

**City of Carson City  
Agenda Report**

**Date Submitted:** September 8, 2014

**Agenda Date Requested:** September 18, 2014  
**Time Requested:** 5 minutes

**To:** Mayor and Supervisors

**From:** Public Works

**Subject Title:** For possible action: To extend a Lease entered into between the City and the Evans Broadcasting Company, Inc. (hereinafter "Lessee") for a period of three months under the same conditions to allow additional time to facilitate negotiations on a contract extension or termination. (Darren Schulz)

**Staff Summary:** The Board considered the issue on June 5, 2014 and extended the Lease for three months under the same conditions to help facilitate negotiations on a contract extension or termination. Staff has met with Mr. Evans and held several meetings in order to review potential locations for the relocation of the communication equipment. Research has been performed on multiple properties and Staff has eliminated several sites that were under consideration due to deed restrictions and other constraints. The damage caused by the recent flooding has required Staff to turn their full attention to the cleanup and repair of infrastructure damaged during the flood events. Staff is requesting a 3-month extension to facilitate continued negotiations on a contract extension or termination.

The Lease was entered into on July 15, 2004, was extended for 3 months and is set to expire on its own terms September 30, 2014. It pertains to Lessee's radio antenna array and associated building, which is situated on Carson City property occupied by the Public Works Department. Lessee employs nine residents of Carson City. The annual rent is \$6,139. Upon the termination of the Lease the Lessee would have 120 days to restore the premises to its pre-lease condition.

The current location of the Lessee's tower and facilities ties up approximately six acres of the Public Works Department's Corporate Yard. Public Works would like to, in the near future, set up a fleet fueling facility and will also face the need to expand the truck storage barn and other facilities. The Lessee's antenna tower array and buried radial ground system with guy wire supports and associated structures consume most of the leased area and hinder our ability to expand; additionally the Lessee's unlit radio antennas deter both med-evac and other transport helicopters from landing in the Public Works' Corporate Yard due to safety. The Corporate Yard is used as an emergency operations center as well as a Corporate Yard and will benefit from the ability to land helicopters on site.

**Type of Action Requested:** (check one)

Resolution                       Ordinance  
 Formal Action/Motion     Other (Specify)

**Does This Action Require A Business Impact Statement:**     Yes     No

**Recommended Board Action:** I move that the City offer to Lessee to extend the Lease term by three months, under the same terms and conditions to facilitate continued negotiations on a contract extension or termination.

**Explanation for Recommended Board Action:** If the suggested offer is made and not accepted by the Lessee the Lease will expire on September 30, 2014. A 3-month extension will provide time for negotiations on a contract extension or termination.

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

**Fiscal Impact:** N/A

**Explanation of Impact:** N/A

**Funding Source:** N/A

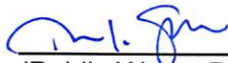
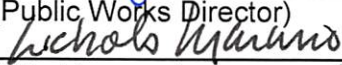

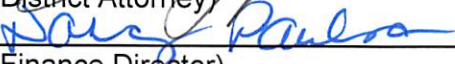
**Alternatives:**

1. Agree to offer the Lessee an extension of the Lease for any additional period of time and address or refuse to address rent.
2. Do nothing and allow the Lease to expire on September 30, 2014.

**Supporting Material:**

- Lease
- Aerial Photo of Property and vicinity

Prepared By: Darren Schulz PE, Public Works Director

 _____ (Public Works Director)	Date: <u>9/9/14</u>
 _____ (City Manager)	Date: <u>9/9/14</u>
 _____ (District Attorney)	Date: <u>9/9/14</u>
 _____ (Finance Director)	Date: <u>9/9/14</u>

**Board Action Taken:**

Motion: \_\_\_\_\_ 1: \_\_\_\_\_ Aye/Nay

2: \_\_\_\_\_

\_\_\_\_\_

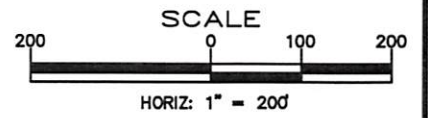
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\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)





APN none

APN \_\_\_\_\_

APN \_\_\_\_\_

RECORDED AT THE  
REQUEST OF

CARSON CITY CLERK TO  
THE BOARD

2004 OCT -1 PM 3:46

FILE NO. **325917**

ALAN GLOVER  
CARSON CITY RECORDER

FEE \$ 116 DEP. 20

FOR RECORDER'S USE ONLY

TITLE OF DOCUMENT:

KPTL Tower Site Lease

WHEN RECORDED MAIL TO:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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1           4.    TAXES, UTILITIES:       LESSEE shall pay all real property taxes assessed by the  
2 Carson City Assessor pursuant to NRS 361. 157 when the same shall be due. All charges for water  
3 service provided by the Carson City Water Department shall be paid when due and payable by  
4 LESSEE.

5           5.    MAINTENANCE:   LESSEE will keep the premises, including any access road,  
6 parking area, lawn, plants, shrubs and grounds clean and neat in appearance and free of trash, refuse  
7 and snow.

8           6.    USE, SUB-LETTING:   LESSEE will use the premises primarily to operate  
9 thereon a radio broadcasting station and/or transmitter (tower) site and will not conduct thereon another  
10 business except as correlated with and incidental thereto. LESSEE may not contract any obligation  
11 for which LESSOR may become liable or commit or permit any waste or activity on the premises in  
12 violation of any law, ordinance or covenant. LESSEE may not, without LESSOR's prior written  
13 consent, sublet any portion of the premises. LESSOR's consent to sublet will not be unreasonably  
14 withheld.

15          7.    ENTRY:       LESSOR, its employees and agents, may, without interfering with or  
16 inconveniencing LESSEE's use or occupation thereof, enter upon the premises at any time for the  
17 purpose of inspection and compliance with the terms of this Lease.

18          8.    BUILDINGS, FIXTURES:       LESSEE may construct and install buildings and  
19 fixtures after securing all appropriate permits, access roads and parking areas, convenient to its  
20 business, but shall remove same at or before 120 days after the termination hereof, and reasonably  
21 restore the premises to the condition in which they were before the installation thereof.

22          9.    INDEMNITY AND INSURANCE:       LESSOR shall not be liable to LESSEE,  
23 its employees, or to any other person whatsoever for any injury (including death) or damage to property  
24 by or from any cause whatsoever while in or upon the leased premises and the LESSEE agrees that it  
25 will indemnify and hold the LESSOR harmless from and defend the LESSOR against any and all  
26 actions or claims for any such injury or damage to any person or property whatsoever occurring in or  
27 on the premises or occurring as a result of the use by the LESSEE of any of the facilities or equipment  
28 and property situated thereon. LESSEE shall, at all times during the term of this Lease, keep in force

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1 and effect a policy of public liability insurance protecting and insuring both the LESSOR and LESSEE  
2 for injuries to both persons and property occurring upon the demised premises providing for a  
3 minimum coverage of One Million Dollars. LESSEE shall deliver a copy to LESSOR of a certificate  
4 of insurance as evidence that said insurance is in full force and effect as provided herein prior to the  
5 effective date of this Lease and annually thereafter on renewal of said public liability.

6 10. **DEFAULT:** Upon default in the payment of the rental as herein provided, LESSEE  
7 shall have five (5) days after written notice has been sent to LESSEE to pay all sums due according to  
8 the terms herein. Should LESSEE fail to pay said rental after notice has been given as provided herein  
9 the LESSEE's right to possession shall cease and this Lease shall terminate as of the date set forth in  
10 said notice. On the date of termination caused by a failure to pay rent, the LESSEE shall pay all rents  
11 owed. A failure to pay all rents owed on the date of termination will result in interest accruing, as  
12 liquidated damages, on the amount owed from the termination date until paid. The rate shall be an  
13 annual percentage rate of twelve percent (12%). In the event of the failure of LESSEE to perform any  
14 other provision agreed to be performed by LESSEE herein, the LESSOR shall have written notice of  
15 such failure in writing. Upon the failure to correct the violation as set forth in the notice within fifteen  
16 (15) days from the date of said notice this Lease shall be terminated and all prepaid rentals will be  
17 retained by the LESSOR as liquidated damages, actual damages being difficult if not impossible to  
18 ascertain.

19 11. **MODIFICATION:** This Lease embodies the full understanding of the parties.

20 12. **BENEFIT:** The provisions hereof bind and inure to the benefit of the heirs, legal  
21 representatives, successors and assigns of each party.

22 13. **ATTORNEY'S FEES:** In the event a party must retain counsel to enforce their  
23 rights hereunder, the prevailing party shall be entitled to reasonable attorney's fees and cost of suit.

24 14. **EXTENSION OF LEASE:** The parties may mutually agree to extend the terms of this  
25 Lease for two ten (10) year terms subject to renegotiation of Paragraph 3 (rent).

26 15. **ASSIGNMENT OF LEASE:** LESSEE may assign this Lease only with the prior  
27 written consent of LESSOR, such consent not to be unreasonably withheld.

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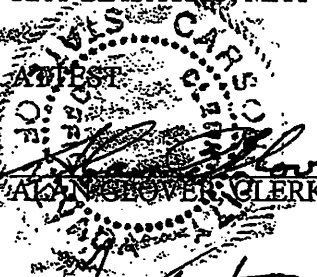


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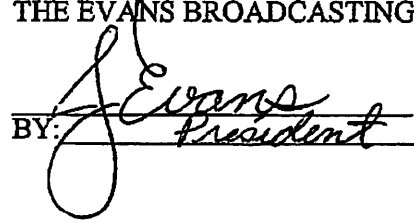
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16. **CHOICE OF LAW:** Interpretation of the Lease shall be governed by Nevada Law.

17. **NOTICE:** Any and all notices or changes of address should be sent to:  
CARSON CITY THE EVANS BROADCASTING COMPANY, INC.  
201 N. Carson St. 1960 Idaho Street  
Carson City, NV 89701 Carson City, NN 89701

IN WITNESS WHEREOF, LESSEE has caused its corporate name to be subscribed and its seal to be affixed, by its duty authorized officers, and LESSOR has caused its name to be subscribed pursuant to a proper motion of the Board of Supervisors at a regular meeting, on the 15<sup>th</sup> day of July, 2004.

CARSON CITY  
  
RAY MASAKKO, MAYOR  
  
ALAN GILBERT, CLERK/RECORDER  
  
TOM MINTON, FINANCE DIRECTOR  
  
TONY BAKER, RISK MANAGEMENT

THE EVANS BROADCASTING COMPANY, INC.  
  
BY: J. Evans  
President

Approved as to legal form:  
NOEL S. WATERS  
District Attorney

By:   
MELANIE BRUKETTA  
Deputy District Attorney

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