



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** December 5, 2019

Staff Contact: Darren Schulz, Public Works Director

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed resolution authorizing the sale of APNs 007-531-13 and 007-531-14, located off of Medical Parkway, from Carson City to Carson Tahoe Regional Healthcare for \$905,000 under NRS 244.281(1)(e)(1)(l), authorizing the Mayor to execute a purchase agreement between Carson City and Carson Tahoe Regional Healthcare, and authorizing the Mayor to execute a deed conveying the property to Carson Tahoe Regional Healthcare. (Darren Schulz, DSchulz@carson.org and Dan Stucky, DStucky@carson.org)

Staff Summary: On September 19, 2019, the Board of Supervisors adopted Resolution No. 2019-R-28 declaring Carson City's intent to sell Carson City property located off of Medical Parkway (APNs 007-531-13 and 007-531-14) to the owner of an adjacent parcel under NRS 244.281(1)(e)(1)(l). Since this time, staff has negotiated the sale of the property for the appraisal value of \$905,000 with the adjacent property owner, Carson Tahoe Regional Healthcare, and a purchase agreement is proposed for the review and approval of the Board.

Agenda Action: Formal Action / Motion **Time Requested:** 15 minutes

Proposed Motion

I move to adopt Resolution No. 2019-R-_____.

Board's Strategic Goal

Economic Development

Previous Action

February 21, 2002 - Board of Supervisors approved an agreement between Silver Oak Development Company, by and through its General Partners, GTS Partners, Inc., whereby Silver Oak Development Company agreed to sell and convey APN 008-054-15 to Carson City for a storm drainage water detention basin.

February 6, 2003 - Board of Supervisors approved an Agreement between the Nevada Children's Foundation, Inc., a nonprofit Nevada corporation, and Carson City, whereby the Nevada Children's Foundation, Inc., agreed to sell and convey all APN 007-511-01 for a storm drainage water detention basin.

January 17, 2019 - Board of Supervisors directed staff to initiate due diligence in preparation of a proposed resolution declaring the intent to sell Carson City property located off of Medical Parkway known as APNs 007-531-13 and 007-531-14 and to perform all preparatory tasks in compliance with the Nevada Revised Statutes.

September 19, 2019 - Board of Supervisors adopted Resolution No. 2019-R-28 to sell the Medical Parkway properties under NRS 244.281(1)(e)(1)(l) if an offer was given to Carson City.

Background/Issues & Analysis

In 2002 and 2003 Carson City acquired lands necessary for the construction of a Regional Drainage Facility related to the Carson City Freeway. Carson Tahoe Hospital agreed to sell approximately 3.78 acres of land (which had been transferred to them from GTS Partners, Inc.) to the City for \$590,000 and the Nevada Children's Foundation, Inc., agreed to sell approximately 3.985 acres of land to Carson City for \$694,500.

Following the purchase of the property, portions of the parcels were dedicated as right-of-way for the construction of Medical Parkway. This resulted in a bisection of the parcels from the original parcels, resulting in new parcels sized as 0.74 acres (APN 007-531-14) and 0.86 acres (APN 007-531-13) located on the east side of Medical Parkway. This acreage totaling 1.6 acres was not needed when the Regional Drainage Facility was designed and constructed. The City does not have the need to retain these parcels for public use; therefore, it is in the best interest of the City to dispose of the surplus property.

On January 17, 2019, the Board of Supervisors directed staff to initiate due diligence in preparation of a proposed resolution declaring the intent to sell City property located off of Medical Parkway known as APNs 007-531-13 and 007-531-14 and to perform all preparatory tasks for compliance with NRS. Since this time, staff has obtained a title report, had an appraisal prepared, and had a Phase 1 Environmental Site Assessment completed. The appraisal valued the property at \$905,000. The Phase 1 Environmental Site Assessment revealed no evidence of recognized environmental conditions in connection with the property.

On September 19, 2019, the Board of Supervisors adopted Resolution No. 2019-R-28 to sell the Medical Parkway properties under NRS 244.281(1)(e)(1)(I), which allows the Board to sell the property to the owner of an adjacent parcel, if an offer to purchase the property was given to Carson City within 30 days.

October 10, 2019, Carson Tahoe Regional Healthcare sent an offer letter to Carson City offering to purchase APNs 007-531-13 and 007-531-14 for \$905,000. Since that time, staff has negotiated the sale of the property to Carson Tahoe Regional Hospital and drafted a purchase agreement for the review and approval of the Board. The proposed resolution authorizes the Mayor to execute the purchase agreement with Carson Tahoe Regional Hospital, and, unless the purchase agreement is cancelled or terminated, to execute a deed conveying APNs 007-531-13 and 007-531-14 to Carson Tahoe Regional Hospital in accordance with the terms of the purchase agreement.

These properties were purchased during the early formation of the Stormwater Utility Fund; therefore, the General Fund (Eagle Detention Basin account) was used to purchase the properties. Due to this history and the original intent of purchasing the properties for the construction of a regional stormwater facility, Staff recommends transferring the sale proceeds from the General Fund into the Stormwater Utility Fund to be used for the construction of drainage improvements on the South Carson Complete Streets Project. This is set forth for the Board of Supervisor's consideration in the following agenda item.

Applicable Statute, Code, Policy, Rule or Regulation

NRS 244.281

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Sale proceeds of \$905,000 will be deposited in the General Fund / Surplus Sales account 1010090-482080.

Is it currently budgeted? No

Explanation of Fiscal Impact: Pursuant to NRS Chapter 244, money received from sales of real property must be deposited with the county treasurer to be credited to the county general fund. Depending on the direction provided in the next agenda item, the proceeds from the sale will either remain in the General Fund or be transferred to the Stormwater Utility Fund to be used for the construction of drainage improvements on the South Carson Complete Streets Project.

Additionally, disposal of City property generally increases the property tax base of Carson City. The taxable or tax-exempt status of this property will be determined by the Carson City Assessor after the sale of the property.

Alternatives

Do not adopt the Resolution and provide alternative direction to staff.

Attachments:

[Medical Pkwy Properties Purchase Agreement.pdf](#)

[Resolution_for_Sale_of_APNs_007-531-14_and_007-531-13_to_CTH.docx](#)

Board Action Taken:

Motion: _____	1) _____	Aye/Nay
	2) _____	_____

(Vote Recorded By)

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT (“Agreement”), dated effective _____, 2019 (“Effective Date”), is made by and between CARSON CITY, a consolidated municipality of the State of Nevada (“Seller”), and CARSON TAHOE REGIONAL HEALTHCARE, a Nevada nonprofit corporation, dba CARSON TAHOE HEALTH (“Buyer”). Seller and Buyer are herein referred to individually as a “Party”, and together as the “Parties”.

This Agreement is entered into with reference to the recitals set forth below and constitutes a contract of purchase and sale between the Parties.

RECITALS:

WHEREAS, Seller is the owner of certain parcels of real property located in Carson City, Nevada, consisting of approximately 1.6 acres of vacant land located off Medical Parkway, Carson City, Nevada, and bearing Carson City Assessor Parcel Numbers 007-531-13 and 007-531-14 (the “Property”), and more particularly in Exhibit A, attached hereto; and

WHEREAS, NRS 244.281(1)(e)(1)(I) permits Seller to dispose of real property by sale to an adjacent property owner when the real property is a remnant that was separated from its original parcel due to the construction of a street, alley, avenue or other thoroughfare, or portion thereof, flood control facility or other public facility, and the sale of the property is in the best interests of Carson City; and

WHEREAS, on September 19, 2019, the Carson City Board of Supervisors adopted Resolution No. 2019-R-28 declaring Seller’s intention to sell APNs 007-531-13 and 007-531-14 under NRS 244.281(1)(e)(1)(I) if an offer was given to Seller within 30 days; and

WHEREAS, on October 10, 2019, Buyer sent an offer letter to Seller offering to purchase APNs 007-531-13 and 007-531-14 for \$905,000; and

WHEREAS, Buyer intends to purchase and Seller intends to sell the Property pursuant to the terms of this Agreement, and the Parties desire and intend to set forth their Agreement in writing;

NOW THEREFORE, in consideration of the mutual promises and conditions contained in this Agreement, the Parties do agree as follows:

ARTICLE I
AGREEMENT TO PURCHASE

In consideration of the covenants and upon the terms and provisions set forth in this Agreement, Seller will sell, and Buyer will purchase the Property.

ARTICLE II
PURCHASE PRICE

2.1 Amount of Purchase Price. The purchase price for the Property shall be Nine Hundred Five Thousand and No/100ths Dollars (\$905,000.00) (the "Purchase Price") to be paid by Buyer via certified funds acceptable the Carson City Treasurer or wire-transferred funds. Within five days of execution of this Agreement by the Parties, Buyer shall deposit Forty Five Thousand and No/100ths Dollars (\$45,000.00) with the Carson City Treasurer as a non-refundable deposit. This security deposit will be credited against the purchase price at the time of closing the sale. In the event that this transaction does not close, this deposit shall be returned to the Buyer, unless the Due Diligence Review Period has passed, in which case the deposit shall be forfeited to the Seller as liquidated damages, not as a penalty, unless this Agreement provides otherwise.

2.2 Closing Date. On or before January 17, 2020 (the "Closing Date"), Buyer shall make the final payment to Seller of Eight Hundred Sixty Thousand and No/100ths Dollars (\$860,000.00), to be paid by Buyer via certified funds acceptable the Carson City Treasurer or wire-transferred funds, unless the Closing Date is extended by the Buyer as provided in Section 2.3.

2.3 Extension of the Closing Date. Provided Buyer has exercised good faith in completing its Due Diligence Review (defined below), Buyer may, in its sole discretion, extend the Closing Date for a period of up to fourteen (14) additional days to January 31, 2020 by providing written notice thereof to Seller prior to the expiration of the original Due Diligence Review Period.

ARTICLE III
CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO PERFORM

Buyer's duty to perform its obligations under this Agreement is expressly made contingent upon Buyer's review and approval of the Title Report (defined below) and Buyer's satisfaction with the Property upon the conclusion of Buyer's Due Diligence Review (defined below).

3.1 Title.

3.1.1 Buyer acknowledges that Seller has delivered to Buyer a Preliminary Report of Title for the Property, issued by Ticor Title, dated February 4, 2019 ("Preliminary Title Report"). Seller represents that there are no liens or encumbrances affecting the property other than as disclosed on the Preliminary Title Report. Buyer may obtain an updated title report at its own cost and expense.

3.1.2 Within the time period provided for due diligence, Buyer shall notify Seller, in writing, of Buyer's objection to one or more of the title exceptions and/or conditions shown in the Title Report (collectively, if any objections are made, the "Disapproved Title Matters"). Buyer's failure to notify Seller, in writing, of any Disapproved Title Matters within such time period shall constitute Buyer's approval of the Title Report, whereupon this contingency shall be deemed fully met and satisfied. In the event Buyer notifies Seller of any

Disapproved Title Matters, Seller may, but shall have no obligation to, remove or cure such Disapproved Title Matters within ten (10) days following receipt of the Disapproved Title Matters, or such longer period as the Parties may agree in writing. In the event Seller fails to satisfy a Disapproved Title Matter within the time provided therefor, then Buyer shall elect either (i) not to close this transaction, in which event Buyer's deposit shall be forfeited and this Agreement shall terminate, or (ii) proceed to closing without the removal or cure of such Disapproved Title Matter, with no reduction in the Purchase Price as a result thereof.

3.2 Due Diligence Review.

3.2.1 Buyer acknowledges that Seller has delivered to Buyer an Appraisal, performed by John S. Wright & Associates and dated March 27, 2019, and a Phase I Environmental Site Assessment Report, performed by Converse Consultants and dated April 30, 2019.

3.2.2 Buyer, at its sole cost and expense, shall have the right to a Due Diligence Review in accordance with the following terms and conditions. Buyer's Due Diligence Review means such inspection, examination, and evaluation of the Property by way of conducting physical tests, inspections, surveys, environmental studies, appraisals, tests for hazardous materials, and other investigations on the Property. The Due Diligence Period shall commence on the execution of this Agreement and shall conclude at the close of business on Friday, January 10, 2020.

3.2.3 At or prior to the expiration of the Due Diligence Period (including any extension thereof), Buyer may give notice of its intent to terminate this Agreement. Upon such notice, Buyer's deposit shall be forfeited and this Agreement shall terminate. If Buyer terminates this Agreement under this Section 3.2, Buyer, at its sole cost and expense, shall promptly repair any damage to the Property in connection with entry onto the Property or inspections or tests thereof by Buyer or any of Buyer's agents, employees, representatives, contractors, or consultants (collectively, "Buyer Agents"), so that the Property is in the same condition as the Property was in prior to entry thereon by Buyer or any Buyer Agents. Buyer shall keep the Property free from all liens, and shall indemnify, defend, and hold harmless Seller and Seller's governing body, employees, and agents (collectively, the "Seller Parties") from and against all claims, actions, losses, liabilities, damages, costs, and expenses (including, without limitation, reasonable attorneys' fees and costs) incurred, suffered by, or claimed against Seller or the Seller Parties by reason of any damage to the Property or injury to persons caused by Buyer or Buyer Agents in exercising Buyer's rights under this Section 3.2, excluding matters caused by the negligence or willful misconduct of Seller or the Seller Parties or the mere discovery of pre-existing conditions. If any mechanic's liens encumber the Property as a result of Buyer's or the Buyer Agents' activities or investigation, Buyer shall cause the mechanic's liens to be removed no later than ten (10) days after receiving written notice from Seller or, with Seller's consent, cause a release bond to be posted in accordance with the provisions of the Nevada Revised Statutes.

3.2.4 In the event that Buyer does not give notice of termination, Buyer and Seller shall proceed to closing.

3.2.5 The provisions of Section 3.2 shall survive the closing or any termination of this Agreement.

ARTICLE IV LEGAL DESCRIPTION

4.1 Legal Description. Unless Buyer exercises its right to conduct a survey, the Parties agree to use the legal description of the parcels provided in the Preliminary Title Report, which is based on Documents No. 345437 and 345439 recorded with the Carson City Clerk-Recorder.

4.2 Buyer's Survey. Buyer, at Buyer's expense, may cause a survey of the Property to be conducted for purposes of obtaining a legal description of the Property, which survey must be completed within the Due Diligence Period. Seller reserves the right to review and approve the legal description obtained from the Buyer's Survey if the survey differs in any significant respect from the legal description of the parcels provided in the Preliminary Title Report and Documents No. 345437 and 345439.

ARTICLE V PRORATIONS, CREDITS AND COSTS

5.1 Prorations. Seller is a governmental entity, and Buyer is a Nevada nonprofit corporation, which pursuant to NRS 361.083, owns and operates a hospital and intends to use the Property for the care of its patients. There will be no prorations of real property taxes with respect to the Property as part of this transaction. As part of this Agreement, Seller makes no representations or agreements concerning the taxable or tax exempt status of the Property once acquired by the Buyer, such determination to be made by the Carson City Assessor once this transaction is complete.

5.2 Closing Costs. Each Party shall pay the cost of preparing the instruments to be furnished by such Party and any attorneys' fees incurred by such Party. Seller will record the documents and, as a government entity, Seller will not incur a recording fee. Buyer shall pay the transfer tax. The parties do not anticipate further closing costs or fees; but if any are incurred, the costs and fees shall be borne by the Buyer unless otherwise agreed in writing by the Buyer and Seller.

ARTICLE VI CLOSING

6.1 Conditions to Closing. Buyer and Seller shall take the following actions to close the transaction contemplated in this Agreement if Buyer has not elected to terminate this Agreement.

6.2 Buyer's Deliveries. On or before the Closing Date, or any extension thereof, Buyer shall deliver to Seller the following:

6.2.1 Purchase Price. The Purchase Price as set forth in Section 2.1.

6.2.2 Declaration of Value. An executed counterpart of a State of Nevada Declaration of Value form.

6.2.3 Transfer Taxes. Transfer Taxes in the amount of \$3,529.50.

6.2.4 Additional Documentation. Such additional documents and instruments as may be reasonably required to close the transaction.

6.3 Seller's Deliveries. Upon receipt of Buyer's deliveries, Seller shall prepare the following documents:

6.3.1 The Seller's Deed. A notarized grant, bargain and sale in the form attached hereto as Exhibit B (the "Seller's Deed") conveying the Property to Buyer, executed by Seller.

6.3.2 Declaration of Value. An executed counterpart of a State of Nevada Declaration of Value form.

6.3.3 Additional Documentation. Such additional documents and instruments as may be reasonably required to close the transaction.

6.4 Seller to Record. Upon receipt of Buyer's Deliveries and completion of Seller's Deliveries, Seller shall record the Seller's Deed and the Declarations of Value and pay the transfer tax. Seller shall provide to Buyer copies of all recorded documents and a receipt for the transfer tax.

6.5 ALTA/CLTA Insurance Policy. Seller does not desire an ALTA or CLTA Policy, and such policies are not contemplated as a part of this Agreement or transaction. Buyer may obtain an ALTA or CLTA policy at its own expense.

ARTICLE VII **WARRANTIES AND REPRESENTATIONS OF SELLER**

As used in this Agreement, the phrase "to Seller's knowledge" or words of similar import means the current, actual (and not constructive or imputed) knowledge, without independent investigation or inquiry, of Seller. Seller hereby represents and warrants to Buyer all of the following, each of which is true in all respects as of the date of this Agreement, and which shall be so as of the Closing Date.

7.1 Actions, Suits or Proceedings. There are no actions, suits, or proceedings which are pending or, to Seller's knowledge, threatened before any court or governmental department, commission, board, bureau, agency or instrumentality that would materially and adversely affect the Property or the right to use or occupy the Property.

7.2 Power and Authority. Seller has the full right and authority to enter into this Agreement and consummate the transaction contemplated herein; each of the persons signing this Agreement on behalf of Seller is authorized to so sign, and the execution, consent or

acknowledgment of no other person or entity is necessary in order to validate the execution of this Agreement by Seller.

7.3 Other Agreements. Entry into this Agreement, and the performance by Seller of its obligations hereunder, does not contravene or constitute a breach of any agreement, contract, obligation, or indenture to which Seller is a party.

7.4 Liens and Encumbrances. Except as may be disclosed in the Title Report, there are no unrecorded leases, easements, or encumbrances which affect title to the Property, and Seller has not granted any other rights to others to use, occupy or acquire, or to limit the use or occupation of the Property, except as disclosed in the Title Report.

7.5 No Notice of Pending Condemnation. There is no pending or, to Seller's knowledge, threatened condemnation of all or any part of the Property.

7.6 Compliance. To Seller's knowledge, there exists no aspect or condition of the Property which violates applicable laws, rules, regulations, codes, or covenants, conditions or restrictions, any unfulfilled order or directive from any applicable governmental agency, or any casualty insurance company that any work of investigation, remediation, repair, maintenance or improvement is to be performed on the Property.

7.7 Maintenance and Condition at Closing. Seller shall maintain the Property until Closing in its present condition, acts of God excepted.

7.8 Possessory Rights. No person, except Seller, has any right to possession of the Property.

7.9 Mechanics' Liens. There are no unsatisfied mechanic's or materialman's lien rights concerning the Property; there has been no work undertaken on the Property during the last one hundred eighty (180) days for a which a mechanics' lien may be filed, nor will Seller contract for such work prior to the Closing Date without Buyer's written consent.

7.10 No Seller Bankruptcy Proceedings. There are no bankruptcy proceedings or other actions pending which affect Seller's ability to sell the Property.

7.11 Hazardous Substances/Storage Tanks. To Seller's knowledge, neither the Property nor any real estate in the vicinity of the Property is in violation of any federal, state, local or administrative agency ordinance, law, rule, regulation, order or requirement relating to environmental conditions or Hazardous Material ("Environmental Laws"). Neither Seller, nor to Seller's knowledge any third party, has used, manufactured, generated, treated, stored, disposed of, or released any Hazardous Material on, under or about the Property or real estate in the vicinity of the Property or transported any Hazardous Material over the Property. Neither Seller, nor to Seller's knowledge any third party, has installed, used or removed any storage tank on, from or in connection with the Property except in full compliance with all Environmental Laws, and, to Seller's knowledge, there are no storage tanks or wells (whether existing or abandoned) located on, under or about the Property and no storage tank has been installed on, used on or removed from or used in connection with the Property in violation of any Environmental Laws. To Seller's knowledge, the Property does not consist of any building materials that contain

Hazardous Material. For the purposes hereof, “Hazardous Material” shall mean any substance, chemical, waste or other material which is listed, defined or otherwise identified as “hazardous” or “toxic” under any federal, state, local or administrative agency ordinance or law, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 et seq. and the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., or any regulation, order, rule or requirement adopted thereunder, as well as any formaldehyde, urea, polychlorinated biphenyls, petroleum, petroleum product or by product, crude oil, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixture thereof, radon, asbestos, and “source,” “special nuclear” and “by product” material as defined in the Atomic Energy Act of 1985, 42 U.S.C. §§ 3011 et seq.

7.12 Title. Seller has good and marketable title to the Property.

ARTICLE VIII

WARRANTIES AND REPRESENTATIONS OF BUYER

Buyer warrants and represents to Seller as follows:

8.1 Power and Authority. Buyer has the full right and authority to enter into this Agreement and consummate the transactions contemplated herein; the person signing this Agreement on behalf of Buyer is authorized to so sign; and the execution, consent or acknowledgement of no person or entity other than the governing Board of Trustees of Buyer is necessary in order to validate the execution of this Agreement by Buyer.

8.2 Other Agreements. Entry into this Agreement, and the performance by Buyer of its obligations hereunder, does not contravene or constitute a breach of any agreement, contract, obligation of Buyer.

8.3 “AS IS, WHERE IS” Transaction. Buyer acknowledges that Buyer and the Buyer Agents will have independently and personally inspected the Property, together with the Due Diligence Materials, and that Buyer has entered into this Agreement based upon its ability to make such examination and inspection. **BUYER SHALL RELY ON ITS INVESTIGATIONS OF THE PROPERTY AND ITS REVIEW OF THE DUE DILIGENCE MATERIALS IN DETERMINING WHETHER TO ACQUIRE THE PROPERTY. THE PROVISIONS OF THIS SECTION ARE A MATERIAL PART OF THE CONSIDERATION FOR AND INDUCEMENT TO SELLER’S ENTERING INTO THIS AGREEMENT AND SHALL SURVIVE THE CLOSING.**

ARTICLE IX

BROKERAGE COMMISSIONS

Buyer and Seller each represent to the other that, to the best of their knowledge, no brokerage commission, finder’s fee or other compensation of any kind is due or owing to any person or entity in connection with the transaction covered by this Agreement, except as otherwise stated in this Agreement. Each party agrees to and does hereby indemnify and hold the other harmless from and against any and all costs, liabilities, losses, damages, claims, causes of action or proceedings which may result from any broker, agent or finder, licensee or

otherwise, claiming through, under or by reason of the conduct of the indemnifying party in connection with this transaction.

ARTICLE X
DAMAGE, DESTRUCTION OR CONDEMNATION

If, prior to the Closing Date, any portion or all of the Property is damaged, destroyed or taken under power of eminent domain or there is a threat thereof, Buyer may elect to terminate this Agreement by giving written notice of its election to Seller within fifteen (15) days after receiving written notice of such destruction or taking. If Buyer does not give such written notice within such fifteen (15) day period and elects to consummate the transactions contemplated hereby, Seller will assign to Buyer any and all proceeds of any insurance policy(ies) payable to Seller, or Seller's portion of any condemnation award. If Buyer elects to terminate this Agreement pursuant to this Section 10, Seller shall refund and return Buyer's Deposit.

ARTICLE XI
NOTICES

11.1 Time of Delivery, Addresses. Unless otherwise specifically provided in this Agreement, all notices, demands or other communications given hereunder shall be in writing and will be deemed to have been duly delivered upon personal delivery, as of the next day after deposit with a commonly accepted courier for over-night delivery, the date of fax transmission, if electronically confirmed to have been sent and received by 5:00 p.m. local time on such day, or as of the third day after mailing by United States certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to Seller:	Nancy Paulson City Manager Carson City City Hall 201 N. Carson Street, Suite 2 Carson City, NV 89703 Phone: (775) 887-2100 Fax: (775) 887-2286 Email: npaulson@carson.org
If to Buyer:	Alan Garrett, President & CEO Carson Tahoe Regional Healthcare 1600 Medical Parkway Carson City, NV 89703 Phone: (775) 445-8662 Fax: (775) 888-3200 Email: alan.garrett@carsontahoe.org

or such other address as any Party may designate to the others for such purpose in the manner set forth above.

ARTICLE XII
INDEMNIFICATION OBLIGATIONS AFTER CLOSING

12.1 Indemnification by Buyer. After the Closing, Buyer shall assume and have responsibility and liability for the Property. Buyer shall defend, indemnify, and hold harmless Seller and the Seller Parties from and against any and all losses, claims, damages, liabilities, costs, and expenses (including reasonable attorneys' fees), relating to or arising from or in connection with any breach by Buyer of any representation, warranty or covenant of Buyer contained in this Agreement or relating to or arising from Buyer's ownership, possession, or use of the Property from and after the Closing Date.

12.2 Indemnification by Seller. After the Closing, Seller agrees to defend, indemnify, defend and hold harmless Buyer, and its respective employees, agents, trustees, and officials from and against any and all losses, claims, damages, liabilities, costs, and expenses (including reasonable attorneys' fees) relating to or arising from or in connection with:

12.2.1 Any failure of Seller to pay liabilities arising or incurred by Seller prior to the Closing Date.

12.2.2 All obligations arising from or relating to Seller's ownership, possession or use of the Property on or before the Closing Date; provided, however, that except as otherwise provided in this Agreement, Seller shall have no indemnification obligations to Buyer for obligations arising from or relating to Buyer's ownership, possession or use of the Property after the Closing Date or to the extent arising from Buyer's or the Buyer Agents' gross negligence or willful misconduct.

12.3 Limited Liability. Seller does not waive and intends to assert any and all available NRS chapter 41 immunity in all cases. Liquidated damages shall not apply unless otherwise expressly provided for elsewhere in this Agreement. The contract liability of the Parties under this Agreement does not include punitive damages.

ARTICLE XIII
GENERAL PROVISIONS

13.1 Survival of Provisions. The representations, warranties, agreements and indemnities set forth in this Agreement shall remain operative, shall be deemed made at Closing, and shall survive the Closing in accordance with the terms set forth herein.

13.2 Captions; Drafting. Captions in this Agreement are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Agreement. Each Party and its counsel have had an opportunity to review and suggest revisions to the language of this Agreement. Accordingly, no provision of this Agreement shall be construed for or against or interpreted to the benefit or disadvantage of any Party by reason of any Party having or being deemed to have structured or drafted such provision.

13.3 Entire Agreement. This Agreement contains the entire agreement between the Parties relating to the transactions contemplated hereby, and all prior or contemporaneous

agreements, understandings, representations and statements, oral or written, are merged into this Agreement.

13.4 Modification. No modification, waiver or discharge of this Agreement shall be valid unless it is in writing and signed by the party against which the enforcement of the modification, waiver or discharge is or may be sought.

13.5 Successors; Assignment. All terms of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. Neither Party may assign this Agreement without the written consent of the other Party.

13.6 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which together will constitute but one instrument. A facsimile or electronically transmitted signature on this Agreement shall be binding as an original.

13.7 Severability. If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement will be construed as if the provision did not exist, the provisions will not be construed to render any other provision or provisions of this Agreement unenforceable, and the remaining terms of this Agreement will continue in full force and effect.

13.8 Time. Time is of the essence of this Agreement and in the performance and enforcement of each of the promises, covenants, representations and warranties of the Parties contained herein.

13.9 Reasonable Access. Until the Closing, upon reasonable advance notice to Seller and during Seller's regular business hours, Seller shall afford to Buyer and Buyer shall have the right to enter the Property. Seller shall make available to Buyer, for inspection and copying at Buyer's cost, all Due Diligence Documents relating to the Property. Such entry and inspection shall be at Buyer's sole cost, risk and expense, and Buyer shall defend, indemnify and hold Seller harmless from any claims and costs (including reasonable attorneys' fees), except those arising from Seller's gross negligence or willful misconduct. Buyer understands and agrees that it will take possession and make use of the Due Diligence Documents at its sole risk and expense and Seller makes no representations or warranties regarding the accuracy or completeness of the Due Diligence Documents, other than to represent that it is not aware of any material inaccuracy in the Due Diligence Documents. Any use of or reliance upon the Due Diligence Documents by Buyer shall be at Buyer's sole risk.

13.10 Further Assurances. Each of the Parties hereto shall execute and deliver any and all additional papers, documents, and other assurances, and shall do any and all acts and things reasonably necessary in connection with the performance of its obligations hereunder and to carry out the intent and agreements of the Parties hereto.

13.11 Third Parties. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties to it and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party to this

Agreement, nor shall any provision give any third persons any right of subrogation or action against any Party to this Agreement.

13.12 Approvals; Authority. This Agreement becomes effective upon approval by the Carson City Board of Supervisors and the governing body of Carson Tahoe Regional Healthcare, or its authorized representative. Each person signing this Agreement represents and warrants that he or she has the proper authority to bind the Party on whose behalf he or she signs.

13.13 Governing Law; Venue; Attorneys' Fees. This Agreement shall be construed in accordance with the laws of the State of Nevada. Any action brought to enforce the terms hereof shall be brought in the First Judicial District Court of the State of Nevada in and for Carson City. The prevailing party in any such action shall be entitled to reimbursement from the non-prevailing party for any and all costs incurred in defending or prosecuting such action, including, without limitation, reasonable attorneys' fees. The Parties agree that, in the event a Party is awarded attorney's fees under this Agreement for any reason, the rate applied to recoverable attorney's fees shall not exceed the rate of \$125 per hour.

13.14 "Day" Means Business Day. As used in this Agreement, "day" means any day other than a Saturday or Sunday, or any other day on which banking institutions in the State of Nevada are authorized or obligated by law or executive order to close. If the time period for the performance of any act called for under this Agreement expires on a day other than a business day, then the act in question may be performed on the next succeeding business day.

13.15 Public Records Requests Made to Seller. Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. Seller will have the duty to disclose particular information or documents, unless they are made confidential by law or a common law balancing of interest.

13.16 Waiver. No waiver of any right or remedy shall be effective unless in writing. A waiver of any right or a party's failure to insist on strict compliance with the terms of this Agreement shall not operate as a waiver of any other right or remedy.

13.17 Remedies. Except as otherwise provided for by law or this Agreement, the rights and remedies of the Parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages.

13.18 Separate Entities. The Parties are associated with each other only for the purposes and to the extent set forth in this Agreement. Nothing contained in this Agreement may be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one Party whatsoever with respect to the indebtedness, liabilities, and obligations of the other Party.

(The remainder of this page is blank; the signature blocks follow on the next page.)

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

SELLER:

CARSON CITY, a consolidated municipality of the State of Nevada

By: _____
Robert Crowell, Mayor

APPROVED AS TO FORM:

By: _____
Deputy District Attorney

ATTEST:

By: _____
Aubrey Rowlatt, Clerk-Recorder

BUYER:

**CARSON TAHOE REGIONAL
HEALTHCARE**,
a Nevada nonprofit corporation

By: _____
Alan Garrett, President & CEO

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

PARCEL 1:

A portion of the SW 1/4 Section 31, T.16N., R.20E., M.D.B.& M., Carson City, Nevada and being more particularly described as follows:

Commencing at the NW corner of Section 6, T.15N., R.20E., M.D.B.& M.; Thence S. 89° 15' 43" E., 945.42 feet; Thence S. 89° 16' 02" E., 937.13 feet to the True Point of Beginning; Thence on a curve to the right with radius of 460.00 feet, central angle of 01° 57' 26" and arc length of 15.71 feet (chord bears N. 00° 58' 43" W.); Thence N. 00° 00' 00" E., 216.61 feet; Thence S. 88° 36' 22" E., 162.70 feet; Thence S. 00° 30' 12" W., 230.42 feet; Thence N. 89° 16' 02" W., 160.37 feet to the True Point of Beginning.

APN: 007-531-13

Note: This is the same legal description described in Document No. 345439. NRS 111.312(6).

PARCEL 2:

A portion of the NW 1/4 Section 6, T.15N., R.20E., M.D.B.& M., Carson City, Nevada and being more particularly described as follows:

Commencing at the NW corner of Section 6, T.15N., R.20E., M.D.B.& M.; Thence S. 89° 15' 43" E., 945.42 feet; Thence S. 89° 16' 02" E., 937.13 feet to the True Point of Beginning; Thence S. 89° 16' 02" E., 160.05 feet; Thence S. 00° 30' 12" W., 285.31 feet; Thence N. 44° 22' 36" W., 92.33 feet; Thence S. 86° 34' 39" W., 26.53 feet; Thence on a curve to the right with radius of 460.00 feet, central angle of 29° 17' 39" and arc length of 235.19 feet (chord bears N. 16° 36' 15" W.) to the True Point of Beginning

APN: 007-531-14

Note: This is the same legal description described in Document No. 345437. NRS 111.312(6).

EXHIBIT B
FORM OF SELLER'S DEED

[See following page]

WHEN RECORDED MAIL TO:

Real Property Manager
Carson City Public Works
3505 Butti Way
Carson City, NV 89701

MAIL TAX STATEMENTS TO:

CARSON TAHOE REGIONAL HEALTHCARE
1600 Medical Parkway
Carson City, NV 89703

The undersigned hereby affirms that this document, including any exhibits, submitted for recording does not contain the personal information of any person or persons. (Pursuant to NRS 239B.030)

APN No.: 007-531-13 & 007-531-14
R.P.TT. \$3,529.50

SPACE ABOVE FOR RECORDER'S USE ONLY

GRANT, BARGAIN, SALE DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, CARSON CITY, a consolidated municipality of the State of Nevada, does hereby GRANT, BARGAIN, and SELL to CARSON TAHOE REGIONAL HEALTHCARE, a Nevada nonprofit corporation, of 1600 Medical Parkway, Carson City, Nevada 89703, the real property situated in Carson City, State of Nevada, described in Exhibit A attached hereto and incorporated herein by this reference.

TOGETHER with the tenements, hereditaments and appurtenances, including easements and water rights, if any, thereto belonging or appertaining, and any reversions, remainders, rents, issues or profits thereof.

Dated this ____ day of _____, 2020.

CARSON CITY, a consolidated municipality
of the State of Nevada

By: _____
Robert Crowell, Mayor

Notary acknowledgment appears on the next page.

STATE OF NEVADA)
)
COUNTY OF) ss.

The foregoing Grant, Bargain, Sale Deed was acknowledged before me, a notary public, this ____ day of _____, 2020, by _____, as _____ of Carson City, a consolidated municipality of the State of Nevada.

Notary Public

My Commission Expires:

Exhibit A to Grant, Bargain, Sale Deed

Legal Description of the Property

PARCEL 1:

A portion of the SW 1/4 Section 31, T.16N., R.20E., M.D.B.& M., Carson City, Nevada and being more particularly described as follows:

Commencing at the NW corner of Section 6, T.15N., R.20E., M.D.B.& M.; Thence S. 89° 15' 43" E., 945.42 feet; Thence S. 89° 16' 02" E., 937.13 feet to the True Point of Beginning; Thence on a curve to the right with radius of 460.00 feet, central angle of 01° 57' 26" and arc length of 15.71 feet (chord bears N. 00° 58' 43" W.); Thence N. 00° 00' 00" E., 216.61 feet; Thence S. 88° 36' 22" E., 162.70 feet; Thence S. 00° 30' 12" W., 230.42 feet; Thence N. 89° 16' 02" W., 160.37 feet to the True Point of Beginning.

APN: 007-531-13

Note: This is the same legal description described in Document No. 345439. NRS 111.312(6).

PARCEL 2:

A portion of the NW 1/4 Section 6, T.15N., R.20E., M.D.B.& M., Carson City, Nevada and being more particularly described as follows:

Commencing at the NW corner of Section 6, T.15N., R.20E., M.D.B.& M.; Thence S. 89° 15' 43" E., 945.42 feet; Thence S. 89° 16' 02" E., 937.13 feet to the True Point of Beginning; Thence S. 89° 16' 02" E., 160.05 feet; Thence S. 00° 30' 12" W., 285.31 feet; Thence N. 44° 22' 36" W., 92.33 feet; Thence S. 86° 34' 39" W., 26.53 feet; Thence on a curve to the right with radius of 460.00 feet, central angle of 29° 17' 39" and arc length of 235.19 feet (chord bears N. 16° 36' 15" W.) to the True Point of Beginning

APN: 007-531-14

Note: This is the same legal description described in Document No. 345437. NRS 111.312(6).

RESOLUTION NO. 2019-R-_____

A RESOLUTION REGARDING THE SALE OF CARSON CITY PROPERTY KNOWN AS APN 007-531-13 AND 007-531-14, TOTALING 1.6 ACRES, UNDER NRS 244.281(1)(e)(1)(I) to CARSON TAHOE REGIONAL HEALTHCARE.

WHEREAS, Carson City purchased a parcel totaling 3.78 acres of land known as APN 008-054-15 for a regional drainage facility from Carson Tahoe Hospital on March 29, 2002, as recorded by the Carson City Clerk-Recorder as document 276788; and

WHEREAS, Carson City purchased a parcel totaling 3.985 acres of land known as APN 007-511-01 for a regional drainage facility from Nevada Children's Home on January 10, 2003, as recorded by the Carson City Clerk-Recorder as document 293378; and

WHEREAS, on March 14, 2005, portions of APN 008-054-15 and 007-511-01 were dedicated as right-of-way for Medical Parkway as recorded by the Carson City Clerk-Recorder as documents 336320 and 336321; and

WHEREAS, the right-of-way dedication resulted in the parcels being bisected, leaving certain resultant parcels, APN 007-531-13 and 007-531-14, located on the east side of Medical Parkway; and

WHEREAS, these resultant parcels, APN 007-531-13 and 007-531-14, recorded by the Carson City Clerk-Recorder as document 345437 and 345439, total 1.6 acres and are no longer required for public use and it is in the best interest of Carson City that the property be disposed of; and

WHEREAS, NRS 244.281(1)(e)(1)(I) allows Carson City to sell remnant parcels that were separated from their original parcel due to the construction of a street, alley, avenue or other thoroughfare, or portion thereof, flood control facility or other public facility to a person who owns real property located adjacent to the real property to be sold if the Board of Supervisors determines that the sale will be in the best interest of the City; and

WHEREAS, on September 19, 2019, the Carson City Board of Supervisors adopted Resolution No. 2019-R-28 declaring Carson City's intention to sell APNs 007-531-13 and 007-531-14 under NRS 244.281(1)(e)(1)(I) for \$905,000 if an offer was given to the City within 30 days; and

WHEREAS, Carson Tahoe Regional Healthcare is the adjacent land owner and on October 10, 2019, Carson Tahoe Regional Healthcare sent an offer letter to Carson City offering to purchase APNs 007-531-13 and 007-531-14 for \$905,000, and City staff and Carson Tahoe Regional Healthcare have negotiated a Purchase Agreement; and

WHEREAS, the proposed sale of the City's interest in this property would be consistent with NRS 244.281(1)(e)(1)(I);

NOW, THEREFORE, the Carson City Board of Supervisors hereby resolves that:

