

MEMORANDUM

TO: Board of Trustees

THROUGH: Bobby Magee, District General Manager

FROM: Kate Nelson, Interim Director of Public Works

SUBJECT: Review, Discuss and Approve Nevada State Lands Non-Exclusive Easement Amendment-2, Incline Village General Improvement District Spooner Effluent Pump Station. (Requesting Staff member: Interim Director of Public Works Kate Nelson)

RELATED FY 2023 STRATEGIC PLAN

LONG RANGE PRINCIPLE #5 – ASSETS AND INFRASTRUCTURE

BUDGET INITIATIVE(S): The District will practice perpetual asset renewal, replacement and improvement to provide safe and superior long term utility services and recreation venues, facilities, and services.

RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES

Board Policy 3.1.0.4 Item(s) of Business/Agenda Preparation; Consent Calendar

DATE: April 10, 2024

I. RECOMMENDATION

That the Board of Trustees make a motion to:

1. Approve Nevada State Lands Non-Exclusive Easement Amendment-2, Incline Village General Improvement District Spooner Effluent Pump Station; and,
2. Direct the Interim Director of Public Works to Sign and Execute the Agreement.

II. BACKGROUND

In 2014, Incline Village General Improvement District entered into a non-exclusive easement agreement with the Nevada Division of State Lands to accommodate the expansion of the Spooner Effluent Pumping Station associated

with APN 130-350-01. As part of the easement, a rental fee is charged each year. The terms of the easement allow for Nevada Division of State Lands to re-evaluate the property every five years. This is the first increase in the rental fee since the original date of the easement.

III. BID RESULTS

Not Applicable

IV. FINANCIAL IMPACT AND BUDGET

This easement from the Nevada Division of Lands was established in 2014. Since that time, the fee for the easement has been \$2,060 annually with the option to re-evaluate the rental amount every five years. In 2018, an assessment was completed, and no increase was implemented. In 2023, a re-evaluation was completed, and the rental amount was increased. The new rental fee associated with the easement will be \$6,560 annually for the next five years. This easement is budgeted within Fund: Utilities, Division: Sewer; GL#20002523-7450.

V. ALTERNATIVES

Not Applicable

VI. COMMENTS

Not Applicable

VII. BUSINESS IMPACT/BENEFIT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

VIII. ATTACHMENTS

- 1. 7618 - Easement Amendment-2 - Incline Village General Improvement Dist_Spooner Pump Station

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES



**PARKS-25, AF
Interest: 13915-2
Project: 7618
Contract: 4916
Washoe County
APN: 130-350-01
S2, T15N, R18E
Original Recordation #4348349**

**Recording requested by & return to:
Division of State Lands
901 South Stewart Street, Suite 5003
Carson City, Nevada 89701-5246**

**NON-EXCLUSIVE EASEMENT AMENDMENT-2
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
SPOONER EFFLUENT PUMP STATION**

THIS NON-EXCLUSIVE EASEMENT AMENDMENT, made and entered into this ____ day of _____, 2024, by and between the STATE OF NEVADA, acting through the DIVISION OF STATE LANDS, and the State Land Registrar, for and on behalf of the DIVISION OF STATE LANDS hereinafter referred to as GRANTOR, and INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT, hereinafter referred to as GRANTEE.

WITNESSETH:

WHEREAS, GRANTOR granted an Non-Exclusive Easement to GRANTEE dated February 11, 2014, for the purpose of expanding the existing Spooner Effluent Pumping Station associated with that property situate and lying within Washoe County, further described as Assessor's Parcel Number 130-350-01, within a portion of Section 2, Township 15 North, Range 18 East, M.D.M; and

WHEREAS, the Non-Exclusive Easement contained a paragraph that in part reads as follows: “For and in consideration of the Project, GRANTEE, its successors and assigns, hereby agree to pay an annual use fee in the amount of TWO THOUSAND SIXTY AND NO/100 DOLLARS (\$2,060.00) per year to the GRANTOR for the Project [per NRS 321.003(2), 322.060(2)]. Said fees to be paid in advance commencing on the execution date of this Non-Exclusive Easement and on or before February 9, every year thereafter for the entire duration of said Non-Exclusive Easement.”; and

WHEREAS, the Non-Exclusive Easement gives the GRANTOR the right to re-assess and adjust the Non-Exclusive Easement fees for the fuel pipeline every five (5) years to reflect any change in value during the term of the Non-Exclusive Easement; and

WHEREAS, on or about October 9, 2018, GRANTOR completed a rental reevaluation wherein the rental fee did not increase; and

WHEREAS, GRANTOR recently completed a rental re-evaluation and determined that the annual use fee did increase, and Easement will be amended for Consideration, Late Fee, Attorney Fee and Venue, and Recording language; and

NOW THEREFORE, GRANTOR and GRANTEE agree to amend the Non-Exclusive Easement as follows:

FOR AND IN CONSIDERATION of this Non-Exclusive Easement, GRANTEE, along with its successors and assigns, hereby agree to pay a use fee in the amount of SIX THOUSAND FIVE HUNDRED SIXTY AND NO/100 DOLLARS (\$6,560.00) under Contract 4916, per year to the State of Nevada beginning on or before February 9, 2025, and

on or before February 9, each year thereafter. The State of Nevada reserves the right to reassess and adjust the use fee every FIVE (5) years.

1. LATE FEES: The annual use fee shall be paid in advance to GRANTOR and shall be due on or before the due date as provided herein. Any payment made after this due date shall be subject to a late payment fee in the amount of THREE HUNDRED TWENTY EIGHT AND NO/100 DOLLARS (\$328.00), equivalent to five percent (5%) of the annual amount due. If fees, including late fees, become more than SIXTY (60) days in arrears, the Non-Exclusive Easement may be terminated by GRANTOR.

2. ATTORNEYS' FEES AND VENUE: In the event any action is filed in relation to this agreement, the unsuccessful party shall pay to the successful party, in addition to all sums either party may be called on to pay, a reasonable sum for the successful party's attorneys not to exceed ONE HUNDRED FIFTY AND NO/100 DOLLARS (\$150.00) per billable hour. Any lawsuit brought to resolve a dispute arising from this Authorization must be brought either in the location of the Project or in Carson City, Nevada.

3. RECORDING: This Non-Exclusive Utility Easement shall be recorded in the official real estate records of the county in which the property is located. GRANTEE shall be responsible for all recording fees.

All other terms and conditions of the Non-Exclusive Easement remain in full force and effect, with no other changes, modifications, or amendments thereto.

GRANTEE:
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

By: _____

KATE S. NELSON
Interim Director of Public Works

STATE OF _____)
: ss.
COUNTY OF _____)

On, _____, 2024 _____,
personally appeared before me, a notary public, who acknowledged that HE/SHE executed
the above instrument.

NOTARY PUBLIC