

LATE MATERIAL

Meeting Date: 05/05/16

Item#: 24B

Highway Agreement No. R159-97-050

*O. Andy
Buenhan*

INTERLOCAL AGREEMENT

THIS AGREEMENT, made and entered into the 1st day of April, 1997 by and between the STATE OF NEVADA, Department of Transportation, hereinafter referred to as "NDOT"; CARSON CITY, Nevada, a consolidated municipality under the Nevada Revised Statutes, hereinafter referred to as "CARSON".

WITNESSETH:

WHEREAS, the parties are authorized by Chapter 277 of Nevada Revised Statutes to enter into agreements to perform any governmental service, activity or undertaking which any one or more of the agencies are authorized by law to perform; and

WHEREAS, the parties desire to construct the Carson City Bypass, a limited access freeway facility, which will ultimately bypass downtown Carson City, Nevada on the east side of Carson City from US 395 north at Lakeview Hill to the intersection of US 395/US 50 south, hereinafter referred to as "BYPASS"; and

WHEREAS, the BYPASS will be constructed in phases, with the first phase being Phase I which includes preliminary engineering, right of way acquisition, construction, and construction engineering of the portion from Lakeview Hill to US 50 east (as shown and described in Attachment A); hereinafter referred to as "PHASE I". This Agreement is for the purpose of addressing CARSON's financial contribution to PHASE I of the BYPASS. Subsequent phases will be addressed when funding sources are identified; and

WHEREAS, the NDOT Board of Directors approved funding for PHASE I on September 16, 1996 only with the contingency that CARSON contribute \$19 million from a combination of cash or debt principal repayment plus interest; and

WHEREAS, CARSON intends to fund this obligation through a \$.05 increase in the county motor vehicle fuel tax, hereinafter referred to as "TAX", to be approved by the Carson Board of Supervisors, pursuant to Chapter 373 of the Nevada Revised Statutes; and

WHEREAS, construction of PHASE I will be of great benefit to NDOT and CARSON, and the citizens of Carson City by starting the BYPASS which will eventually ease congestion through Carson City by providing a more convenient route through Carson City other than signalized Carson Street, and the BYPASS will also assist in NDOT's continuing obligation for operation of an efficient State Highway System.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein, it is hereby agreed by and between the parties as follows:

ARTICLE I

NDOT AGREES to do the following:

1. To set up two (2) accounts: a.) the project account to account for all revenue and expenses related to PHASE I, and b.) a deferred revenue account to hold CARSON funds until NDOT incurs costs.
2. To prepare or have prepared by others, the design and construction contract documents for PHASE I. The design will be done to NDOT standards and specifications.
3. To allow CARSON to review PHASE I plans, specifications and estimates at the 50%, 90%, and 100% design stages. NDOT will also furnish three sets to CARSON of final construction plans and specifications.
4. To advertise and award a construction contract for PHASE I, and to provide contract administration, construction engineering services, construction inspection, materials and fabrication sampling, testing, and analysis. The construction will be done to NDOT standards and specifications. NDOT will not advertise for PHASE I construction until after November 1998.
5. To retain ownership and maintenance responsibility of PHASE I, except as specified in paragraphs 2 and 3 under ARTICLE II.

6. To pay PHASE I project costs, in excess of CARSON's obligation as outlined in paragraph 2, under ARTICLE III.

7. To receive monthly TAX payments from CARSON and deposit them into a deferred revenue holding account to be disbursed as provided in paragraphs 3, 4, and 5 of ARTICLE III. After the provisions of paragraph 3 of ARTICLE III have been satisfied and the project has been advertised for the construction contract, the monthly TAX payments will be deposited directly into the PHASE I project account.

ARTICLE II

CARSON AGREES to do the following:

1. To develop and maintain a method, acceptable to NDOT, to identify and segregate the TAX from other gas taxes distributed monthly to CARSON from the Nevada Department of Taxation.

2. To continue ownership and maintenance responsibilities of all CARSON cross streets as they pass through the PHASE I right of way corridor.

3. To be responsible for the operation and maintenance of all signal systems (on College Parkway and US-50 East) after completion of the PHASE I project in a satisfactory manner to NDOT, and without cost to NDOT except when the costs of replacement necessary for major equipment repairs of signal systems due to accidental damage exceed \$1000.00 and are unrecoverable by insurance or other means. Then NDOT's participation is One Hundred Percent (100%) of the cost of major equipment items replaced. Major equipment items are limited to the controller, poles, mast arms and signal heads.

ARTICLE III

IT IS MUTUALLY AGREED

1. The term of this Agreement shall begin with the date first entered on page one and shall continue until such time as CARSON's obligation described in paragraph 2 of this ARTICLE has been satisfied. The total length of time will vary depending upon the length of bonds that may be issued by NDOT.

2. Starting with the receipt of the first monthly TAX distribution from the Department of Taxation to CARSON estimated to be in late June 1997, CARSON shall pay 100% of the TAX

to NDOT until the costs described in paragraphs 3 and 4 of this ARTICLE are paid in full. CARSON's anticipated entire obligation under this agreement is expected to be approximately \$23,000,000. This is an estimate only and actual value may increase or decrease. CARSON will continue to be responsible for entire obligation. This estimate is based upon cash collections detailed in paragraph 3 of this ARTICLE, an approximate \$16 million ten-year bond issue; and bond market interest rates in effect for the State of Nevada as of the date of signing this Agreement, as illustrated in Attachment B. If bonds are issued, this maximum amount will be revised to reflect the length of the bond issue, if different, and the actual interest rates incurred.

3. Beginning with the June 1997 TAX payment received pursuant to paragraph 2 of this ARTICLE and continuing through the November 1998 payment, or advertisement of the PHASE I construction contract, whichever is later, all proceeds of TAX received by NDOT will be used to fund preliminary engineering and final design costs incurred during this phase of the PHASE I development. These costs include, but are not limited to: hydraulic, environmental, structural, and roadway designs; materials and geotechnical studies; survey and mapping; utility engineering; and environmental and hydraulic mitigation, as are needed for this project. As these costs are incurred, the amount necessary to cover them will be transferred from the deferred revenue holding account into the project account.

4. After November 1998, or advertisement of the PHASE I construction contract, whichever is later; the TAX payments received pursuant to paragraph 2 of this ARTICLE will be applied towards NDOT's PHASE I construction funding obligations. The TAX receipts will be deposited directly into the PHASE I project account. After the project has been advertised for the construction contract, any TAX not needed to satisfy the requirements of paragraph 3 of this ARTICLE that is remaining in the deferred revenue holding account will be transferred to the project account and applied towards the requirements of this paragraph. If, at any point during the repayment life of bonds that may be issued under this Agreement by NDOT, the proceeds from TAX are less than needed to cover the annual interest and principal repayment of CARSON's obligation, the shortage will be recorded each year as due from Carson City. After the bonds have been fully repaid, the TAX payments will continue to be made to NDOT until the amount due from Carson City has been paid in full.

5. If prior to the day of advertisement for the construction contract for PHASE I CARSON notifies NDOT in writing of its desire to repeal the TAX, NDOT will cease all work on the PHASE I project immediately and terminate this Agreement. All TAX given to NDOT by CARSON up to the time of termination will be used to fund the costs specified in paragraph 3 of this ARTICLE. NDOT will not reimburse CARSON for any TAX funds received after termination for work completed prior to termination. If a balance of TAX remains in the deferred revenue holding account after funding the costs identified in paragraph 3, it will be returned to CARSON. CARSON shall not reimburse NDOT for any deficit of TAX remaining in the deferred revenue holding account after funding the costs identified in Paragraph 3, should the TAX be repealed. If this Agreement is terminated pursuant to the provisions of this paragraph, construction and any remaining preliminary engineering on PHASE I will not occur until another funding source becomes available and the BYPASS has been approved by NDOT under NDOT's usual project approval and prioritization process.

6. CARSON's obligation under this Agreement is a special obligation payable solely from the proceeds of the county motor vehicle fuel tax (NRS 373) and does not constitute a general obligation of CARSON.

7. If construction has begun and TAX is still in effect, this agreement shall not be terminated until the obligation of CARSON has been satisfied.

8. NDOT and CARSON will work together as a team in resolving critical issues.

9. All written notices required under this Agreement shall be delivered to:

NDOT: Thomas E. Stephens, P.E., Director
c/o Susan Martinovich
1263 S. Stewart
Carson City, NV 89712
(702) 888-7440

CARSON: John Berkich, City Manager
City of Carson City
2621 Northgate Lane, Suite 66
Carson City, NV 89706

10. Each respective party agrees to indemnify and hold harmless the other party to the extent provided by law, including but not limited to Nevada Revised Statutes Chapter 41, from and against any liability arising out of the performance of the Agreement proximately caused by any act or omission of its officers, agents and employees.

11. It is not intended, and this Agreement shall not be construed, to provide any person or entity not a party to this Agreement with any benefits or cause of action or to obligate the parties of this Agreement to any entity or person not a party of this Agreement.

12. If any action is required to enforce the provisions of this Agreement, the breaching party shall pay all reasonable expenses of the non-breaching party incurred thereby, including but not limited to, attorney's fees, and interest at the legal rate.

13. The illegality or invalidity of any provision or portion of the Agreement shall not affect the validity of any remaining provision.

14. The laws of the State of Nevada shall be applied in interpreting and construing this Agreement.

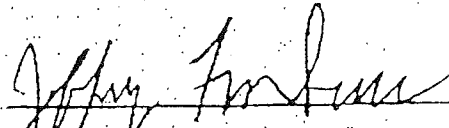
15. This Agreement shall constitute the entire understanding between the parties, and no modification shall be binding unless in writing and signed by all parties.

16. The failure of either party to perform any conditions required to be performed under this Agreement is a default. If a default occurs, the defaulting party shall be given a written notice within one week following the default, and specifying the default. At the expiration, no more than sixty (60) days following receipt of notice of default, the period granted by the non-defaulting party to cure the default, this Agreement may be terminated at the option of the non-defaulting party. If the defaulting party cures a default within the time allowed, that party shall reimburse the non-defaulting party for any amount expended in connection with the cure. The rights and remedies of parties set forth herein are in addition to any other right and remedy now and hereinafter provided by law. All rights and remedies shall be cumulative and not exclusive of each other. No delay or omission by a non-defaulting party in exercising a right or remedy shall exhaust or impair the same or constitute a waiver of, or acquiescence to, a default. No waiver of a default shall extend to or affect any other default or impair any right or remedy with respect thereto. No waiver of a default will be effective, unless it is in writing.

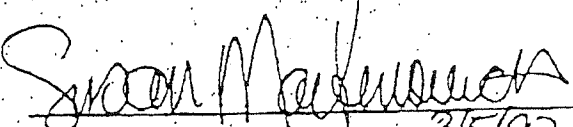
IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the duly authorized representatives on the day first written.

STATE OF NEVADA

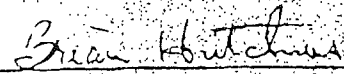
DEPARTMENT OF TRANSPORTATION:

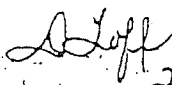
for 
Thomas E. Stephens, P.E. Dated
Director

Reviewed and Recommended:

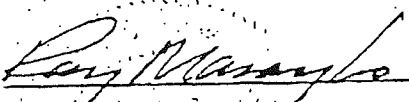

Susan Martinovich 3/5/97
Assistant Director, Engineering Dated

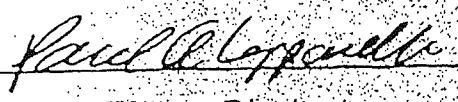
Approved as to Legality and Form:


 2/25/97
Deputy Attorney General Dated


2-10-97

CARSON CITY:

 2/6/97
Ray Masayko, Mayor Dated

 2/6/97
Noel S. Waters, District Attorney Dated
by Deputy Paul Lipparelli

 2/6/97
Alan Glover, Clerk Recorder Dated

ATTACHMENT A

Phase I Description:

Northend Connection at Duck Hill to US 50 East - 3.8 miles
This is a full freeway facility. (The modified version at the September board meeting presented a signal at College Parkway)
The only exception to the Department's normal Freeway construction is the structural section. The roadway surface will be asphalt paving instead of concrete paving and will only be four travel lanes. Future construction will modify this to six lanes of concrete surface, when the need arises. This decision was made to keep initial costs down. The fill material will be place for the full width with future widening planned for the median. The structures will be designed and constructed to full width and freeway standards.

This phase will include:

- Northend connection
- Grade Separation at Northbound US-395
- Grade Separation at Arrowhead Drive
- Realign Arrowhead Drive
- Frontage Road - Realign Imus Road
- Grade Separation at Northgate Lane
- Grade Separation at Emerson Drive
- Interchange at College Parkway
- Grade Separation at Carmine Street
- Frontage road - Realign Lompa Lane
- Ramp tie-ins to US 50 with signals

NEVADA DEPARTMENT OF TRANSPORTATION
 CARSON CITY BYPASS PHASE I ANALYSIS
 PROJECTED MOTOR VEHICLE FUEL TAX AND DEBT SERVICE COVERAGE
 USING 1997 BOND MARKET INTEREST RATES

(AMOUNTS WILL BE REVISED WHEN ACTUAL BOND SALES ARE KNOWN)

Fiscal Year	Balance	Principal	Interest	Projected (A) Interest Rate	Total Debt Service	Fiscal Year	Annual Gas Tax Receipts	Transfer Amount	Debt Serv (Shortag)
TEN YEAR BONDS									
(Bond Sale)	1999	16,282,355				1997	697	149,418	
Year 1	2000	14,654,120	1,628,236	626,871	3.85%	2,255,106	1998	1,776,928	
Year 2	2001	13,025,884	1,628,236	600,819	4.10%	2,229,054	1999	798-11/98	791,299
Year 3	2002	11,397,649	1,628,236	560,113	4.30%	2,188,349	1999	12/98-6/99	1,034,494
Year 4	2003	9,769,413	1,628,236	512,892	4.50%	2,141,130	2000		1,876,002
Year 5	2004	8,141,178	1,628,236	459,162	4.70%	2,087,398	2001		1,927,592
Year 6	2005	6,512,942	1,628,236	390,777	4.80%	2,019,012	2002		1,980,601
Year 7	2006	4,884,707	1,628,236	319,134	4.90%	1,947,370	2003		2,035,068
Year 8	2007	3,256,471	1,628,236	244,235	5.00%	1,872,471	2004		2,091,032
Year 9	2008	1,628,236	1,628,236	167,708	5.15%	1,795,944	2005		2,148,535
Year 10	2009	0	1,628,236	85,482	5.25%	1,713,718	2006		2,207,620
							2007		2,268,330
							2008		2,330,709
							2009		2,394,803
							2010		2,460,660
							2011		2,528,379
							2012		2,597,858
							2013		2,669,299
							2014		2,742,704
							2015		2,818,129
							2016		2,895,677
									43,725,037
									20,249,551
Costs of ten year bond issue						20,249,551			
First twenty months preliminary engineering & design						2,717,645			
Total of tax proceeds to be transferred						22,967,196			

Fiscal Year	Balance	Principal	Interest	Projected (A) Interest Rate	Total Debt Service	Fiscal Year	Annual Gas Tax Receipts	Transfer Amount	Debt Serv (Shortag)
FIVE YEAR BONDS									
(Bond Sale)	1999	16,282,355				1997	497-6/97	149,418	
Year 1	2000	14,654,120	1,628,236	626,871	3.85%	1,883,342	1998	1,776,928	
Year 2	2001	13,025,884	1,628,236	514,061	4.10%	1,790,532	1999	798-11/98	791,299
Year 3	2002	11,397,649	1,628,236	470,085	4.30%	1,672,356	1999	12/98-6/99	1,034,494
Year 4	2003	9,769,413	1,628,236	393,082	4.50%	1,549,553	2000		1,876,002
Year 5	2004	8,141,178	1,628,236	319,054	4.70%	1,409,323	2001		1,927,592
							2002		1,980,601
							2003		2,035,068
							2004		2,091,032
							2005		2,148,535
							2006		2,207,620
							2007		2,268,330
							2008		2,330,709
							2009		2,394,803
							2010		2,460,660
							2011		2,528,379
							2012		2,597,858
							2013		2,669,299
							2014		2,742,704
							2015		2,818,129
							2016		2,895,677
									43,725,037
									18,309,508
Costs of five year bond issue						18,309,508			
First twenty months preliminary engineering & design						2,717,645			
Total of tax proceeds to be transferred						21,027,153			

(A) - Projected by State of Nevada financial advisors in today's market

Highway Agreement No. R386-04-002

INTERLOCAL AGREEMENT
Amendment 1 to Agreement No. R159-97-060

THIS AGREEMENT, made and entered into the 14th day of Oct., 2004, by and between the STATE OF NEVADA, Department of Transportation, hereinafter referred to as "NDOT"; and CARSON CITY, Nevada, a consolidated municipality under the Nevada Revised Statutes, hereinafter referred to as "CARSON".

WITNESSETH:

WHEREAS, the parties are authorized by Chapter 277 of the Nevada Revised Statutes to enter into Agreements to perform any governmental service, activity or undertaking which any one or more of the agencies are authorized by law to perform; and

WHEREAS, the parties desire to construct the Carson City Freeway, a limited access freeway facility, which will ultimately bypass downtown Carson City, Nevada on the east side of Carson City from US 395 north at Lakeview Hill to the intersection of US 395/US 50 Spooner Intersection hereinafter referred to as "CARSON CITY FREEWAY"; and

WHEREAS, the CARSON CITY FREEWAY will be constructed in phases, with the first phase, PHASE 1 - Lakeview Hill to US 50 East, currently under construction. This Agreement is for the purpose of addressing construction of PHASE 2 - US 50 East to US 395/US 50 Spooner Intersection; providing for PHASE 2 to be divided into two sub phases; providing for CARSON to improve Fairview Drive; and for addressing CARSON's financial contribution to PHASE 2 of the CARSON CITY FREEWAY; and

WHEREAS, CARSON intends to contribute \$15,000,000 (Fifteen Million Dollars) for PHASE 2 of the CARSON CITY FREEWAY through a \$.03 levy in the county motor vehicle fuel tax, hereinafter referred to as "TAX", to be approved by the Carson City Board of Supervisors, pursuant to Chapter 373 of the Nevada Revised Statutes; and

WHEREAS, this Agreement will also amend Agreement No. R159-97-060 (Attachment A) to allow a three-year temporary suspension of the payment addressed in Agreement No. R159-97-060, in order for CARSON to use the funds to improve Fairview Drive and to clarify the funding obligation amount for PHASE 1; and

WHEREAS, construction of PHASE 2 will be of great benefit to NDOT and CARSON, and the citizens of Carson City by completing the CARSON CITY FREEWAY which will eventually ease congestion through Carson City by providing a more convenient route through Carson City other than signalized Carson Street, and the CARSON CITY FREEWAY will also assist in NDOT's continuing obligation for operation of an efficient State Highway System.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein, it is hereby agreed by and between the parties as follows:

ARTICLE I

NDOT AGREES to do the following:

1. To account for all revenue and expenses related to PHASE 2.
2. To prepare or have prepared by others, the design and construction contract documents for PHASE 2 improvements. To exercise the utmost due diligence in good faith to advertise for construction the segment from US 50 East to Fairview Drive, hereinafter referred to as PHASE 2A, on or about February 28, 2006. To exercise the utmost due diligence in good faith to complete the balance of construction to open to through traffic of PHASE 2, Fairview Drive to US 395/US 50 Spooner Intersection, hereinafter referred to as PHASE 2B, on or about December 31, 2010. Nothing in this Paragraph restricts NDOT from completing the Carson City Freeway earlier than the dates noted above.
3. To allow CARSON to review PHASE 2 plans, specifications and estimates at the 60%, 90%, and 100% design stages. NDOT will also furnish three sets to CARSON of final construction plans and specifications.
4. To advertise and award construction contracts and to provide contract administration, construction engineering services, construction inspection, materials and fabrication sampling, testing, and analysis. The design and construction will be done to NDOT standards and specifications.
5. To retain ownership and maintenance responsibility of PHASE 2, except as specified in ARTICLE II, Paragraphs 2 and 3.
6. To receive monthly TAX payments from CARSON as depicted in Attachment B, and deposit them into the PHASE 2 project account. Receipt of TAX shall begin after full payment of the funding obligation for PHASE 1, estimated to be in 2011 as prescribed in Highway Agreement No. R159-97-060 and amended herein.
7. NDOT agrees to defer payment by CARSON of the current \$0.05 tax as defined in Agreement No. R159-97-060 from the period beginning July 1, 2005 through June 30, 2008, to allow CARSON to utilize the payments for the Fairview Drive improvements as specified in ARTICLE II, Paragraph 3.

ARTICLE II

CARSON AGREES to do the following:

1. To utilize methods developed in Agreement No. R159-97-060 to maintain a process, acceptable to NDOT, to identify and segregate the TAX from other gas taxes distributed monthly to CARSON from the Nevada Department of Taxation.
2. To continue ownership and maintenance responsibilities of all CARSON cross streets as they pass through the PHASE 2 right of way corridor.

3. To construct Fairview Drive to a minimum of four through lanes with turn lanes, from the terminus of PHASE 2A at Fairview Drive to US 395/Carson Street, including necessary improvements to the Fairview/Carson Street intersection, prior to completion of construction to open to traffic of PHASE 2A, and to continue to be responsible for maintenance of Fairview Drive.
4. Carson shall pay to NDOT an amount of \$15,000,000, with payments beginning upon completion of the funding obligation for PHASE I of the freeway as prescribed in Highway Agreement No. R159-97-060 and amended herein, estimated to start in 2011 and finish in 2026 as shown in Attachment B. For PHASE 2, CARSON shall pay the TAX based on a \$.03 levy in the county motor vehicle fuel tax.

ARTICLE III

IT IS MUTUALLY AGREED:

1. The term of this Agreement shall begin with the date first entered on page one and shall continue until such time as CARSON's obligation described in ARTICLE II, paragraph 4 has been satisfied. The total length of time will vary depending upon the amount of collection of the TAX.
2. It is further agreed that CARSON will assume ownership and maintenance responsibility for Carson Street from approximately Arrowhead Drive in the north to the intersection of the CARSON CITY FREEWAY at the Spooner Intersection to the south, upon construction completion and opening to through traffic for PHASE 2. CARSON will assume ownership of the segment from Arrowhead Drive in the north to Fairview Drive in the south if there is a delay in completion of Phase 2 beyond 2010, and upon completion of final payment for Phase 1, anticipated in 2011. The remaining segment from Fairview Drive to the intersection of the CARSON CITY FREEWAY at the Spooner Intersection to the south will be accepted upon construction completion and opening to through traffic for PHASE 2. NDOT will rehabilitate the Carson Street pavement within these limits not more than two years prior to relinquishment. The rehabilitation will be the most appropriate pavement surfacing strategy in accordance with current NDOT standards, but at a minimum a 2-inch overlay.
3. Paragraph 2 of ARTICLE III of Agreement R159-97-060 is replaced with the following: "2. Starting with the receipt of the first monthly TAX distribution from the Department of Taxation to CARSON estimated to be in late June 1997, CARSON shall pay 100% of the TAX to NDOT until the costs described in paragraphs 3 and 4 of this ARTICLE are paid in full. CARSON's obligation under this agreement is \$19,000,000 (Nineteen Million Dollars)."
4. Should the opening of the final phase of PHASE 2 to through traffic be delayed beyond December 31, 2010, CARSON's payments of the TAX to NDOT will be limited to the amount of \$5,000,000 (Five Million Dollars). CARSON will resume payment on the obligation of TAX payments of the remaining \$10,000,000, upon opening to through traffic of the final phase of PHASE 2.

5. Nothing in this Agreement will preclude CARSON from making a written request to assume the ownership and maintenance of any segment of Carson Street at a time earlier than the obligations under this agreement. Relinquishment of Carson Street will be facilitated through the NDOT surplus property disposal process and the Transportation Board of Directors' approval.
6. CARSON's obligation under this Agreement is a special obligation payable solely from the proceeds of the county motor vehicle fuel tax (NRS 373) and does not constitute a general obligation of CARSON.
7. NDOT and CARSON will work together as a team in resolving critical issues.
8. This agreement is based on an estimated construction cost of \$120 million to complete PHASE 2B as described in Attachment C. If before NDOT advertises a project to complete PHASE 2B it is determined the total PHASE 2B construction costs are expected to exceed \$120 million as a result of scope changes to the project by CARSON, NDOT may renegotiate CARSON's contribution. If NDOT and CARSON cannot reach an agreement regarding CARSON's additional contributions, then NDOT may eliminate all or portions of the additional project improvements added by CARSON prior to advertisement.
9. NDOT and CARSON will enter into a separate agreement to address CARSON's responsibilities for the operations and maintenance of signal systems resulting from the CARSON CITY FREEWAY, the maintenance of the 5th Street linear ditch path, the landscaping, and the multi-use path. NDOT and CARSON will work cooperatively toward accommodation of a multi-use path for possible inclusion in the future by CARSON, and at CARSON's sole expense, to the extent feasible and without increasing right-of-way needs to the CARSON CITY FREEWAY. Carson may apply for enhancement funds for the path.
10. All written notices required under this Agreement shall be delivered to:

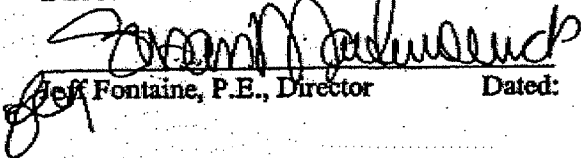
NDOT: Jeff Fontaine, P.E., Director
1263 S. Stewart St.
Carson City, NV 89712
(775) 888-7440

CARSON: Linda Ritter, City Manager
City of Carson City
201 N. Carson St., Suite 2
Carson City, NV 89701
(775) 887-2100
11. Each respective party agrees to indemnify and hold harmless the other party to the extent provided by law, including but not limited to Nevada Revised Statutes Chapter 41, from and against any liability arising out of the performance of the Agreement proximately caused by any act or omission of its officers, agents and employees.
12. It is not intended, and this Agreement shall not be construed, to provide any person or entity not a party to this Agreement with any benefits or cause of action or to obligate the parties of this Agreement to any entity or person not a party of this Agreement.

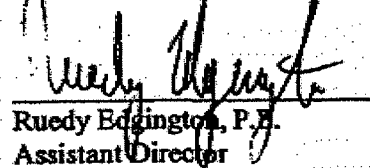
13. If any action is required to enforce the provisions of this Agreement, the breaching party shall pay all reasonable expenses of the non-breaching party incurred thereby, including but not limited to, attorney's fees, and interest at the legal rate.
14. The illegality or invalidity of any provision or portion of the Agreement shall not affect the validity of any remaining provision.
15. The laws of the State of Nevada shall be applied in interpreting and construing this Agreement.
16. This Agreement shall constitute the entire understanding between the parties, and no modification shall be binding unless in writing and signed by all parties.
17. The failure of either party to perform any conditions required to be performed under this Agreement is a default. If a default occurs, the defaulting party shall be given a written notice within one week following the default, and specifying the default. At the expiration, no more than sixty (60) days following receipt of notice of default, the period granted by the non-defaulting party to cure the default, this Agreement may be terminated at the option of the non-defaulting party. If the defaulting party cures a default within the time allowed, that party shall reimburse the non-defaulting party for any amount expended in connection with the cure. The rights and remedies of parties set forth herein are in addition to any other right and remedy now and hereinafter provided by law. All rights and remedies shall be cumulative and not exclusive of each other. No delay or omission by a non-defaulting party in exercising a right or remedy shall exhaust or impair the same or constitute a waiver of or acquiescence to a default. No waiver of a default shall extend to or affect any other default or impair any right or remedy with respect thereto. No waiver of a default will be effective, unless it is in writing.
18. Neither party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder for any reason beyond its control, including, without limitation, limitations of funding, unabateable environmental impacts, unattainable right-of-way acquisition, government or tribal conflicts, strikes, acts of God, civil or military authority, act of public enemy, or accidents, fires, explosions, earthquakes, floods, winds, failure of public transportation, or any other similar serious cause beyond the reasonable control of either party. 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 promptly to perform in accordance with the terms of the Agreement after the intervening cause ceases.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the duly authorized representatives on the day first written.

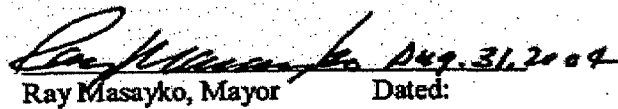
STATE OF NEVADA
DEPARTMENT OF TRANSPORTATION:


Jeff Fontaine, P.E., Director Dated:

Reviewed and Recommended:

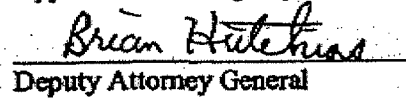

Ruedy Edgington, P.E.
Assistant Director

CARSON CITY:


Ray Masayko, Mayor Dated: 049.31.2004


Alan Glover, Clerk Recorder Dated: 8/31/04

Approved as to Legality and Form:


Deputy Attorney General


Nodj S. Waters, District Attorney

Amendment No. 2 To
Highway Agreement No. R159-97-060 As Amended By
Highway Agreement R386-04-002

This Amendment is made and entered into this 27th day of December, 2007, between the State of Nevada, Department of Transportation, hereinafter referred to as "NDOT", and Carson City, Nevada, a consolidated municipality under the Nevada Revised Statutes, hereinafter referred to as "CARSON".

WITNESSETH:

WHEREAS, on April 1, 1997 the parties hereto entered into Agreement No. R159-97-060 to facilitate the construction of the Carson City Bypass, a limited access freeway facility passing downtown Carson City, Nevada on the east side of Carson City, from US-395 north at Lakeview Hill to the intersection of US 395/US 50 south; and

WHEREAS, Agreement No. R159-97-060 provides for the construction of the Carson City Bypass to be undertaken in phases, with its Phase I to include preliminary engineering, right of way acquisition, construction and construction engineering of that portion from Lakeview Hill to US 50 east; and

WHEREAS, the purpose of Agreement No. R159-97-060 is to address CARSON's financial contribution to Phase I of the Carson City Bypass; and

WHEREAS, Agreement No. R159-97-060 provides that NDOT's Board of Directors approved funding for Phase I of the Carson City Bypass on September 16, 1996, only with the contingency that CARSON contribute Nineteen Million And 00/100 Dollars (\$19,000,000.00) from a combination of cash or debt principal repayment plus interest; and

WHEREAS, Agreement No. R159-97-060 provides that CARSON intends to fund its obligation through an increase in the county motor vehicle fuel tax, to be approved by the Carson Board of Supervisors, pursuant to Chapter 373 of the Nevada Revised Statutes; and

WHEREAS, on October 14, 2004, the parties hereto entered into Highway Agreement No. R386-04-002, Amendment No. 1 to Agreement No. R159-97-060, for the purpose of addressing construction of Phase 2 of the Carson City Freeway (Carson City Bypass) and addressing CARSON's financial contribution to Phase 2 ; and

WHEREAS, one of the purposes of Highway Agreement No. R386-04-002 is to amend Agreement No. R159-97-060, to allow a three year temporary suspension of CARSON's payment addressed in Agreement No. R159-97-060, in order for CARSON to use the funds to improve Fairview Drive, and in order to clarify CARSON's funding obligations for Phase I; and

WHEREAS, Highway Agreement No. R386-04-002 provides that NDOT agrees to defer CARSON's payment of the tax as defined in Agreement No. R159-97-060, from July 1, 2005 through June 30, 2008, to allow CARSON to utilize the payments for Fairview Drive improvements; and

WHEREAS, the construction of Phase I of the Carson City Bypass/Carson City Freeway is of great benefit to NDOT and CARSON, and the citizens of Carson City, by providing a more convenient route through Carson City, other than signalized Carson Street, and also assists NDOT in its continuing obligation for the operation of an efficient State highway system; and

WHEREAS, the parties desire to modify CARSON's remaining Phase I funding obligations described in Highway Agreement No. R159-97-060, as amended by Agreement No. R386-04-002, whereby: (a) NDOT shall relinquish to CARSON those certain portions of State highways as identified and shown in Attachment "A", attached hereto and incorporated herein, together with all of their attendant maintenance responsibilities; and (b) by virtue of the financial savings accruing to NDOT through CARSON's acceptance and undertaking of ownership and maintenance responsibilities of said certain portions of State highways, said relinquishment shall constitute the fulfillment of CARSON's remaining funding obligations for PHASE 1 of the Carson City Bypass/Carson City Freeway required by Highway Agreement No. R159-97-060, as amended by Agreement No. R386-04-002; and

WHEREAS, NRS 408.527 provides a procedure for the relinquishment of portions of State highways; and

WHEREAS, the parties hereto desire to defer until July 1, 2009, the commencement of CARSON's monthly payment to NDOT of its contribution of Fifteen Million and 00/100 Dollars (\$15,000,000.00) for Phase 2 of the Carson City Bypass/Carson City Freeway; and

WHEREAS, the parties hereto desire to make certain modifications and amendments to Highway Agreement No. R159-97-060, as amended by Highway Agreement No. R386-04-002.

NOW, THEREFORE, the parties agree as follows:

I. IT IS MUTUALLY AGREED

1. NDOT shall relinquish to CARSON and CARSON shall accept the ownership of those certain portions of State highways identified in Attachment "A"- Summary of Pavement Area, attached hereto and incorporated herein, together with all of their attendant maintenance responsibilities.

2. NDOT shall provide CARSON with copies of records regarding those certain portions of State highways to be relinquished from NDOT to CARSON, which records shall include but not be limited to legal descriptions, right-of-way maps, utility easement descriptions, maintenance records, as -built plans, and structure details.

3. NDOT shall have prepared, all legal descriptions and maps necessary for the relinquishment of those certain portions of State highways and attendant maintenance responsibilities to CARSON.

4. NDOT shall provide CARSON with legal descriptions and maps for CARSON's review and comment prior to NDOT's relinquishment to CARSON of those certain portions of State highways.

5. The parties hereto shall comport with the requirements of NRS 408.527 in facilitating NDOT's relinquishment to CARSON of those certain portions of State highways. NDOT shall prepare a Resolution of Relinquishment for issuance by its Board of Directors. Should NDOT's Board of Directors issue the Resolution of Relinquishment relating to those portions of State highways identified within Attachment "A", NDOT shall cause a certified copy of the Resolution of Relinquishment to be filed with CARSON's legislative body. NDOT shall record the Resolution of Relinquishment in the office of the Carson County Recorder, and upon recordation, all right, title and interest of NDOT in and to said portions of State highway shall vest in CARSON. CARSON's duty to maintain those portions of State highways identified within Attachment "A" shall not await NDOT's recordation of the Resolution of Relinquishment, but shall commence upon NDOT's execution of this Amendment, of which written notice shall be provided by NDOT to CARSON.

6. Through NDOT'S relinquishment to CARSON of those portions of State highways identified and shown within Attachment "A", attached hereto and incorporated herein, together with the relinquishment to CARSON of all attendant maintenance responsibilities for said certain portions of State highways, and by virtue of the financial savings accruing to NDOT through the relinquishment and CARSON's acceptance and undertaking of ownership and maintenance responsibilities of said portions of State highways, CARSON shall be deemed to have satisfied and fulfilled all remaining funding obligations for the construction of PHASE 1 of the Carson City Bypass/Carson City Freeway, as set forth within Agreement No. R159-97-060, as amended by Agreement No. R386-04-002.

7. The parties hereto shall complete the relinquishment of those certain portions of State highways as shown in Attachment "A", together with the relinquishment of all of their attendant maintenance responsibilities, within one year of the execution of this Amendment No. 2 to Highway Agreement No. 159-97-060, as amended by Agreement No. R386-04-002.

8. The parties hereto shall defer until July 1, 2009, the commencement of CARSON's monthly payment to NDOT of its contribution of Fifteen Million and 00/100 Dollars (\$15,000,000.00) for Phase 2 of the Carson City Bypass/Carson City Freeway.

9. All notices or other communications required or permitted to be given under Agreement No. R159-97-060, as amended by Agreement No. R386-04-002, shall henceforth 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 party at the address set forth below:

FOR NDOT: Susan Martinovich, P.E. Director

Attn.: Tracy Larkin-Thomason, P.E.
Nevada Department of Transportation
310 Galletti Way
Sparks, Nevada 89431
(775) 834-8333
Fax: (775) 834-8390

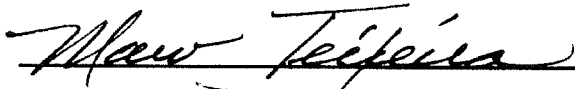
FOR CARSON: Linda Ritter, Carson City Manager
Attn: Andrew Burnham
3505 Butti Way
Carson City, Nevada 89701-3498
(775) 887-2355
Fax: (775) 887-2122

10. This Amendment shall not become effective until and unless approved by appropriate official action of the governing body of each party.

IN WITNESS WHEREOF, the above named parties have hereunto set their hands and executed this Amendment the date first written above.

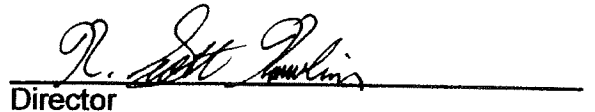
CARSON CITY

STATE OF NEVADA, acting by and through i
DEPARTMENT OF TRANSPORTATION

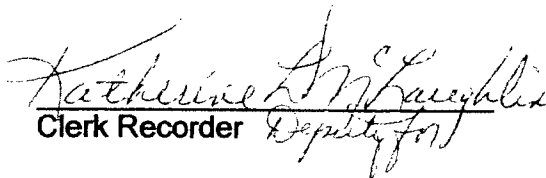


Mary Teixeira
Name (Print)

Mayor
Title (Print)



for
Director


Clerk Recorder Deputy for

Approved as to Legality and Form:


Deputy Attorney General 12/21/07

Carson City Transfer Table

Attachment A - Summary of Pavement Area			
roads to be transferred to Carson City			
Location:	From*	To*	Length (mi.)*
(maintenance responsibilities to be transferred upon date of execution of agreement)*			
SR 511, W. Washington.	W. Ormsby	N. Carson St.	0.808
SR 512- W. King and Division	Kings Canyon Creek	W. 5th	2.146
SR 512- W. 5th St.	S. Division St.	Carson St.	0.136
SR 513- E. 5th St./Carson River Road	Fairview Ave.	1050' N. Lloyds Bridge	2.56
SR 516 Ormsby/Winnie	W. King	Carson St.	2.453
Brunswick Bridge (B-1274)			0.043
		Total	8.146
Total - To Be Transferred to City			8.146
*Notes:			
1) Termini shown are approximate and only for reference. Actual limits will be defined in right-of-way documents.			
2) Length shown is approximate and only for reference. Actual lengths will be defined in right-of-way documents.			
3) Actual conveyance of the properties will occur upon recordation of the resolution			
4) There will be no transfer of ownership of any portion of roadways falling within Carson Freeway right-of-way.			

Resolution No. 2007-R-22

A RESOLUTION ADOPTING AND APPROVING THE AMENDED COOPERATIVE AGREEMENT BETWEEN CARSON CITY AND THE STATE OF NEVADA FOR THE TRANSFER OF W. WASHINGTON STREET, W. KING, DIVISION STREET, W. 5TH STREET, E. 5TH STREET/CARSON RIVER ROAD, ORMSBY BLVD, WINNIE LANE AND BRUNSWICK BRIDGE TO CARSON CITY FROM THE STATE OF NEVADA

WHEREAS, any two or more public agencies of the State of Nevada may enter into cooperative agreements for the "joint exercise of powers, privileges and authority"; and,

WHEREAS, NRS 277.110 provides that every such agreement becomes effective only upon ratification by appropriate ordinance, resolution or otherwise pursuant to law on the part of the governing bodies of the participating public agencies; and,

WHEREAS, the parties to The Amended Cooperative Agreement Between Carson City And The State Of Nevada For The Transfer of W. Washington Street, W. King, Division Street, W. 5th Street, E. 5th Street/Carson River Road, Ormsby Blvd, Winnie Lane and Brunswick Bridge To Carson City From The State Of Nevada ("Cooperative Agreement") desire to adopt and approve such amended agreement as required by NRS 277.110. A copy of the Amended Cooperative Agreement is attached to this Resolution as Exhibit "A"; and,

WHEREAS, the parties to the Amended Cooperative Agreement are public agencies.

NOW, THEREFORE, BE IT RESOLVED that the terms and conditions of The Amended Cooperative Agreement Between Carson City And The State Of Nevada For The Transfer Of W. Washington Street, W. King and Division Street, W. 5th Street, E. 5th Street/Carson River Road, Ormsby/Winnie and Brunswick Bridge To Carson City From The State Of Nevada is hereby adopted and approved; and

BE IT FURTHER RESOLVED that the Amended Cooperative Agreement shall be prepared and spread at large upon the minutes or attached in full thereto as an exhibit, and that a copy of this Resolution shall be sent to the State of Nevada.

Upon motion by Supervisor Shelly Aldean, seconded by
Supervisor Robin Williamson, the foregoing Resolution was passed
and adopted this 16th day of August, 2007 by the following vote:

AYES: Robin Williamson

Shelly Aldean

Pete Livermore

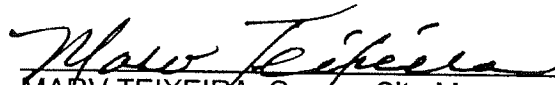
Richard S. Staub

Marv Teixeira, Mayor

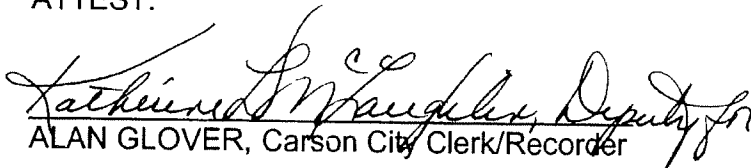
NAYS: None

ABSENT: None

ABSTAIN: _____


MARV TEIXEIRA, Carson City Mayor

ATTEST:


ALAN GLOVER, Carson City Clerk/Recorder

**Amendment No.3 to Highway Agreement No. R159-97-060,
As Amended By
Highway Agreement No. R386-04-002**

This Amendment is made and entered into this 4th day of September, 2009, between the State of Nevada, Department of Transportation, hereinafter referred to as "NDOT", and CARSON CITY, Nevada, a consolidated municipality under the Nevada Revised Statutes, hereinafter referred to as "CARSON".

WITNESSETH:

WHEREAS, on the 1 day of April, 1997 the parties entered into Agreement No. R159-97-060 to facilitate the construction of the Carson City Bypass, a limited access freeway passing downtown Carson City on the east side of Carson City, from US-395 north at Lakeview Hill to the intersection of US-395/US-50 south; and

WHEREAS, Agreement No. R159-97-060 provides for the construction of the Carson City Bypass to be undertaken in phases, with its Phase 1 to include preliminary engineering, right-of-way acquisition, construction and construction engineering from Lakeview Hill to US-50 east; and

WHEREAS, the purpose of Agreement No. R159-97-060 is to address CARSON's financial contribution to Phase 1 of the Carson City Bypass; and

WHEREAS, Agreement No. R159-97-060 provides that NDOT's Board of Directors approved funding for Phase 1 of the Carson City Bypass on September 16, 1996, with the contingency that CARSON contribute Nineteen Million and 00/100 Dollars (\$19,000,000.00) from a combination of cash or debt principal repayment plus interest; and

WHEREAS, Agreement No. R159-97-060 provides that CARSON intends to fund its obligation through an increase in the county motor vehicle fuel tax to be approved by the Carson Board of Supervisors, pursuant to Chapter 373 of the Nevada Revised Statutes; and

WHEREAS, on October 14, 2004, the parties entered into Highway Agreement No. R386-04-002, constituting Amendment No. 1 to Agreement No. R159-97-060, for the purpose of addressing construction of Phase 2 of the Carson City Freeway (Carson City Bypass) and addressing CARSON's financial contribution to Phase 2; and

WHEREAS, one of the purposes of Highway Agreement No. R386-04-002 is to amend Agreement No. R159-97-060, in order to allow a three year temporary suspension of CARSON's financial contribution in order for CARSON to use its funds to improve Fairview Drive, and in order to clarify CARSON's funding obligation for Phase 1; and

WHEREAS, on December 27, 2007, the parties entered into Amendment No. 2 to Highway Agreement No. R159-97-060 as amended by Highway Agreement No. R386-04-002, in order to modify CARSON's remaining Phase 1 funding obligation, whereby:

(a) NDOT was to relinquish to CARSON, certain portions of State highways identified in Attachment "A" to Amendment No. 2, together with all of their attendant maintenance responsibilities; and

(b) By virtue of the financial savings accruing to NDOT through CARSON's acceptance and undertaking of ownership and maintenance responsibilities of said portions of State highways, said relinquishment was to constitute the fulfillment of CARSON's remaining funding obligations for PHASE 1 of the Carson City Freeway (Carson City Bypass); and

(c) The commencement of CARSON's monthly payment to NDOT of its contribution of

Fifteen Million and 00/100 Dollars (\$15,000,000.00) for Phase 2 of the Carson Freeway (Carson City Bypass) was deferred until July 1, 2009; and

WHEREAS, the parties now desire to make certain modifications and amendments to Highway Agreement No. R159-97-060, as amended by Highway Agreement No. R386-04-002, providing for the transfer from NDOT to CARSON of portions of State highways and their attendant maintenance duties, obligations and responsibilities; and

WHEREAS, the parties hereto desire to make certain modifications and amendments to Highway Agreement No. R159-97-060, as amended by Highway Agreement No. R386-04-002, providing for the modification of CARSON's remaining funding obligations for PHASE 2 of the Carson City Freeway (Carson City Bypass); and

WHEREAS, the parties hereto desire to make certain modifications and amendments to Highway Agreement No. R159-97-060, as amended by Highway Agreement No. R386-04-002, in order to defer until July 1, 2010, NDOT's transfer to CARSON of a portion of Carson Street from Arrowhead Drive in the north to Fairview Avenue in the south; and

WHEREAS, NRS 408.527 provides a procedure for the relinquishment of portions of State highways.

NOW THEREFORE, the parties agree as follows:

I. IT IS MUTUALLY AGREED

1. NDOT shall relinquish to CARSON and CARSON shall accept the ownership of those certain portions of State highways identified in Attachment "A" -Summary of Pavement Area and Attachment "B"- Summary of Pavement Area, attached hereto and incorporated herein, together with all of their attendant maintenance duties, obligations and responsibilities.

2. The maintenance duties, obligations and responsibilities for those portions of State highways identified in Attachment "A" shall be transferred from NDOT to CARSON upon execution of this Amendment and the recordation of the Resolutions of Relinquishment for each portion of highway to be transferred. The maintenance duties, obligations and responsibilities for those portions of State highways identified in Attachment "B" will be transferred upon completion of the Carson City Freeway Project (Carson City Bypass) and the recordation of the Resolution of Relinquishment.

3. NDOT shall provide CARSON with copies of records regarding those certain portions of State highways to be relinquished from NDOT to CARSON as identified in Attachments "A" and "B", attached hereto and incorporated herein, which records shall include but not be limited to legal descriptions, right-of-way maps, utility easement descriptions, maintenance records, as-built plans and structural details.

4. NDOT shall prepare, all legal descriptions and maps necessary for the relinquishment of those certain portions of State highways identified in Attachments "A" and "B", attached hereto and incorporated herein.

5. NDOT shall provide CARSON with legal descriptions and maps for CARSON's review and comment prior to NDOT's relinquishment to CARSON of those portions of State highways identified in Attachments "A" and "B", attached hereto and incorporated herein.

6. The parties hereto shall complete the relinquishment of those certain portions of State highways as identified in Attachment "A", together with the relinquishment and transfer of their attendant maintenance duties, obligations and responsibilities, within twenty-four (24) months of the execution of this Amendment.

7. Upon opening of Phase 2 of the Carson City Freeway Project (Carson Bypass) to traffic, NDOT shall relinquish to CARSON, and CARSON shall accept the ownership of those portions of State highways identified in Attachment "B", attached hereto and incorporated herein, together with all of their attendant maintenance duties, obligations and responsibilities.

8. The parties shall complete the relinquishment of these portions of State highways identified in Attachment "B", together with the relinquishment and transfer of their attendant maintenance duties, obligations and responsibilities, within eighteen (18) months of the opening of Phase 2 of the Carson City Freeway Project (Carson City Bypass) to traffic.

9. The parties hereto shall comport with the requirements of NRS 408.527 in facilitating NDOT's relinquishments to CARSON of those portions of State highways identified in Attachments "A" and "B", attached hereto and incorporated herein. NDOT shall prepare a Resolution or Resolutions of Relinquishment for issuance by its Board of Directors. Should NDOT's Board of Directors approve the Resolution or Resolutions of Relinquishment relating to those portions of State Highways identified within Attachments "A" and "B", NDOT shall cause a certified copy or copies of the Resolution or Resolutions of Relinquishment to be filed with CARSON's legislative body. NDOT shall record the Resolution or Resolutions of Relinquishment in the office of the Carson City Recorder, and upon recordation, all right title and interest of NDOT in and to said portions of highway shall vest in CARSON. CARSON's duty to maintain those portions of State highways shall commence upon the recordation of the Resolution of Relinquishment for each portion of State highway transferred.

10. Through:

(A) NDOT's relinquishment to CARSON of those portions of State highways identified within Attachments "A" and "B" attached hereto and incorporated herein, together with the relinquishment to CARSON of all attendant maintenance duties, obligations and responsibilities for said portions of State highways, and by virtue of the financial savings accruing to NDOT through the relinquishment and CARSON's acceptance and undertaking of ownership and maintenance responsibilities of said highways. The amount of Two Million Fifty-Five Thousand One Hundred Sixty and 00/100 Dollars (\$2,055,160.00), the summation of three years of maintenance costs for those certain portions of State highways to be transferred from NDOT to CARSON as identified in Attachments "A" and "B", attached hereto and incorporated herein, shall be deducted from the Fifteen Million and 00/100 Dollars (\$15,000,000.00) funding obligations for Phase 2 of the Carson City Freeway Project (Carson City Bypass) as required pursuant to Article II, Paragraph 4 of Agreement No. R386-04-002, said Agreement constituting Amendment No. 1 to Agreement No. R159-97-060; and

(B) The amount of Eight Hundred Seventeen Thousand Five Hundred and 00/100 Dollars (\$817,500.00), constituting fifty-percent (50%) of additional projects undertaken on Fairview Drive due to increased traffic projections on the subject highways due to delays in the completion of Phase 2 of the Carson City Freeway Project (Carson City Bypass), shall be credited to CARSON's remaining funding obligations for Phase 2 of the Carson City Bypass Project; and

(C) NDOT shall credit CARSON in the amount of Five Million and 00/100 Dollars (\$5,000,000.00), in lieu of NDOT's performance of pavement surfacing which was to be

undertaken by NDOT pursuant to Agreement R386-04-002 (Amendment No. 1 to Highway Agreement No. R159-97-060), and which sum represents the estimated costs for the most appropriate pavement surfacing strategy in accordance with current NDOT standards, including, at a minimum, a two (2) inch overlay. Through NDOT's provision of said credit, NDOT shall be deemed to have fulfilled its obligation to rehabilitate the Carson Street pavement from Arrowhead Drive in the north to Fairview Avenue in the south; then

(D) CARSON shall be deemed to have satisfied and fulfilled Seven Million Eight Hundred Seventy Two Thousand, Six Hundred Sixty and 00/100 Dollars (\$7, 872,660.00) of its Fifteen Million and 00/100 Dollars (\$15,000,000.00) funding obligations for Phase 2 of the Carson City Freeway Project (Carson City Bypass) as required pursuant to Article II, Paragraph 4 of Agreement No. R386-04-002, said Agreement constituting Amendment No. 1 to Agreement No. R159-07-060.

11. Article III, Paragraph 2 of Highway Agreement R386-04-002 (Amendment No. 1 to Highway Agreement No. R159-97-060) is hereby amended whereby through this Amendment, NDOT shall rehabilitate the Carson Street pavement from Fairview Drive in the north to the US50/Spooner Intersection in the south within these limits not more than two years prior to relinquishment. The rehabilitation shall be the most appropriate pavement surfacing strategy in accordance with current NDOT standards, but shall at a minimum constitute a 2-inch overlay. In the alternative, NDOT may fulfill its obligation to rehabilitate the Carson Street pavement from Fairview Avenue in the north to the US 50/Spooner Intersection in the south, by:

(A) Crediting CARSON's remaining funding obligations for Phase 2 with a sum equal to a project for the most appropriate pavement surfacing strategy in accordance with current NDOT standards, including at a minimum a 2-inch overlay; or

(B) By paying CARSON a sum equal to a project for the most appropriate pavement surfacing strategy in accordance with current NDOT standards, including at a minimum a 2-inch overlay to CARSON's remaining funding obligations for Phase 2; or

(C) Any combination of credit, payment or project mutually agreed upon by the parties hereto, through a signed written amendment to Highway Agreement No. R159-97-060, as amended by Highway Agreement R386-04-002.

12. NDOT shall defer until after the completion of the Carson City Freeway (Carson City Bypass), CARSON's payment of its remaining funding obligation of Seven Million One Hundred Twenty Seven Thousand, Three Hundred Forty and 00/100 dollars (\$7,127,340.00), relating to CARSON's contribution to Phase 2 of the Carson City Bypass Project, as required pursuant to Agreement No. R159-97-060, as Amended by Agreement R386-04-002.

13. The parties agree that should any alternative funding sources, not yet identified, be made available for the Carson City Freeway Project (Carson City Bypass), NDOT shall consider the application of that funding toward CARSON's funding obligations for Phase 2 of the Carson City Bypass Project, as required pursuant to Article II, Paragraph 4 of Agreement No. R386-04-002, said Agreement constituting Amendment No. 1 to Agreement No. R159-07-060.

14. Article III, Paragraph 2 of Highway Agreement No. R386-04-002, (Amendment No. 1 to Highway Agreement No R159-97-060) is hereby deleted in its entirety and replaced with the following:

"2. CARSON shall assume ownership and maintenance duties, obligations and responsibilities for that portion of Carson Street from Arrowhead Drive in the north, to Fairview Avenue in the south, and shall assume such ownership and maintenance duties, obligations and responsibilities on July 1, 2010. "

15. All notices or other communications required or permitted to be given under Agreement No. R159-97-060, as amended by Agreement No. R386-04-002, 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 party at the address set forth below, or provided by e-mail at the address set forth below:

FOR DEPARTMENT: Susan Martinovich, P.E., Director
Attn.: Tracy Larkin-Thomason, P.E.
Nevada Department of Transportation
1263 South Stewart Street
Sparks, NV 89431
Telephone: (775)-888-7240
Fax: (775) 888-7203
E-mail: tlarkin@dot.state.nv.us

FOR CITY: Laurence A. Werner, Carson City Manager
Attn: Andrew Burnham
3505 Butti Way
Carson City, NV 89701-3498
Telephone: (775) 887- 2355
Fax: (775) 887-2112
E-mail: ABurnham@ci.carson-city.nv.us

16. This Amendment shall not become effective until and unless approved by appropriate official action of the governing body of each party.

IN WITNESS WHEREOF, the above named parties have hereunto set their hands and executed this Amendment the date first written above.

CARSON CITY:



Robert L. Crowell

Name (Print)

Carson City Mayor

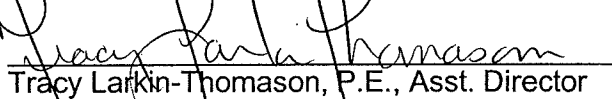
Title (Print)

STATE OF NEVADA,
DEPARTMENT OF TRANSPORTATION



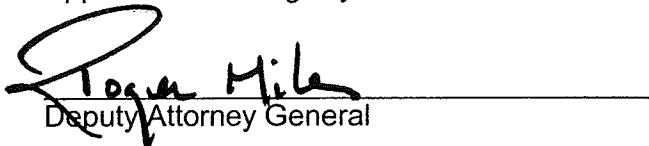
Director

Reviewed and Recommended:

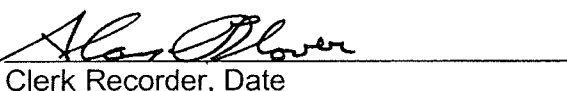


Tracy Larkin-Thomason, P.E., Asst. Director

Approved as to Legality and Form:



Deputy Attorney General



Clerk Recorder, Date

Carson City Transfer Table

Attachment A - Summary of Pavement Area			
Roads to be transferred to Carson City			
Location:	From*	To*	Length (mi.)*
SR 513- 5th St.	S. Carson St.	Edmonds Dr.	2.171
SR 520 Stewart St.	S. Carson St.	E. Williams St.	1.227
SR 525 -Airport Rd./ College Pkwy	US-50	E. College Pkwy (at Lompa Ln.)	1.323
SR 430 - William St. **	N. Carson St.	US 395	1.464
SR 531 - College Parkway	N. Carson St.	E. College Pkwy (at Lompa Ln.)	1.645
** This portion of Williams St. to be transferred when the portion of Carson St. from Arrowhead to Fairview Dr. is transferred reference Highway Agreement no. R386-04-002, Article III, Paragraph 2 (Attachment A)			
Total - To Be Transferred to City			7.830
*Notes:			
1) Termini shown are approximate and only for reference. Actual limits will be defined in right-of-way documents.			
2) Length shown is approximate and only for reference. Actual lengths will be defined in right-of-way documents.			
3) Actual conveyance of the properties will occur upon recordation of the resolution			
4) There will be no transfer of ownership of any portion of roadways falling within Carson Freeway right-of-way.			

Carson City Transfer Table

Attachment B - Summary of Pavement Area			
Location:	From*	To*	Length (mi.)*
Roads to be transferred to Carson City upon completion of Carson Freeway Phase 2			
SR 518 Snyder	Carson St.	Jacobsen Way	1.017
FRCC01- this frontage road falls within Carson Street Right-of-Way and will be transferred with with the portion of Carson St. from Fairview Dr. to Spooner Junction. The Carson Street transfer is covered Highway Agreement no. R386-04-002, Article III, Paragraph 2 (Attachment A)			
Segment 1	0.096 Miles s. of Lupin Dr.	Snyder Ave.	0.776
Segment 2	Roventini Way	Clearview Dr.	0.074
Segment 3	S. Carson St. <i>(past Koontz Ln./Moses Ave.)</i>	S. Carson St. <i>(near Sonoma)</i>	0.519
Total - To Be Transferred to City upon completion of Carson Freeway Phase 2			2.386
*Notes:			
1) Termini shown are approximate and only for reference. Actual limits will be defined in right-of-way documents.			
2) Length shown is approximate and only for reference. Actual lengths will be defined in right-of-way documents.			
3) Actual conveyance of the properties will occur upon recordation of the resolution			
4) There will be no transfer of ownership of any portion of roadways falling within Carson Freeway right-of-way.			