

Mem # 3-3

City of Carson City
Agenda Report

Date Submitted: September 12, 2006

Agenda Date Requested: September 21, 2006

Time Requested: Consent Agenda

To: Mayor and Supervisors

From: Parks and Recreation Department

Subject Title: Action to approve and authorize the Mayor to sign a funding agreement between Carson City (Grantee) and the State of Nevada Acting by and through its Division of State Lands (Grantor) for the Question 1 Conservation and Resource Protection Grant Program.

Staff Summary: Carson City has the opportunity to receive from the State of Nevada (Division of State Lands) Question 1 funding to design and construct a day use area located on Bureau of Land Management (BLM) property at the Silver Saddle Ranch which is adjacent to Carson River Park. On August 3, 2006, the Board of Supervisors approved a Cooperative Management Agreement between BLM and Carson City regarding this project. Approval of this funding agreement is the next step in the process to build this day use area at Carson River Park for Carson City residents.

Type of Action Requested: (check one)

- Resolution
- Formal Action/Motion
- Ordinance
- Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to approve and authorize the Mayor to sign a funding agreement between Carson City (Grantee) and the State of Nevada Acting by and through its Division of State Lands (Grantor) for the Question 1 Conservation and Resource Protection Grant Program.

Explanation for Recommended Board Action: Carson City applied for and received a Question 1 grant in the first round of Question 1 funds in the fall of 2004. Our department has been working since then with both the BLM and Nevada Division of State Lands staffs to complete all the necessary cooperative management and funding agreements to begin this project. Approval of this funding agreement is the next step in the process to build this day use area at Carson River Park for Carson City residents.

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: N/A

Explanation of Impact: N/A

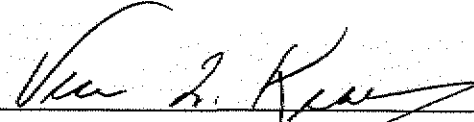
Funding Source: The City's matching funding source for this grant will be \$75,000 of Residential Construction Tax funds which has already been allocated by the Board of Supervisors in December 2, 2004.

Alternatives:

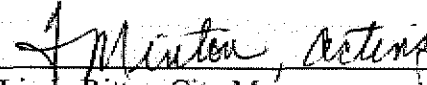
1. Reject the funding agreement between Carson City and the State of Nevada, Division of State Lands.

Supporting Material:

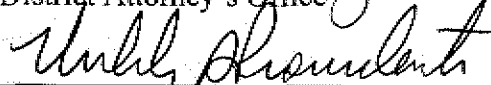
State of Nevada – Division of State Lands Funding Agreement (Pages 1 - 20)
State of Nevada - Division of State Lands - adopted regulations (Pages 21-37)

Prepared By:  Date: 9/12/06
Vern L. Krahn, Park Planner

Reviewed By:  Date: 9/12/06
Roger Moellendorf, Parks & Recreation Director

 Date: 9/12/06
Linda Ritter, City Manager

 Date: 9/12/06
District Attorney's Office

 Date: 9/12/06
Finance Department

Board Action Taken:

Motion: _____ 1: _____ Aye/Nay

2: _____

(Vote Recorded By)

**A Funding Agreement Between the State of Nevada
Acting By and Through Its Division of State Lands and the
Conservation and Resource Protection Grant Program
(Grantor)**

901 S. Stewart St., Suite 5003, Carson City, NV 89701

phone: (775) 684-2720

fax: (775) 684-2721

And

**Carson City
(Grantee)**

3303 Butti Way, Building #9, Carson City, NV 89701

phone: (775) 887-2262

fax: (775) 887-2145

FOR THE PURPOSES OF developing the outdoor recreational facility known as Carson River Park, Phase 2;

WHEREAS, at the general election on November 5, 2002, Nevada's voters approved a conservation initiative generated by Assembly Bill 9, Statutes of Nevada, 17th Special Session of the 2001 Nevada State Legislature, Chapter 104, referred to as Question 1, and authorized the issuance of general obligation bonds in the face amount of \$200,000,000 to carry out this program; and

WHEREAS, the Nevada state legislature authorized the State Land's Administrator to establish a conservation and resource protection grant program and administer the issuance of general obligation bonds in the face amount of \$65,500,000; and

WHEREAS, \$10,000,000 of the above \$65,500,000 is allocated to the Carson River corridor for enhancement and restoration purposes;

WHEREAS, the State Land's Administrator has determined this project is both necessary and in the best interests of the State of Nevada;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **REQUIRED APPROVAL.** This Funding Agreement shall not become effective until and unless approved by the State Land's Administrator and the governing body of Carson City.

2. **DEFINITIONS.** "Grantor" means the State of Nevada and the Division of State Lands, its officers and employees. "Grantee" means Carson City. "Parties" means the Grantor and Grantee.

3. **FUNDING AGREEMENT TERM.** This Funding Agreement shall be effective from September 21, 2006, to December 31, 2009, unless sooner terminated by either party as specified in paragraph 10 herein.

4. **NOTICE.** All notices or other communications required or permitted to be given under this Funding Agreement shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other Parties at the addresses specified above.

5. **INCORPORATED DOCUMENTS.** The Parties agree that the responsibilities and duties of each Party as well as the scope of the project shall be specifically described; this Funding Agreement incorporates the following attachments in descending order of constructive precedence;

- ATTACHMENT A: Question 1 Adopted Regulations
- ATTACHMENT B: Project Summary and Special Conditions
- ATTACHMENT C: Scope of Work
- ATTACHMENT D: Project Budget
- ATTACHMENT E: Operations and Maintenance Plan
- ATTACHMENT F: DCNR General Requirements

6. **COST:** Grantor agrees to provide a maximum of 50 percent of the total project cost (the amount actually expended and necessary for the construction and completion of the described project), not to exceed a total grant amount of \$145,548, contingent upon Grantee's compliance with all of the terms and conditions herein. See Attachment B hereto for description. Grantee is required to provide a minimum of 50% of the \$291,096 total project cost as its local share.

7. **ASSENT.** The Parties agree that the terms and conditions listed on incorporated attachments of this Funding Agreement are also specifically a part of this Funding Agreement and are limited only by their respective order of precedence and any limitations specified.

8. **INSPECTION & AUDIT.**

a. **Books and Records.** Grantee agrees to keep and maintain under general accepted accounting principles, full, true, and complete records, contracts, books, and documents as are necessary to fully disclose to Grantor, or its authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.

b. **Inspection & Audit.** Grantee agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices, financial statements and supporting documentation shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Grantee where such records may be found by Grantor's designated representative.

c. **Period of Retention.** All books, records, reports, and statements relevant to this Funding Agreement must be retained a minimum of six years. The retention period runs from the date of Grantor's last Funding Agreement payment, or from the date of termination of the Funding Agreement, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

9. **FUNDING DISTRIBUTION.** Question 1 funding, in an amount not to exceed \$145,548, shall be disbursed to Grantee in the form of an advance or reimbursement(s). Original invoices, or a request for an advance, shall be submitted by Grantee to the Grantor to receive funds.

10. **FUNDING AGREEMENT TERMINATION.** Grantor may only terminate this Funding Agreement as specified in section 16 of the incorporated Attachment B. If any state, county, city, or federal license, authorization, waiver, permit, qualification, or certification required by statute, ordinance, law, or regulation to be held by Grantee to provide the goods or services required by this Funding Agreement is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or if Grantee becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or if it is found by the State that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by Grantee, or any agent or representative of Grantee, to any officer or employee of the State of Nevada with a view toward securing a Funding Agreement or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such Funding Agreement, then this Funding Agreement may be immediately terminated by the Grantor.

- a. Time to Correct. Termination upon a declared default or breach may be exercised only after service of formal written notice as specified in paragraph 4 above, and the subsequent failure of the defaulting Party within 30 calendar days of receipt of that notice to provide evidence, satisfactory to the aggrieved party, showing that the declared default or breach has been corrected.
- b. Winding Up Affairs Upon Termination. In the event of termination of this Funding Agreement for any reason, the parties agree that the provisions of this paragraph survive termination:
- i. The Parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Funding Agreement. Neither Party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;
 - ii. Grantee shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by the Grantor;
 - iii. Grantee shall execute any documents and take any actions necessary to effectuate an assignment of this Funding Agreement if so requested by the Grantor;
11. REMEDIES. Except as otherwise provided for by law or this Funding Agreement, the rights and remedies of the Parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall include without limitation \$125 per hour for State-employed attorneys. The State may set off consideration against any unpaid obligation of Grantee to any State agency.
12. LIMITED LIABILITY. The State will not waive and intends to assert available NRS chapter 41 liability limitations in all cases
13. FORCE MAJEURE. No Party shall be deemed to be in violation of this Funding Agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the Party asserting such an excuse, and the excused Party is obligated to promptly perform in accordance with the terms of the Funding Agreement after the intervening cause ceases.
14. INDEMNIFICATION. To the fullest extent permitted by law, Grantee shall indemnify, hold harmless and defend, not excluding the State's right to participate, the State from and against all liability, claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of Grantee, its officers, employees and agents for this Funding Agreement.
15. WAIVER OF BREACH. Failure to declare a breach or the actual waiver of any particular breach of the Funding Agreement or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.
16. SEVERABILITY. If any provision contained in this Funding Agreement is held to be unenforceable by a court of law or equity, this Funding Agreement shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Funding Agreement unenforceable.
17. ASSIGNMENT. Neither Party shall assign, transfer nor delegate any rights, obligations or duties under this Funding Agreement without the prior written consent of other Party.
18. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. The Parties will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests.

19. FEDERAL FUNDING. In the event federal matching funds are used for payment of all or part of this Funding Agreement:

a. Grantee certifies, by signing this Funding Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

b. Grantee shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

c. Grantee shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offer for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)

20. PROPER AUTHORITY. The Parties hereto represent and warrant that the person executing this Funding Agreement on behalf of each party has full power and authority to enter into this Funding Agreement. Grantee acknowledges that as required by statute or regulation this Funding Agreement is effective only after approval by the Division of State Land's administrator and only for the period of time specified in the Funding Agreement. Any services performed by Grantee before this Funding Agreement is effective or after it ceases to be effective are performed at the sole risk of Grantee.

21. GOVERNING LAW; JURISDICTION. This Funding Agreement and the rights and obligations of the Parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The Parties consent to the jurisdiction of the Nevada district courts for enforcement of this Funding Agreement.

22. ENTIRE FUNDING AGREEMENT AND MODIFICATION. This Funding Agreement and its integrated attachment(s) constitute the entire agreement of the Parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Funding Agreement specifically displays a mutual intent to amend a particular part of this Funding Agreement, general conflicts in language between any such attachment and this Funding Agreement shall be construed consistent with the terms of this Funding Agreement. Unless otherwise expressly authorized by the terms of this Funding Agreement, no modification or amendment to this Funding Agreement shall be binding upon the Parties unless the same is in writing and signed by the respective Parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Funding Agreement to be signed and intend to be legally bound thereby.

<u>Pamela B. Wilcox</u> Grantor Signature	<u> </u> Date	<u>Administrator, Nevada Division of State Lands</u> Grantor's Title
<u>Marv Teixeira</u> Grantee Signature	<u> </u> Date	<u>Mayor</u> Grantee's Title

ATTACHMENT A
Question 1 Adopted Regulations

(See 17 Page PDF Document Attached)

ATTACHMENT B
Project Summary & Special Conditions

Carson River Park Phase 2 (CA-CR-04003)

Project Summary:

GRANTOR: Nevada Division of State Lands

GRANTEE: Carson City Project Number CA-CR-04003

Project Title: Carson River Park Phase 2

Period Covered By This Funding Agreement: September 21, 2006 to December 31, 2009

Project Cost:

A. Estimated Project Cost* (Design and Construction)	\$291,096
B. Local Share of Project Cost (50% of A)	\$145,548
C. State Share of Project Cost (50% of A)	\$145,548

*See Attachment D, Project Budget for details.

Refer to A: Design and Construction Costs are currently estimated at \$291,096.

Refer to B: GRANTEE is responsible for 50% of the ACTUAL costs of the design and construction of the project. This is currently estimated to be \$145,548.

Refer to C: GRANTOR is responsible for 50% of the ACTUAL costs of design and construction. This is currently estimated to be \$145,548. However, the 50% will adjust to actual expenditures of the project design and construction, not to exceed \$145,548, unless the funding agreement is amended by the State. The GRANTOR will reimburse GRANTEE for administrative costs of a maximum of 5% of the total project cost. Reimbursement of administrative and project costs together shall not exceed \$145,548.00.

Project Scope (Description of Project; See Attachment C for details.)

The purpose of the project is to expand Carson River Park, an existing outdoor recreation facility, and to expand the available opportunities to observe the Carson River ecosystem, to interpret the surrounding natural and cultural resources, and to further enjoy passive outdoor recreational activities while providing a safe site for the public's use.

Special Conditions:

In addition to the terms and conditions listed on pages 1-5 of this Funding Agreement, the GRANTOR and GRANTEE mutually agree to perform this Funding Agreement with the terms, promises, conditions, plans, specifications, estimates, procedures, project proposals, maps, and assurances attached hereto and hereby made a part hereof.

1. The GRANTEE hereby promises, in consideration of the promises made by the GRANTOR herein, to execute the project described above in accordance with the terms of the Funding Agreement.
 2. The project shall be operated and maintained by the GRANTEE for at least 20 (twenty) years after project completion. The GRANTOR may require repayment by the GRANTEE of a pro-rata share of the Funding Agreement amount for any period of time that the project will not perform within design criteria and specifications due to a lack of maintenance.
 3. Work performed after July 1, 2000, may be eligible for matching contributions provided:
 - a. The applicant provides documentation detailing the work performed;
 - b. The applicant provides documentation that the work performed related directly towards *project implementation*;
 - c. The work performed is considered eligible for reimbursement per NAC regulations, Chapter 321, Sections 2 to 35, inclusive; and
 - d. The total State Share specified in the Funding Agreement does not increase.
 4. The GRANTOR shall receive a site plan and other relevant project plans and specifications, completed by the GRANTEE, if applicable, showing all facilities and structures constructed as part of the project including summary report with information requested by the GRANTOR.
-
5. A request for funds exceeding \$145,548 requires an amendment to this agreement and must be approved by the State Lands Administrator.
 6. Question 1 funding in an amount not to exceed \$145,548 shall be disbursed to the GRANTEE in the form of an advance or reimbursement(s). Original invoices, or a request for an advance, shall be submitted by GRANTEE to the GRANTOR to receive funds.
 7. Payments are on a reimbursement basis and can be advanced in certain circumstances. Requests for reimbursements or advances must contain the necessary information identified in the "Outlay Report and Request for Reimbursement and/or Advance" form, or equivalent form provided by the GRANTOR. All reimbursements or advances must include supporting documentation, including, but not limited to, invoices, receipts, and details outlining the basis for the expenditures, and the signature of the official responsible for approving the expenditures. The GRANTOR reserves the right to request any additional information, related to project expenses, or a request for an advance, that the GRANTOR determines is necessary to process a payment.
 8. The GRANTOR may audit project records or its designee. All records must be retained a minimum of 6 (six) years (see Attachment F) after the completion of work on the Project. The GRANTOR reserves the right to require that the records be kept for a longer period of time.

9. The GRANTOR will be invited to attend all major project issue meetings.

Grantor: Nevada Division of State Lands
Attn: Kevin Hill, Question 1 Program Coordinator
901 S. Stewart Street, Suite 5003
Carson City, NV 89701
(775) 684-2747

Grantee: Carson City
Attn: Vern L. Krahn, Park Planner
3303 Butti Way, Building #9
Carson City, NV 89701
(775) 887-2115 x1006

10. The GRANTOR will be notified immediately of any changes regarding the cost of the project or the scope of work.
11. The GRANTEE is responsible for obtaining all permits, easements and other private and governmental agency approvals required for the project prior to the commencement of construction.
12. To the fullest extent permitted by law, the GRANTEE agrees to indemnify, hold harmless, and defend the State of Nevada, its officers, employees, agents and invitees from and against all liabilities, claims, actions, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of any alleged negligent or willful acts or omissions of the GRANTEE, its officers, employees, and agents.
13. The failure of all parties to enforce any provision of the Funding Agreement shall not be construed as a waiver of limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Funding Agreement.
14. This Funding Agreement may be modified or amended if the amendment is made in writing and is signed by all parties.
15. If any provision of this Funding Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of the Funding Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

16. Termination

The GRANTOR may terminate this Funding Agreement for reason of default by the GRANTEE. Any of the following events described in subparagraphs a through e inclusive shall constitute default:

- a. Termination of the grant by reason or fault of the GRANTEE;
- b. Failure by the GRANTEE to observe any of the covenants, conditions, or warranties of this Funding Agreement and its incorporated provisions;
- c. Failure by the GRANTEE to make progress on the project within the Period covered by this Funding Agreement;
- d. Unsatisfactory financial conditions of the GRANTEE which endanger the performance of the grant; and/or
- e. Delinquency by the GRANTEE in payments to contractors, except for those payments to contractors which are being contested in good faith by the GRANTEE.
- f. Conditions in the Event of Default:

- i. If the Project is not completed, the GRANTEE is required to reimburse the GRANTOR for funds expended for those portions of the Project that will not stand on their own, as determined by the GRANTOR.
- ii. The GRANTOR shall give notice to the GRANTEE if the GRANTEE is in default in the performance of any of the duties of the GRANTEE described in this Funding Agreement. The GRANTEE shall have 30 days from receipt of notice to remedy the default, and if the GRANTEE cannot remedy the default within such period of time, the GRANTOR may terminate this Funding Agreement. The right of the GRANTOR to terminate this Funding Agreement shall not impair any other rights or remedies at law or equity the GRANTOR may have against the GRANTEE under this agreement or under the law. No waiver of any default by the GRANTOR under this contract shall be held to be a waiver of any other subsequent default by the GRANTEE. All remedies afforded under this Funding Agreement are cumulative; this is in addition to every other remedy provided therein or under the law.

17. The GRANTEE will furnish progress reports and such other information as the GRANTOR may require. At a minimum the GRANTOR will require notification and an opportunity to review project design and construction at the following project milestones:

- Project initiation date after grant award
- Final design, including report, prior to advertisement* and award of construction contract
- Completion of 25%, 50%, and 75% of construction
- Project completion prior to release of contractor

*Grantor shall be provided 5 working days notice prior to advertisement.

18. The GRANTEE will provide and maintain competent and adequate engineering supervision and inspection at the construction site to insure that completed work conforms to the approved plans and specifications.

19. The GRANTEE must receive notice to proceed from the GRANTOR prior to advertisement of bids and commencement of construction.

20. The Grantee shall post an appropriate sign at the project site acknowledging the project's funding source(s).

21. The laws of the State of Nevada shall govern this Agreement.

ATTACHMENT C
Scope of Work

Project Name: Carson River Park Phase 2
Project Number CA-CR-04003

Grantor: Nevada Division of State Lands
Grantee: Carson City

Carson River Park – Phase 2 Expansion project is located in Carson City along the Carson River Corridor. The project's purpose is to enhance an existing city recreation facility for the residents of Carson City and to provide the public with a facility on the Carson River system for the public's recreational uses. This outdoor recreational facility would provide opportunities for observation of the Carson River ecosystem, interpretation of the natural resources, and enjoyment of the local passive recreational activities while providing a safe site for the public's use.

Tentative – Project Phasing and Implementation Schedule*:

*Note that dates below are relative to the Funding Agreement Term

Board of Supervisors Approval of State Funding Agreement	September 21, 2006
Nevada Division of State Lands' Notice to Proceed	Early October, 2006
Negotiate Consultant Scope of Work / City Award Contract	Mid - October, 2006
Begin Preliminary Design Work / Site Survey Work	November, 2006
Conceptual Site Design Approval by Carson River Advisory Committee and Parks and Recreation Commission	December, 2007
Conceptual Site Design Approval by Bureau of Land Management and Carson City Board of Supervisors	January, 2007
Begin Final Design and Construction Document Preparation / Environmental and Regulatory Permitting	February, 2007
50% Construction Document and Cost Estimate Review	March, 2007
100% Construction Document and Specification Review	May, 2007
Submit to Carson City Building Department / Acquire a Building Permit for project	May, 2007
Bid Project	June, 2007
Board of Supervisors Award Project Bid	August, 2007
Begin Construction	September, 2007
Finish Construction / Project's Final Acceptance by City	December, 2007

ATTACHMENT D
Project Budget

Day Use Area improvements include but are not limited to:

Item 1	General: Mobilization/De- Mobilization/Clean Up	\$ 6,000.00
Item 2	Earthwork	\$ 9,000.00
Item 3	Landscape Elements	\$ 46,696.00
Item 4	Hardscape Elements	\$ 20,550.00
Item 5	Structures	\$ 26,010.00
Item 6	Utilities	\$ 8,500.00
Item 7	Misc. Items, including prevailing wage premium and project contingency	\$ 47,591.50
Item 8	A&E Consulting Service Fees	\$ 26,085.33
Item 9	Contractor/Construction Management Costs	<u>\$ 30,115.67</u>
	Project Sub-Total	\$220,548.50

+ \$78,158 in-kind match from past and future tasks.

ATTACHMENT D
Project Budget Continued

Carson City's Eligible Matches:

1. Residential Construction Tax funding awarded and expended for Carson River Park – Phase 1B (Refer to Carson City Board of Supervisors Board Action October 19, 2000.) \$39,816.00
2. Residential Construction Tax funding awarded for Carson River Park Phase 1B (Refer to Carson City Board of Supervisors Board Action December 2, 2004.) \$75,000.00
3. In-kind match: Carson City Parks and Recreation Department staff time for Carson River Park – Phase 1B. This was the amount of time Carson City Parks and Recreation Department staff spent on the design, bidding, and construction administration for this project. \$14,565.00
 - A. Director: \$55.22 x 80 Hours = \$4,418.00
 - B. Director of Operations: \$48.16 x 80 Hours = \$3,853.00
 - C. Park Planner: \$40.06 x 100 Hours = \$4,006.00
 - D. Admin. Assistant: \$38.13 x 60 Hours = \$2,288.00
4. In-kind match: Carson City Parks and Recreation Department staff time for Carson River Park – Phase 2. The Carson City Parks and Recreation Department is ESTIMATING the amount of staff time to be spent on the design, bidding, and construction administration for this project is outlined below. \$16,167.00
 - A. Director: \$55.22 x 80 Hours = \$4,418.00
 - B. Director of Operations: \$48.16 x 80 Hours = \$3,853.00
 - C. Park Planner: \$40.06 x 140 Hours = \$5,608.00
 - D. Admin. Assistant: \$38.13 x 60 Hours = \$2,288.00

ATTACHMENT D
Project Budget Continued

* The increase in the Park Planner's time is because of the additional regulator permitting requirements that were not necessary for Carson River Park – Phase 1B

Carson City's In-kind Match Total:	\$145,548.00
Requested Question #1 Grant Amount for Carson River Park – Phase 2	\$145,548.00
Total Project Amount:	\$291,096.00
Cash Available for Project A&E fees, environmental/Regulatory Permitting, construction Costs and Development services Fee	\$220,548.00

ATTACHMENT D
Project Budget Continued

Carson River Park Phase 1 and 2 Budget Table

4/27/2005

	Question 1 Request	Other Non-Qualifying Costs	Subtotal						
	\$145,548.00								
Phase 1									
(Exhibit AA)									
Planning/Testing	\$0		\$0						
Design	\$0		\$15,799						
Construction	\$0		\$24,017						
Other/ Staff Time	\$0		\$14,565						
Phase 2									
(Exhibit DD)									
Planning/Testing	\$0		\$8,110						
Design			\$26,085						
Construction	\$145,548		\$186,353						
Other/Staff Time			\$16,167						
Silver Saddle Ranch Property			\$0						
Project Total	\$145,548		\$291,096						
<table border="1" style="width: 100%; margin-top: 10px;"> <tr> <td>Total Match Available</td> <td align="right">\$145,548</td> </tr> <tr> <td>Q1 Project Total</td> <td align="right">\$291,096</td> </tr> <tr> <td>Percent Match</td> <td align="right">50.00</td> </tr> </table>				Total Match Available	\$145,548	Q1 Project Total	\$291,096	Percent Match	50.00
Total Match Available	\$145,548								
Q1 Project Total	\$291,096								
Percent Match	50.00								

ATTACHMENT E
Operations and Maintenance Plan

Project Name: Carson River Park Phase 2
Project Number CA-CR-04003

Grantor: Nevada Division of State Lands
Grantee: Carson City

Carson City will commit to the long term operation, care, and maintenance of Carson River Park – Phase 2, for no less than 20 years from the completion of the project. This park is currently within the Carson City Park System and would be scheduled for maintenance like any other park in Carson City, Nevada. Scott Fahrenbruch, Director of Operations, has committed to use the National Recreation and Park Association adopted Park Maintenance Standards – Mode 2 for the park's performance standards.

ATTACHMENT F
DCNR General Requirements

Project Name: Carson River Park Phase 2
Project Number: CA-CR-04003

Grantor: Nevada Division of State Lands
Grantee: Carson City

Regarding the eligibility of in-kind services, materials, and equipment offered by the Recipient to meet its match requirement, as well as other matters necessary to administer funding, the parties mutually agree as follows:

Definitions:

Eligible expenses: Expenses that are directly related to the project.

Cash reimbursement: Direct payment to the recipient in cash for eligible expenses incurred after execution of the funding agreement.

Bond Cash on Hand: Bond proceeds held, as unexpended, by the Grantee during any stage of a covered project.

Terms and Conditions:

1. Grantee will bear the full responsibility of properly administering funds allocated under AB 9. This responsibility includes complete and accurate accounting of all funds, both bond and matching; ensuring expenditures and procurement activities are in compliance with the enabling legislation, Generally Accepted Accounting Principles, and all other applicable laws and regulations.
2. This requirement also applies to the Grantee's contractors and their subcontractors. Prevention of project overruns/shortfalls is the responsibility of the Grantee. The Grantor, its Department of Conservation and Natural Resources, and the AB 9 program administered under this agreement will not be obligated to supplement project funds, beyond the approved project budget, due to cost overruns, shortfalls, unforeseen circumstances, or any other reason.
3. Advances may be requested by the Grantee, but the requested advance amount must be based on realistic expenditure projections and must be liquidated within 90 days from receipt. The Administrator retains discretion to grant advances.
4. Cash reimbursements to the Grantee will be by payment to the Recipient for eligible expenses incurred after execution of the Funding Agreement.

5. The Grantor shall withhold 10 percent of the total funding available ("Retention") to ensure that all terms and conditions of this agreement are adhered to by the Grantee. The Retention shall be released to the Grantee upon satisfactory completion of the project and receipt of all work products described in Attachments C and D. The Grantor shall have the right without further liability to the Grantee, to utilize the Retention to satisfy obligations of the Funding Agreement relative to the Scope of Work in the event the Recipient does not complete the project satisfactorily to the Grantor.

6. Advances and cash reimbursements are subject to the following conditions:

- a) If the Grantee requests an advance, the Outlay Report must be submitted on a quarterly basis until all advance amounts are spent;
- b) Requests for reimbursements may not outpace currently available bond proceeds specifically designated for their project(s);
- c) Requests for reimbursements/advance may not exceed the total amount approved (bond share) for the project(s);
- d) Funds will not be disbursed to any entity for the purpose of simply accruing interest; and
- e) Recipient should not commingle AB 9 expenditures/funds with non-AB 9 related expenditures and must separately account for these expenditures and revenue sources.

The above policies for cash management apply to not only the primary recipient of the bond funds, but also their contractors and subcontractors.

Bond Cash on Hand, Excess Balances:

1. Cash on hand, including amounts received as advances, must be spent within 90 days. The DCNR may require repayment of any unspent advance amount at the end of the 90-day period.
2. The above policies for cash management apply to not only the primary recipient of the bond funds, but also their contractors and subcontractors.

Retention and Record Keeping:

1. Grantee agrees to maintain all records relevant to its AB 9 project for which funds were allocated in accordance with NRS chapter 239; additionally, recipient must keep records at least six (6) years from the end of the state fiscal year (July-June) in which each project was completed.
2. If any litigation concerning the project is begun before the expiration of this six (6) year period, the individual file must be retained for six (6) calendar years from the date of resolution of the litigation; and
3. Before any files are destroyed, the Grantee must contact the Grantor to obtain and verify final disposition instructions. This requirement also applies to the Recipient's contractors and any subcontractors.

4. Examples of records subject to retention provisions are (list is not intended to be all inclusive): all fiscal/accounting records and reports; all drawings, blueprints, renderings, architect and/or engineering reports, financial estimates, fee schedules, site proposals, photos, maps, copies of easements, copies of building permits, copies of inspections, related correspondence; and all procurement activities, including contractors proposals and rates.

Other:

1. The Grantee may be subject to audit and must allow access to applicable AB 9 records, if so directed by the Grantor. If any audit finding reveals that either an overpayment was made, or ineligible costs were incurred (either match or bond proceeds), the overpayment or the ineligible expense must be repaid to the AB 9 Fund, DCNR, Carson City, Nevada.
2. It is the policy of the Board of Examiners and the DCNR to restrict contractors, as well as all other recipients of public funds, to the same (or less) travel rates and procedures allowed State employees. This requirement also applies to the Grantee's contractors and any subcontractors.

Certain disbursements will not be paid unless agreed to in advance. These include:

1. Secretarial or word processing services (normal, temporary, or overtime);
2. Any other staff charges, such as filing, proofreading, regardless of when incurred;
3. Photocopy expenses of more than 15 cents per page;
4. Photocopy expenses in excess of \$2,000.00 for a single job;
5. Computer time.
6. Equipment purchased for the project.

The State will not reimburse expenses for the following:

1. Local telephone expenses or office supply costs;
2. The costs of first-class travel;
3. Indirect and administrative overhead costs such as salaries and benefits in excess of 5 percent of the total project cost, and any undocumented administrative costs.

ADOPTED REGULATION OF THE ADMINISTRATOR
OF THE DIVISION OF STATE LANDS OF THE STATE
DEPARTMENT OF CONSERVATION
AND NATURAL RESOURCES

LCB File No. R186-03

Effective April 22, 2004

EXPLANATION - Matter in *italics* is new; matter in brackets [~~omitted material~~] is material to be omitted.

AUTHORITY: §§1-35, section 2 of chapter 6, Statutes of Nevada 2001 Special Session.

A REGULATION relating to natural resources; providing a program for persons to apply for and receive proceeds from the sale of general obligation bonds to protect, preserve and obtain the benefits of the property and natural resources of this state; and providing other matters properly relating thereto.

Section 1. Chapter 321 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 35, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 35, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 28, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *"Acquisition" means the securing of the right of public use of real property by the purchase or donation of an interest in that real property.*

Sec. 4. *"Administrator" means the Administrator of the Division.*

Sec. 5. "Carson River corridor" includes, without limitation, the 100-year floodplain of the Carson River, land adjacent to the 100-year floodplain of the Carson River, sloughs or ponds of the Carson River and old meanders and oxbows of the Carson River.

Sec. 6. "Conservation and Resource Protection Grant Program" or "Program" means the conservation initiative that was created by chapter 6, Statutes of Nevada 2001 Special Session, and approved by the voters.

Sec. 7. "Construction" means those activities directly related to the creation of a new recreational trail or to improvements made to an existing recreational trail that cause the trail to comply with a desired standard as determined by the Administrator.

Sec. 8. "Division" means the Division of State Lands of the State Department of Conservation and Natural Resources.

Sec. 9. "Easement for conservation" has the meaning ascribed to it in NRS 111.410.

Sec. 10. "Greenbelt" means an open area of real property that is cultivated or maintained in a natural or seminatural state and used:

1. As a buffer between land uses;
2. To mark the edge of an urban or developed area, or a natural feature, such as a stream or lake; or
3. To create a linear corridor for the provision of trails or other amenities.

Sec. 11. "Habitat conservation plan" means a plan to protect or enhance a wildlife habitat for an endangered species or other species that needs special protection, or a plan to protect or enhance essential habitat for biodiversity. The plan may include a procedure for compliance with the Endangered Species Act of 1973, 16 U.S.C. §§ 1531 et seq.

Sec. 12. "Historic or cultural resources" means any surviving evidence that relates to the history of the use of the land from the earliest human occupation to recent historical activities. Surviving evidence may include, without limitation, sites, structures, districts, objects, artifacts and historic documents associated with or representative of peoples, cultures, and human activities and events from any period of time, including, without limitation, the present.

Sec. 13. "Matching contribution" includes money or anything of value, including, without limitation, the use of personnel, materials or equipment that is expended on a project.

Sec. 14. "Municipality" means an incorporated city, an unincorporated town created pursuant to chapter 269 of NRS or a general improvement district created pursuant to chapter 318 of NRS.

Sec. 15. "Nonprofit conservation organization" means a nonprofit organization that has as part of the mission of the organization the acquisition of property for conservation purposes.

Sec. 16. "Nonprofit organization" means an entity or organization that is exempt from federal income taxation pursuant to 26 U.S.C. § 501(c)(3).

Sec. 17. "Open-space plan" means an inventory of undeveloped and semideveloped land or resources with a plan for the long-term preservation and conservation of that land. The plan may include a provision for dispersed recreational opportunities on the land.

Sec. 18. "Project" includes, without limitation, preparation of an open-space plan, preparation of a habitat conservation plan, acquisition of an interest in land or water for the purposes of protection or enhancement of a wildlife habitat, protection of sensitive or unique vegetation, protection of historic or cultural resources, protection of riparian corridors or

wetlands, construction of a recreational trail, enhancement and restoration of the Carson River corridor, development of the path system in the Lake Tahoe area and other environmental activities.

Sec. 19. "Public benefit" means the outcome of a project or acquisition that obtains, protects or preserves the benefits of property or natural resources within the State of Nevada for the public.

Sec. 20. "Recreational facility" means a facility for the use and enjoyment of an outdoor recreation area that provides an opportunity for the observation, interpretation or enjoyment of natural resources.

Sec. 21. "Recreational trail" means a trail, pathway or similar area for walking, hiking, bicycling, horseback riding, exercising, paddling, swimming or any other recreational activity if the activity does not have an adverse impact on a threatened or endangered species, wetland, riparian corridor, wildlife habitat, sensitive or unique vegetation or other important natural resource.

Sec. 22. "Riparian corridor" means land related to or located on the bank of or adjacent to a natural or artificial waterway, including, without limitation, a river, an intermittent or permanent creek or stream, a gully where surface water collects, a wetland, a lake or a ditch, if the land exhibits plant types unique to areas with periodic or perennial water sources of a magnitude greater than the surrounding uplands.

Sec. 23. "Sensitive or unique vegetation" means any species, cluster of species or type of habitat designated as sensitive or unique vegetation by an appropriate federal or state agency, any species of vegetation in a declining trend, any species of vegetation that has

characteristics that have been identified as worthy of special consideration or any species of vegetation that is highly restricted in distribution or that occurs only in a very specialized habitat.

Sec. 24. "State agency" means any agency, department or division of the Executive Department of this state and includes the University and Community College System of Nevada.

Sec. 25. "Urban park" means land located in a community of any size that provides an opportunity for casual recreational activity and includes, without limitation, any natural area, area of scenic value, area of physical or biological importance, wildlife area, land that provides outdoor community space and land that provides a connection to another public area.

Sec. 26. "Wetland" means land having a water table at, near or above the land surface, or land that has been saturated with water for a period of time long enough to promote wetland or aquatic processes indicated by hydric soil, hydrophytic vegetation and other biological activity adapted to a wet environment.

Sec. 27. "Wildlife habitat" means a diverse area with a combination of necessary resources and environmental conditions that promotes a population of at least one wildlife species and allows that species to flourish and reproduce.

Sec. 28. "Wildlife species" means any species of animal, including, without limitation, insects, amphibians, reptiles, and other vertebrates and invertebrates.

Sec. 29. 1. The Division will award grants of money from the sale of general obligation bonds of this state to counties, municipalities, state agencies or nonprofit organizations, or any combination thereof. The money will be distributed as follows:

(a) Not more than \$7,250,000 to a state agency, county, municipality or nonprofit organization, or any combination thereof, for the construction of recreational trails. A recreational trail constructed with money awarded pursuant to this paragraph may include signs, markings, access points, staging areas, trailheads and directly related improvements such as restrooms and shade structures. Such a recreational trail may also include landscaping or revegetation with any associated irrigation equipment but only in an area around an improvement that requires landscaping or revegetation for slope stabilization as a direct result of the construction of the improvement.

(b) Not more than \$5,000,000 to a state agency, county, municipality or nonprofit organization, or any combination thereof, for the acquisition of land and water or interests in land and water for urban parks or greenbelts.

(c) Not more than \$3,000,000 to a state agency, a county whose population is less than 100,000 or a municipality within a county whose population is less than 100,000, or any combination thereof, for the development of habitat conservation plans.

(d) Not more than \$250,000 to a county whose population is less than 100,000 or a municipality within a county whose population is less than 100,000, or any combination thereof, for the development and adoption of open-space plans.

(e) Not more than \$20,000,000 to a county or a municipality within a county, or any combination thereof, for the acquisition of land and water or interests in land and water to protect and enhance wildlife habitat, sensitive or unique vegetation, historic or cultural resources, riparian corridors, wetlands and other environmental resources pursuant to an adopted open-space plan.

(f) Not more than \$10,000,000 to Churchill County, Douglas County, Lyon County, Carson City or a municipality located within those counties, or any combination thereof, to enhance and restore the Carson River corridor. Money awarded pursuant to this paragraph must be used to:

- (1) Acquire and develop land and water rights;*
- (2) Provide recreational facilities;*
- (3) Provide access to and along the Carson River, including, without limitation, parking areas; or*
- (4) Restore the Carson River corridor.*

(g) Not more than \$5,000,000 to Douglas County, Washoe County, Carson City or a municipality located within those counties, or any combination thereof, to enhance and develop the path system in the Lake Tahoe area.

2. The Division may enter into contracts or agreements with nonprofit conservation organizations in an amount not to exceed \$15,000,000 to acquire land and water or interests in land and water for the public benefit to protect and enhance wildlife habitat, sensitive or unique vegetation, historic or cultural resources, riparian corridors, floodplains and wetlands and other environmental resources.

3. The Administrator may use advisory committees to make recommendations for grants awarded pursuant to subsection 1 or contracts or agreements entered into pursuant to subsection 2.

4. *The Administrator will coordinate with the Division of State Parks of the State Department of Conservation and Natural Resources for any grant awarded pursuant to paragraph (b) of subsection 1.*

5. *The Administrator will coordinate with the Department of Wildlife and the Nevada Natural Heritage Program for any grant awarded pursuant to paragraph (c) of subsection 1.*

6. *The Administrator will determine the boundaries of the Carson River corridor for any grant awarded pursuant to paragraph (f) of subsection 1.*

7. *An urban park for which land and water or an interest in land and water was acquired pursuant to paragraph (b) of subsection 1 must be open to the public.*

Sec. 30. 1. *The Administrator will periodically:*

(a) *Solicit applications from counties, municipalities, state agencies and nonprofit organizations for grants of money from the sale of general obligation bonds issued pursuant to chapter 349 of NRS;*

(b) *Solicit applications from nonprofit conservation organizations to carry out contracts or agreements; and*

(c) *Establish deadlines for the submission of applications solicited pursuant to paragraphs (a) and (b).*

2. *An application for a grant, contract or agreement pursuant to subsection 1 or 2 of section 29 of this regulation must be submitted to the Administrator and must include, without limitation:*

(a) *A completed application on a form provided by the Administrator;*

(b) *The total projected cost of the project, including, without limitation, as appropriate, the estimated costs for planning, design, acquisition and construction, and a description of the manner in which each estimated cost was calculated;*

(c) *The amount of money requested for the project;*

(d) *A detailed description of the project and the manner in which the project meets the intent of the Program;*

(e) *Documentation that the project was commenced on or after July 1, 2000;*

(f) *A proposed schedule for the project that must include the planned phasing and implementation of the project;*

(g) *Documentation of the qualifications of the nonprofit organization, if applicable;*

(h) *A detailed description of matching contributions that will be provided by the applicant;*

(i) *Proof that the applicant has title to, or a lease or easement on, land that is required to carry out the project or a letter of intent between the property owner and the applicant concerning the acquisition of the property by the applicant;*

(j) *Proof that the applicant is willing to sell or donate land and proof that there is a person who is willing to purchase or receive the land, if applicable;*

(k) *If the application is submitted by a nonprofit conservation organization and includes the acquisition of land or water or an interest in land or water, the most current financial statement of the organization and specific details concerning the manner in which the money of the State will be secured by an interest in the property;*

(l) *A map of the location and a plan of the site of the project indicated in an appropriate scale;*

(m) A statement from an appropriate local, regional, state or federal agency that the project conforms to all applicable local, regional, state and federal plans;

(n) Documentation and a statement by the applicant that the applicant notified all property owners within a 1-mile radius of the subject property boundary or the closest 10 property owners, whichever number of property owners is less, about the proposal before the submission of the proposal to the Division, unless the Administrator requires different information on a case-by-case basis;

(o) A statement from any local jurisdiction affected by the proposal that details any issues or concerns about the proposal and whether the local jurisdiction supports or opposes the proposal;

(p) A completed Environmental Impacts Checklist on the form provided by the Division and, if applicable as a result of a potential adverse impact to the environment, a summary of a proposed plan to mitigate the potential impact of the project on the environment; and

(q) A summary of the proposed plan for operation and maintenance of the project for a period of not less than 20 years, including, without limitation, the identity of the person who will operate the project and provide the maintenance.

Sec. 31. Before a county, municipality, state agency or nonprofit organization submits an application for a proposed project, the county, municipality, state agency or nonprofit organization may submit a preapplication to the Division for an initial determination of the eligibility of the project for a grant under the Program. In making a determination of the eligibility of a project, the Administrator will consider, without limitation, the following criteria:

1. Whether the county, municipality, state agency or nonprofit organization is eligible to apply for a grant;

2. Whether the proposed project is eligible pursuant to section 29 of this regulation; and

3. Whether the proposed project provides a public benefit as determined by the Administrator.

Sec. 32. 1. The Administrator will rank applications made pursuant to section 30 of this regulation in order of their importance. The Administrator will award grants for projects or acquisitions that, based on the application, are most appropriate for the receipt of a grant within the overall purpose of the Program. The Administrator will use a point system as outlined in the Administrative Guidelines of the Division to rank each application. The Administrator will award points based on the following factors:

(a) The extent of environmental significance of the project and the degree of conservation and protection of natural resources, including, without limitation, the preservation of a natural, scientific, cultural, archaeological, agricultural, paleontological or historical site, or a wetland or riparian resource;

(b) The extent of the public benefit, including, without limitation, an overall advancement in the conservation and protection of the natural resources of the State, an enhancement to recreational opportunities, increased public access to lands and waters and the achievement of goals identified in adopted open-space plans;

(c) The objectives of the project are clearly stated in the proposal, and the applicant has the ability to carry out those objectives;

(d) The detail and design of the project is adequate and includes a detailed plan for management of the project that specifies the manner in which the project will be maintained and the manner in which the project will remain consistent with the purpose of the Program;

(e) The projected budget and associated costs of the project are reasonable and detailed, the amount and sources of matching contributions are listed and the project will meet the stated objectives in a cost-effective manner;

(f) The fact that the project is a cooperative effort with other agencies, organizations or persons and the extent of the support for the project from counties, municipalities and other public entities; and

(g) Any other factor that the Administrator considers to be important in the ranking process, including, without limitation:

(1) The urgency of the need for the project;

(2) That the applicant provides for matching contributions that exceed the matching contributions required in section 33 of this regulation;

(3) The application for acquisition of land includes the acquisition of water rights or another interest that will remain with the land in perpetuity;

(4) The existence of a local need for the project that warrants special attention for the project due to a lack of similar opportunities in the local area; and

(5) If the project does not include the acquisition of fee simple title to land, the applicant proposes an easement for conservation or a remainder after a life estate.

2. The factors of environmental significance, as described in paragraph (a) of subsection 1, and public benefit, as described in paragraph (b) of subsection 1, are worth more points than the other factors in subsection 1.

3. The Administrator may use an advisory committee to review applications and make recommendations to the Administrator. The Administrator may consider a recommendation by an advisory committee when awarding points pursuant to subsection 1.

4. The decision of the Administrator is final. An application that is not selected by the Administrator to receive a grant may be resubmitted for a grant to be awarded at a future date.

Sec. 33. 1. To receive a grant pursuant to the Program, an applicant must provide for an eligible matching contribution as follows:

(a) For a grant awarded pursuant to paragraph (a) or (b) of subsection 1 of section 29 of this regulation, not less than 25 percent of the total cost of the project;

(b) For a grant awarded pursuant to paragraph (c) or (d) of subsection 1 of section 29 of this regulation, not less than 5 percent of the total cost of the project;

(c) For a grant awarded pursuant to paragraph (e) of subsection 1 of section 29 of this regulation:

(1) In a county whose population is 100,000 or more, not less than 50 percent of the total cost of the project; or

(2) In a county whose population is less than 100,000, not less than 25 percent of the total cost of the project;

(d) For a grant awarded pursuant to paragraph (f) or (g) of subsection 1 of section 29 of this regulation, not less than 50 percent of the total cost of the project; and

(e) For a grant awarded pursuant to subsection 2 of section 29 of this regulation, not less than 50 percent of the cost of the acquisition.

2. A matching contribution is eligible for the purposes of this section if the matching contribution is for a project initiated on or after July 1, 2000, if it is directly related to the project or acquisition and if it includes:

(a) Cash;

(b) Planning, labor, including volunteer labor, appraisals, equipment rental and material costs;

(c) Federal contributions;

(d) Any costs associated with required environmental information for the project or acquisition, the documentation of which must be submitted with the application;

(e) Costs incurred for the establishment of a monitoring program to monitor the success of a project;

(f) Any other matching contribution not listed in subsection 3, subject to the approval of the contribution by the Administrator; or

(g) Any combination of paragraphs (a) to (f), inclusive.

3. The following matching contributions, without limitation, do not qualify as eligible matching contributions for the purposes of this section:

(a) Costs associated with the preparation of the application;

(b) In-kind services that do not relate to the project or the purpose of the Program;

(c) Money expended before the initiation of the project, or July 1, 2000, whichever is later;

(d) Other money granted pursuant to the Program; and

(e) Any other matching contribution that the Administrator determines is an inappropriate matching contribution.

Sec. 34. *The Division and the recipient of any money pursuant to a grant, contract or agreement made pursuant to section 29 of this regulation shall enter into an agreement that:*

1. Authorizes the recipient to use the money from the grant, contract or agreement to pay for:

(a) All expenses related directly to the project or acquisition, including, without limitation, expenses related to the planning, design and construction of the project which must be calculated based on actual costs; and

(b) The documented administrative costs of the project, not to exceed 5 percent of the total cost of the project.

2. Prohibits the recipient from using the money from the grant, contract or agreement to pay for:

(a) Any planning activity that is not directly related to the design and engineering of the project;

(b) The purchase of new equipment, unless the Administrator has determined that the new equipment is necessary as a one-time purchase specific to the project;

(c) Any work required by a public agency as mitigation or as a condition of the approval of any other project;

(d) Any component of the project that the Administrator determines does not benefit the public;

(e) Any project or portion of a project that has already been completed; or

(f) Any other expenses that the Administrator determines are not necessary to carry out the purposes of sections 2 to 35, inclusive, of this regulation, or that are not in compliance with the intent of the Program.

Sec. 35. The Division and the recipient of any money pursuant to a grant, contract or agreement pursuant to section 29 of this regulation shall enter into an agreement that requires the recipient to:

1. Provide a matching contribution of not less than the amount specified in section 33 of this regulation.

2. Provide a plan for the operation and maintenance of the project for not less than 20 years after the project is completed.

3. Agree to:

(a) Ownership of a full or partial interest in any property that is necessary for the project;

(b) Include pertinent nonrevocable deed restrictions and appropriate reversionary clauses to ensure that at all times the land is maintained in a manner consistent with the purpose of the Program; and

(c) Include a stewardship statement that addresses maintenance, monitoring and enforcement of weed control, dust control and other related issues.

4. Agree to any additional conditions that the Administrator determines are necessary to carry out the purposes of sections 2 to 35, inclusive, of this regulation or the intent of the Program, including, without limitation, the posting of a performance bond by the recipient.

5. Obtain such easements for conservation or other interests in land in perpetuity, or as otherwise approved by the Administrator, as are necessary to carry out the project. The

Administrator must approve the easements. The Administrator may require that the easement for conservation or other interest in land be held by the State.

6. Acknowledge that any interest in land or water acquired by the State or a nonprofit organization pursuant to the Program must:

- (a) Be acquired and held by the Division pursuant to chapter 321 of NRS; and*
- (b) Not be acquired by condemnation or the power of eminent domain.*

7. Maintain an accurate accounting of all expenditures made from money received pursuant to the Program and allow the Division to review the accounting upon request.

8. If the recipient requests that the entire amount of the grant or a portion thereof be provided in advance, demonstrate an extraordinary need and enter into an agreement with the Division that delineates the specific reporting methods that will be used, including, without limitation, quarterly expenditure reports and a project status report that details the timeliness of the project.

9. Provide the Division with detailed invoices on a consistent basis as agreed upon by the Division and the recipient to ensure timely and accurate disbursement of grant money.