# Carson City Board of Supervisors Agenda Report

Date Submitted: April 17, 2012 Agenda Date Requested: May 3, 2012
Time Requested: Consent

To: Mayor and Supervisors

From: Public Works

**Subject Title**: For Possible Action: To approve and authorize the Mayor to sign a Non-Exclusive Utility Easement by and between the STATE OF NEVADA, acting through the NEVADA DIVISION OF STATE LANDS, for and on behalf of the NEVADA DEPARTMENT OF ADMINISTRATION, DIVISION OF BUILDINGS AND GROUNDS (grantor), and CARSON CITY (grantee), whereby the STATE will grant the CITY an easement across Assessor's parcel number 004-122-01 for the purposes of maintaining an existing underground water distribution system and existing above ground supporting equipment for Well #49. (Jeff Sharp)

**Staff Summary:** The City holds an easement from the State for Underground Utilities dated April 11, 2003 and a Lease for Water Well dated April 11, 2003. The State wishes to consolidate the uses into one single easement. The previous lease fee of \$1,250 per year and the easement fee of \$1,650 per year have been combined into one annual payment in the amount of \$2,900 due June 1<sup>st</sup> of each year, with no increase in fees. The original documents will be terminated upon final execution of this Non-Exclusive Easement.

Type of Action Requested: (check one) () Resolution (X_) Formal Action/Motion	() Ordinance () Other (Specify)
Does This Action Require A Business Impac	ct Statement: () Yes (_X_) No

Recommended Board Action: I move to approve and authorize the Mayor to sign a Non-Exclusive Utility Easement by and between the STATE OF NEVADA, acting through the NEVADA DIVISION OF STATE LANDS, for and on behalf of the NEVADA DEPARTMENT OF ADMINISTRATION, DIVISION OF BUILDINGS AND GROUNDS (grantor), and CARSON CITY (grantee), whereby the STATE will grant the CITY an easement across Assessor's parcel number 004-122-01 for the purposes of maintaining an existing underground water distribution system and existing above ground supporting equipment for Well #49.

**Explanation for Recommended Board Action:** The Easement is necessary to allow Carson City to maintain existing Well #49 and associated water distribution system.

Applicable Statute, Code, Policy, Rule or Regulation: NRS 322.050 and 322.060

Fiscal Impact: \$2,900 per year

**Explanation of Impact**: Annual easement fee due June 1<sup>st</sup> of each year.

Funding Source: Water Fund

Alternatives: Do not approve the Agreement.

**Supporting Material:** Duplicate copies of the Easement document including Exhibit A: Legal Description and Exhibit B: Map. Copy of existing 2003 lease and easement documents.

Prepared By: Jeff Sharp, City Engineer

Board Action Report Easement for Well #49 Page 2

Reviewed By:	(Rulplic Works Director)	Date: _	4/24/1	12
7	(City Manager)	Date: _	4/24	1/2
-	Will Might	Date: _	4/24/	12
	(District Attorney)	Date: _	4/24/	12
Board Action Tal	ken:			A 40.
Motion:	1)			Aye/Nay
	2)			
	3)			
	4)			
	5)			
(Vote Record	ed Bv)			



BG 103, REM, 4148, 13227 A.P.N.:004-022-01 Carson City

Recording Requested by and Return To: THE DIVISION OF STATE LANDS 901 S. STEWART STREET, SUITE 5003 CARSON CITY, NV 89701-5246; and

CARSON CITY PUBLIC WORKS DEPARTMENT 3505 BUTTI WAY CARSON CITY, NV 89701-3498

### **NON-EXCLUSIVE UTILITY EASEMENT**

# WELL #49 AND UNDERGROUND UTILITIES, CARSON CITY

This Non-Exclusive Easement is made and entered into this day of,
2012 by and between the STATE OF NEVADA, acting through the NEVADA DIVISION OF
STATE LANDS, for and on behalf of the NEVADA DEPARTMENT OF ADMINISTRATION,
DIVISION OF BUILDINGS AND GROUNDS, hereinafter referred to as GRANTOR, and
CARSON CITY NEVADA, a consolidated municipality, hereinafter referred to as GRANTEE:
WHEREAS, GRANTOR owns Carson City Assessor's parcel number 004-122-01; and
WHEREAS, GRANTEE, holds an Easement for Underground Utilities dated April 11,
2003 and a Lease for Water Well dated April 11, 2003, which are unrecorded in the Carson City
Recorder's Office; and
WHEREAS, GRANTOR wishes to consolidate the uses into an easement for
maintaining said water well and supporting equipment to supply water to residents of Carson
City; and

Page 1 of 13 Carson City Well #49 Easement WHEREAS, GRANTEE desires to continue use of the property for purposes of maintaining an underground water distribution system and above ground supporting equipment for a water well; and

WHEREAS, NRS 322.050 and 322.060 gives the Administrator of the Division of State

Lands the authority to grant easements over or upon any land owned by the State of Nevada;

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration, GRANTOR does hereby grant to GRANTEE a Non-Exclusive Easement for the purposes stated above, hereinafter referred to as "the Project," under, over, across and/or through the following described property, together with the right to enter upon the property to construct, reconstruct, inspect, maintain, and repair structures and to remove bushes, undergrowth or other obstructions interfering with the location, construction and maintenance, in whole or in part, at will upon, over, under, across and/or through a portion of that certain property situate in Section 17, Township 15 North, Range 20 East, as shown on EXHIBIT B attached hereto and by reference made a part hereof. The location of the Project is described in the legal descriptions attached hereto as EXHIBIT A and by reference made a part hereof.

IN FURTHER CONSIDERATION for the granting of this Non-Exclusive Easement, GRANTEE, its successors and assigns and/or its agent(s) and contractor(s), understands and agrees to the following specific conditions:

1. <u>PURPOSE</u>: The property described herein may be used by GRANTEE solely for the Project. The Project shall be executed in accordance with the Below Ground Easement Legal Description and Survey and the Carson City Production Well #49 Above Ground Easement

Page 2 of 13 Carson City Well #49 Easement Legal Description and Survey, prepared by Darryl M. Harris, Resources Concepts, Inc. dated November 4, 2002, incorporated herein and by reference made a part hereof.

2. JURISDICTION OF STATE: The Non-Exclusive Easement for the Project extends only to the areas described in EXHIBITS A and B and shall not be construed to authorize access across private lands. If GRANTEE needs to utilize other portions of the property not granted to it through this Non-Exclusive Easement, a permit, license, easement or other authorization to do so is required.

3. <u>CONSIDERATION:</u> For and in consideration of the Project, GRANTEE, its successors and assigns, hereby agree to pay an Easement fee in the amount of TWO THOUSAND NINE HUNDRED AND NO/100 DOLLARS (\$2,900.00) per year to the GRANTOR for the Project [per NRS 321.003(2), 322.060(2)]. Said fees are to be paid in advance commencing on the execution date of this Non-Exclusive Easement and on or before JUNE 1 every year thereafter for the entire duration of said Non-Exclusive Easement. This is payable to the STATE OF NEVADA, DEPARTMENT OF ADMINISTRATION, DIVISION OF BUILDINGS AND GROUNDS and is to be mailed to:

## DIVISION OF STATE LANDS 901 S. STEWART ST., SUITE 5003 CARSON CITY, NV 89701

The GRANTOR reserves the right to reevaluate, reassess and adjust the Non-Exclusive Easement fee for the Project every FIVE (5) years. Should GRANTEE dispute a proposed fee increase, the dispute may be resolved by an appraisal of the fair market value of the Non-Exclusive Easement and other actions as required by law. The parties may by mutual agreement

select an independent licensed appraiser to determine the fair market value. The GRANTEE shall pay for the appraisal and any associated costs.

- 4. <u>LATE PAYMENT FEE:</u> If, after full execution of this Non-Exclusive Easement, any payment is not made to GRANTOR within THIRTY (30) days of the due date as provided herein, the GRANTEE shall pay the GRANTOR a late payment fee in the amount of ONE HUNDRED FOURTY FIVE AND NO/100 DOLLARS (\$145.00) EQUIVALENT TO FIVE PERCENT (5%) OF THE ANNUAL AMOUNT DUE. If late fees become more than SIXTY (60) days in arrears, the Non-Exclusive Easement may be terminated by the GRANTOR.
- 5. <u>PERMITS:</u> This Non-Exclusive Easement is subject to the acquisition of all local, regional, state and federal permits and approvals as required by law. GRANTEE agrees to obtain and adhere to the conditions of the necessary permits.
- 6. INDEMNIFICATION: GRANTEE, its successors and assigns, and/or agent(s) or contractor(s) as Indemnitors agrees to indemnify, defend and hold harmless the State of Nevada and its agents from and against any and all liability for personal injuries, claims, actions, damages, expenses, or for loss of life or property resulting from, or in any way connected with the conditions or use of the premises by Indemnitors covered herein, including any hazard, deficiency, defect, or other matter, known or unknown, or connected with the installation and maintenance of the Project. This indemnification does not exclude the State of Nevada's right to participate in its defense of a matter subject to this indemnification.
- 7. <u>LIMITED LIABILITY:</u> GRANTOR will not waive and intends to assert all available immunities and statutory limitations in all cases, including, without limitation, the provisions of Nevada Revised Statutes Chapter 41.

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8. INSURANCE; CONTRACTORS AND SUB-CONTRACTORS: This provision is applicable to all Non-Governmental Entities engaged to work on the premises granted by this Non-Exclusive Easement and does not apply to any GRANTEE considered a Public Entity. GRANTEE agrees to carry and to require their contractors and sub-contractors to carry their own General Liability Insurance Policy issued by an insurance company authorized to do business in the State of Nevada and which is currently rated by A. M. Best as A-VII or better. The insurance policy is to be kept in full force and effect during the term of this Non-Exclusive Easement. Such insurance policy shall be at the minimum, in the amount of \$1,000,000 per occurrence for bodily injury and property damage and shall via an endorsement, name the State of Nevada, its officers, employees and agents as additional insureds for all liability arising from the use of state land. Each liability insurance policy shall also provide for a waiver of subrogation as to all additional insured's. GRANTEE agrees to provide and to require their contractors and subcontractors to provide to the State of Nevada the Accord 25 Certificate of Insurance as proof of the insurance and an Additional Insured Endorsement, signed by an authorized insurance company representative, to evidence the endorsement of the State as additional insured. The Certificate of Insurance and Additional Insured Endorsement shall be provided by each contractor and sub-contractor prior to their entry upon state property and be sent to:

> Rick Murray, Land Agent Nevada Division of State Lands 901 S. Stewart Street, Suite 5003 Carson City, Nevada 89701

9. PLANS AND PHOTOGRAPHS: The Project and related activities must be completed in accordance with the approved application and plans on file in the office of the Division of State Lands. The Division of State Lands must be notified if any alterations to the

approved plans which would substantially affect the land are made or proposed prior to

commencement of or during any work on the Project and related activities. The Division of

State Lands reserves the right to prohibit said alterations.

10. **INSPECTION:** GRANTOR retains the right to inspect the Project at any time.

GRANTEE agrees to notify GRANTOR at least FIVE (5) business days prior to the

commencement and termination of any activities on the property to allow interested agencies

the opportunity to inspect the Project.

11. EXISTING EASEMENTS: GRANTEE, its successors and assigns, and/or its

agent(s) or contractor(s) understands and agrees to require contractors to use caution when

constructing and placing the Project and supporting equipment because of the possibility of

additional utility laterals not known, and to be responsible for damage caused to any other

utilities located upon state land located with this Non-Exclusive Easement. The legally required

offsets from any existing gas, electric, water and/or communication lines shall be maintained at

all times.

12. HISTORIC DISCOVERIES: If prehistoric or historic remains or artifacts are

discovered during any work performed within the Non-Exclusive Easement, work will be

temporarily halted and the State Historic Preservation Office at (775) 684-3448 as well as the

Division of State Lands at (775) 684-2720 shall be notified. GRANTEE will heed to the

responsibilities required under Section 106 of the National Historic Preservation Act of 1966,

as amended.

13. DAMAGE TO STATE LAND: GRANTEE, its successors and assigns, and/or its

agent(s) or contractor(s) understands and agrees to pay for and be responsible for all direct or

indirect damages to the real property, improvements, and personal property of GRANTOR

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Carson City Well #49 Easement

caused by GRANTEE during any construction, re-location, installation, use, operation, inspection, future maintenance, repairs, reconstruction and removal of the Project, and further agrees to return the land to its pre-project condition upon completion of the work.

14. MAINTENANCE: GRANTEE, its successors and assigns, shall be responsible for all maintenance of the Project owned by GRANTEE and within the Non-Exclusive Easement and understands and agrees that the Project must be maintained in good repair at all times.

15. ENVIRONMENTAL CONDITIONS: GRANTEE, its successors and/or its agent(s) or contractor(s) understands and agrees to maintain the Project within the Nevada Division of Environmental Protection's Best Management Practices guidelines to the extent that these guidelines do not conflict with Environmental Conditions as required by the Federal Energy Regulatory Commission.

16. <u>WARRANTIES</u>: GRANTOR makes no warranty as to the condition of or the adequacy of the property for the proposed uses of GRANTEE.

17. NOTICES: All notices under this Non-Exclusive Easement shall be in writing and delivered in person or sent by certified mail, return receipt requested, to GRANTOR and to GRANTEE at their respective addresses set forth below or to such other address as may hereafter be designated by either party in writing:

#### **GRANTOR'S ADDRESS:**

Division of State Lands 901 S. Stewart St., Ste. 5003 Carson City, Nevada 89701

#### **GRANTEE'S ADDRESS:**

Carson City Public Works Department 3505 Butti Way Carson City, NV 80701 18. <u>FURTHER AUTHORIZATIONS:</u> Further authorization from the Division of State Lands is required prior to commencement of any future work or activities at locations other than that described in **EXHIBITS A & B**.

Easement in whole or in part any time during the term hereof, provided, however, that either party shall give NINETY (90) days written notice of election to terminate. Upon termination, the land will be returned to as near as its original condition as possible. The GRANTEE, its successors and assigns, understands and agrees that at the termination of this Non-Exclusive Easement the Project will be removed by GRANTEE, if so requested by GRANTOR, and the land restored to its pre-project condition. Any and all right, title or interest in this Non-Exclusive Easement must be quitclaimed by instrument to the GRANTOR within a reasonable time, without claim or demand of any kind from GRANTOR. Except as might otherwise be provided for, any expenses for removal of the Project and for the restoration of the land will be borne by GRANTEE, its successors and assigns at no expense or cost to the GRANTOR.

20. <u>TERM AND DISCONTINUATION:</u> This Non-Exclusive Easement shall continue so long as the same may be necessary and required for the purposes for which it was granted unless terminated sooner by another provision. If at any time the GRANTEE should discontinue said use for a period of ONE (1) year this Non-Exclusive Easement shall thereupon terminate and all right, title and interest therein shall revert to GRANTOR, its successors and assigns.

21. <u>COMPLIANCE TO CONDITIONS</u>: Failure to concur with or comply with any of the conditions contained herein will cause this Non-Exclusive Easement to become invalid and shall require the removal of the Project and appurtenances. All right, title and interest in the Non-Exclusive Easement shall revert to GRANTOR. GRANTEE agrees to provide a copy of Page 8 of 13 Carson City Well #49 Easement

this Non-Exclusive Easement to its contractors prior to entering and beginning any work on the property described herein.

- 22. <u>WAIVER:</u> The failure of GRANTOR to insist upon strict performance of any of the covenants and agreements to this Non-Exclusive Easement or to exercise any option herein conferred in anyone or more instance, shall not be construed to be a waiver or relinquishment of any such covenants and agreements.
- 23. <u>SURVIVAL</u>: This Non-Exclusive Easement, and all of the terms hereof, shall inure to the benefit of, and be binding upon, the heirs, assigns and successors of the parties hereto, and the rights and obligations of the GRANTEE are, and shall continue to be, joint and several.
- 24. ENTIRE AGREEMENT: This Non-Exclusive Easement and conditions incorporated herein contain all of the agreements between the parties with respect to the matters contained herein. No prior agreement, understanding or verbal statement made by any party is a part hereof. No provisions of the Non-Exclusive Easement may be amended or modified in any manner whatsoever unless incorporated in writing and executed by both parties. When executed by the GRANTOR and GRANTEE, this Non-Exclusive Easement shall be binding upon GRANTOR and GRANTEE, their successors and assigns.
- **25.** <u>AMENDMENT OR MODIFICATION:</u> This Non-Exclusive Easement may be amended or modified at anytime with the mutual consent of the parties hereto, which amendment or modification must be in writing, executed and dated by the parties hereto.
- 26. SEVERABILITY: If any term or provision of this Non-Exclusive Easement, or the application thereof to any person or circumstance shall, to any extent, be determined by judicial order or decision to be invalid or unenforceable, the remainder of this Non-Exclusive Easement or the application of such term or provision to persons or circumstances other than those as to Page 9 of 13

Carson City Well #49 Easement

which it is held to be invalid or unenforceable shall not be affected thereby, and each term and provision of this Non-Exclusive Easement shall be valid and shall be enforced to the fullest extent permitted by law.

27. GOVERNING LAW: This Non-Exclusive Easement shall be governed by, construed and enforced in accordance with the laws of the State of Nevada.

**28.** <u>VENUE:</u> Any lawsuit brought to resolve a dispute arising from this Non-Exclusive Easement must be brought either in the location of the Project or in Carson City, Nevada.

**29. RECORDING:** This Non-Exclusive Easement may be recorded in the official real estate records of the county in which the property is located. GRANTEE shall responsible for all recording fees.

All covenants and agreements herein contained shall extend to and be a binding contract upon the successors and assigns as the case may be of the respective parties. Authorization given by the Division of State Lands does not obviate the necessity of obtaining other local, regional, or federal assent to the work authorized. This Non-Exclusive Easement may not be assigned without the prior written consent of the GRANTOR, and such consent shall not be unreasonably withheld.

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IN	WITNESS	WHEREOF,	the	parties	hereto	have	executed	this	Non-Exclu	sive
Easement	as of the day	and year first	abov	ve writte	n.					
GRANTO	OR:									
	F NEVADA of State Land									
Admini	S R. LAWRE istrator and E and Registrar	x-Officio								
	F NEVADA CARSON CI	:ss.								
JAMES R.	. LAWRENC	, 2012, p E, Administra owledged that I	tor a	nd Ex-O	fficio S	tate La	nd Registr	y pub ar, D	lic ivision of	
NOTARY	PUBLIC			_						
Page 11 of 13 Carson City \	Well #49 Easeme	ent								

# **GRANTEE:**

# CITY OF CARSON CITY A CONSOLIDATED MUNICIPALITY

APPROVED:	ATTEST:
By ROBERT CROWELL Mayor	ByCITY CLERK
By PEVERLY A. SHARP, P.E. City Engineer	Date 4/17/12
APPROVED FOR LEGALITY AND FO	RM: Date 4/24/12

Carson City District Attorney

APPROVED as to Form:		
CATHERINE CORTEZ MASTO Attorney General		
ByKEVIN BENSON Deputy Attorney General	Date:	
APPROVED:		
STATE OF NEVADA Department of Administration Division of Buildings and Grounds		
ByGUS NUNEZ Administrator	Date:	
Page 13 of 13 Carson City Well #49 Easement		

# CARSON CITY PRODUCTION WELL #49 ABOVE GROUND EASEMENT LEGAL DESCRIPTION EXHIBIT A

November 4, 2002

Three parcels of land located within a portion of Section 17, Township 15 North, Range 20 East, MDM, Carson City, Nevada, being more particularly described as follows:

#### Parcel 1:

BEGINNING at a point, being the Southeast corner of the Reciprocal Parking & Access Easement as shown on the Record of Survey Supporting a Boundary Line Adjustment for State of Nevada Division of State Lands, Document No. 136951 (Map 1967) of the Carson City Recorder's Office; which bears N. 74°53'02" E., 2013.74 feet from the Southwest section corner of said Section 17;

thence along the South line of said Easement, S. 89°52'51" E., 48.60 feet;

thence North, 28.99 feet;

thence East, 13.20 feet;

thence South, 8.74 feet;

thence East, 13.20 feet;

thence North, 9.55 feet;

thence East, 22.26 feet to a point on the East line of said Easement;

thence along said East line, S. 00°07'09" W., 29.91 feet to the POINT OF BEGINNING.

Containing 1,315 square feet more or less.

#### Parcel 2:

BEGINNING at a point which bears N. 73°28'07" E., 1862.52 feet from the Southwest corner of said Section 17;

thence, N. 00°07'16" E., 7.42 feet;

thence East, 5.00 feet;

thence S. 00°07'16" W., 7.43 feet;

thence N. 89°52'44" W., 5.00 feet to the POINT OF BEGINNING.

Containing 37 square feet more or less.

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#### Parcel 3:

BEGINNING at a point which bears N. 72°56'26" E., 1845.47 feet from the Southwest corner of said Section 17;

thence North., 6.10 feet;

thence East, 8.00 feet;

thence South., 6.10 feet;

thence West, 8.00 feet to the POINT OF BEGINNING.

Containing 49 square feet more or less.

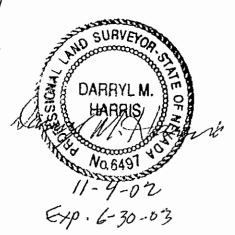
Total Area of Parcels 1, 2, & 3 is 1,401 square feet more or less.

#### Basis of Bearing

The South Line of the Southwest one-quarter of Section 17, Township 15 North, Range 20 East, MDM per the Record of Survey Supporting a Boundary Line Adjustment for State of Nevada Division of State Lands, Document No.136951 (Map 1967) of the Carson City Recorder's Office, (N. 89°52'45" W.).

Per NRS 111.312, this legal description was prepared by:

Darryl M. Harris, P.L.S. # 6497 Resource Concepts, Inc. 340 North Minnesota Street Carson City, Nevada 89703 (775) 883-1600



# CARSON CITY PRODUCTION WELL #49 BELOW GROUND EASEMENT LEGAL DESCRIPTION EXHIBIT A

November 4, 2002

A parcel of land located within a portion of Section 17, Township 15 North, Range 20 East, MDM, Carson City, Nevada, being more particularly described as follows:

BEGINNING at a point on the Easterly right-of-way line of Stewart Street, which bears N. 72°04'01" E., 1823.23 feet from the Southwest corner of said Section 17;

thence East, 198.80 feet;

thence North, 18.27 feet to a point on the South line of APN 4-022-02 as shown on the Record of Survey Supporting a Boundary Line Adjustment for State of Nevada Division of State Lands, Document No. 136951 (Map 1967) of the Carson City Recorder's Office;

thence along said South line, S. 89°52'51" E., 10.73 feet to a point on the East line of the Reciprocal Parking & Access Easement as shown on said Record of Survey;

thence along said East line, S. 00°07'09" W., 24.59 feet;

thence West., 22.26 feet;

thence South, 3.65 feet;

thence West, 13.20 feet;

thence North, 2.83 feet;

thence West, 13.20 feet;

thence South, 2.83 feet;

thence West, 102.20 feet;

thence S. 00°07'16" W., 5.91 feet;

thence N. 89°59'47" W., 102.21 feet;

thence South, 8.11 feet;

thence West, 122.06 feet;

thence South, 2.89 feet;

thence West, 17.04 feet;

thence North, 6.90 feet;

thence East, 17.04 feet;

thence North, 4.09 feet;

thence East, 9.83 feet;

thence North, 7.55 feet;

thence West, 10.97 feet;

thence South, 5.55 feet;

thence West, 8.00 feet;

thence North, 5.55 feet;

thence West, 29.66 feet to a point on the East right-of-way line of Stewart Street; thence along said East right-of-way line N. 00°13'24" E., 8.35 feet to the POINT OF BEGINNING.

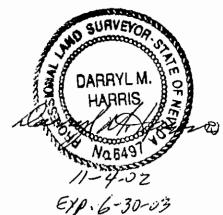
Containing 3,300 square feet more or less.

#### Basis of Bearing

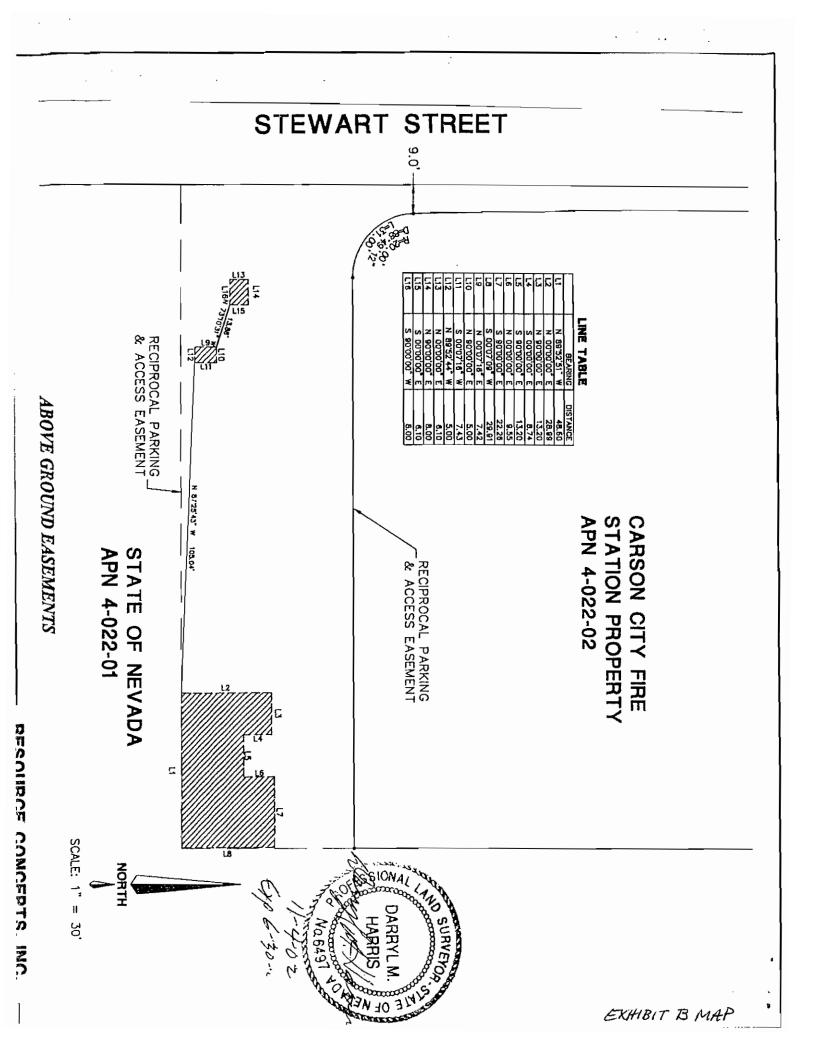
The South Line of the Southwest one-quarter of Section 17, Township 15 North, Range 20 East, MDM per the Record of Survey Supporting a Boundary Line Adjustment for State of Nevada Division of State Lands, Document No. 136951 (Map 1967), of the Carson City Recorder's Office, (N. 89°52'45" W.).

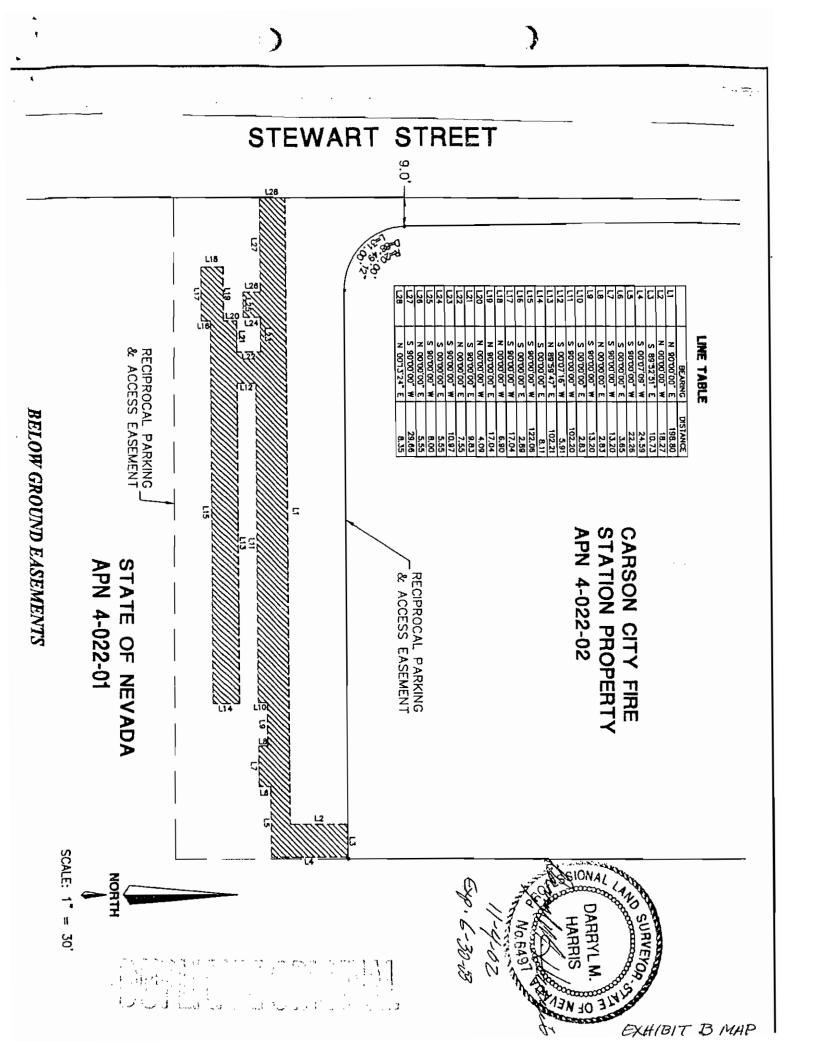
#### Per NRS 111.312, this legal description was prepared by:

Darryl M. Harris, P.L.S. # 6497 Resource Concepts, Inc. 340 North Minnesota Street Carson City, Nevada 89703 (775) 883-1600











B&G, 101, # 1787, DH A.P.N. Carson City 004-022-01

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Recording Requested by & Return To: DIVISION OF STATE LANDS 333 W. Nye Ln., Room 118 Carson City, NV 89706

### LEASE FOR WATER WELL

THIS LEASE, made and entered into this it day of Arch, 2003, by and between the STATE OF NEVADA, acting through the Division of State Lands, for and on behalf of the Department of Administration, Buildings and Grounds Division, hereinafter referred to as LESSOR and the CITY OF CARSON CITY, a consolidated municipality, hereinafter called LESSEE:

#### **WITNESSETH:**

WHEREAS, the State of Nevada owns property known as The Capitol Complex a portion of which is further described in Exhibit 'A' attached hereto;

WHEREAS, the property described in Exhibit "A" is administered by the Division of Administration Buildings and Grounds Division, by and through the Division of State Lands;

WHEREAS, the CITY OF CARSON CITY desires to Lease the property described in Exhibit "A" for the purposes of developing and maintaining a water well and supporting equipment to supply water to the residents of Carson City, Nevada;

WHEREAS, the Division of State Lands is authorized under NRS 322.060 to lease said property described in Exhibit "A" at the fair market value of the land;

NOW THEREFORE, for and in consideration of the rents hereinafter described and other good and valuable consideration contained herein, LESSOR does hereby grant to LESSEE a

Lease of the property described in Exhibit "A" under the conditions as described below:

1127C 110-100 100 100 100

STA OF NEVADA

S: The property described herein and as shown on Exhibit "A" may be used to construct place after maintain inspect, repair reconstruct, and operate

1. PREMISES: The property described herein and as shown on Exhibit "A" may be used by LESSEE solely to construct, place, alter, maintain, inspect, repair, reconstruct, and operate an underground well with supporting surface systems, together with the right of ingress to and egress from said underground well. This Lease for the property containing an underground well is being granted simultaneously and in conjunction with an Easement for Underground Well Facilities made and entered into on this same date. LESSEE agrees that at no time will LESSEE interfere with or obstruct state operations on or around the well site. LESSOR retains the right to fence, plant, vegetate, improve, maintain and to use said parcel for its own purposes so long as such use is consistent with utility practices and does not interfere with the Lease granted herein. LESSEE agrees to exercise due care to avoid damage or alteration to historic resources in the immediate area of the water well and along the proposed underground easement. If prehistoric or historic remains or burials or previously unidentified resources are located during project activities, LESSEE agrees to temporarily halt work and notify the State Historic Preservation Office.

LESSEE agrees to pay for and be responsible for all damages to the real property, improvements and personal property of the State of Nevada caused by LESSEE or its contractors while constructing, operating or maintaining the water well and underground water and electrical transmission lines and appurtenances.

LESSEE further agrees to exercise due care to minimize the damage to existing vegetation and improvements and upon completion of the construction, if necessary to revegetate and return the area to as near as natural condition as possible.

2. TERM OF LEASE: The Lease granted by LESSOR for the property described more particularly herein on Exhibit "A" shall continue for a period of FIVE (5) years unless sooner terminated, so long as the same may be necessary and required for the purposes for which

granted. It is the understanding of the parties hereto that this Lease may be extended for additional terms should the LESSEE require continued use thereof only with LESSOR'S consent and upon terms and conditions acceptable to LESSOR. In the event LESSEE desires to extend this Lease, a written request to do so shall be submitted to LESSOR sixty (60) days prior to the expiration date and appropriate terms will be negotiated between the parties.

- 3. ASSIGNMENT OR SUBLEASE: This Lease is non-assignable. No sublease may be assigned under this Lease.
- 4. RENTAL: LESSEE agrees to pay LESSOR as and for the minimum rental of said premises the sum of ONE THOUSAND TWO HUNDRED FIFTY (\$1,250.00) DOLLARS payable to the Division of Buildings and Grounds on June 1<sup>st</sup> of each year. Said rental fee shall be calculated beginning June 1, 2003. This rental fee has been established as fair market value by an independent appraisal of the described property and will be reviewed and reassessed every five (5) years but at no time shall this rental fee be less than the original rental fee. Any fees associated with any update or re-appraisal of the property shall be at the sole cost and expense of LESSEE.
- 5. PERMITS AND APPROVALS: The LESSEE shall comply with all ordinances, statutes, and requirements of all state or federal authorities now in force or which may hereinafter be put into force pertaining to the premises or use of the premises by LESSEE.
- 6. INDEMNIFICATION: LESSEE its successors and assigns, and/or its agent(s) or contractor(s) understand and agree to indemnify, defend, and hold harmless LESSOR and its agents and employees from any and all liability claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs for personal injuries, property damage, or for loss of life or property resulting from, or in any way connected with the condition or use of the premises covered herein, including any hazard, deficiency, defect, or other matter,

known or unknown, or connected with the construction, location, installation, use, operation, inspection, future maintenance, repairs, reconstruction and removal of items on the leased property arising out of any alleged negligent or willful acts or omissions of LESSEE, its officers, employees, agents or contractors.

- 7. INSURANCE: Lessee, at its expense, will insure its tangible assets located within the described property against any loss with extended coverage policies. LESSEE shall, at its own expense, obtain and keep in force during the term of this Lease, a policy of Combined Single Limit Bodily Injury and Property Damage Insurance insuring LESSEE against any liability arising out of the use and maintenance of the described property and all other areas appurtenant thereto. LESSOR shall be named as an additional insured on any such policies. Such insurance shall be in an amount not less than One Million Dollars (\$1,000,000) per occurrence. The limits of said insurance shall not limit the liability of LESSEE hereunder. If LESSEE is self-insured, LESSEE shall provide proof acceptable to the LESSOR's Risk Manager of sufficient levels of coverage upon commencement of the Lease term.
- 8. WARRANTY AND RESPONSIBILITY: LESSOR makes no warranty as to the condition of or the adequacy of the property being leased for the existing uses of LESSEE. LESSEE, its successors and assigns, and/or its agent(s) or contractor(s) understand and agree to maintain the legally required offset from any existing gas, electric, water or communication lines. LESSEE, its successors and assigns, and/or its agent(s) or contractor(s) understand and agree to require contractors to use caution when constructing and placing said water well and underground water and electrical transmission lines and supporting equipment because of the possibility of additional utility laterals not known, and to be responsible for damage caused to any other utilities located upon State Lands.

10. TERMINATION OF LEASE: In addition to any other cancellation clause contained herein, either party may terminate this Lease without cause with EIGHT (8) months written notice. Rental fees paid in advance shall not be returned or prorated for any remainder of the Lease term.

Furthermore, this Lease granted by LESSOR shall continue only so long as the same may be necessary and required for the purposes for which is was granted, and if at any time the LESSEE should discontinue said use for a period of ONE (1) year the Lease shall thereupon terminate, and all right, title and interest therein shall revert to LESSOR, its successors and assigns

- 11. BREACH OR DEFAULT: In the event of any failure by the LESSEE to keep and comply with any of the terms, covenants or provisions of this Lease or any breach by LESSEE, LESSEE shall have THIRTY (30) days from the receipt of written notice of such default or breach within which to remove or cure said default or breach. In the event of breach or default by LESSEE which is not removed or cured within the time limits set forth above, LESSOR may, in addition to any other right of re-entry or possession, and at LESSOR's sole option, consider the lease forfeited and terminated and may re-enter and take possession of the leased premises, removing all persons and property therefrom with prior reasonable notification to LESSEE so that arrangements concerning the removed property can be made.
- 12. CHOICE OF LAW: The parties agree that this Lease For Water Well is governed by the laws of the State of Nevada.
- 13. ATTORNEY FEES: In the event that any lawsuit should be brought for recovery of the premises or for any sum due herein or because of any act which may arise out of the possession

by either party, prevailing party shall be entitled to all costs incurred in connection with such actions including a reasonable attorney fee.

- 14. EFFECTIVE DATE: This Lease For Water Well shall not become effective unless and until approval of the State Board of Examiners and the Interim Finance Committee has been secured as required by NRS 322.007.
- 15. NOTICES: All notices under this Lease For Water Well shall be in writing and delivered in person or sent by certified mail, return receipt requested to LESSOR or to LESSEE at their respective addresses set forth below or to such other address as may hereafter be designated by either party in writing:

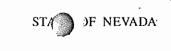
#### LESSOR:

#### LESSEE:

Division of State Lands 333 West Nye Lane, Room 118 Carson City, Nevada 89706 Carson City Engineering 2621 Northgate Lane, Suite 54 Carson City, Nevada 89701

- 16. WAIVER: The failure of LESSOR to insist upon strict performance of any of the covenants and agreements to this ease or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such covenants and agreements.
- 17. REMEDIES: The remedies given to LESSOR shall be cumulative, and the exercise of any one remedy by LESSOR shall not be to the exclusion of any other remedy.

The foregoing constitutes the entire agreement between the parties and may be modified only in writing signed by both parties. All covenants and agreements herein contained shall extend to and be obligatory upon the successors and assigns as the case may be of the respective parties.



IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and 1 year first above written. 2 LESSOR: 3 LESSEE: STATE OF NEVADA CITY OF CARSON CITY LLC. 4 Division of State Lands 5 By: PAMELA B. WILCOX RAY MASAYKO 6 Administrator and Ex-Officio Mayor State Land Registrar 7 8 9 (SEAL) 10 11 12 13 STATE OF NEVADA ) 14 SS 15 **CARSON CITY** 16 On 2003, personally appeared before me, a notary public, PAMELA B. WILCOX, Administrator 17 and Ex-Officio State Land Registrar, Division of State Lands, who acknowledged that she executed the above instrument. 18 19 OTARY PUBLIC 20 KIM NEUERBURG 21 NOTARY PUBLIC - NEVADA Appt. Recorded in CARSON CIT 22 02-77971-3 My Appt. Exp. Oct. 4, 2006 23 24 25 26

Page 7 of 8

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**CARSON CITY WELL 49 - LEASE** 



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STATE OF NEVADA

Department of Administration
Buildings & Grounds Division

By: MICHAEL MEIZEL
Administrator

### ATTEST:

Alan Glover,

Carson City Clerk-Recorder

APPROVED AND RECOMMENDED

Lawrence A. Werner, P.E., R.L.S. City Engineer

<u>APPROVED as to Form:</u> BRIAN SANDOVAL

**Attorney General** 

APPROVED as to Form:

Deputy District Attorney

Deputy Attorney General

**APPROVED:** 

**BOARD OF EXAMINERS** 

JOHN P. COMEAUX, CLERK

Date: 5/13/03

APPROVED:

INTERIM FINANCE COMMITTEE

WILLIAM J. RAGGIO

Date: / 2003

# CARSON CITY PRODUCTION WELL #49 ABOVE GROUND EASEMENT LEASE LEGAL DESCRIPTION EXHIBIT A

November 4, 2002

Three parcels of land located within a portion of Section 17, Township 15 North, Range 20 East, MDM, Carson City, Nevada, being more particularly described as follows:

#### Parcel 1:

BEGINNING at a point, being the Southeast corner of the Reciprocal Parking & Access Easement as shown on the Record of Survey Supporting a Boundary Line Adjustment for State of Nevada Division of State Lands, Document No. 136951 (Map 1967) of the Carson City Recorder's Office; which bears N. 74°53'02" E., 2013.74 feet from the Southwest section corner of said Section 17;

thence along the South line of said Easement, S. 89°52'51" E., 48.60 feet;

thence North, 28.99 feet;

thence East, 13.20 feet;

thence South, 8.74 feet;

thence East, 13.20 feet;

thence North, 9.55 feet;

thence East, 22.26 feet to a point on the East line of said Easement;

thence along said East line, S. 00°07'09" W., 29.91 feet to the POINT OF BEGINNING.

Containing 1,315 square feet more or less.

#### Parcel 2:

BEGINNING at a point which bears N. 73°28'07" E., 1862.52 feet from the Southwest corner of said Section 17;

thence, N. 00°07'16" E., 7.42 feet;

thence East, 5.00 feet;

thence S. 00°07'16" W., 7.43 feet;

thence N. 89°52'44" W., 5.00 feet to the POINT OF BEGINNING.

Containing 37 square feet more or less.

#### Parcel 3:

BEGINNING at a point which bears N. 72°56'26" E., 1845.47 feet from the Southwest corner of said Section 17;

thence North., 6.10 feet;

thence East, 8.00 feet;

thence South., 6.10 feet;

thence West, 8.00 feet to the POINT OF BEGINNING.

Containing 49 square feet more or less.

Total Area of Parcels 1, 2, & 3 is 1,401 square feet more or less.

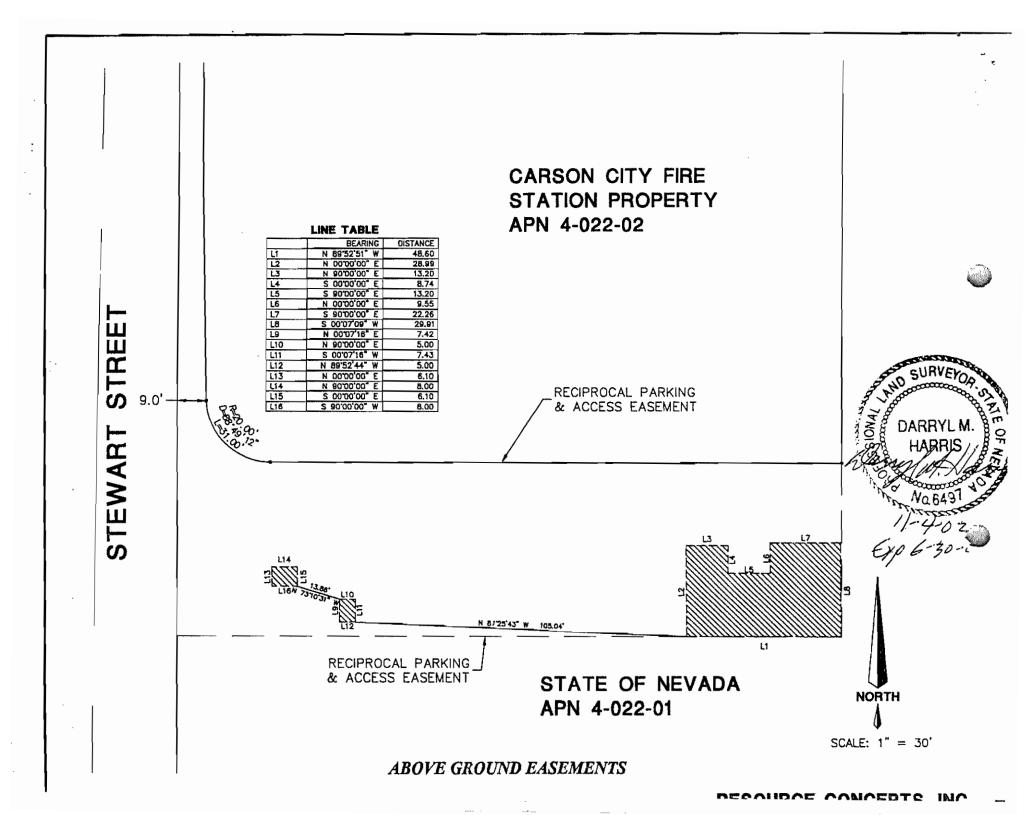
#### Basis of Bearing

The South Line of the Southwest one-quarter of Section 17, Township 15 North, Range 20 East, MDM per the Record of Survey Supporting a Boundary Line Adjustment for State of Nevada Division of State Lands, Document No.136951 (Map 1967) of the Carson City Recorder's Office, (N. 89°52'45" W.).

Per NRS 111.312, this legal description was prepared by:

Darryl M. Harris, P.L.S. # 6497 Resource Concepts, Inc. 340 North Minnesota Street Carson City, Nevada 89703 (775) 883-1600







B&G-101, # 1787, DH A.P.N. Carson City 004-022-01

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Recording Requested by & Return To: DIVISION OF STATE LANDS 333 W. Nye Ln., Room 118 Carson City, NV 89706

# EASEMENT FOR UNDERGROUND UTILITIES

THIS EASEMENT, made and entered into this it is day of Ann. 2003, by and between the STATE OF NEVADA, acting through the Division of State Lands, for and on behalf of the Department of Administration Buildings and Grounds Division, hereinafter referred to as GRANTOR and the CITY OF CARSON CITY, a consolidated municipality, hereinafter called GRANTEE:

#### WITNESSETH:

FOR AND IN CONSIDERATION of the rents hereinafter described and other good and valuable consideration contained herein, GRANTOR does hereby grant to GRANTEE an Easement and Right-of-Way to construct, place, alter, maintain, inspect, repair, reconstruct, and operate underground electrical and distribution systems to support that certain water well described in an accompanying Lease For Water Well entered into on this same date, together with the right of ingress to and egress from said underground electrical and distribution system, upon, over, under and across that certain property situate in Carson City, State of Nevada, as shown on Exhibit A attached hereto and by reference made a part hereof. This Easement For Underground Utilities is being granted simultaneously and in conjunction with Lease For Water Well made and entered into on this same date.

FOR AND IN CONSIDERATION of this Easement and Right-of-Way for underground electrical and distribution systems, the annual rental fee will be ONE



CARSON CITY WELL UNDERGROUND SUPPORT

#11296 11122 112

THOUSAND SIX HUNDRED FIFTY (\$1,650.00) DOLLARS payable to the Division of Buildings and Grounds on June 1<sup>st</sup> of each year. Said rental fee shall be calculated beginning June 1, 2003.

IN FURTHER CONSIDERATION for the grant of this Easement and Right-of-Way GRANTEE agrees to the following conditions:

- The property described herein may be used by GRANTEE solely in support of the
  underground well and accompanying water and electrical transmission line
  purposes and appropriate appurtenances. This Easement and Right-Of-Way may
  not be assigned.
- 2. GRANTEE agrees to pay for and be responsible for all damages to the real property, improvements and personal property of the State of Nevada caused by GRANTEE or its contractors while constructing, operating or maintaining the underground well and water and electrical transmission lines and appurtenances.
- To exercise due care to minimize the damage to existing vegetation and upon completion of the construction, if necessary to re-vegetate and return the area to as near as natural condition as possible.
- 4. To exercise due care to avoid damage or alteration to historic resources in the immediate area and along the proposed easement. If during any construction or post-construction activities, prehistoric or historic remains or burials or previously unidentified resources are located during project activities, to temporarily halt work and notify the State Historic Preservation Office.
- To indemnify, defend and hold harmless the State of Nevada and its agents from and against any and all liability for personal injuries, property damage, or for loss



06-132 majojan

6. The Easement granted by GRANTOR and described more particularly herein shall continue so long as the Lease For Water Well executed and dated simultaneously herewith is in effect and may be necessary and required for the purposes for which is was granted. If at any time the GRANTEE should discontinue said use for a period of ONE (1) year this Easement For Underground Utilities shall thereupon terminate, and all right, title and interest therein shall revert to GRANTOR, its successors and assigns.

maintenance of the underground well and water and electrical transmission lines.

- 7. GRANTEE, its successors and assigns, understand and agree that failure to concur with or comply with any of the conditions contained herein will cause this Easement and Right-Of-Way to become invalid and will require the removal of the underground well and water and electrical transmission lines and appurtenances.
- 9. GRANTEE agrees that at no time will GRANTEE interfere with or obstruct state operations on or around this Easement. GRANTOR retains the right to fence, plant, vegetate, maintain and to use said Easement for their own purposes so long as such use is consistent with utility practices and does not interfere with the Easement granted herein.
- 10. This Easement and Right-Of-Way is subject to the acquisition of all necessary local, state and federal permits and approvals.



Page 3 of 6



- 11. GRANTEE, its successors and assigns, and/or its agent(s) or contractor(s) understand and agree to maintain the legally required offset from any existing gas, electric, water or communication lines.
- 12. GRANTEE, its successors and assigns, and/or its agent(s) or contractor(s) understand and agree to require contractors to use caution when constructing and placing said underground well and water and electrical transmission lines and supporting equipment because of the possibility of additional utility laterals not known, and to be responsible for damage caused to any other utilities located upon State Lands.

All covenants and agreements herein contained shall extend to and be obligatory upon the successors and assigns as the case may be of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Easement For Underground Utilities as of the day and year first above written.

LESSOR:

STATE OF NEVADA

LLC.

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**Division of State Lands** 

Bv:

PAMELA B. WILCOX

Administrator and Ex-Officio

State Land Registrar

LESSEE

CITY OF CARSON CITY

RÁY MASAYKÓ

Mayor

(SEAL)





1	STATE OF NEVADA )
2	CARSON CITY )
3	on April 11
4	2003, personally appeared before me, a notary public, PAMELA B. WILCOX, Administrator and Ex-Officio State Land Registrar, Division of State Lands, who
5	acknowledged that she executed the above instrument.
6	NOTARY PUBLIC
7	Commence of the NEW STREET
8	KIM NEUERBURG NOTARY PUBLIC - NEVADA Appt. Recorded in CARSON CITY
9	No 02-77971-3 My Appt. Exp. Oct. 4, 2006
10	
11	A DDD OVED
12	APPROVED: ATTEST:
13	STATE OF NEVADA  Department of Administration
14	Buildings and Grounds Division
15	Alan Glover,
16	By: All F-11 Carson City Clerk-Recorder
17	MICHAEL MEIZEL  Administrator
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21	APPROVED AND RECOMMENDED
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23	Lawrence A. Werner, P.E., R.L.S.
24	City Engineer
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DUPLICATE ORIGINAL

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APPROVED as to Form:

BRIANSANDOVAL

Attorned General

GEORGE TAYLOR

Deputy Attorney General

APPROVED as to Form:

Carson City District Attorney

Deputy District Attorney

# CARSON CITY PRODUCTION WELL #49 BELOW GROUND EASEMENT LEGAL DESCRIPTION EXHIBIT A

November 4, 2002

A parcel of land located within a portion of Section 17, Township 15 North, Range 20 East, MDM, Carson City, Nevada, being more particularly described as follows:

BEGINNING at a point on the Easterly right-of-way line of Stewart Street, which bears N. 72°04'01" E., 1823.23 feet from the Southwest corner of said Section 17;

thence East, 198.80 feet;

thence North, 18.27 feet to a point on the South line of APN 4-022-02 as shown on the Record of Survey Supporting a Boundary Line Adjustment for State of Nevada Division of State Lands, Document No. 136951 (Map 1967) of the Carson City Recorder's Office;

thence along said South line, S. 89°52′51" E., 10.73 feet to a point on the East line of the Reciprocal Parking & Access Easement as shown on said Record of Survey;

thence along said East line, S. 00°07'09" W., 24.59 feet;

thence West., 22.26 feet;

thence South, 3.65 feet;

thence West, 13.20 feet;

thence North, 2.83 feet;

thence West, 13.20 feet;

thence South, 2.83 feet;

thence West, 102.20 feet;

thence S. 00°07'16" W., 5.91 feet;

thence N. 89°59'47" W., 102.21 feet;

thence South, 8.11 feet;

thence West, 122.06 feet;

thence South, 2.89 feet;

thence West, 17.04 feet;

thence North, 6.90 feet;

thence East, 17.04 feet;

thence North, 4.09 feet;

thence East, 9.83 feet;

thence North, 7.55 feet;

thence West, 10.97 feet;

thence South, 5.55 feet;

thence West, 8.00 feet;

thence North, 5.55 feet;

thence West, 29.66 feet to a point on the East right-of-way line of Stewart Street; thence along said East right-of-way line N. 00°13'24" E., 8.35 feet to the POINT OF

BEGINNING.

Containing 3,300 square feet more or less.

#### Basis of Bearing

The South Line of the Southwest one-quarter of Section 17, Township 15 North, Range 20 East, MDM per the Record of Survey Supporting a Boundary Line Adjustment for State of Nevada Division of State Lands, Document No. 136951 (Map 1967), of the Carson City Recorder's Office, (N. 89°52'45" W.).

#### Per NRS 111.312, this legal description was prepared by:

Darryl M. Harris, P.L.S. # 6497 Resource Concepts, Inc. 340 North Minnesota Street Carson City, Nevada 89703 (775) 883-1600

