



# STAFF REPORT

**Report To:** Board of Supervisors

**Meeting Date:** December 1, 2016

**Staff Contact:** Darren Schulz, Public Works Director

**Agenda Title:** For Possible Action: To approve a Non-Exclusive Easement Agreement between the State of Nevada, Division of State Lands and Carson City for the Vicee Canyon Recharge System located on APN 007-091-81 south of Timberline Drive. (Stephanie Hicks; SHicks@carson.org)

**Staff Summary:** The subject easement is located south of Timberline Drive on APN 007-091-81, a parcel owned by the State of Nevada. The easement was created in 2004 for an aquifer recharge project, access road and monitoring wells. The current lease expired June 30, 2016 and was re-evaluated by State Lands. State Lands determined that a Non-Exclusive Easement is the preferred authorization document over the prior Lease/Easement. There is no increase in the easement fee of \$2,485.00 annually for the next 5 years. This lease remains necessary to allow the recharge project to continue.

**Agenda Action:** Formal Action/Motion

**Time Requested:** 10 minutes

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## **Proposed Motion**

Move to approve a Non-Exclusive Easement Agreement between the State of Nevada, Division of State Lands and Carson City for the Vicee Canyon Recharge System located on APN 007-091-81 south of Timberline Drive.

## **Board's Strategic Goal**

Sustainable Infrastructure

## **Previous Action**

May 20, 2004. Approval of motion to approve and authorize the Mayor to sign the Carson City Vicee Canyon Lease/Easement Agreement by and between the State of Nevada, Division of State Lands and Carson City.

June 2, 2011. Approval of motion to adopt a resolution approving and authorizing the Mayor to sign Amendment #1 to an Interlocal Agreement, by and between Carson City and the State of Nevada, Division of State Lands for induced water infiltration system, roadways and monitoring wells in the Vicee Canyon. Motion Approved 5-0.

July 17, 2014. Approval of motion to Amendment #2 of a Lease Agreement for an easement described in Recorded Document #417657, located on APN 007-091-81 south of Timberline Drive. Motion approved 5-0.

## **Background/Issues & Analysis**

This easement was originally created in 2004 for an aquifer recharge project, access road and monitoring wells. The lease for the subject easement was amended in 2011 to raise the easement fee from \$1,115.00 to \$2,485.00 annually. The lease was amended in 2014 to extend the lease two years with no fee increase to coincide with the 5-year review cycle. The current lease expired June 30, 2016 and was re-evaluated by State Lands. State Lands determined that a Non-Exclusive Easement is preferred authorization document over the prior

Lease/Easement. It was also determined that the monitoring wells are not located on State Lands. The easement fee remains at \$2,485.00 annually for the next 5 years.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS 322 Use of State Lands

**Financial Information**

Is there a fiscal impact?  Yes  No

If yes, account name/number: 520-3502-435.04-90 Property Services – Fees and Permits

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact: The cost to the City for this easement has been \$2,485.00 annually since 2011.

Since there is no change in the annual easement fee, there is no need to augment the budget.

**Alternatives**

Do not approve a Non-Exclusive Easement Agreement for the Vice Canyon Recharge System located on APN 007-091-81 south of Timberline Drive.

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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



GRANT 1-7, MAC, 5296; 14663  
Carson City  
A.P.N.: 007-091-81

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

### NON-EXCLUSIVE EASEMENT

#### CARSON CITY VICEE CANYON RECHARGE SYSTEM

This Non-Exclusive Easement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by and between the STATE OF NEVADA, acting through the NEVADA DIVISION OF STATE LANDS, hereinafter referred to as GRANTOR, and CARSON CITY, a consolidated municipality of the STATE OF NEVADA, hereinafter referred to as GRANTEE:

**WHEREAS**, GRANTOR owns Carson City Assessor's parcel number 007-091-81; and

**WHEREAS**, GRANTOR AND GRANTEE entered into a Lease/Easement dated April 16, 2004, for the purposes of operating a water infiltration system, and a roadway over and under a portion of that certain Nevada School Trust property situated and lying within the NE $\frac{1}{4}$  NW $\frac{1}{4}$  of Section 12, T15N, R19E, M.D.M; and

**WHEREAS**, said Lease/Easement was subject to an amendment dated June 21, 2011 to update the fair market rental of the above described property, and a second amendment dated January 2, 2015 to extend the expiration of said Lease/Easement to June 30, 2016; and

**WHEREAS**, GRANTEE, has made application to GRANTOR and desires to continue use of said property for the purposes stated above; and

**WHEREAS**, GRANTOR has determined a Non-Exclusive Easement is the preferred authorization document over the prior Lease/Easement;

**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 Recharge System,” under, over, across and/or through the following described property, together with the right to enter upon the property to reconstruct, inspect, maintain, and repair structures and to remove bushes, undergrowth or other obstructions interfering with the maintenance, in whole or in part, at will upon, over, under, across and/or through a portion of that certain property situate in NE¼ NW¼ of Section 12, T15N, R19E, M.D.M further described in the legal description 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. **PURPOSE:** The property described herein may be used by GRANTEE solely for the Recharge System. The Division of State Lands must be notified of any alterations to the Recharge System which would substantially affect the land. The Division of State Lands reserves the right to prohibit said alterations.

2. **JURISDICTION OF STATE:** The Non-Exclusive Easement for the Recharge System extends only to the areas described in **EXHIBIT A** 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. GRANTEE understands that the GRANTOR may be instructed to dispose of the property described in Exhibit A at any time by state legislative action.

**3. CONSIDERATION:** For and in consideration of the Recharge System, GRANTEE, its successors and assigns, hereby agree to pay an annual easement fee in the amount of TWO THOUSAND FOUR HUNDRED AND EIGHTY FIVE AND NO/100 DOLLARS (\$2485.00) per year to the GRANTOR for the Recharge System [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 JULY 1 every year thereafter for the entire duration of said Non-Exclusive Easement. This is payable to the STATE OF NEVADA, DIVISION OF STATE LANDS, 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 Recharge System 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. LATE PAYMENT FEE:** The annual use fee shall be paid in advance to GRANTOR and shall be due on or before the due date as provided herein. Any payment made after this due

date shall be subject to a late payment fee in the amount of ONE HUNDRED TWENTY FIVE AND NO/100 DOLLARS (\$125.00) If fees, including late fees, become more than SIXTY (60) days in arrears, the Non-Exclusive Easement may be terminated by GRANTOR.

5. **PERMITS:** 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, it's 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 covered herein, including any hazard, deficiency, defect, or other matter, known or unknown, or connected with the installation and maintenance of the Recharge System. This indemnification does not exclude the State of Nevada's right to participate in its defense of a matter subject to this indemnification.

7. **LIMITED LIABILITY:** 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.

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 sub-contractors 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:**

Mary Crawley, Land Agent II  
Nevada Division of State Lands  
901 S. Stewart Street, Suite 5003  
Carson City, Nevada 89701

9. **INSPECTION:** GRANTOR retains the right to inspect the Recharge System at any time. GRANTEE agrees to notify GRANTOR at least **TWO (2)** business days prior to the commencement and termination of any activities on the property to allow interested agencies the opportunity to inspect the Recharge System.

10. **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 Recharge System 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. The legally required offsets from any existing gas, electric, water and/or communication lines shall be maintained at all times.

**11. 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.

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

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



**14. ENVIRONMENTAL CONDITIONS:** GRANTEE, its successors and/or its agent(s) or contractor(s) understands and agrees to maintain the Recharge System within the Nevada Division of Environmental Protection's Best Management Practices guidelines.

**15. WARRANTIES:** GRANTOR makes no warranty as to the condition of or the adequacy of the property for the proposed uses of GRANTEE.

**16. 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  
3505 Butti Way  
Carson City, NV 89701-3498

**17. FURTHER AUTHORIZATIONS:** 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 **EXHIBIT A**.

**18. TERMINATION:** Either party shall have the right to terminate this Non-Exclusive 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 Recharge System will be removed by GRANTEE, if so requested by GRANTOR, and the land restored to its pre-Recharge System condition. Any and all right, title or interest claimed or held

by reason of this 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 Recharge System and for the restoration of the land will be borne by GRANTEE, its successors and assigns at no expense or cost to the GRANTOR.

**19. TERM AND DISCONTINUATION:** 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.

**20. COMPLIANCE TO CONDITIONS:** 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 Recharge System and appurtenances. All right, title and interest in the Non-Exclusive Easement shall revert to GRANTOR. GRANTEE agrees to provide a copy of this Non-Exclusive Easement to its contractors prior to entering and beginning any work on the property described herein.

**21. WAIVER:** 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.

**22. SURVIVAL:** 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.

**23. 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.

**24. AMENDMENT OR MODIFICATION:** This Non-Exclusive Easement may be amended or modified at any time with the mutual consent of the parties hereto, which amendment or modification must be in writing, executed and dated by the parties hereto.

**25. 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 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.

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

27. **VENUE:** Any lawsuit brought to resolve a dispute arising from this Non-Exclusive Easement must be brought either in the location of the Recharge System or in Carson City, Nevada.

28. **ASSIGNMENT OF EASEMENT:** This easement may not be assigned or transferred without prior written approval of the GRANTOR. Such approval will not be unreasonably withheld.

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 be 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.

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IN WITNESS WHEREOF, the parties hereto have executed this Non-Exclusive Easement as of the day and year first above written.

**GRANTOR:**

**STATE OF NEVADA**  
**Division of State Lands**

By \_\_\_\_\_  
CHARLES DONOHUE  
Administrator and State Land Registrar

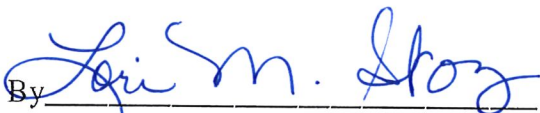
STATE OF NEVADA    )  
                                  :SS.  
CARSON CITY        )

On \_\_\_\_\_, 20\_\_\_\_, personally appeared before me, a notary public CHARLES DONOHUE, Administrator and State Land Registrar, Division of State Lands, who acknowledged that he executed the above document.

\_\_\_\_\_  
NOTARY PUBLIC

**APPROVED as to Form:**

**ADAM PAUL LAXALT**  
**Attorney General**

By   
\_\_\_\_\_  
LORI M. STORY  
Senior Deputy Attorney General

Date: Nov. 2, 2016

**GRANTEE:**

**CARSON CITY**  
**a municipality of the State of Nevada**

**REVIEWED AND RECOMMENDED BY:**

\_\_\_\_\_  
DARREN SCHULZ, P.E., PUBLIC WORKS DIR.                                                  Date

**APPROVED FOR LEGALITY AND FORM:**

\_\_\_\_\_  
CARSON CITY DISTRICT ATTORNEY                                                                  Date

**BOARD APPROVED BY:**

\_\_\_\_\_  
ROBERT L. CROWELL, MAYOR                                                                                  Date

**ATTEST:**

\_\_\_\_\_  
SUSAN MERRIWETHER, CLERK-RECORDER                                                                  Date

EXHIBIT "A"

DESCRIPTION OF LEASE AREA

All that portion of a lease area situate within the East One-Half (E 1/2) of the Northwest One-Quarter (NW 1/4) of Section Twelve (Sec. 12), Township 15 North (T.15N.), Range 19 East (R.19E.), Mount Diablo Meridian (MDM), Carson City, State of Nevada, being more particularly described as follows:

**COMMENCING** at the North One-Quarter corner (N 1/4 cor) of said Sec. 12, marked by a 3 1/4" BLM brass cap, as shown on Record of Survey No. 2316 (ROS No. 2316) for STATE OF NEVADA DIVISION OF STATE LANDS, recorded March 30, 1999 as File No. 232480 in the Official Records of Carson City, Nevada

**THENCE**, departing said N 1/4 cor and along the east line of said NW 1/4, South 00°48'57" West, 1065.53 feet to the **POINT OF BEGINNING**;

**THENCE**, departing said east line, the following eighteen (18) courses;

1. North 88°20'03" West, 40.55 feet;
2. North 78°26'50 West, 138.91 feet;
3. South 85°17'53" West, 164.57 feet;
4. South 78°11'18" West, 146.12 feet;
5. South 76°55'19" West, 45.56 feet;
6. South 77°17'39" West, 156.90 feet;
7. South 88°52'19" West, 79.23 feet;
8. North 65°03'29" West, 32.04 feet;
9. North 42°55'07" West, 82.18 feet;
10. North 56°46'10" West, 59.00 feet;
11. North 71°30'57" West, 65.16 feet;
12. South 16°13'39" West, 63.62 feet;
13. South 66°34'36" East, 65.40 feet;
14. South 46°07'33" East, 137.24 feet;
15. South 78°40'59" East, 143.09 feet;
16. North 81°55'56" East, 179.70 feet;
17. South 89°02'57" East, 191.62 feet;
18. South 67°59'24" East, 325.75 feet to a point on the aforementioned east line of the NW 1/4 of said Sec. 12;

**THENCE**, along said east line, North 00°48'57" East, 244.46 feet to the **POINT OF BEGINNING**.

Containing 2.86 acres of land, more or less.

*See Lease Area Map to accompany description, attached hereto and made a part hereof.*

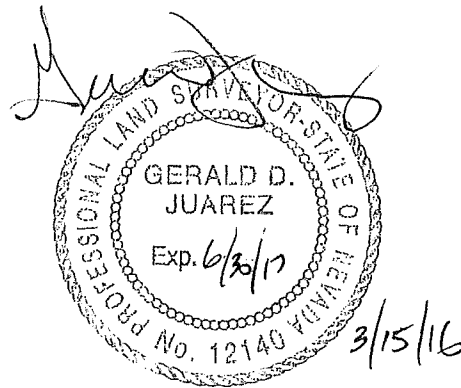
**SURVEYOR'S CERTIFICATE**

I hereby certify that the attached easement description was prepared by me or under my direct supervision and is accurate to the best of my knowledge and belief.

Gerald D. Juarez  
Nevada PLS 12140  
For and on behalf of



9850 DOUBLE R BOULEVARD, SUITE 101  
RENO, NEVADA 89521  
(775) 746-3500





**BASIS OF BEARINGS**

NEVADA STATE PLANE COORDINATE SYSTEM, WEST ZONE, NORTH AMERICAN DATUM OF 1983/1994, (NAD 83/94) DETERMINED USING REAL TIME KINEMATIC (RTK) GPS OBSERVATIONS BASED ON THE PUBLISHED VALUES OF CARSON CITY CONTROL POINTS CC077 AND CC078. ALL DISTANCES SHOWN HEREIN ARE GROUND. COMBINED GRID TO GROUND SCALE FACTOR = 1.0002

ID #	APN
1	007-293-25
2	007-293-26
3	007-293-27
4	007-293-28
5	007-111-05
6	007-111-10
7	007-111-11
8	007-371-15



1"=1000'

**LEGEND**

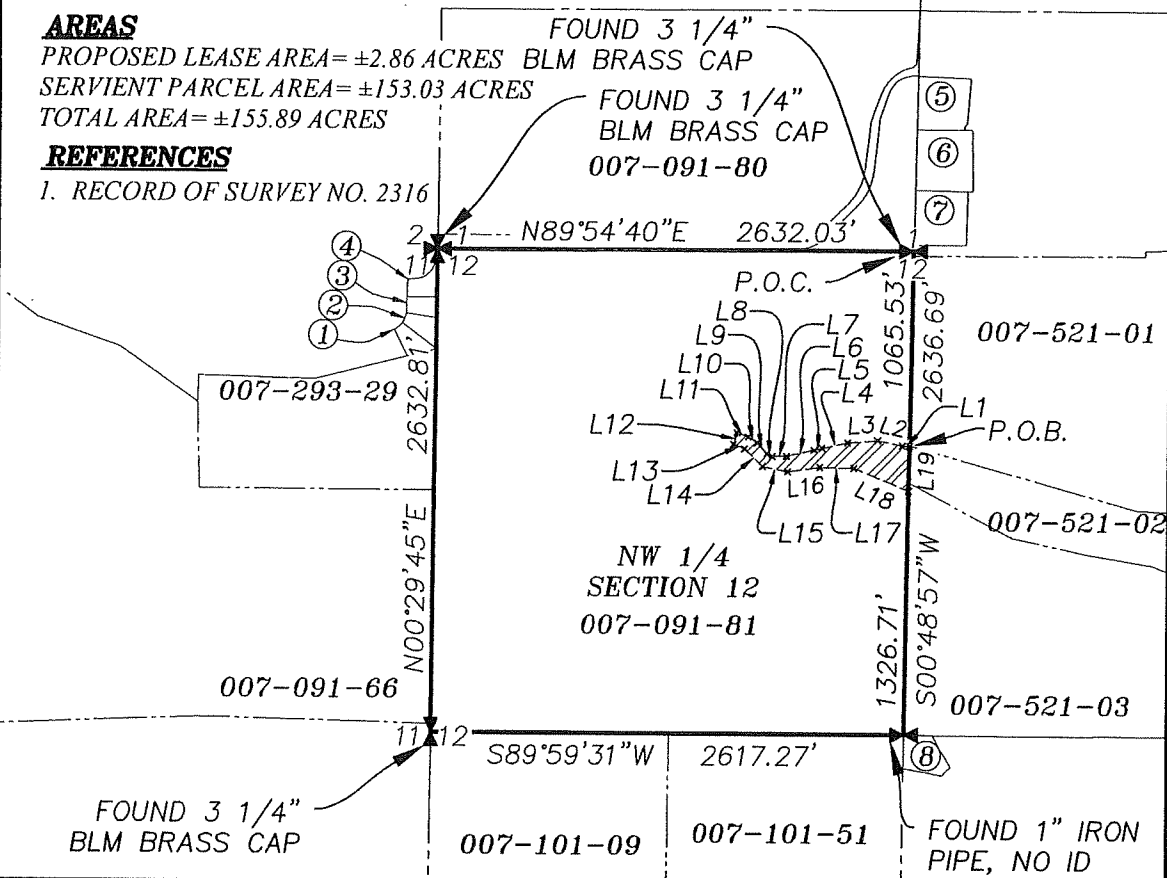
- EXISTING QUARTER-SECTION LINE
- ADJACENT PROPERTY LINE
- ▨ PROPOSED LEASE AREA
- × DIMENSION POINT
- ⊠ SECTION CORNER
- ⊠ QUARTER SECTION CORNER

**AREAS**

PROPOSED LEASE AREA= ±2.86 ACRES BLM BRASS CAP  
 SERVIENT PARCEL AREA= ±153.03 ACRES  
 TOTAL AREA= ±155.89 ACRES

**REFERENCES**

- RECORD OF SURVEY NO. 2316



LEASE AREA MAP

CARSON CITY, NV

VICEE CANYON RECHARGE SYSTEM

PROJ. MGR.: GDJ  
 DRAWN BY: EEM  
 DATE: 03/04/16  
 SCALE: 1"=1000'



**Manhard**

CONSULTING LTD. www.manhard.com  
 9850 Double R Blvd, Suite 101, Reno, NV 89521  
 tel: [775] 746-3500 fax: [775] 746-3520

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SHEET

1 OF 2

CCCCNV30

LINE TABLE			LINE TABLE		
LINE	BEARING	LENGTH	LINE	BEARING	LENGTH
L1	N88°20'03"W	40.55'	L11	N71°30'57"W	65.16'
L2	N78°26'50"W	138.91'	L12	S16°13'39"W	63.62'
L3	S85°17'53"W	164.57'	L13	S66°34'36"E	65.40'
L4	S78°11'18"W	146.12'	L14	S46°07'33"E	137.24'
L5	S76°55'19"W	45.56'	L15	S78°40'59"E	143.09'
L6	S77°17'39"W	156.90'	L16	N81°55'56"E	179.70'
L7	S88°52'19"W	79.23'	L17	S89°02'57"E	191.62'
L8	N65°03'29"W	32.04'	L18	S67°59'24"E	325.75'
L9	N42°55'07"W	82.18'	L19	N00°48'57"E	244.46'
L10	N56°46'10"W	59.00'			

LEASE AREA LINE TABLE

CARSON CITY, NV

VICEE CANYON RECHARGE SYSTEM

PROJ. MGR.: GDJ  
 DRAWN BY: EEM  
 DATE: 03/04/2016  
 SCALE: N/A



**Manhard**  
 CONSULTING, LTD.  
 9850 Double R Blvd, Suite 101, Reno, NV 89521  
 tel: (775) 746-3500 fax: (775) 746-3520

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SHEET

2 OF 2

CCCCNV30

**City of Carson City  
Agenda Report**

**Date Submitted:** July 3, 2014

**Agenda Date Requested:** July 17, 2014  
**Time Requested:** 5 Minutes

**To:** Mayor and Supervisors

**From:** Public Works

**Subject Title:** For possible action: To approve Amendment #2 of a lease agreement for an easement described in Recorded Document #417657, located on APN 007-091-81 south of Timberline Drive. (Schulz)

**Staff Summary:** The subject easement is located south of Timberline Drive on APN 007-091-81, a parcel owned by the State of Nevada. The easement was created in 2004 for an aquifer recharge project, access road and monitoring wells. The lease for the subject easement was amended in 2011 to raise the easement fee from \$1,115.00 to \$2,485.00 annually. The current lease expired June 30, 2014. This amendment would extend the lease two years until June 30, 2016 with no fee increase. This would make the lease end date coincide with the 5-year review cycle. The rental fee would be reevaluated in 2016 and a new 5-year lease would be issued.

**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 to approve the amendment of a lease agreement for an easement described in Recorded Document #417657, located on APN 007-091-81 south of Timberline Drive.

**Explanation for Recommended Board Action:** This easement was created in 2004 for an aquifer recharge project, access road and monitoring wells. This lease remains necessary to allow the recharge project to continue.

**Applicable Statute, Code, Policy, Rule or Regulation:** N.R.S. 322 Use of State Lands.

**Fiscal Impact:** None

**Explanation of Impact:** The cost to the City for this easement has been \$2,485.00 annually since 2011. This amendment does not change the annual easement fee.

**Funding Source:** N/A


**Alternatives:** Do not agree to the amendment.


**Supporting Material:**

- Lease Amendment #2 (Exhibit A)
- Lease Amendment #1 (Exhibit B)
- Original Lease (Exhibit C)

Prepared By: Darren Schulz, Public Works Director

Reviewed By:

  
\_\_\_\_\_  
(Public Works Director) Date: 7/8/14

  
\_\_\_\_\_  
(City Manager) Date: 7/8/14

  
\_\_\_\_\_  
(District Attorney) Date: 7/8/14

  
\_\_\_\_\_  
(Finance Director) Date: 7/8/14

Board Action Taken:

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

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



GRANT 1-7, REM, #4857/14114  
Portion of APN 007-091-81  
Carson City

Recording requested by & return to:  
Division of State Lands  
901 S. Stewart St., Suite 5003  
Carson City, NV 89701-5246

**LEASE AMENDMENT #2**  
**CARSON CITY INDUCED WATER INFILTRATION SYSTEM,  
ROADWAY AND MONITORING WELLS – VICEE CANYON**

THIS LEASE AMENDMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2014 by and between the STATE OF NEVADA, acting through the DIVISION OF STATE LANDS and the State Land Registrar; hereinafter referred to as LESSOR, and CARSON CITY, NEVADA, hereinafter referred to as LESSEE.

**WITNESSETH:**

WHEREAS, LESSOR AND LESSEE entered into a Lease/Easement dated April 16, 2004, unrecorded in Carson City official records, for the purposes of operating a water infiltration system, a roadway and six (6) monitoring wells over and under a portion of that certain Nevada School Trust property situated and lying within the NE 1/4 NW 1/4 of Section 12, Township 15 North, Range 19 East, M.D.M.; and

# Exhibit A

WHEREAS, Lease Amendment #1 was entered into by LESSOR and LESSEE on June 21, 2011 to update the fair market rental value of said property, as specified in Condition 4 - Consideration, in the original Lease/Easement; and

WHEREAS, the original Lease/Easement contains Condition 3 - Termination of Lease/ Easement specifying that the Lease will expire on June 30, 2014.

WHEREAS, LESSOR wishes to extend the Lease/Easement an additional two (2) years to coincide with the next five (5) year rental fee re-evaluation and issue a new Lease/Easement at that time.

NOW THEREFORE, the original Lease/Easement for the purposes of operating a water infiltration system, roadway and six (6) monitoring wells over and under a portion of that certain property situate and lying within the NE 1/4 NW 1/4 of Section 12, Township 15 North, Range 19 East, M.D.M. is hereby amended as follows:

IN CONSIDERATION of this Amendment, LESSOR agrees to extend the termination date of the Lease/Easement through **June 30, 2016**; and

LESSEE agrees to continue to pay a rental fee in the amount of TWO THOUSAND FOUR HUNDRED EIGHTY FIVE AND NO/100'S DOLLARS (\$2,485.00) annually during this extension as determined by the last re-evaluation for the use of 2.23 acres of State property; and

LESSEE will need to apply for a new authorization if they desire to continue the said uses. Should LESSOR grant a new authorization, it will be subject to a fee re-evaluation and the right to reassess the rental fee every 5 years at that time



**LESSEE:**

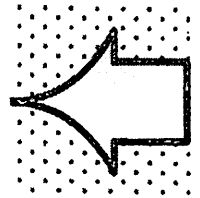
**CARSON CITY, NEVADA**  
**A Consolidated Municipality of the State of Nevada**

By: \_\_\_\_\_  
ROBERT CROWELL  
Mayor

Date: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
City Clerk



**APPROVED as to Form:**  
**CARSON CITY**  
**District Attorney**

By: \_\_\_\_\_  
District Attorney

Date: \_\_\_\_\_

**APPROVED as to Form:**  
**CATHERINE CORTEZ MASTO**  
**Attorney General**

By: \_\_\_\_\_  
KEVIN BENSON  
Deputy Attorney General

Date: 6-6-14





GRANT 1-7, REM, #3947  
Carson City A.P.N.: 007-091-81

Recording requested by & return to:  
Division of State Lands  
901 S. Stewart St. Suite 5003  
Carson City, NV 89701-5246

**LEASE AMENDMENT #1**  
**CARSON CITY INDUCED WATER INFILTRATION SYSTEM,  
ROADWAY AND MONITORING WELLS – VICEE CANYON**

THIS LEASE AMENDMENT, made and entered into this 21<sup>st</sup> day of June, 2011, by and between the STATE OF NEVADA, acting through the DIVISION OF STATE LANDS, and the State Land Registrar, hereinafter referred to as LESSOR and CARSON CITY, NEVADA, hereinafter referred to as LESSEE.

**WITNESSETH:**

WHEREAS, LESSOR and LESSEE entered into a Lease/Easement dated April 16, 2004 for the purpose of operating a water infiltration system, a roadway and six (6) monitoring wells over and under a portion of that certain Nevada School Trust property situated and lying with the NE 1/4 of the NW 1/4 of Section 12, Township 15 North, Range 19 East, M.D.M., as shown on Exhibit A; and

## Exhibit B

WHEREAS, LESSOR may re-evaluate and update the fair market rental value of said property at five (5) year intervals, as specified in Condition 4 - Consideration, in the original Lease/Easement to reflect any changes in economic rent; and

WHEREAS, LESSOR is required to charge full market value for all uses on School Trust Lands and deposit those payments into the permanent School Trust Fund; and

NOW THEREFORE, in consideration of this Amendment to the Lease/Easement for the above described water induction system, roadway and monitoring facilities LESSEE hereby agrees to pay an annual easement fee in the amount of TWO THOUSAND FOUR HUNDRED EIGHTY FIVE AND NO/100 DOLLARS (\$2,485.00) to LESSOR for the use of 2.23 total acres of State property. LESSOR further reserves the right to reevaluate, reassess and adjust the easement fee every five (5) years. Should LESSEE dispute the amount of said fee, an appraisal can be conducted at LESSEE'S expense to determine the fair market rent.

LESSEE shall record this Lease Amendment at the Carson City Recorder's Office. All other terms and conditions of the Lease/Easement remain in full force and effect, with no other changes or amendments thereto.

IN WITNESS WHEREOF, the parties hereto have executed this amended lease as of the day and year first above written.

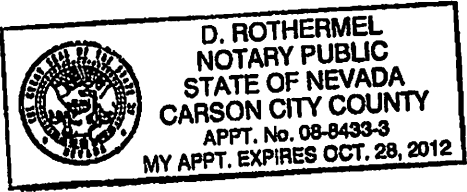
**LESSOR:**  
**STATE OF NEVADA**  
**Division of State Lands**

By: [Signature]  
JAMES R. LAWRENCE  
Administrator and Ex-Officio  
State Land Registrar

STATE OF NEVADA                     )  
                                                  ss.  
CARSON CITY                         )

On, June 21, 2011, personally appeared before me, a notary public, JAMES R. LAWRENCE, Administrator and Ex-Officio State Land Registrar, Division of State Lands, who acknowledged that he executed the above instrument.

[Signature]  
NOTARY PUBLIC





# Exhibit B

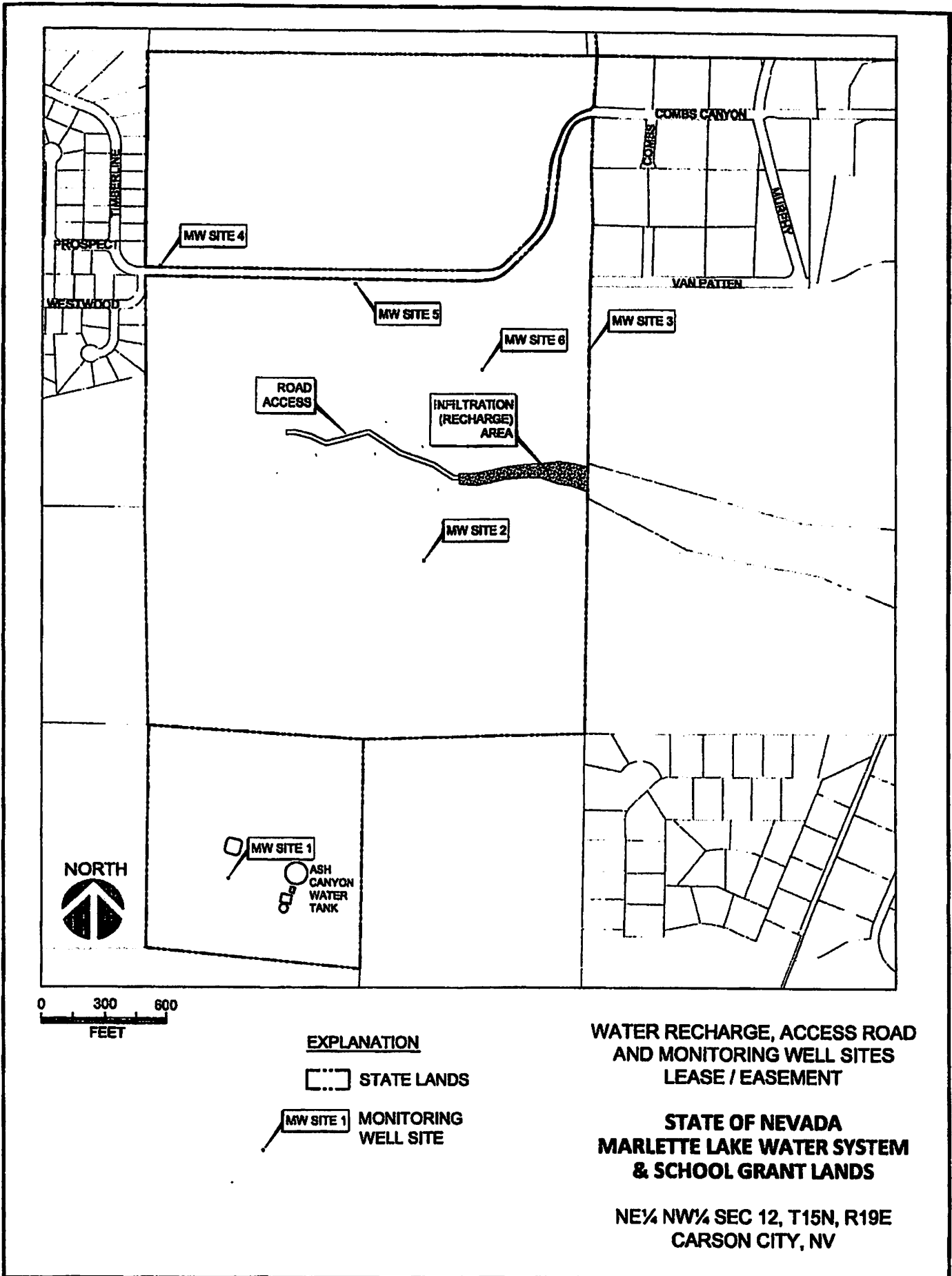


Exhibit C



GRANT 1-<sup>7</sup> # 2270, JDC  
Portion of APN Carson City-07-091-81

Return to:  
DIVISION OF STATE LANDS  
333 W Nye Lane, Room 118  
Carson City NV 89708

LEASE/EASEMENT

THIS LEASE/EASEMENT, made and entered into this 11<sup>th</sup> day of April, 2004, between the STATE OF NEVADA, acting through its Division of State Lands, hereinafter referred to as LESSOR, and CARSON CITY, hereinafter referred to as LESSEE, both of whom understand and agree as follows:

WITNESSETH:

WHEREAS, LESSOR owns a parcel of School Grant Land as hereinafter described and

WHEREAS, LESSEE desires to use a portion of the School Grant Land for a water recharge project, access road and for six (6) monitoring wells.

WHEREAS, LESSOR is obligated to receive full fair market value for the use of School Grant Land; and

WHEREAS, LESSOR AND LESSEE entered into a LEASE/EASEMENT October 25, 1989 recorded in the Office of Carson City Recorder, May 1, 1990, file

#99524 and the LEASE/EASEMENT agreement was amended in September 19, 1994.

WHEREAS, LESSOR and LESSEE have agreed that the lands can continue to be utilized for this purpose,

NOW THEREFORE, for and in consideration of the rents herein described and the covenants, terms and conditions herein contained, the parties further understand and agree as follows:

1. **LEASE/EASEMENT DESCRIPTION:** LESSOR does by these presents lease unto LESSEE land situated in the City/County of Carson City, State of Nevada, more particularly described as follows to-wit:

**INDUCED WATER INFILTRATION SYSTEM LEASE/EASEMENT DESCRIPTION**

Description of the Lease/Easement for Induced Infiltration of Water and associated improvements within the Northeast Quarter (NE¼) of the Northwest Quarter (NW¼) of Section 12, Township 15 North, Range 19 East, M.D.M., more particularly described as follows:

Commencing at the Northwest (NW) corner of Section 12, Township 15 North, Range 19 East, M.D.M., Carson City, Nevada; thence South 59° 20' 14" East, a distance of 2,165.74 feet to the Northwest (NW) corner of said easement, said point also being the TRUE POINT OF BEGINNING; thence along the following courses: North 89° 34' 35" East, a distance of 93.85 feet; thence North 80° 09' 20" East, a distance of 98.74 feet; thence North 77° 29' 28" East, a distance of 101.36 feet; thence North 83° 10' 01" East, a distance of 101.18 feet; thence North 85° 57' 43" East, a distance of 98.64 feet; thence North 83° 56' 08" East, a distance of 105.38 feet; thence South 81° 07' 31" East, a distance of 99.96 feet; thence South 78° 29' 04" East, a distance of 74.46 feet; thence South 00° 09' 26" West, a distance of 142.91 feet; thence North 71° 40' 46" West, a distance of 104.28 feet; thence North 80° 12' 00" West, a distance of 90.25 feet; thence North 70° 59' 35" West, a distance of 95.67 feet; thence North 89° 30' 32" West, a distance of 95.36 feet; thence South 85° 59' 40" West, a distance of 100.76 feet; thence South 77° 29' 28" West, a distance of 101.36 feet; thence South 80° 09' 20" West, a distance of 98.74 feet; thence North 84° 20' 37" West, a distance of

94.41 feet; thence North 00° 35' 34" West, a distance of 60.00 feet to the TRUE POINT OF BEGINNING. Containing 68,933 square feet more or less.

#### ROADWAY DESCRIPTION

Description of a roadway Lease/Easement TWENTY-FIVE (25) feet in width within the North Half (N½) of the Northwest Quarter (NW¼) of Section 12, Township 15 North, Range 19 East, M.D.M., more particularly described as follows:

Commencing at the Northwest (NW) corner of Section 12, Township 15 North, Range 19 East, M.D.M., Carson City, Nevada; thence South 44° 28' 00" East, a distance of 1200.46 feet to the Northwest (NW) corner of said Easement, said point also being the TRUE POINT OF BEGINNING; thence along the following courses North 87° 22' 13" East, a distance of 51.97 feet; thence South 75° 33' 15" East, a distance of 97.90 feet; thence South 66° 11' 59" East, a distance of 98.37 feet; thence North 75° 14' 17" East, a distance of 260.56 feet; thence South 57° 21' 06" East, a distance of 227.29 feet; thence South 70° 48' 28" East, a distance of 204.49 feet; thence South 57° 48' 07" East, a distance of 142.38 feet; thence North 89° 34' 35" East, a distance of 28.49 feet; thence South 00° 35' 34" East, a distance of 21.06 feet; thence South 89° 34' 35" West, a distance of 42.03 feet; thence North 57° 48' 07" West, a distance of 139.53 feet; thence North 70° 48' 28" West, a distance of 204.59 feet; thence North 57° 21' 06" West, a distance of 219.27 feet; thence South 75° 14' 17" West a distance of 258.33 feet; thence North 66° 11' 59" West, a distance of 105.07 feet; thence North 75° 33' 15" West, a distance of 92.10 feet; thence South 87° 22' 13" West, a distance of 48.22 feet; thence North 02° 37' 47" West, a distance of 25 feet to the TRUE POINT OF BEGINNING. Containing 27,618 square feet more or less

#### MONITORING WELLS DESCRIPTION

BEGINNING, at the Southwest corner of Section 12; thence 530 feet east and 1800 feet north to Site 1; thence 1150 feet East and 1850 feet North to Site 2; thence 980 feet East and 1230 feet North to Site 3, all in Section 12, containing an area of 300 square feet.

BEGINNING, for each of the following sites, at the Northwest corner of Section 12; thence 100 feet East and 100 feet North being in Section 1, site 4; thence 1150 feet East and 100 feet South to Site 5; thence 750 feet east and 500 feet South to site 6, sites 5 and 6 being in Section 12, containing an area of 300 square feet.



2. **USE OF LEASE/EASEMENT AREA:** The leased area will be used for a water infiltration system, maintenance roadway and sites for six (6) monitoring wells over, upon, across and through the land hereinafter described; together with the right to enter upon the land to construct, maintain, and repair said system and road; together with the right to clear and keep cleared any obstruction from the surface or subsurface as may be necessary to insure the safe and proper operation of said systems and road.
3. **TERM OF LEASE/EASEMENT:** The LEASE/EASEMENT granted by LESSOR and as described more particularly herein shall continue for a period of TEN (10) years, July 1, 2004 through June 30, 2014 or unless sooner terminated by the parties hereto, so long as the same may be necessary and required for the purposes for which granted. If at any time during said term should LESSEE discontinue said use for a period of ONE (1) year, the LEASE/EASEMENT shall thereupon terminate, and all right, title and interest therein shall revert to LESSOR, its successors and assigns.
4. **CONSIDERATION:** LESSEE agrees to pay LESSOR for fair market rental of said property the sum of ONE THOUSAND ONE HUNDRED FIFTEEN DOLLARS (\$1,115.00) per year payable in advance on or before the first day of July each year this LEASE/EASEMENT is in effect. All lease funds shall be deposited into the permanent school trust fund. It being

understood and agreed this rental fee will be reevaluated and updated at not less than five (5) year intervals to reflect any changes in economic rent. Should an appraisal be required to determine the fair market rent of the demised premises such costs shall be borne by LESSEE.

5. **LATE PAYMENT FEE:** If any base rent payment is not made to LESSOR on or before July 1 as provided herein, the LESSEE shall pay the LESSOR as a late payment fee an amount equal to \$25.00 or one percent (1%) of the amount due, whichever is greater, plus one percent (1%) per month of said amount due including interest thereafter until paid in full.
6. **LIMITATION ON USE OF LEASE/EASEMENT:** The property mentioned herein may be occupied and used by LESSEE solely for a water infiltration system, maintenance road and monitoring well purposes, allowing ingress and egress to the system, and for incidental purposes related thereto including but not limited to the construction and maintenance of the system, roadway and wells.
7. **ASSIGNMENT OR SUBLEASE:** This LEASE/EASEMENT is non-assignable. No sublease may be assigned under this LEASE/EASEMENT.
8. **MAINTENANCE:** LESSEE shall bear all costs related to any required maintenance and related improvements. LESSEE agrees to minimize the disturbance to the land and vegetation at all times during maintenance of the system and roadway. LESSEE agrees that any areas that are disturbed

during maintenance of the system and road will be repaired, revegetated or re-seeded as deemed necessary by LESSOR.

9. **TERMINATION:** LESSOR and LESSEE shall have the right to terminate this LEASE/EASEMENT at any time during the term hereof provided, however, either party shall give a NINETY (90) day written notice of election to terminate. In the event of termination it is understood that all right, title, and interest of LESSEE to said premises shall thereupon terminate and shall revert to LESSOR, its successors and assigns.
10. **INDEMNIFICATION:** LESSEE, its successors and assigns, and/or its agent(s) or contractor(s) understands and agrees to the fullest extent of NRS chapter 41 liability limitations, Carson City, as Indemnitor, agrees to indemnify, hold harmless and defend the State of Nevada, as Indemnitee, from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of Carson City, its officers, employees and agents. This indemnification does not exclude the State of Nevada's right to participate in its defense of a matter subject to this indemnification. The indemnification obligation under this paragraph is conditioned upon receipt of written notice by the indemnifying party within 90 days of the indemnified party's actual notice of any actual or pending claim or cause of action. Carson City shall not be liable to indemnify or hold harmless any attorneys' fees and costs for the

Indemnified party's chosen right to participate with legal counsel of its choice.

11. **EFFECTIVE DATE:** This LEASE/EASEMENT shall not become effective unless and until the approval of the State Board of Examiners and the Interim Finance Committee have been secured as required by NRS 322.007.
12. **WARRANTIES:** LESSOR makes no warranty as to the condition of or the adequacy of the leased premises for the proposed uses of LESSEE.

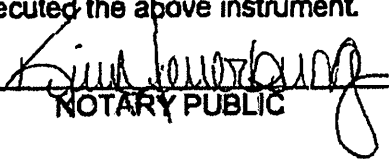
IN WITNESS WHEREOF, the parties hereto have subscribed this LEASE/EASEMENT on the day and year first above written.

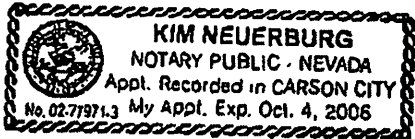
**LESSOR:**

**STATE OF NEVADA  
Division of State Lands**

By:   
**PAMELA B. WILCOX**  
Administrator and Ex-Officio  
State Land Registrar


STATE OF NEVADA )  
CARSON CITY )  
On April 16 )  
2004, personally appeared before me a notary  
public, PAMELA B. WILCOX, Administrator  
and Ex-Officio State Land Registrar, Division  
of State Lands, who acknowledged that she  
executed the above instrument.

  
NOTARY PUBLIC




**APPROVED as to Form:**

**BRIAN SANDOVAL  
Attorney General**

By:   
**GEORGE TAYLOR**  
Deputy Attorney General

**LESSEE:**

**CITY OF CARSON CITY  
A MUNICIPAL CORPORATION**

By:   
Ray Masayko, Mayor

Date: 5/20/04

Date of Council Action: 5/20/04

**ATTEST:**

  
Alan Glover, City Clerk

(SEAL)

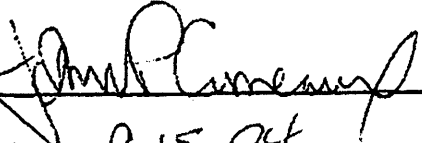
**APPROVED as to Form:**

**CARSON CITY  
District Attorney**

By:   
NOEL WATERS  
District Attorney

**APPROVED:**

**BOARD OF EXAMINERS**

By:   
Date: 9-15-04

**APPROVED:**

**INTERIM FINANCE COMMITTEE**

By:   
WILLIAM J. REGGIO, CHAIRMAN  
Date: Aug 1, 2005



GRANT 1-7, REM, #4857/14114  
Portion of APN 007-091-81  
Carson City

Recording requested by & return to:  
Division of State Lands  
901 S. Stewart St., Suite 5003  
Carson City, NV 89701-5246

**LEASE AMENDMENT #2**  
**CARSON CITY INDUCED WATER INFILTRATION SYSTEM,  
ROADWAY AND MONITORING WELLS – VICEE CANYON**

THIS LEASE AMENDMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2014 by and between the STATE OF NEVADA, acting through the DIVISION OF STATE LANDS and the State Land Registrar, hereinafter referred to as LESSOR, and CARSON CITY, NEVADA, hereinafter referred to as LESSEE.

**WITNESSETH:**

WHEREAS, LESSOR AND LESSEE entered into a Lease/Easement dated April 16, 2004, unrecorded in Carson City official records, for the purposes of operating a water infiltration system, a roadway and six (6) monitoring wells over and under a portion of that certain Nevada School Trust property situated and lying within the NE 1/4 NW 1/4 of Section 12, Township 15 North, Range 19 East, M.D.M.; and

DUPLICATE ORIGINAL



WHEREAS, Lease Amendment #1 was entered into by LESSOR and LESSEE on June 21, 2011 to update the fair market rental value of said property, as specified in Condition 4 - Consideration, in the original Lease/Easement; and

WHEREAS, the original Lease/Easement contains Condition 3 - Termination of Lease/ Easement specifying that the Lease will expire on June 30, 2014.

WHEREAS, LESSOR wishes to extend the Lease/Easement an additional two (2) years to coincide with the next five (5) year rental fee re-evaluation and issue a new Lease/Easement at that time.

NOW THEREFORE, the original Lease/Easement for the purposes of operating a water infiltration system, roadway and six (6) monitoring wells over and under a portion of that certain property situate and lying within the NE 1/4 NW 1/4 of Section 12, Township 15 North, Range 19 East, M.D.M. is hereby amended as follows:

IN CONSIDERATION of this Amendment, LESSOR agrees to extend the termination date of the Lease/Easement through **June 30, 2016**; and

LESSEE agrees to continue to pay a rental fee in the amount of TWO THOUSAND FOUR HUNDRED EIGHTY FIVE AND NO/100'S DOLLARS (\$2,485.00) annually during this extension as determined by the last re-evaluation for the use of 2.23 acres of State property; and

LESSEE will need to apply for a new authorization if they desire to continue the said uses. Should LESSOR grant a new authorization, it will be subject to a fee re-evaluation and the right to reassess the rental fee every 5 years at that time

DUPLICATE ORIGINAL



**LESSEE:**

**CARSON CITY, NEVADA**  
**A Consolidated Municipality of the State of Nevada**


By: \_\_\_\_\_  
ROBERT CROWELL  
Mayor

Date: \_\_\_\_\_


**ATTEST:**

By: \_\_\_\_\_  
City Clerk

**APPROVED as to Form:**  
**CARSON CITY**  
**District Attorney**

By:  \_\_\_\_\_ Date: 6/24/14

**APPROVED as to Form:**  
**CATHERINE CORTEZ MASTO**  
**Attorney General**

By:  \_\_\_\_\_ Date: 6-6-14  
KEVIN BENSON  
Deputy Attorney General

DUPLICATE ORIGINAL



GRANT 1-7, REM, #4857/14114  
Portion of APN 007-091-81  
Carson City

Recording requested by & return to:  
Division of State Lands  
901 S. Stewart St., Suite 5003  
Carson City, NV 89701-5246

**LEASE AMENDMENT #2**  
**CARSON CITY INDUCED WATER INFILTRATION SYSTEM,  
ROADWAY AND MONITORING WELLS – VICEE CANYON**

THIS LEASE AMENDMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2014 by and between the STATE OF NEVADA, acting through the DIVISION OF STATE LANDS and the State Land Registrar; hereinafter referred to as LESSOR, and CARSON CITY, NEVADA, hereinafter referred to as LESSEE.

**WITNESSETH:**

WHEREAS, LESSOR AND LESSEE entered into a Lease/Easement dated April 16, 2004, unrecorded in Carson City official records, for the purposes of operating a water infiltration system, a roadway and six (6) monitoring wells over and under a portion of that certain Nevada School Trust property situated and lying within the NE 1/4 NW 1/4 of Section 12, Township 15 North, Range 19 East, M.D.M.; and

WHEREAS, Lease Amendment #1 was entered into by LESSOR and LESSEE on June 21, 2011 to update the fair market rental value of said property, as specified in Condition 4 - Consideration, in the original Lease/Easement; and

WHEREAS, the original Lease/Easement contains Condition 3 - Termination of Lease/ Easement specifying that the Lease will expire on June 30, 2014.

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LESSEE agrees to continue to pay a rental fee in the amount of TWO THOUSAND FOUR HUNDRED EIGHTY FIVE AND NO/100'S DOLLARS (\$2,485.00) annually during this extension as determined by the last re-evaluation for the use of 2.23 acres of State property; and

LESSEE will need to apply for a new authorization if they desire to continue the said uses. Should LESSOR grant a new authorization, it will be subject to a fee re-evaluation and the right to reassess the rental fee every 5 years at that time

All other terms and conditions of the Lease/Easement remain in full force and effect,  
with no other changes or amendments thereto.

IN WITNESS WHEREOF, the parties hereto have executed this amended lease as of the  
day and year first above written.

**GRANTOR:  
STATE OF NEVADA  
Division of State Lands**

By: \_\_\_\_\_  
CHARLES DONOHUE  
Acting Administrator and Ex-Officio  
State Land Registrar

STATE OF NEVADA                            )  
                                                          ss.  
CARSON CITY                                )

On \_\_\_\_\_, 2014 personally appeared before me, a notary public, CHARLES DONOHUE, Acting Administrator and Ex-Officio State Land Registrar, Division of State Lands, who acknowledged that he executed the above instrument.

\_\_\_\_\_  
NOTARY PUBLIC

**LESSEE:**

**CARSON CITY, NEVADA**  
**A Consolidated Municipality of the State of Nevada**

By: \_\_\_\_\_  
ROBERT CROWELL  
Mayor

Date: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
City Clerk

**APPROVED as to Form:**  
**CARSON CITY**  
**District Attorney**

By:  \_\_\_\_\_  
District Attorney

Date: 6/24/14

**APPROVED as to Form:**  
**CATHERINE CORTEZ MASTO**  
**Attorney General**

By:  \_\_\_\_\_  
KEVIN BENSON  
Deputy Attorney General

Date: 6-6-14