



WASHOE COUNTY

Integrity Communication Service

www.washoecounty.us

CM/ACM _____

Finance _____

DA _____

Risk Mgt _____

HR N/A

Comptroller _____

STAFF REPORT

BOARD MEETING DATE: February 13, 2018

DATE: January 22, 2018

TO: Board of County Commissioners

FROM: Vahid Behmaram, Water Management Planner Coordinator, Community Services Department, 954-4647, vbehmaram@washoecounty.us

THROUGH: Mojra Hauenstein, Arch., Planner, Division Director, Planning & Building, 328-3619, mhauenstein@washoecounty.us

SUBJECT: Approve a Cancellation Agreement and associated Water Rights Deed to terminate three Water Sale Agreements between Washoe County and Ronald L. Olson Trust a.k.a. the Ronald L. Olson Revocable Trust of 2006, and re-convey 18.89 acre-feet of water rights from Washoe County to the Ronald L. Olson Trust a.k.a. the Ronald L. Olson Revocable Trust of 2006. This request tracks December 2017 amendments to Article 422 of the Washoe County Development Code that eliminated certain requirements for water rights dedications in connection with certain commercial, civic, and industrial uses. The water rights at issue were originally dedicated to the county in connection with various use permits granted to Olson to operate 3 equestrian centers in the Warm Springs area starting in 2008. (Commission District 4.)

SUMMARY

Pursuant to amendments to Washoe County Development Code, Chapter 110, Article 422, adopted on December 12, 2017, Washoe County is terminating three Water Sale Agreements between Washoe County and Ronald L. Olson Trust a.k.a. the Ronald L. Olson Revocable Trust of 2006, and re-conveying 18.89 acre-feet of water rights from Washoe County to the Ronald L. Olson Trust a.k.a. the Ronald L. Olson Revocable Trust of 2006.

Strategic Objective supported by this item: Stewardship of Our Community

PREVIOUS ACTION

- 1) Correction Water Rights Deed recorded with Washoe County Recorder on April 29, 2008, as document # 3644846 (for 5.95 acre-feet).
- 2) Second Amended Water Sale Agreement, recorded with Washoe County Recorder on March 12, 2014 as document no. 4333745 (for 5.95 acre-feet).
- 3) Water Rights Deed and Water Sale Agreement, recorded with Washoe County Recorder on March 16, 2011 as document #s 3983820 and 3983821 (for 10.00 acre-feet).
- 4) Water Rights Deed and Water Conveyance Agreement, recorded with Washoe County Recorder on August 20, 2012 as document #s 4143307 and 4143308 (for 2.94 acre-feet).

AGENDA ITEM # _____

BACKGROUND

Beginning in 2008, Mr. Olson developed three equestrian centers in Warm Springs Valley. The projects he developed were subject to the provisions of Article 422 of the Washoe County Development Code which required the dedication to Washoe County of sufficient water rights to meet the project's water demands. Washoe County in turn would execute Water Sale Agreements to make the dedicated water rights available to these projects at no monetary cost. The deeds and agreements referenced in the "previous action" above is a summary of all such interaction between Washoe County and Mr. Olson's projects. Earlier this year, the County's dedication and lease back process was challenged by Mr. Olson by filing legal action in the Second Judicial District Court of the State of Nevada in and for the County of Washoe, identified as case # CV17-00555. A resolution without further litigation was sought. As a result, Washoe County amended its code to remove the mandate for the water rights dedication process and allow for re-conveyance of previously dedicated water rights. Olson, through counsel, has agreed to a dismissal of the lawsuit against the county once these water rights are re-conveyed. The documents attached herewith accomplish the termination of the agreements between Washoe County and Mr. Olson and transfers title to said water rights back to Mr. Olson's Trust.

FISCAL IMPACT

There is no fiscal impact associated with this staff report.

RECOMMENDATION

It is recommended the Board of County Commissioners approve a Cancellation Agreement and associated Water Rights Deed to terminate three Water Sale Agreements between Washoe County and Ronald L. Olson Trust a.k.a. the Ronald L. Olson Revocable Trust of 2006, and re-convey 18.89 acre-feet of water rights from Washoe County to the Ronald L. Olson Trust a.k.a. the Ronald L. Olson Revocable Trust of 2006. This request tracks December 2017 amendments to Article 422 of the Washoe County Development Code that eliminated certain requirements for water rights dedications in connection with certain commercial, civic, and industrial uses. The water rights at issue were originally dedicated to the county in connection with various use permits granted to Olson to operate 3 equestrian centers in the Warm Springs area starting in 2008.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to approve a Cancellation Agreement and associated Water Rights Deed to terminate three Water Sale Agreements between Washoe County and Ronald L. Olson Trust a.k.a. the Ronald L. Olson Revocable Trust of 2006, and re-convey 18.89 acre-feet of water rights from Washoe County to the Ronald L. Olson Trust a.k.a. the Ronald L. Olson Revocable Trust of 2006. This request tracks December 2017 amendments to Article 422 of the Washoe County Development Code that eliminated certain requirements for water rights dedications in connection with certain commercial, civic, and industrial uses. The water rights at issue were originally dedicated to the county in connection with various use permits granted to Olson to operate 3 equestrian centers in the Warm Springs area starting in 2008."