift	\$ 50.00	\$ 50.00	\$ 100.00
Total Cost			\$920.00

Table 1 – Reclamation Cost Estimate

SCHEDULE	
Schedule A.1	
Recontouring	\$37,544.00
Scarification	\$9,880.00
Growth Medium Distribution	\$40,508.00
Schedule A.2	
Seeding	\$4,437.76
Schedule A.3	
Seed Mix Cost	\$15,170.40
Schedule A.4	
Reclamation Monitoring	\$936.00
Schedule A.5	
Fugitive Dust Control	\$32,841.00
Schedule A.6	
Mobilization/Demobilization	\$920.00
Schedule Subtotals	\$142,237.16
Contractor Profit (10% of estimated project costs)	\$14,223.72
TOTAL ESTIMATED RECLAMATION COST	\$156,460.88
COST PER ACRE FOR RECLAMATION	\$1,043.00