

EASEMENT PURCHASE AND SALE AGREEMENT

This Easement Purchase and Sale Agreement (the "Agreement") is made and entered into this ___ day of _____, 2020, by and between WASHOE COUNTY, a political subdivision of the State of Nevada ("County") and TRUCKEE MEADOWS WATER AUTHORITY, a Joint Powers Authority entity created pursuant to a cooperative agreement among the cities of Reno, Nevada and Sparks, Nevada and Washoe County, Nevada, pursuant to N.R.S. Chapter 277 ("TMWA").

WITNESSETH:

WHEREAS, County owns certain real property located in Washoe County, Nevada, known currently as Assessor's Parcel Number 534-521-01, commonly known as Sugarloaf Peak Open Space (the "County Property"), a portion of which comprises the "Access and Water Facilities Easement" area and a portion of which comprises the "Temporary Construction Easement" area as described in Exhibit "A" (Easement Deed) attached hereto and incorporated herein;

WHEREAS, TMWA is a public entity responsible for distribution of municipal water service in the area and has a parcel surrounded by the County Property, known currently as Assessor's Parcel Number 534-521-02 (the "Grantee Property"), on which a water tank is located, known as Spring Creek 6 Tank;

WHEREAS, TMWA desires to install an additional waterline connection and access road in order to provide system redundancy and potable water supply to the future adjacent Harris Ranch Subdivision;

WHEREAS, TMWA desires from the County an 11,802 sf grant of a permanent access and water facilities easement ("Access and Water Facilities Easement") and a 23,588 sf construction easement ("Temporary Construction Easement") as expanded and corrected hereby collectively referred to as the "Easements", for the construction and installation of a waterline and access road;

WHEREAS, TMWA is willing to allow the public to use the access road to connect to the existing Sugarloaf Peak Open Space trail system;

WHEREAS, County, pursuant to NRS 277.050, may sell any property belonging to it under certain conditions;

NOW, THEREFORE, in consideration of the premises and mutual promises set forth below, County and TMWA covenant and agree as follows:

1. Sale of Easement. For and in consideration of the Purchase Price (at the appraised value of \$2,033.00), County hereby sells to TMWA and TMWA buys from County, the Easements more particularly described in Exhibit "A" (Easement Deed) attached hereto and incorporated herein (in accordance with the terms, and subject to the

conditions of this Agreement). County and TMWA agree that the Easements shall be located on the County Property as stated in the Easement Deed.

2. Easement Utilization. The Access and Water Facilities Easement shall be a permanent, non-exclusive public utility easement for the Access and Water Facilities Easement area, as described in the Easement Deed, used to access, construct, alter, maintain, inspect, repair, reconstruct, and operate an underground waterline and access road and any other facilities or appurtenances deemed necessary for operation of the waterline or access road (hereinafter called "Water Facilities") as described in the Easement Deed. The Temporary Construction Easement shall be a temporary, non-exclusive public utility easement for the Temporary Construction Easement area, as described in the Easement Deed, used to access and construct the Water Facilities improvements. The Temporary Construction Easement will expire upon completion of the Water Facilities improvements and associated revegetation or within six (6) months from the date of the recording of the Easement Deed in the office of the Washoe County Recorder, whichever occurs first.

2.1 No Unreasonable Interference. County shall not erect any buildings or structures on the Easements or otherwise use the Easements in a manner that places an unreasonable burden on or unreasonably interferes with TMWA's use and enjoyment and the rights granted herein.

TMWA acknowledges by acceptance of the Easements that County's present recreational uses of, and practices on, the County Property adjacent to the Access and Water Facilities Easement area and Temporary Construction Easement area are compatible with the purpose of the Easements. TMWA agrees to allow non-motorized public use of the new access road to connect to the existing Sugarloaf Peak Open Space trail system. TMWA acknowledges by acceptance of the Easements that the County's future improvements of the property for recreational uses are compatible with the purpose of the Easements, so long as those improvements are consistent with the Grantee's use of the Access and Water Facilities Easement area and the Temporary Construction Easement area. County reserves the right to use and enjoy the surface of County Property for the benefit of the public and the Easements in accordance with those current and future recreation practices and in perpetuity. County and TMWA recognize that the future recreation uses of, and practices on, the County Property may change over time as a result of the County Property's development and the public's need for recreation. TMWA acknowledges that the County owns the County Property and that use of the Easements does not interfere with any restrictions placed on the County Property.

3. Easements Locations. County and TMWA agree that the Easements shall be located on the County Property as stated in the Easement Deed, which is attached hereto as Exhibit "A".

4. Easements Price. TMWA shall pay the amount of two thousand and thirty-three dollars (\$2,033.00) ("Purchase Price") directly to County in consideration of

the Access and Water Facilities Easement and Temporary Construction Easement, based on the appraised value of the land for use of the County Property.

5. Construction of Water Facilities. TMWA shall install, operate, repair any disturbances or damage caused by its operation, and maintain the Water Facilities at its sole cost and expense. No work shall be performed on the initial installation of the Water Facilities until County has been given at least five (5) days prior written notice of the time during which the installation work will take place. All work shall be performed in compliance with all applicable laws and ordinances. TMWA agrees that, except in the event of an emergency, work performed on the initial installation of the Water Facilities shall be allowed only between 8:00 a.m. and 7:00 p.m., Monday through Friday, within the County Property. TMWA shall secure all necessary Nevada Department of Environmental Protection (NDEP) permits prior to construction of the Water Facilities.

6. Revegetation. TMWA shall revegetate and hydroseed the temporary construction area and other undeveloped disturbed areas on the County Property utilizing a seed mix approved by the County. TMWA shall submit monitoring reports to the County as prepared by a licensed landscape architect or other qualified professional one (1) year and three (3) years after implementation of the hydroseeding application to ensure that revegetation efforts result in at least 30% coverage of the hydroseeded area after one (1) year (with shrub species present), and at least 50% coverage after three (3) years (with a third of the revegetated area populated by shrubs). If the criteria are not met, additional hydroseeding applications and/or plantings shall be required.

7. County's Representations and Warranties. As a material inducement to the TMWA the County represents and warrants that:

7.1 Property, Title and Related Matters. County is and shall be at the closing, the owner of all right, title and interest in the County Property and the Easements, and shall have and convey to TMWA at closing good and marketable title to the Easements free and clear of all security interests, mortgages, liens, pledges, charges, claims, or encumbrances of any kind or character. There is no lease affecting any portion of the Easements, and no person or entity has any right or option to purchase the County Property or any portion thereof.

7.2 Litigation. There is no litigation, proceeding, claim or investigation, including, without limitation, any condemnation proceeding, pending or, to the best of County's knowledge, threatened, which adversely affects the County Property or the Easements, in any court or before any federal, state, county, or municipal department, commission, board, bureau or agency or other governmental instrumentality.

7.3 No Misstatement. No representation, statement or warranty by County contained in this Agreement or in any exhibit hereto contains or will contain any untrue statements or omits, or will omit, any material fact necessary to make the statement of fact recited not misleading.

7.4 No Agreements. Neither the execution and delivery of this Agreement by County nor the consummation of the transactions contemplated hereby will result in any breach or violation of or default under any judgment, decree, order, mortgage, lease, agreement, indenture or other instrument to which County is a party, or to which it is bound.

8. TMWA's Representations and Warranties. TMWA represents and warrants to County as follows:

8.1 Status, Power and Authority. TMWA is a joint powers authority entity duly organized, validly existing under the Laws of the State of Nevada, with all requisite power and authority to enter into and carry out its obligations under this Agreement.

8.2 Due Authorization, Execution and Delivery. The execution, delivery, and performance of this Agreement by the persons executing the same on behalf of TMWA have been duly and validly authorized.

8.3 Legal, Valid, Binding and Enforceable. This Agreement and the other agreements and instruments contemplated hereby constitute legal, valid and binding obligations of TMWA, enforceable in accordance with their respective terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other laws of general applicability.

9. Closing. Within fifteen (15) days of the execution of this Agreement by all parties, County shall deliver to TMWA the Easement Deed, duly executed and notarized and such other documents required by TMWA to record the Easement Deed in Official Records, Washoe County Recorder, Washoe County, Nevada. Each party shall bear its own costs (including attorneys' fees) associated with the closing, unless otherwise specified in this Agreement.

10. Indemnification for Breach of Representations and Warranties. The parties hereby make the following indemnifications:

10.1 To the extent allowed by law pursuant to Chapter 41 of the Nevada Revised Statutes ("NRS"), County agrees to indemnify and hold harmless TMWA and its board members, agents and employees from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever (including attorneys' fees) which TMWA may incur by reason of or in connection with any untrue statement in this Agreement made by County or the breach of any representation or warranty of County contained in this Agreement.

10.2 To the extent allowed by law pursuant to Chapter 41 of the NRS, TMWA agrees to indemnify, hold harmless, and defend the County and its board members, agents and employees from and against any and all claims, damages, losses, liabilities, costs or expenses whatsoever (including attorneys' fees) which County may

incur by reason of or in connection with any untrue statement in this Agreement made by TMWA or the breach of any representation or warranty of TMWA contained in this Agreement.

11. Covenants of Further Assurance. The parties to this Agreement covenant and agree to act in good faith and to take such further action as may be required to fully effectuate the intentions of the parties under this Agreement.

12. Notices. All notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if personally delivered or delivered by U.S. mails, postage prepaid on the date posted, and addressed to the other party at the following addresses:

County: Washoe County
Director, Community Services Department
1001 East 9th Street
Reno, NV 89512

TMWA: Truckee Meadows Water Authority
Attn: Water Resources Manager
P.O. Box 30013
Reno, Nevada 89520-3013

With copy to: Michael A.T. Pagni
100 W. Liberty Street, Tenth Floor
P.O. Box 2670
Reno, Nevada 89505

12. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Nevada, and venue shall be in Washoe County, Nevada.

13. Effectiveness and Counterparts. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

14. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of TMWA and County and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Easement Purchase and Sale Agreement as of the date first above written.

“COUNTY”

WASHOE COUNTY, a political subdivision of the State of Nevada

By: _____

Chair
Washoe County Commission

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

On this _____ day of _____, 2020, _____ as Chair of the Board of County Commissioners of Washoe County, personally appeared before me, a Notary Public, and acknowledged to me that s/he executed the above instrument for the purpose therein contained.

Notary Public

“TMWA”

TRUCKEE MEADOWS WATER AUTHORITY, a joint powers authority

By: _____

John R. Zimmerman
Water Resources Manager

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

On this _____ day of _____, 2020, John R. Zimmerman, Water Resources Manager, on behalf of Truckee Meadows Water Authority, personally appeared before me, a Notary Public, and acknowledged to me that he executed the above instrument for the purpose therein contained.

Notary Public