



WASHOE COUNTY

"Dedicated To Excellence in Public Service"

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CM/ACM MP
Finance _____
DA _____
Risk Mgt. _____
HR n/a
Other n/a

STAFF REPORT

BOARD MEETING DATE: April 12, 2005

DATE: March 11, 2005
TO: Board of County Commissioners
FROM: Mike Turner, Facilities Management Division Director
Phone: 328-2171; email: maturner@mail.co.washoe.nv.us

THROUGH: Tom Gadd, Public Works Director

SUBJECT: Execute a 10 year Land Lease Agreement between Gerlach General Improvement District and Washoe County in the amount of \$1.00 per year; and further authorize the Chairman to accept the Quitclaim Deed to the facility located at 385 E. Sunset Blvd., known as the Gerlach Senior Center, as provided in Nevada Revised Statutes 277.180 (1). No funding transfer is required.

SUMMARY

Approval and execution of a 10 year Land Lease Agreement between Gerlach General Improvement District and Washoe County in the amount of One dollar (\$1.00) per year; and acceptance of a Quitclaim Deed for the facility located at 385 E. Sunset Blvd., known as the Gerlach Senior Center, as provided in Nevada Revised Statutes 277.180 (1). No funding transfer is required.

County Priority/Goal supported by this item: Government Efficiency and Financial Stability

PREVIOUS ACTION

December 12, 2000 - Interlocal Agreement for purpose of utilizing Gerlach Senior Center for the County's Senior Programs - BCC #00-1175, approved.

BACKGROUND

- Washoe County Senior Services has operated a Senior Citizen nutrition/transportation program on behalf of the senior residents of Gerlach/Empire since 1978. These services are provided in conjunction with the Gerlach General Improvement District.
- Washoe County began a Gerlach Senior Center project in 1994 with a \$76,000 grant towards the construction of a facility in Gerlach. Due to funding constraints

AGENDA ITEM # 7J(3)

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the project was not implemented until 1999. Upon completion of construction Washoe County delivered the Deed to the facility to the Gerlach General Improvement District.

- Washoe County and Gerlach entered into an Interlocal Agreement on December 12, 2000 for the operation and use of the Premises. The original Agreement required Gerlach General Improvement District to be responsible for all costs associated with the facility and Washoe County Senior Services directing the meal and nutrition program.
- The Gerlach General Improvement District has been challenged to meet its financial commitments relative to these Premises and has requested relief by the County.
- The Premises are primarily used by the senior population in Gerlach for meals and supporting programs, including assistance with transportation for tax and medical appointments.
- Gerlach General Improvement District shall transfer title and ownership of the facility, fixtures and equipment to Washoe County through a Quitclaim Deed, the responsibilities relative to the property are set forth in the Land Lease Agreement.

FISCAL IMPACT

Utility, custodial and maintenance funding is anticipated to be less than \$5,000 for this fiscal year and is available in Public Works Facility Management Division. The land lease shall be in the amount of One Dollar (\$1.00) per year fixed for the term; total fiscal impact Ten Dollars (\$10.00). Funding support shall be requested during the normal budget process for subsequent years. No funding transfer is required.

RECOMMENDATION

Execute a 10 year Land Lease Agreement between Gerlach General Improvement District and Washoe County in the amount of \$1.00 per year; and further authorize the Chairman to accept the Quitclaim Deed to the facility located at 385 E. Sunset Blvd., known as the Gerlach Senior Center, as provided in Nevada Revised Statutes 277.180 (1).

POSSIBLE MOTION

Move to approve and authorize execution of the Quitclaim Deed and Land Lease Agreement by and between Gerlach General Improvement District and Washoe County for the facility located at 385 E. Sunset Blvd., Gerlach, Nevada, in the amount of One dollar (\$1.00) per year, for the continued operation and use by the Washoe County Senior Services Department.

cc Marietta Bobba
Kim Carlson
Jim Burke
Bill Oroszi

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APN: 071-264-11

LAND LEASE AGREEMENT

1. PARTIES

1.1 This Land Lease Agreement (“Agreement”) is entered into between Washoe County a political subdivision of the State of Nevada, (“County”), and the Gerlach General Improvement District, a body corporate, politic and a quasi-municipal corporation, by and through its duly constituted board of Directors, (“Gerlach”). Where both parties have been referenced, the plural (“the parties”) has been used.

2. RECITALS

2.1 The Parties are public agencies under NRS 277.100 and NRS provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the contracting agencies is authorized by law to perform.

2.3 NRS 277.050 provides the governing body of a public agency may sell, lease, use or exchange to another public agency real property without advertising for public bids.

2.4 Gerlach has executed a deed of conveyance to the Gerlach Senior Center Building, located at 385 E. Sunset Blvd., Gerlach Nevada, (the “Premises”); and the Parties need to define the responsibility and liability issues related to the Property where the Gerlach Senior Center Building is located;

Now, Therefore, in consideration of the mutual promises and covenants contained herein, the Parties do hereby agree as follows:

3. POSSESSION

Upon execution of the deed of reconveyance, the County shall have physical and legal possession of the Gerlach Senior Center Building (“Facility”) located at 385 E. Sunset Blvd. Gerlach, Nevada. Subject deed of reconveyance shall be recorded with the Washoe County Recorder’s office.

3.1 All existing equipment and fixtures in place as of the reconveyance will hereafter become the property of the County. County agrees to accept the existing equipment and fixtures in “as is” condition.

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3.2 The common area parking is non-exclusive in use and Gerlach shall establish reasonable rules and regulations for this shared use.

3.3 No Assignment or transfer of this Agreement or any part thereof shall occur unless mutually agreed upon in writing by both Parties. This Agreement shall be binding upon the Parties, their representatives, successors and assigns. County retains the ability to contract with authorized vendors for any services to be provided to the Facility, in conjunction with its obligations herein, without further approval from Gerlach.

3.4 This Agreement shall supersede all verbal or previous agreements relating to and governing the use of the Premises. The parties agree that no court action may be taken by either in any forum whatsoever to enforce or interpret this Agreement. The parties further agree to resolve every dispute hereunder in accordance with the Uniform Arbitration Act of 2000 (NRS 38.206 et seq.). In addition, the parties may resolve any dispute hereunder by less formal proceedings upon which they may agree.

3.5 This Agreement shall supersede all verbal or previous agreements relating to and governing the use of the Premises. The parties agree that no court action may be taken by either in any forum whatsoever to enforce or interpret this Agreement. The parties further agree to resolve every dispute hereunder in accordance with the Uniform Arbitration Act of 2000 (NRS 38.206 et seq.). In addition, the parties may resolve any dispute hereunder by less formal proceedings upon which they may agree.

4. TERM AND RENT

4.1 The term of this Agreement shall be for a ten (10) year term. The rental amount shall be One Dollar (\$1.00) per year. The initial term of this Agreement shall commence upon execution and terminate ten (10) years thereafter. County shall have two (2) separate and successive renewal options, each for a period of ten (10) years. County shall, sixty (60) days prior to the expiration date of the initial term of this Agreement or any extensions thereof, provide written documentation for its renewal of this Agreement for either of the option terms.

4.3 Upon termination of this Agreement, prior to vacating the Premises, County shall within 30 days remove all personal property that is located on the Premises.

5. MAINTENANCE, REPAIRS AND INSPECTIONS

5.1 The County shall provide, maintain and repair at its sole expense, the interior and exterior of the Premises including the plumbing, electrical system, roof and mechanical systems, in a reasonable and timely manner, and maintain the same in a safe and clean condition at the County's sole expense. Gerlach agrees that all damage done to the Premises by Gerlach, its invitees or any person present because of Gerlach's occupation of the Premises, shall be paid for by Gerlach.

5.2 Gerlach at its sole cost and expense shall maintain and repair the parking area, including but not limited to, maintenance, repair, resurfacing, crack sealing and painting of pedestrian walkways, throughways, roadways, and parking areas; lighting and all utilities utilized

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in connection therewith for the parking area shall be the responsibility of Gerlach.

5.3 The County, through its Roads Department, at its sole cost and expense shall be responsible for snow removal for the parking lot area.

6. UTILITIES AND TAXES

6.1 County shall provide, ensure and maintain utilities and janitorial services to the Facility. The County shall pay all costs associated with the utilities for the Facility, excepting the parking lot area, if such is separately metered.

6.2 Gerlach shall provide, insure and maintain all aspects of the real property including the common area and parking lot, including but not limited to any and all taxes, utilities, special assessment and/or sewer assessment fees applicable to the Property, excluding snow removal as referenced in Section 5.3.

7. INDEMNIFICATION

7.1 The Parties agree that any claim, demand, cost, or judgment made against a party hereto, arising from any negligent act or negligent failure to act by any of that party's employees, agents, or servants in connection with the performance of obligations assumed pursuant to this Agreement, shall be the sole responsibility of the party against whom such claim, demand, cost or judgment is made.

7.2 The Parties further agree, to the extent allowed under Nevada Revised Statutes, Chapter 41, which regulates limits upon liability of a political subdivision, to hold harmless, indemnify and defend the other from their respective losses, liabilities, or expenses of any nature incurred as a result of any claim, demand, action, or cause of action arising out of the negligent acts, errors or omissions on the part of their respective employees, agents, and servants.

7.3 The indemnification obligation set forth above is conditioned upon receipt of prompt written notice by the indemnifying party of the indemnified party's actual notice of any action or pending claim or cause of action. The indemnifying party shall not be liable to hold harmless any attorney's fees and costs for the indemnified party's chosen right to participate with legal counsel.

8. INSURANCE

8.1 County, at its sole cost and expense, may:

(1) Fund any financial obligation relating to its loss, negligence and public and employee liability of the building, through a program of self-funding administered by its Risk Management Division.

(2) Any and all claims related to the use of the demised Premises by Gerlach shall be forwarded to County in a timely manner.

B. Gerlach, at its sole cost and expense, shall:

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(1) Maintain fire insurance on all parking and common areas located at the demised Premises.

(2) Gerlach hereby expressly waives and releases any cause of action or right of recovery which Gerlach may have hereafter against County for any loss or damage to the demised Premises, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by County self-funded program or insurance and,

(3) Gerlach shall obtain a waiver from any insurance carrier with which Gerlach carries fire, explosion or any other risk coverage insuring the Premises or the contents thereof releasing its subrogation rights against County.

(4) Gerlach shall not keep or use in or upon the Premises any article, which may be prohibited by County's self-funded program or insurance policy then in effect covering the Premises.

(5) In the event Gerlach or its invitees causes any increase of premium for County insurance on the Premises, or any parts thereof, above the rate for the least hazardous type of occupancy legally permitted in the Premises, Gerlach shall have fifteen (15) days after receipt of written notification from County of such increase to correct or mitigate said circumstances which resulted in the need for a premium increase.

9. HAZARDOUS SUBSTANCES

9.1 Gerlach shall not cause or permit any hazardous substances to be used, released, stored, manufactured or disposed in or upon the Premises except in the minimum quantities as are customary and usual in connection with Gerlach's permitted use.

9.2 If hazardous substances have been used, released, stored, manufactured or disposed in or upon the Premises, or if the Premises are or become contaminated in any manner, for which Gerlach is legally liable, Gerlach shall indemnify, defend and hold the County harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments, together with County's attorney fees.

9.3 "Hazardous Substances" mean all toxic, ignitable, reactive and corrosive substances regulated by federal, state or local governments.

10. TERMINATION

10.1 Upon termination of this Agreement, County shall quit the Premises peaceably, with no damage to the Premises, normal wear and tear and damage accepted, and shall remove all of County's property from the Premises.

10.2 County may terminate this Agreement without penalty or charge, upon delivery of ninety (90) day written notice to Gerlach, whenever the County's operation shall change so as to not require use of the Premises.

10.3 The failure of either party hereto to observe or perform any covenants, conditions or provisions of this Agreement required to be made, observed or performed by such party, after delivery of thirty (30) days written notice of such default, shall constitute a default of this Agreement by such party; provided, however, that if the nature of the default is such that more

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than thirty (30) days are reasonably required for its cure, then the defaulting party shall not be deemed to be in default if such party commences such cure within the thirty (30) day period and thereafter diligently prosecutes such cure to completion.

11. MISCELLANEOUS PROVISIONS

11.1 This Agreement is binding upon and inures to the benefit of the Parties and their respective heirs, estates, personal representatives, successors and assigns.

11.2 This Agreement is made in, and shall be governed, enforced and construed under the laws of the State of Nevada.

11.3 Pursuant to NRS 244.320, in the event County fails to appropriate budget funds or grant funding is not approved, specifically for the purpose of maintaining such demised Facility, in any subsequent fiscal year after the effective date of the Agreement, Gerlach hereby agrees to cancel this Agreement and hold County harmless from any penalty, charge or sanction. County agrees to provide written notice to Gerlach of this eventuality, should it occur.

11.4 This Agreement constitutes the entire understanding and agreement of the Parties with respect to the subject matter hereof, and supersedes and replaces all prior understandings and agreements, whether verbal or in writing, with respect to the subject matter hereof.

11.5 This Agreement may not be modified, terminated, or amended in any respect, except pursuant to an instrument in writing duly executed by the parties.

11.6 In the event either party brings any arbitration action or other proceeding with respect to the breach, interpretation, or enforcement of this Agreement, or with respect to any dispute relating to any transaction covered by this Agreement, the losing party or parties in such action or proceeding shall reimburse the prevailing party or parties therein for all reasonable costs and attorneys' fees incurred in said action.

11.7 No delay or omission by either party in exercising any right or power hereunder shall impair any such right or power or be construed to be a waiver thereof, unless this Agreement specifies a time limit for the exercise of such right or power or unless such waiver is set forth in a written instrument duly executed by the person granting such waiver. A waiver of any person of any of the covenants, conditions, or agreements hereof to be performed by any other party shall not be construed as a waiver of any succeeding breach of the same or any other covenants, agreement, restrictions or conditions hereof.

11.8 All notices, demands or other communications required or permitted to be given in connection with this Agreement, shall be in writing, and shall be deemed delivered when personally delivered to a party (by personal delivery to an officer or authorized representative of a corporate party) or, if mailed, three (3) business days after deposit in the United States mail, postage prepaid, certified or registered mail, addressed to the parties as follows:

If to County: Washoe County Public Works Director

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Post Office Box 11130
Reno, Nevada 89520

And to Gerlach: Gerlach General Improvement District
P.O. Box
Gerlach, NV 89412

With a copy to: Washoe County Senior Services Director
P.O. Box 11130
Reno, NV 89520

Any person may change its address for notice by written notice given in accordance with the foregoing provisions.

11.9 The Agreement may be executed in one or more counterpart copies, and each of which so executed, irrespective of the date of execution and delivery, shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument. This Agreement may be recorded.

11.10 This Agreement is effective upon the date the last signing party signs this Agreement ("Effective Date").

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IN WITNESS WHEREOF, the Parties have executed this Agreement.

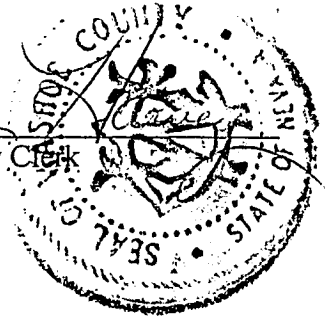
GERLACH GENERAL IMPROVEMENT DISTRICT

WASHOE COUNTY COMMISSION

By: Joseph Cott
Chairman

By: Bonnie Weber 4/12/05
Bonnie Weber, Chairman

ATTEST: [Signature]
Amy Harvey, County Clerk



STATE OF Nevada)

COUNTY OF Washoe)

On this 4th day of March, 2005 before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared Joseph Cott, known to me to be the person described herein and who executed the foregoing instrument and who acknowledged to me that he/she executed the same freely and voluntarily on behalf of Gerlach, for the uses and purposes therein mentioned.

Victoria Williams
Notary Public

VICTORIA WILLIAMS
Notary Public - State of Nevada
Appointment Number 03-84895-2
My Appt. Expires Sept. 10, 2007

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When recorded return to:

Washoe County Public Works Department
P O Box 11130
Reno NV 89520

QUITCLAIM DEED

THIS INDENTURE is made this 4th day of March, 2005, between Gerlach General Improvement District, by and through its duly constituted Board of Directors ("Gerlach") as grantor, and Washoe County, a political sub-division of the State of Nevada by and through its duly constituted Board of County Commissioners ("County") as grantee.

WHEREAS, County quitclaimed to Gerlach on or about the 12th day of December 2000, a 1445 square foot single story Facility consisting of wood frame Type V Non-Rated structure, on a concrete foundation and concrete slab on grade with T-111 painted wood siding, with an asphalt shingle roof, the interior of the facility consists of an assembly room, activity room, kitchen, storage, mechanical room, office, hallway and two bathrooms; and

WHEREAS, subsequent to the original transfer of the facility, it was determined that the maintenance and upkeep of the Facility exceeds the financial resources of Gerlach, and they have requested relief and support by the County in exchange for reconveyance of this asset back to County ownership; and

WHEREAS, County accepts reconveyance and responsibility for the facility including all maintenance, in order to continue the operation and services provided to the senior citizen population of Gerlach and surrounding areas; and

WHEREAS, the parcel upon which the Facility is located is Assessors Parcel Number 71-264-11, this parcel shall remain the property of Gerlach, as described on the 2000 Assessors Maps (the "Real Property");

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, receipt of which is acknowledged, Gerlach does by these presents remise, release and forever QUITCLAIM unto County, all that right title and interest of the undersigned in and to the facility described herein forever.

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TO HAVE AND TO HOLD, all and singular the premises, together with the tenements, hereditaments, and appurtenances belonging, or in anywise appertaining, and the rents, issues and profits thereof unto County and its successor and assigns.

IN WITNESS WHEREOF, the Parties signatory hereunto have executed this Quitclaim Deed effective upon the date of the last party to execute this document.

By Joseph Colt
_____, Chairman
Gerlach General Improvement District

STATE OF Nevada
COUNTY OF Washoe

On this 4th day of March, 2005, before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared, Joseph Colt, known to me to be the person described herein and who executed the foregoing instrument and who acknowledged to me that he executed the same freely and voluntarily on behalf of the Gerlach General Improvement District for the uses and purposes therein mentioned.

Victoria Williams

Notary Public

VICTORIA WILLIAMS
Notary Public - State of Nevada
Appointment Number 03-84695-2
My Appt. Expires Sept. 10, 2007

Acceptance on behalf of Washoe County:

By Bonnie Weber 4/12/05

Bonnie Weber, Chairman
Washoe County Commission

ATTEST:
Amy Harvey

WASHOE COUNTY CLERK
STATE OF NEVADA

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