



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** December 16, 2021

Staff Contact: Darren Schulz, Public Works Director

Agenda Title: For Possible Action: Discussion and possible action regarding a proposed grant of a non-exclusive easement ("Easement") from Carson City to the State of Nevada, Division of State Lands for portions of the Marlette Water Pipeline ("Pipeline") located on Carson City land with Assessor Parcel Numbers 007-091-66, 007-091-78 and 007-091-79 ("Property"). (Robert Nellis, RNellis@carson.org; Randall Rice, RRice@carson.org; Lyndsey Boyer, LBoyer@carson.org).

Staff Summary: Although its precise location has changed over time, the Pipeline is a long-standing part of the broader Marlette Water System ("System"), which delivers water from Marlette to Carson City and Virginia City. The State took over ownership of the System, including the Pipeline, in approximately 1963. The Easement serves two purposes. First, it provides written terms upon which the State of Nevada will use and access Carson City land to maintain, operate, and repair the Pipeline at its current, identified location. Second, the Easement is needed for Carson City to access remaining funds from the Land and Water Conservation Fund grant that it was awarded for the acquisition of Eagle View Open Space. Water from the System is critical to the City and is an integral part of the City's water plan, both in the short and long-term. Since the Pipeline and Easement provide a mutual benefit to both the State and City, staff recommends granting the Easement to the State of Nevada at no cost.

Agenda Action: Formal Action / Motion **Time Requested:** Consent

Proposed Motion

I move to approve, and authorize the Mayor to sign, the Easement as presented.

Board's Strategic Goal

Sustainable Infrastructure

Previous Action

None

Background/Issues & Analysis

The System was installed during the Comstock Era in the late 1800's, in response to a growing and imperative need for water. The State of Nevada purchased the System in 1963 under Chapter 462, Statute of Nevada 1963 from the Marlette Lake Company. The System has provided water to Carson City and Virginia City for well over 100 years.

The Carson Pipeline branch of the System was relocated slightly southward in the 1960's, such that a portion of that Pipeline now runs through and beneath the Property. Water from the System is critical to the City and is an integral part of the City's water plan, both in the short and long-term. The State of Nevada desires to formalize the Pipeline's location and terms through a Non-Exclusive Utility Easement across the Property from the City for the purpose of accessing and maintaining the Pipeline, as needed.

In addition, the Easement is needed for Carson City to show that the Eagle View Open Space was not newly encumbered by utility service in contravention of the terms from the Land and Water Conservation Fund grant that was used to acquire that open space. That grant ends December 31, 2021, and there are remaining funds, (approximately \$62,500) that Carson City has not received reimbursement for that Carson City will be entitled to access if the Easement is memorialized before that deadline. Additionally, memorializing the Easement by the grant deadline will ensure Carson City remains in good standing grant compliance for current and future Land and Water Conservation funded projects.

Applicable Statute, Code, Policy, Rule or Regulation

NRS 244.270, 244.279; Carson City Charter § 1.040

Financial Information

Is there a fiscal impact? No

If yes, account name/number: N/A

Is it currently budgeted? No

Explanation of Fiscal Impact: This easement is being granted to the State of Nevada at no cost.

Alternatives

Do not approve the grant of easement and/or provide alternate direction to staff.

Attachments:

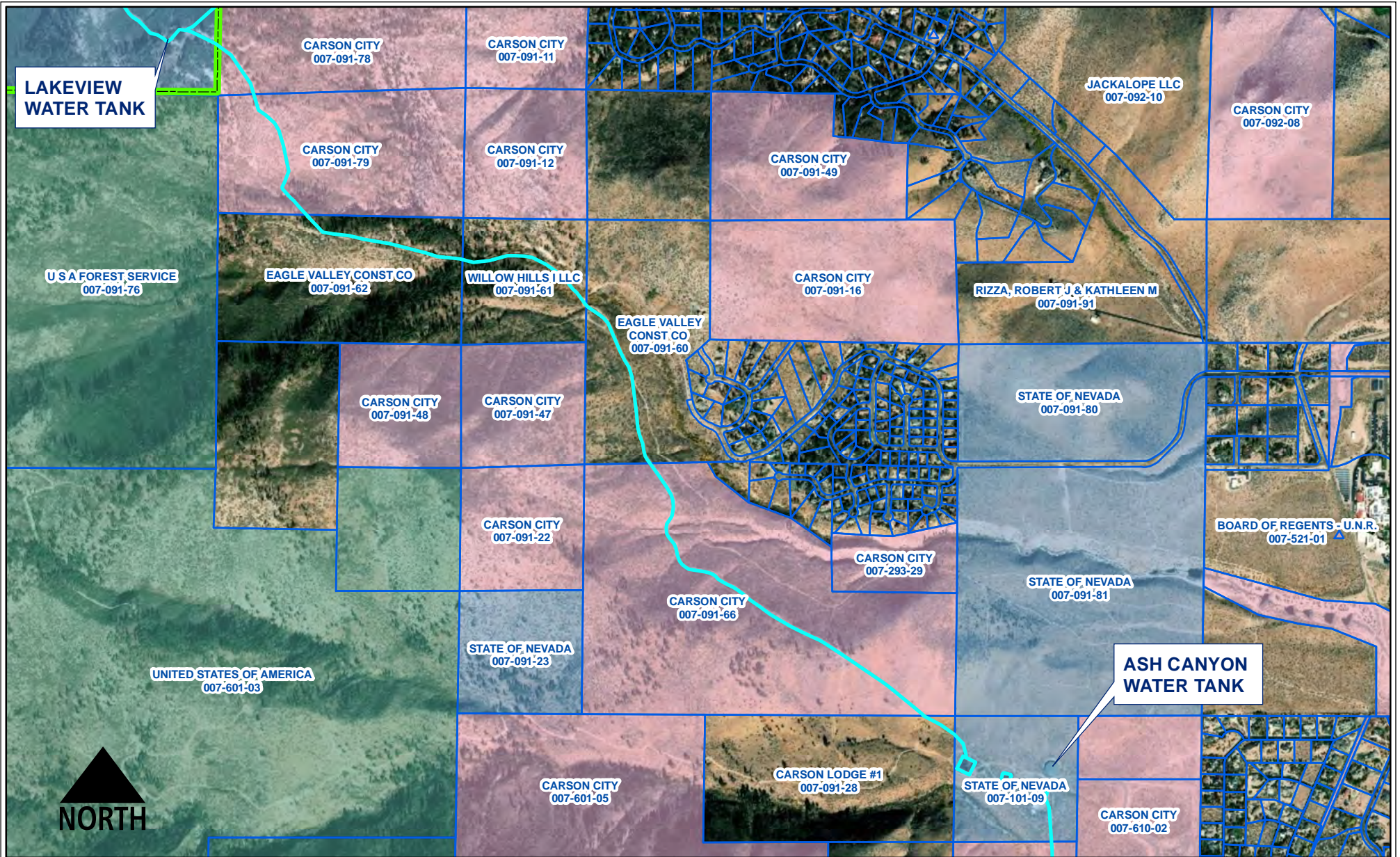
[Map - Current Surveyed Easement with Ownership Info.pdf](#)

[Marlette Pipeline Easement.pdf](#)

Board Action Taken:

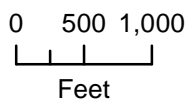
Motion: _____	1) _____	Aye/Nay
	2) _____	_____

(Vote Recorded By)



LAKEVIEW WATER TANK

ASH CANYON WATER TANK



MARLETTE PIPELINE

- ASSESSOR PARCELS
- PRIVATE
- CARSON CITY
- FEDERAL
- STATE
- LTNSP BOUNDARY
- MARLETTE WATER SYSTEM

This map has been prepared using the best available data and with the utmost care, but there is no warranty of any kind as to the completeness or accuracy of the data. Do not use when operating a motor vehicle.



APNs: 007-091-66
007-091-78
007-091-79

AFTER RECORDING RETURN TO:
CARSON CITY PUBLIC WORKS
Attn: Real Property Manager
3505 Butti Way
Carson City, NV 89701

The undersigned hereby affirms that this document, including any exhibits, submitted for recording does not contain the social security number of any person or persons. (N.R.S. 239B.030)

NON-EXCLUSIVE UTILITY EASEMENT

CARSON CITY MARLETTE WATER PIPELINE

THIS GRANT OF NON-EXCLUSIVE UTILITY EASEMENT is made and entered into this _____ day of _____, 2021, by and between CARSON CITY, NEVADA, a consolidated municipality and political subdivision of the State of Nevada ("GRANTOR"), and the STATE OF NEVADA, acting through the NEVADA DIVISION OF STATE LANDS, for and on behalf of the DEPARTMENT OF ADMINISTRATION, STATE PUBLIC WORKS DIVISION, BUILDINGS & GROUNDS SECTION ("GRANTEE"), hereinafter individually referred to as "Party" or collectively as "Parties."

WITNESSETH:

WHEREAS, GRANTOR owns Carson City Assessor's Parcel Numbers 007-091-66, 007-091-78, & 007-091-79 ("Property"); and

WHEREAS, the Marlette Water System was installed during the Comstock Era in the late 1800's, in response to a growing and desperate need for water; and

WHEREAS, GRANTEE purchased the Marlette Water System in the 1963 under Chapter 462, Statute of Nevada 1963 from the Marlette Lake Company. The Marlette Water System was delegated to the Department of Administration for supervision and management under NRS 331.160 to 331.180; and

WHEREAS, the Carson pipeline branch of the Marlette Water System was relocated slightly southward in the 1960's, such that a portion of that pipeline now runs through and beneath the Property; and

Page 1 of 15

Carson City
Marlette Water Pipeline Easement

WHEREAS, GRANTEE desires to formalize and obtain a Non-Exclusive Utility Easement across the Property from GRANTOR for the purpose of delivering water from and through the Marlette Water System to Carson City and Virginia City; and

WHEREAS, NRS 244.279 gives the GRANTOR the authority to sell or lease right-of-way to a public utility over or upon the Property; and

WHEREAS, NRS 321.001 gives Grantee the authority to acquire interests in land; and

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 Utility Easement ("Easement") for the purposes of accessing, administering, maintaining, inspecting, operating, reconstructing, and repairing the Carson pipeline branch of the Marlette Water System ("Pipeline Maintenance"), under, over, across and/or through the portions of the Property described in the maps and descriptions provided in the attached **Exhibits A, B, C, D, and E** ("Easement Area"), together with the right of ingress and egress to and from said Easement and the right to enter upon the Property to reconstruct, inspect, maintain, operate, and repair structures and to remove bushes, undergrowth or other obstructions interfering with the Pipeline Maintenance, in whole or in part, at will.

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

1. PURPOSE:

- i. The Easement gives GRANTEE the non-exclusive right to use the Easement Area for the Pipeline Maintenance.
- ii. GRANTOR may use the Easement Area for any reasonable purpose that does not (1) interfere with GRANTEE's rights or use of the Easement, or (2) pose a risk to public safety or the safety and safe operation of the Marlette Water System and associated pipeline facilities.
- iii. In no event shall any structures, fences or other improvements be placed on or in the Easement Area, other than those existing on the recording date of this Easement without the mutual consent of the Parties, and such consent shall not be unreasonably withheld, conditioned, or delayed by either Party. Except as otherwise provided herein or as may be mutually agreed upon in writing by the Parties, in no event may any permanent buildings, reservoirs, fences, or trees be placed on or in the easement areas.

2. PERMITS: This 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 all necessary permits.

3. INDEMNIFICATION: To the extent permitted by law, including, but not limited to, the provisions of NRS Chapter 41, each Party (including its successors and assigns, and/or agent(s) or contractor(s)) shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other Party (including the other Party's successors and assigns, and/or agent(s) or contractor(s)) from and against all liability, claims, actions, damages, losses, and expenses, including but not limited to reasonable attorney's fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying party that are in any way connected with the conditions or use of the Easement and/or Pipeline Maintenance. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any Party or person described in this Section. Further, no Party shall be liable to the other Party for any damage to improvements placed upon the Easement Area when such damage is due to any necessary operation performed with reasonable care.

4. LIMITED LIABILITY: Neither Party will waive, and both Parties intend to assert, all available immunities and statutory limitations in all cases, including, without limitation, the provisions of Nevada Revised Statutes Chapter 41. The Parties agree that, in the event a lawsuit is filed and a Party is awarded attorneys' fees by the court, for any reason, the rate applied to recoverable attorneys' fees shall not exceed the rate of \$150 per hour.

5. INSURANCE, CONTRACTORS AND SUB-CONTRACTORS: GRANTEE agrees 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. Such insurance policy shall be at minimum, in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate for general liability and shall via an endorsement, name GRANTOR, its officers, employees and agents as additional insured for all liability arising from the contractors' and sub-contractors' use of the Property and Easement Area.

6. NOTICE OF ENTRY: GRANTEE shall provide notice to GRANTOR prior to entering the Property to perform Pipeline Maintenance requiring the use of heavy equipment. However, if prior notice is not practicable, GRANTEE shall provide notice to GRANTOR that it entered the Property to perform such Pipeline Maintenance within two business days of that entry occurring. Notwithstanding the requirements set forth in Section 13, the notice of entry described in this section can be made informally by phone or email to the phone number or email address for GRANTOR's Real Property Manager, provided (1) GRANTEE knows that the phone number or email address it will use for GRANTOR's Real Property Manager is accurate, and (2) GRANTOR has not notified GRANTEE in writing, consistent with Section 13, that it will insist that the notice of entry described in this Section be served in accord with Section 13.

7. HISTORIC DISCOVERIES: If prehistoric or historic remains or artifacts are discovered during Pipeline Maintenance anywhere within the Property, work will be temporarily halted and the State Historic Preservation Office at (775) 684-3448 as well as the GRANTOR's Development Engineering Division at (775) 887-2300 shall be notified. GRANTEE will heed the responsibilities required under Section 106 of the Natural Historic Preservation Act of 1966, as amended.

8. DAMAGE TO GRANTOR PROPERTY: GRANTEE shall be responsible for all damages to the real property, improvements, and personal property of GRANTOR that are

directly or proximately caused by GRANTEE or its employees, agents, contractors, or sub-contractors during any activity related to Pipeline Maintenance.

9. ABANDONMENT OF PIPELINE: If GRANTEE abandons (whether voluntarily or otherwise) all or any portion of the pipeline within the Easement Area for any reason, it shall grout fill any segments of abandoned pipeline facilities within the Easement Area that will not be removed from the Easement Area.

10. MAINTENANCE: GRANTEE, its successors and assigns, shall be responsible for all maintenance of the Easement Area and Pipeline Maintenance and understands and agrees that the Pipeline Maintenance and Easement Area must be maintained in good repair at all times.

11. ENVIRONMENTAL CONDITIONS: GRANTEE, its successors and/or its agent(s) or contractor(s) understands and agrees to maintain the Easement Area, and perform Pipeline Maintenance, within the Nevada Division of Environmental Protection's Best Management Practices guidelines.

12. WARRANTIES: GRANTOR makes no warranty as to the condition of or the adequacy of the Property or Easement Area for the proposed uses of GRANTEE.

13. NOTICES: All written notices or demand of any kind which either Party hereto may be required or may desire to serve on the other in connection with this Easement must be delivered by personal service, by registered or certified mail, recognized overnight courier service, facsimile transmission or confirmed electronic mail, addressed to the respective Parties at the physical addresses, facsimile numbers or electronic mail addresses set forth below:

GRANTOR: CARSON CITY REAL PROPERTY MANAGER
3505 BUTTI WAY
CARSON CITY, NV 89701
FAX: (775) 887-2112

GRANTEE: NEVADA DIVISION OF STATE LANDS
901 S. STEWART ST., STE. 5003
CARSON CITY, NEVADA 89701
FAX: (775) 684-2721

Service of any such notice or demand so made by personal delivery, registered or certified mail, recognized overnight courier or facsimile transmission shall be deemed complete on the date of actual receipt as shown by the addressee's registry or certification receipt or, as to facsimile transmissions, by transmission confirmation, as applicable, or at the expiration of the third (3rd) business day after the dispatch, whichever is earlier in time. Either Party hereto may from time to time, by notice in writing served upon the other as aforesaid, designate a different mailing address or facsimile number to which all such notices or demands are thereafter to be addressed.

14. FURTHER AUTHORIZATIONS: Further authorization from the GRANTOR is required prior to commencement of any future work or activities (1) outside the Easement Area, or (2) within the Easement Area but beyond the scope of Pipeline Maintenance.

15. TERM AND DISCONTINUATION: This Easement shall be perpetual and shall continue so long as the same may be necessary and required for Pipeline Maintenance, except that the Easement may be terminated in the event of an uncured violation of the Easement's terms pursuant to Section 16 below. If terminated because the Easement is no longer necessary or required for pipeline maintenance or because of an uncured violation of the Easement's terms, GRANTEE shall abandon pipeline facilities in accordance to Section 9 of this Easement.

16. COMPLIANCE TO CONDITIONS: Upon discovery of material breach with any of the conditions contained herein, GRANTOR shall provide GRANTEE NINETY (90) days written Notice of Non-compliance, at which point GRANTEE shall have NINETY (90) days from receipt of such written notice to cure to the reasonable satisfaction of GRANTOR. If such correction is not made within NINETY (90) days (or such additional reasonable time as the circumstances may warrant if the non-compliance is not reasonably capable of being cured within 90 days and provided GRANTEE undertakes diligent, good faith efforts to commence to cure the default within such 90-day period and diligently continues such efforts to completion thereafter), this Easement will be terminated.

GRANTEE agrees to provide a copy of this Easement to its contractors prior to entering and beginning any work within the Easement Area described herein.

17. WAIVER: The failure of either Party to insist upon strict performance of any of the terms of this Easement or to exercise any option herein conferred shall not be construed to be a waiver or relinquishment of any right so conferred.

18. SURVIVAL: This Easement, and all of the terms hereof, shall inure to the benefit of, and be binding upon, the Parties and their heirs, assigns and successors, and the rights and obligations of GRANTEE are, and shall continue to be, joint and several.

19. ENTIRE AGREEMENT: This 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 part hereof. No provisions of the Easement may be amended or modified in any manner whatsoever unless incorporated in writing and executed by both Parties. When executed by GRANTOR and GRANTEE, this Easement shall be binding upon GRANTOR and GRANTEE, their successors and assigns.

20. AMENDMENT OR MODIFICATION: This Easement may be amended or modified at any time with the mutual consent of the Parties hereto, provided that amendment or modification is in writing and executed and dated by the Parties hereto.

21. SEVERABILITY: If any term or provision of this 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 Easement (or the application of such term or provision to persons or circumstances other than those as to which is held to be invalid or unenforceable) shall not be affected thereby, and each term and provision of this Easement shall be valid and shall be enforced to the fullest extent permitted by law.

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

23. VENUE: Any lawsuit brought to resolve a dispute arising from this Easement must be brought in Carson City, Nevada.

24. ASSIGNMENT OF EASEMENT: This Easement may not be assigned or transferred without prior written approval of both GRANTOR and GRANTEE. Such approval will not be unreasonably withheld.

25. RECORDING: This Easement will be recorded in the official records of Carson City, Nevada. GRANTOR shall be responsible for all recording fees.

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

GRANTOR:

REVIEWED AND RECOMMENDED BY:

By _____
RANDALL RICE, CITY ENGINEER

Date: _____

APPROVED AS TO FORM:

By _____
ADAM TULLY, DEPUTY DISTRICT ATTORNEY

Date: _____

APPROVED:

By _____
LORI BAGWELL, MAYOR

Date: _____

ATTEST:

By _____
AUBREY ROWLATT, CLERK-RECORDER

Date: _____

GRANTEE:

**STATE OF NEVADA
Division of State Lands**

By _____
CHARLES DONOHUE
Administrator and State Land Registrar

STATE OF NEVADA)
)ss.
CARSON CITY)

On _____, 2021, 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:

**AARON D. FORD
Attorney General**

By: Daniel Nubel
DANIEL NUBEL
Senior Deputy Attorney General

Date: 11/29/21

APPROVED:

**STATE OF NEVADA
State Public Works Division
Buildings and Grounds Section**

By: Ward D. Patrick
WARD D. PATRICK,
Administrator

Date: 11/30/21

**EXHIBIT B-1:
LEGAL DESCRIPTION
007-091-66**

A strip of land lying within Section 11, Township 15 North, Range 19 East, Mount Diablo Base & Meridian, in the City of Carson City, State of Nevada, said strip of land being 50 feet wide, lying 25 feet on each side of the following described centerline:

COMMENCING at the northeast corner of said Section 11 marked by a 3 1/2-inch brass cap, stamped BLM S2 S1 S11, S1 from which the east sixteenth corner of said Section 11 and Section 2, marked by a 5/8" rebar and cap, stamped Osgood 445, bears North 88 Degrees 19 Minutes 17 Seconds West, 1324.35 feet;

THENCE, North 88 Degrees 19 Minutes 17 Seconds West, 1324.35 feet, to said east sixteenth of Section 11 and Section 2;

THENCE, North 88 Degrees 19 Minutes 17 Seconds West, 1324.25 feet;

THENCE, South 88 Degrees 43 Minutes 35 Seconds West, 628.05 feet, to the **POINT OF BEGINNING**;

THENCE, South 36 Degrees 19 Minutes 23 Seconds East, 170.36 feet;

THENCE, South 33 Degrees 25 Minutes 30 Seconds East, 162.13 feet;

THENCE, South 29 Degrees 14 Minutes 48 Seconds East, 91.08 feet;

THENCE, South 19 Degrees 37 Minutes 29 Seconds East, 64.64 feet;

THENCE, South 04 Degrees 31 Minutes 07 Seconds East, 61.39 feet;

THENCE, South 07 Degrees 21 Minutes 18 Seconds West, 48.52 feet;

THENCE, South 10 Degrees 11 Minutes 54 Seconds West, 52.62 feet;

THENCE, South 23 Degrees 45 Minutes 11 Seconds West, 19.04 feet;

THENCE, South 35 Degrees 09 Minutes 28 Seconds West, 50.34 feet;

THENCE, South 32 Degrees 44 Minutes 27 Seconds West, 34.02 feet;

THENCE, South 18 Degrees 44 Minutes 28 Seconds West, 10.78 feet;

THENCE, South 07 Degrees 50 Minutes 36 Seconds West, 26.02 feet;

THENCE, South 04 Degrees 35 Minutes 30 Seconds East, 62.80 feet;

THENCE, South 22 Degrees 35 Minutes 34 Seconds East, 23.32 feet;

THENCE, South 36 Degrees 48 Minutes 58 Seconds East, 28.19 feet;

**EXHIBIT B-1:
LEGAL DESCRIPTION
007-091-66**

THENCE, South 40 Degrees 08 Minutes 49 Seconds East, 30.00 feet;
THENCE, South 34 Degrees 08 Minutes 10 Seconds East, 59.70 feet;
THENCE, South 31 Degrees 47 Minutes 29 Seconds East, 25.85 feet;
THENCE, South 18 Degrees 58 Minutes 41 Seconds East, 24.33 feet;
THENCE, South 12 Degrees 16 Minutes 07 Seconds East, 70.51 feet;
THENCE, South 12 Degrees 50 Minutes 04 Seconds East, 28.01 feet;
THENCE, South 25 Degrees 30 Minutes 16 Seconds East, 42.90 feet;
THENCE, South 36 Degrees 33 Minutes 43 Seconds East, 45.34 feet;
THENCE, South 49 Degrees 55 Minutes 38 Seconds East, 46.92 feet;
THENCE, South 62 Degrees 06 Minutes 40 Seconds East, 35.58 feet;
THENCE, South 79 Degrees 48 Minutes 56 Seconds East, 77.93 feet;
THENCE, South 82 Degrees 06 Minutes 54 Seconds East, 97.30 feet;
THENCE, South 74 Degrees 52 Minutes 08 Seconds East, 52.94 feet;
THENCE, South 68 Degrees 06 Minutes 53 Seconds East, 24.18 feet;
THENCE, South 57 Degrees 11 Minutes 28 Seconds East, 39.37 feet;
THENCE, South 46 Degrees 23 Minutes 48 Seconds East, 44.50 feet;
THENCE, South 50 Degrees 10 Minutes 48 Seconds East, 34.19 feet;
THENCE, South 59 Degrees 42 Minutes 35 Seconds East, 35.42 feet;
THENCE, South 63 Degrees 54 Minutes 30 Seconds East, 50.50 feet;
THENCE, South 63 Degrees 59 Minutes 04 Seconds East, 57.79 feet;
THENCE, South 57 Degrees 57 Minutes 55 Seconds East, 56.72 feet;
THENCE, South 54 Degrees 03 Minutes 10 Seconds East, 63.72 feet;
THENCE, South 51 Degrees 33 Minutes 35 Seconds East, 109.74 feet;
THENCE, South 51 Degrees 12 Minutes 35 Seconds East, 18.27 feet;

**EXHIBIT B-1:
LEGAL DESCRIPTION
007-091-66**

THENCE, South 54 Degrees 46 Minutes 31 Seconds East, 114.50 feet;
THENCE, South 54 Degrees 03 Minutes 16 Seconds East, 135.54 feet;
THENCE, South 56 Degrees 25 Minutes 36 Seconds East, 24.09 feet;
THENCE, South 57 Degrees 36 Minutes 36 Seconds East, 83.68 feet;
THENCE, South 60 Degrees 05 Minutes 22 Seconds East, 75.80 feet;
THENCE, South 60 Degrees 05 Minutes 22 Seconds East, 55.06 feet;
THENCE, South 64 Degrees 26 Minutes 35 Seconds East, 108.86 feet;
THENCE, South 64 Degrees 52 Minutes 02 Seconds East, 150.79 feet;
THENCE, South 64 Degrees 06 Minutes 50 Seconds East, 84.08 feet;
THENCE, South 61 Degrees 33 Minutes 15 Seconds East, 62.06 feet;
THENCE, South 55 Degrees 56 Minutes 18 Seconds East, 226.14 feet;
THENCE, South 56 Degrees 23 Minutes 26 Seconds East, 353.34 feet;
THENCE, South 56 Degrees 20 Minutes 54 Seconds East, 161.15 feet;
THENCE, South 50 Degrees 49 Minutes 22 Seconds East, 86.75 feet;
THENCE, South 50 Degrees 49 Minutes 22 Seconds East, 367.10 feet;
THENCE, South 50 Degrees 49 Minutes 22 Seconds East, 117.85 feet, to the **POINT OF TERMINUS**, from which said northeast corner of said Section 11 bears South 89 Degrees 43 Minutes 44 Seconds East, 332.40 feet, **THENCE**, North 00 Degrees 29 Minutes 51 Seconds East, 2632.92 feet;

Containing 214,188 square feet or 4.92 acres, more or less.

Sidelines of said strip of land are to be lengthened or shortened to terminate at said parcel boundaries

EXHIBIT A-1 is to accompany description and is attached hereto and made a part hereof, by reference.

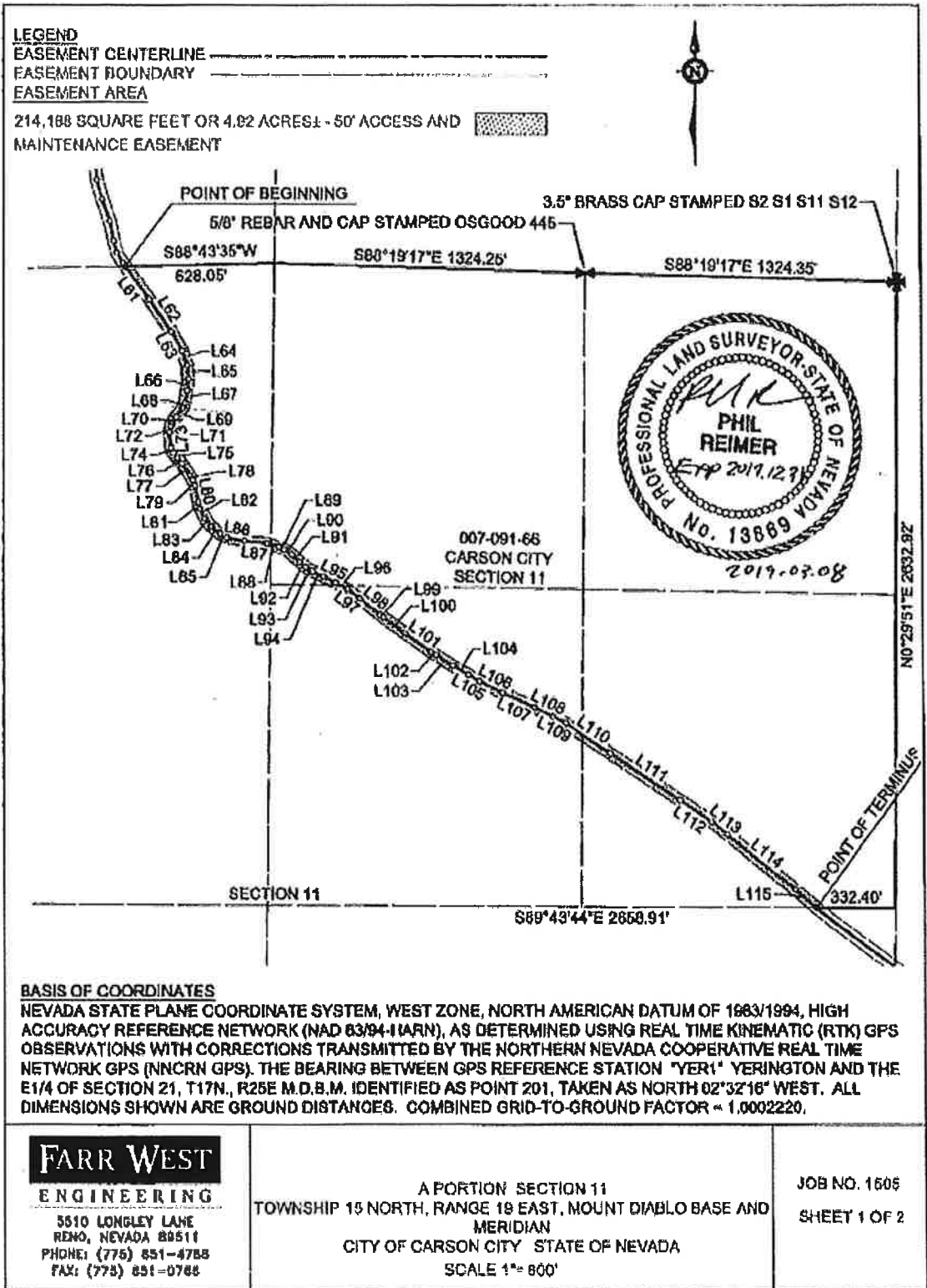


Phil Reimer, P.L.S., Nevada Certificate No. 13869

Farr West Engineering - 5510 Longley Lane, Reno, NV. 89511



**EXHIBIT B-1:
LEGAL DESCRIPTION
007-091-66**



**EXHIBIT B-2:
LEGAL DESCRIPTION
007-091-78 AND 79**

A strip of land lying within the Northeast 1/4 of Section 3, Township 15 North, Range 19 East, Mount Diablo Base & Meridian, in the City of Carson City, State of Nevada, said strip of land being 50 feet wide, lying 25 feet on each side of the following described centerline:

COMMENCING at the northeast corner of said Section 3 marked by a 3 1/2-inch brass cap, stamped S2 S3 S35, from which the east quarter corner of said Section 3, marked by a 3 1/2-inch brass cap, stamped S2 S3 1/4, bears South 00 Degrees 35 Minutes 48 Seconds West, 2776.72 feet;

THENCE, North 88 Degrees 47 Minutes 11 Seconds West, 2622.84 feet;

THENCE, South 0 Degrees 49 Minutes 46 Seconds West, 1002.32 feet, to the **POINT OF BEGINNING**;

THENCE, South 53 Degrees 47 Minutes 33 Seconds East, 152.08 feet;

THENCE, South 34 Degrees 18 Minutes 24 Seconds East, 362.21 feet;

THENCE, South 16 Degrees 53 Minutes 30 Seconds East, 297.81 feet;

THENCE, South 55 Degrees 43 Minutes 44 Seconds East, 91.53 feet;

THENCE, South 47 Degrees 04 Minutes 41 Seconds East, 127.96 feet;

THENCE, South 30 Degrees 57 Minutes 11 Seconds East, 92.47 feet;

THENCE, South 17 Degrees 02 Minutes 29 Seconds East, 166.94 feet;

THENCE, South 11 Degrees 14 Minutes 56 Seconds East, 275.00 feet;

THENCE, South 19 Degrees 52 Minutes 04 Seconds West, 121.02 feet;

THENCE, South 26 Degrees 21 Minutes 47 Seconds West, 63.52 feet;

THENCE, South 13 Degrees 42 Minutes 29 Seconds East, 20.02 feet;

THENCE, South 43 Degrees 38 Minutes 24 Seconds East, 126.15 feet;

THENCE, South 47 Degrees 54 Minutes 52 Seconds East, 46.03 feet;

THENCE, South 40 Degrees 51 Minutes 23 Seconds East, 78.70 feet;


**EXHIBIT B-2:
LEGAL DESCRIPTION
007-091-78 AND 79**

THENCE, South 41 Degrees 40 Minutes 31 Seconds East, 140.69 feet, to the **POINT OF TERMINUS**, from which said east quarter corner of said Section 3, bears South 88 Degrees 54 Minutes 57 Seconds East, 1673.63 feet;

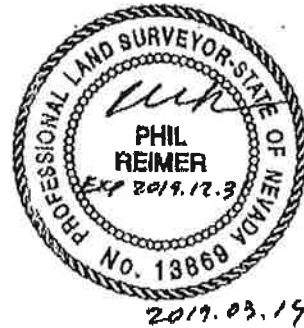
Containing 108,114 square feet or 2.48 acres, more or less.

Sidelines of said strip of land are to be lengthened or shortened to terminate at said parcel boundaries

EXHIBIT A-1 is to accompany description and is attached hereto and made a part hereof, by reference.

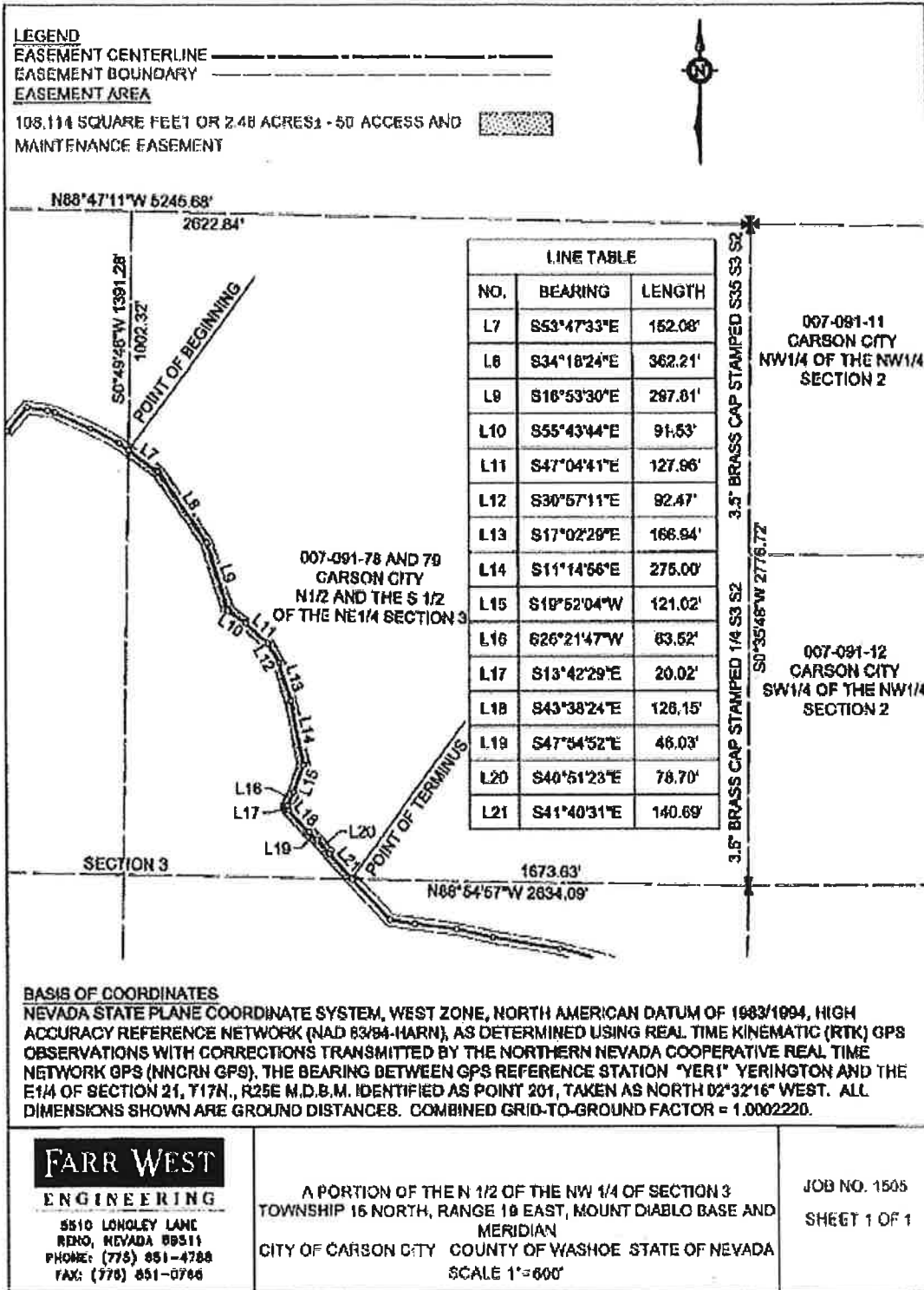


Phil Reimer, P.L.S., Nevada Certificate No. 13869



Farr West Engineering - 5510 Longley Lane, Reno, NV. 89511

**EXHIBIT B-2:
LEGAL DESCRIPTION
007-091-78 and -79**



FARR WEST
ENGINEERING

5510 LONGLEY LANE
 RENO, NEVADA 89511
 PHONE: (775) 851-4788
 FAX: (775) 851-0788

A PORTION OF THE N 1/2 OF THE NW 1/4 OF SECTION 3
 TOWNSHIP 16 NORTH, RANGE 18 EAST, MOUNT DIABLO BASE AND
 MERIDIAN
 CITY OF CARSON CITY COUNTY OF WASHOE STATE OF NEVADA
 SCALE 1"=600'

JOB NO. 1505
 SHEET 1 OF 1