

**Agreement to Renew and Amend
Grant of Rights of Way Agreement**

This agreement (the "Renewal Agreement") is between the City of Sparks, Nevada (hereinafter "Sparks" or "City") and the Truckee Meadows Water Authority (hereinafter "Authority"), a joint powers authority created under N.R.S. 277, pursuant to a Cooperative Agreement among the County of Washoe and the Cities of Reno and Sparks, Nevada. Authority and City are collectively referred to as the Parties.

Whereas, effective on or about April 12, 2004, the Parties entered into an Agreement for the Grant of Rights of Way (the "Right of Way Agreement") pursuant to which City granted to Authority certain rights pertaining to the use of City's streets and roads in exchange for certain consideration by the Authority;

Whereas, the Right of Way Agreement specifies a term of three years, renewable for an additional three year term by written agreement of the Parties;

Whereas, the Parties have not renewed the Right of Way Agreement in writing but have continued the Right of Way Agreement in effect by their course of conduct;

Whereas, pursuant to the Right of Way Agreement, Sparks granted certain easements to TMWA ("Easements"), but such Easements were not fully described or recorded;

Whereas, the Parties now desire to renew the Right of Way Agreement for a term of ten years and to amend the Right of Way Agreement to substitute the form of easement and to allow for recording and periodic updating of the Easements;

Now therefore, the Parties agree as follows:

1. The Parties agree that as of the date of this Renewal Agreement, the Right of Way Agreement remains in effect as a result of the Parties' course of conduct.
2. The Parties agree to renew the Right of Way Agreement for an additional ten year term, beginning on August 1, 2009 and continuing through July 31, 2019.
3. The Parties agree that the Right of Way Agreement may be extended for additional ten year terms by the written consent of both Parties.
4. The Parties further agree to amend the Right of Way Agreement by substituting Amended Exhibit A attached hereto (form of easement) for the form of easement attached as Exhibit A to the original Right of Way Agreement. The Parties further agree to amend the Right of Way Agreement by adding the following at the end of Section 7.

The Parties acknowledge that new mains and main extensions will be installed from time to time and that Sparks will grant to the Authority additional easements for any such mains of 24" or greater in diameter or mains of critical importance that meet the criteria described herein. The Parties agree to meet at least annually to update their records and determine whether additional easements should be granted. The Parties further agree that each will maintain at their respective offices a copy of a master easement list and map identifying mains subject to such easements, which shall be updated at least annually by the anniversary date of this Right of Way Agreement.

5. All notices, demands or other communications required or permitted to be given in connection with this Renewal 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:

City: City of Sparks
Attn: City Clerk
431 Prater Way
Sparks, Nevada 89431

Authority: Truckee Meadows Water Authority
P.O. Box 30013
Reno, Nevada 89520

6. This Renewal Agreement shall not be effective until it has been approved by both the Authority Board of Directors and the Sparks City Council.

Truckee Meadows Water Authority

By: M. J. Free
Title: GENERAL MANAGER
Dated: 10-19-09

City of Sparks

By: Gene R. Monte
Title: Mayor
Dated: 8/10/09

Attest:
By: Amela K. Patterson
City Clerk
Approved as to form:



Gene R. Monte

DOC # 3813249

10/20/2009 01:42:20 PM
Requested By
TRUCKEE MEADOWS WATER AUTHORITY
Washoe County Recorder
Kathryn L. Burke - Recorder
Fee: \$0.00 RPTJ: \$0.00
Page 1 of 7

A.P.N:



After Recordation Return To:

Sparks City Clerk
PO Box 857
Sparks, NV 89432

**GRANT OF EASEMENT FOR
WATER TRANSMISSION FACILITIES**

THIS INDENTURE, made and entered into this 10th day of August, 2009, by and between **THE CITY OF SPARKS**, a municipal corporation of the State of Nevada (hereinafter referred to as "Grantor"), and **TRUCKEE MEADOWS WATER AUTHORITY**, a Joint Powers Authority entity created pursuant to a cooperative agreement among the cities of Reno, Nevada, Sparks, Nevada and Washoe County, Nevada, pursuant to N.R.S. Chapter 277 (hereinafter referred to as "Grantee").

WHEREAS, the parties to this Agreement entered into an Agreement for Right of Ways on the 12th day of April 2004 as Amended on August 10, 2009, whereby Grantor gave to Grantee certain Easements for the installation and maintenance of water lines; and

WHEREAS, the Easements have not been recorded and the parties desire to have said Easements recorded.

WITNESSETH:

Grantor, for and in consideration of the sum of Ten Dollars (\$10.00), in hand paid for Grantee, and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby grant to Grantee, its successors, assigns and agents, a permanent and non-exclusive easement in certain roadways of the City of Sparks, more particularly described in Exhibits "A" and "B" attached hereto, (the "Easement Property") to construct, alter, maintain, inspect, repair, reconstruct, and operate water transmission facilities with pipes and mains 24" or larger in diameter that serve the City of Sparks and for such smaller mains as Grantee reasonably identifies and Grantor agrees to the identification as mains of critical importance, together with necessary or

convenient appurtenances connected therewith (collectively "Utility Facilities"), across, upon, over, under and through certain public roadways situate in the City of Sparks, County of Washoe, State of Nevada.

IT IS FURTHER AGREED:

1. Grantee, its successors, assigns and agents, shall have at all times the right of ingress from the Easement Property for the herein stated purpose.

2. Except for damages proximately caused by or attributable to the negligence or willful misconduct of Grantor or Grantor's agents, Grantee shall be responsible for any damage to personal property, improvements, or public roadways, suffered by Grantor or other users of said public roadways, by reason of constructing, altering, maintaining, inspecting, repairing, reconstructing and operating said Utility Facilities by Grantee.

3. Except for damages proximately caused by or attributable to the negligence or willful misconduct of Grantor or Grantor's agents, Grantee shall at all times save and hold harmless Grantor with respect to any and all loss, damage or liability suffered or sustained by reason of any injury or damage to any person or property, caused by the constructing, altering, maintaining, inspecting, repairing, reconstructing and operating said Utility Facilities by Grantee.

4. Grantor shall not permit any activity to occur within the Easement Property which in the reasonable judgment of Grantee is inconsistent with Grantee's use of said easement Property.

5. Grantee shall have the right, without payment or compensation to Grantor, to remove or clear any and all obstructions from said Easement Property, which in the reasonable judgment of Grantee may interfere with or endanger the construction, altering, maintaining, inspecting, repairing, reconstructing and operation of said Utility Facilities.

6. Grantor shall bear the expense of any and all relocation costs resulting from grade changes or road modifications.

7. Grantor agrees to reimburse Grantee for the reasonable costs incurred by Grantee as a result of Grantor's breach of any covenant of Grantor set forth herein. Other, or additional easements to be granted by Grantor over the same Easement Property, or portion thereof, will be granted subject to the terms and conditions of this grant of easement.

THIS GRANT is binding upon and shall inure to the benefit of the parties to this Grant and their respective successors and assigns.

TO HAVE AND TO HOLD all and singular the herein described Easement

Property, granted together with the appurtenances, unto said Grantee, its successors, agents and assigns forever.

IN WITNESS WHEREOF, Grantor and Grantee have caused these presents duly to be executed the day and year first above written.

THE CITY OF SPARKS,

TRUCKEE MEADOWS WATER AUTHORITY

By: Geno R. Martini
Name: Geno R. Martini
Title: Mayor
A-3074

By: Mark Force
Name: MARK FORCE
Title: GENERAL MANAGER

STATE OF NEVADA

COUNTY OF WASHOE

) ss. Acknowledged in representative capacity (NRS 240.1665)

This instrument was acknowledged before me this 10th day of August, 2009, by Geno R. Martini as Mayor of THE CITY OF SPARKS, on behalf of said municipal corporation.



Linda Karlene Patterson
Notary Public

STATE OF NEVADA

COUNTY OF WASHOE

) ss. Acknowledged in representative capacity (NRS 240.1665)

This instrument was acknowledged before me this 19th day of October, 2009, by Mark Force as General Manager of the Truckee Meadows Water Authority, a Joint Power Authority.



Corinne Caspell
Notary Public



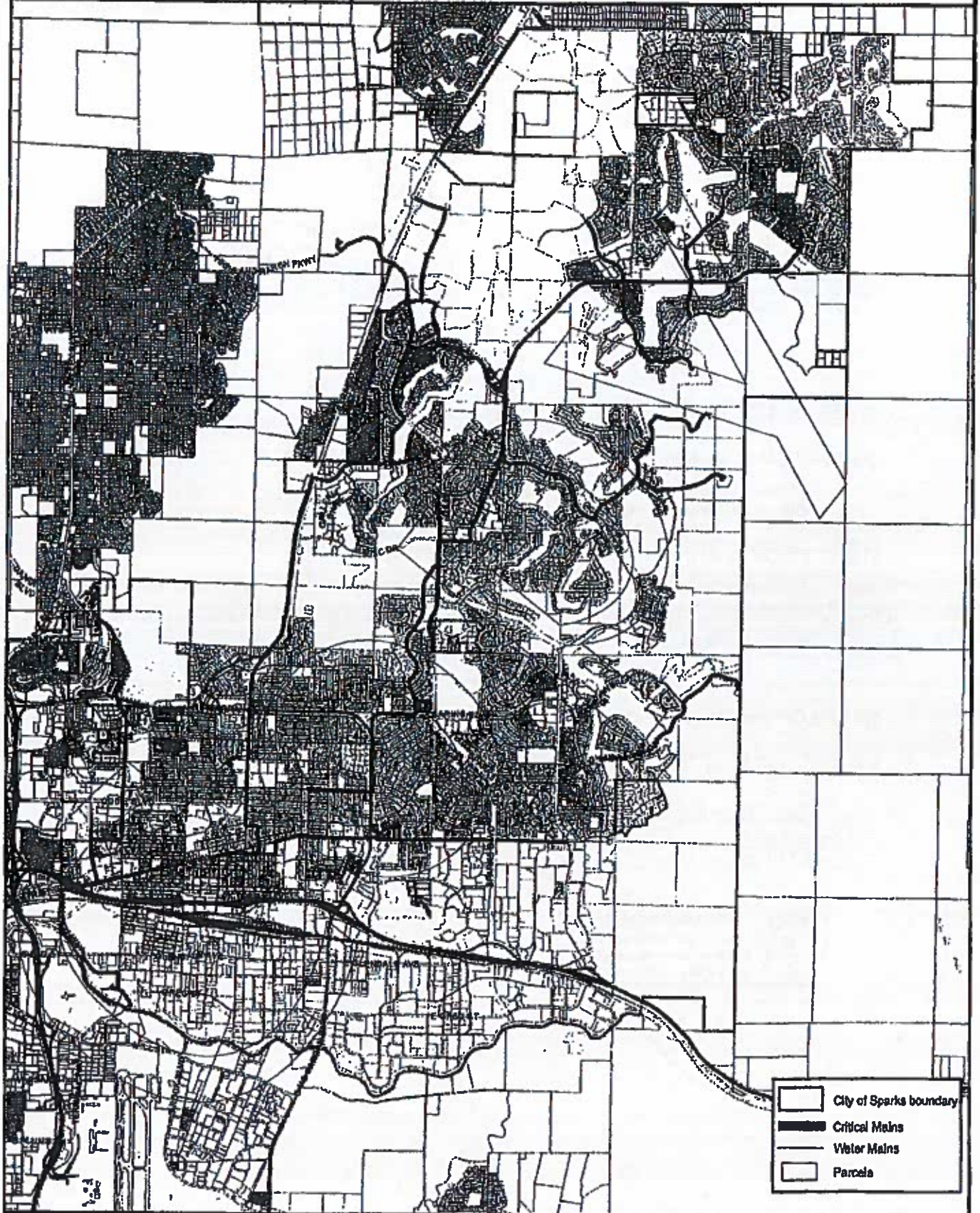
1" equals 5,280'

5/27/2009



Exhibit 1: COS Water Mains

≥ 24" Diameter & Mains of Critical Importance



- City of Sparks boundary
- Critical Mains
- Water Mains
- Parcels

**EXHIBIT 2
CITY OF SPARKS CRITICAL WATER MAINS AND WATER MAINS ≥24" IN DIAMETER**

Street Name or Location Description	Diameter (Inches)	Pipeline Material	Length (feet)
4th St	36	MLS	574
8th St	30	DI	1185
Ambush Ridge Dr	20	DI	795
Astronomer Way Alignment to Spanish Springs Tank	20	DI	1819
Bering Blvd	36	DI	1822
Byars Ln	30	STL	82
Byars Ln	36	STL	1898
David Allen Pkwy	18	DI	5513
Disc Dr	12	C900	98
Disc Dr	18	DI	1237
E Prater Way	18	TR	974
E Prater Way	24	STL	8321
E Prater Way	30	STL	2428
E Prater Way	36	MLS	53
Earthstone Dr	18	DI	4486
El Rancho Dr	18	MLS	3
El Rancho Dr	20	MLS	1864
El Rancho Dr	14	TR	84
El Rancho Dr	18	TR	14
Galletti Way	36	STL	3287
Goldy Way	36	DI	29
Goldy Way	24	DI	1477
Greenbrae Dr	36	DI	2780
Greyhaven Ln	18	MLS	38
Greyhaven Ln	20	MLS	1288
Grosmont Dr	20	DI	392
H St	30	DI	540
Henry Orr Pkwy	18	DI	1741
Ion Dr	12	DI	62
Ion Dr	18	DI	181
Ion Dr	20	DI	2078
Killey Pkwy	18	DI	1317
Los Altos Pkwy	24	DI	1344
Los Altos Pkwy	20	DI	899
Los Altos Pkwy	18	DI	3313
Los Altos Pkwy East of Vista	18	DI	1828
Los Altos Pkwy East of Vista	14	DI	3602
N Mc Carran Blvd	36	DI	3115
N Wingfield Pkwy	24	DI	424
N Wingfield Pkwy	20	DI	1075
Prater Way	24	STL	2780
Prater Way	24	MLS	27
Prater Way	30	MLS	117
Prater Way	38	STL	498
Prater Way	36	MLS	4804
Pyramid Way	24	MLS	3890
Pyramid Way	30	DI	1299
Pyramid Way	18	DI	855
Pyramid Way	24	DI	7585
Pyramid Way	18	DI	234
Pyramid Way	16	DI	235
Pyramid Way	12	C900	134

EXHIBIT 2
CITY OF SPARKS CRITICAL WATER MAINS AND WATER MAINS ≥24" IN DIAMETER

Street Name or Location Description	Diameter (Inches)	Pipeline Material	Length (feet)
S 21ST ST	36	MLS	792
S 21ST ST	36	STL	924
S 21ST ST	60	STL	238
S D'Andrea Pkwy	16	STL	62
S D'Andrea Pkwy	16	DI	4747
S D'Andrea Pkwy	14	DI	3311
S D'Andrea Pkwy	12	C900	15
S Wingfield Pkwy	14	DI	832
S Wingfield Pkwy	12	C900	742
S Wingfield Pkwy	12	DI	99
S Wingfield Pkwy	12	STL	74
S Wingfield Pkwy	8	STL	30
Skystone Dr	12	C900	1129
Skystone Dr	12	DI	4231
Skystone Dr	16	DI	38
Skystone Dr	18	STL	112
Skystone Dr	18	DI	160
Spanish Springs Rd	24	DI	5594
Sparks Blvd	18	DI	27
Sparks Blvd	16	DI	2101
Sparks Blvd	18	TR	4769
Sparks Blvd	24	DI	1093
Sparks Blvd to Pyramid Tank (North of Los Altos)	20	DI	10750
Sullivan	18	TR	688
Sullivan	20	TR	670
Sullivan Ln	14	TR	74
Sullivan Ln	16	STL	23
Sullivan Ln	18	TR	4292
Sullivan Ln	20	TR	1937
Sullivan Ln	20	STL	1467
Sullivan Ln	20	MLS	668
Vista Blvd	24	STL	76
Vista Blvd	24	DI	17688
Vista Blvd	16	DI	164
Vista Blvd	14	DI	6391
Vista Blvd	14	STL	27
Vista Blvd	12	C900	2811
Vista Blvd	12	DI	173
Vista Blvd	12	STL	68
Vista Blvd	10	STL	13
Vista Blvd	8	DI	36
Vista Blvd	8	STL	38
Vista Del Rancho Pkwy	18	DI	34
Vista Del Rancho Pkwy	16	DI	3902
Vista Heights Dr	18	DI	713
Vista Heights Dr	16	DI	45
Wingfield Hills Rd	20	DI	1932
Wingfield Hills Rd	18	DI	3294
Wingfield Hills Rd	14	DI	1076
Wingfield Springs Rd	20	DI	2408
Wright Way	36	MLS	1975

Total Easement Length = 34 Miles
 Total Easement Coverage = 3,600,503 Sq. Ft.



WASHOE COUNTY RECORDER


OFFICE OF THE RECORDER
KATHRYN L. BURKE, RECORDER

1001 E. NINTH STREET
POST OFFICE BOX 11130
RENO, NEVADA 89520-0027
PHONE (775) 328-3661
FAX (775) 325-8010

LEGIBILITY NOTICE

The Washoe County Recorder's Office has determined that the attached document may not be suitable for recording by the method used by the Recorder to preserve the Recorder's records. The customer was advised that copies reproduced from the recorded document would not be legible. However, the customer demanded that the document be recorded without delay as the parties rights may be adversely affected because of a delay in recording. Therefore, pursuant to NRS 247.120 (3); the County Recorder accepted the document conditionally, based on the undersigned's representation (1) that a suitable copy will be submitted at a later date (2) it is impossible or Impracticable to submit a more suitable copy.

By my signing below, I acknowledge that I have been advised that once the document has been microfilmed it may not reproduce a legible copy.



Signature

10-20-09

Date

Heather Edmonson

Printed Name

AGREEMENT FOR THE GRANT OF RIGHTS OF WAY

This memorandum of understanding is made this 12 day of April, 2004, by and between the City of Sparks, Nevada (hereinafter "Sparks" or "City") and the Truckee Meadows Water Authority (hereinafter "Authority"), a joint powers authority created under N.R.S. 277, pursuant to a Cooperative Agreement among the County of Washoe and the Cities of Reno and Sparks, Nevada.

RECITALS

Whereas, the Truckee Meadows Water Authority was created by an interlocal agreement among Washoe County and the cities of Reno and Sparks for the purpose of acquiring the Water operations of Sierra Pacific Power Company ("SPPCo"); TMWA completed this acquisition in June 2001 and has been operating since then as the major Water purveyor in the Truckee Meadows;

Whereas, prior to the acquisition of the SPPCo Water operations by the Authority, SPPCo's authority to provide Water service within Sparks was governed in part by a franchise agreement in the form of Ordinance No. 368 ("Right of Way Ordinance"), that provided for the payment of SPPCo to Sparks of a franchise fee based upon SPPCo's gross receipts from Water sales in Sparks in consideration for the grant by Sparks of certain rights and privileges, including rights of way within public streets;

Whereas, both Sparks and the Authority are governmental units with significant common interests not addressed by the Right of Way Ordinance and whereas, the Right of Way Ordinance is accordingly to be repealed;

And whereas, Sparks and the Authority desire to set forth the terms, conditions, and

consideration pursuant to which the Authority will have a right of access for its facilities on Sparks public roads and also desire to provide for effective cooperation in their respective public projects:

Now Therefore, the Parties agree as follows:

SECTION 1. The Authority, its successors and assigns, is hereby granted by the City of Sparks a right-of-way, privilege, and permit in, upon, over, under, across and along the public roads and alleys of the City; for its or their use for the purpose of laying, installing, constructing, upgrading, maintaining and operating all necessary, appropriate or convenient Water mains and pipes of less than 24" in diameter, appurtenances and appliances, in order to properly, successfully and conveniently construct, extend, upgrade, maintain and operate a water system for supplying water in the Truckee Meadows, including in the City, upon the terms, conditions and limitations hereinafter set forth.

SECTION 2. As used herein, the words and phrases set forth below shall have the respective meanings assigned to them in the following definitions:

- (A) "Authority" shall mean the Truckee Meadows Water Authority and its lawful successors and assigns with respect to the rights hereby granted;
- (B) "City" shall mean the City of Sparks, Nevada;
- (C) "Public Road" shall mean the public highways, streets, roads, alleyways, ways and places as the same now or hereafter exist within the City, including state highways now or hereafter established within the City to whatever extent, if any, the City may have jurisdiction to authorize the use of same for the purposes herein specified;

- (D) "Pipes and appurtenances" shall mean pipes, pipelines and mains of less than 24" in diameter, services, traps, vents, vaults, manholes, meters, gauges, regulators, valves, conduits, appliances, attachments, appurtenances and, without limitation to the foregoing, any other property located or to be located in, upon, along, across, under or over the public roads within the City, and used or useful in conjunction with the operations of the Authority;
- (E) "Installing, maintaining, and using" shall mean to lay, construct, erect, upgrade, install, operate, maintain, use, repair or replace.

SECTION 3. This agreement shall not be effective until it has been approved by both the Authority Board of Directors and the Sparks City Council. The Effective Date of this Agreement shall be the first day of the first Authority monthly billing cycle after the Agreement has been approved by both the Authority Board of Directors and the Sparks City Council, provided that the earliest Date that the Agreement may become effective shall be April 12, 2004. The terms of this Agreement shall be three (3) years from the Effective Date. This Agreement may be extended for additional three (3) year terms with the written consent of both Parties.

SECTION 4. The rights-of-way, privileges and permits granted to the Authority by this Agreement are subject to all conditions, restrictions, and limitations contained in the Constitution and laws of the State of Nevada, or in the Charter of the City of Sparks.

SECTION 5. All water mains, pipes, appliances, and other equipment which shall be laid and used by the Authority shall be installed, constructed, and used with the least practicable interference with the ordinary travel and use of the public roads in the City, and the Authority shall promptly repair all public roads when excavated by it, pursuant to any reasonable

specifications, instructions and directions of the Public Works Director of the City, so that such public roads are in as good order and condition as that in which they were before the work was performed by the Authority. Notwithstanding the foregoing, with the consent of Sparks, the Authority may contract directly with a private paving contractor for pavement repairs. Sparks agrees to provide appropriate administration and inspection of street cuts to insure compliance with its standards.

SECTION 6. Street cut penalties: Sparks agrees to waive the penalties imposed by Sparks Municipal Code Chapter 12 for street cuts made by the Authority that are necessitated by emergency repairs and emergency maintenance. Sparks also agrees to waive street cut penalties in the event street cuts necessitated by maintenance activities, upon a demonstration by the Authority that such activities could not practically or cost-effectively be deferred to a time outside of the penalty time period and provided that the Authority utilizes an appropriately qualified paving contractor to complete street repairs. In no case will street cut fees be imposed on the Authority for its street cuts made in the street that are scheduled to be replaced within twelve (12) months following the Date of the street cut.

SECTION 7. The Authority shall relocate at its own cost and expense any pipes and appurtenances installed, maintained, or used under this Agreement if and when made necessary by any lawful installation, relocation or modification of sanitary sewers or storm drains, or change of grade, alignment or width of any public road then existing by the City, except where such relocation is necessitated by a developer-funded project, in which case the City shall require the project to bear the costs of relocation. The Authority is also responsible for any costs associated with the repair of then-existing utilities and improvements within the public right-of-

way necessitated by the Authority's instigated relocation activities occurring under this Section. The City agrees to cooperate with the Authority in determining least cost solutions for utility relocations and to notify the Authority of scheduled street maintenance to maximize opportunities for coordination of construction. The City shall provide the Authority sufficient advance notice to allow the Authority to complete due diligence and schedule required work. The City agrees to grant easements to the Authority for mains of 24" or greater diameter that serve Sparks customers, and for such smaller mains as TMWA reasonably identifies, and the City agrees to the identification, as mains of critical importance. Such easements shall be in the form set forth in Exhibit A, attached hereto. Nothing contained in this Agreement shall be construed as constituting a contractual obligation of the Authority to assume jurisdiction over or the obligation to maintain a public road, nor shall any provision of this Agreement be construed to prohibit or restrict payment by the State of Nevada or any other appropriate governmental entity to the Authority for relocating Authority's facilities as permitted by NRS Chapter 408.

SECTION 8. Nothing in this Agreement shall impair or interfere with the Authority's right to furnish and sell water to all customers in the City. The Authority shall have the right to extend its water system over, under, upon, across and along the public roadway currently existing or which may be added to the City's corporate territory from time to time, and to use such public roads within the City in like manner for its water system for the purpose of conducting such water to points beyond the corporate limits of the City.

SECTION 9. The rights and privileges granted by this Agreement are on the condition the Authority, its successors and assigns, shall pay to the City during each calendar year a right-of-way assessment ("Maximum Unit Assessment" or "MUA") based upon each mile of the

Authority's water mains, including mains of 24" or greater in diameter, located within the City of Sparks. The MUA shall be collected through a percentage surcharge ("Right-of-Way Toll") to each of the Authority's customers located within the corporate limits of the City of Sparks based upon such customer's monthly water use. Pursuant to the Cooperative Agreement, in no event may the annual right-of-way assessment exceed five percent (5%) of the gross revenues derived by the Authority from the sale of water to its customers located within the corporate limits of the City. The MUA and Right-of-Way Toll as of the effective Date are shown in Exhibit B attached hereto and incorporated by reference herein. The MUA and Right-of-Way Toll shall be adjusted at the beginning of the first fiscal year of each term of this Agreement following the initial terms and upon the implementation of any water rate changes to ensure that the five percent (5%) limit is not exceeded, effective on the first succeeding bill cycle of a revenue month. Payments by the Authority to the City of Right-of-Way Toll collections shall be made quarterly, no later than thirty (30) days following the end of each quarter. The Authority may make such payments based upon estimated revenues, but in that event must provide an accounting at the end of each fiscal year and the Parties agree to adjust the payments for the succeeding fiscal year to reflect any discrepancies in excess of the five percent (5%). The City may at any reasonable time examine the books and records of the Authority for the purpose of verifying its gross revenues during the term hereof. This Agreement does not eliminate or otherwise modify any obligation of the Authority to pay building permit fees and other fees of like nature, to the extent required by law.

SECTION 10. MISCELLANEOUS PROVISIONS

10.1 This Agreement is binding upon and inures to the benefit of the Parties and their

respective heirs, estates, personal representatives, successors and assigns.

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

10.3 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.

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

10.5 In the event either party brings any legal 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 of litigation, including reasonable attorney's fees.

10.6 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.

10.7 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:

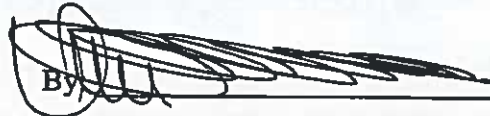
Authority: Truckee Meadows Water Authority
P.O. Box 30013
Reno, Nevada 89520

City: City of Sparks
Attn: City Clerk
431 Prater Way
Sparks, Nevada 89431

Truckee Meadows Water Authority

City of Sparks

By: *Len Williams*
Title: GENERAL MANAGER
Dated: 5/4/04

By: 
Title: Mayor
Dated: 4/12/2004

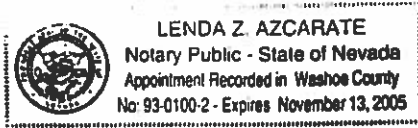
Approved as to form

David Creekman
David Creekman
Senior Assistant City Attorney

STATE OF NEVADA)
COUNTY OF WASHOE)

**Acknowledgment in representative
capacity (NRS 240.1665)**

This instrument was acknowledged before me, a Notary Public, on this 12th day of
April, 2004, by Tony Armstrong as Mayor of the
City of Sparks, a municipal corporation of the State of Nevada.

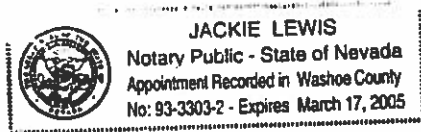


Lenda Z. Azcarate
Notary Signature

STATE OF NEVADA)
COUNTY OF WASHOE)

**Acknowledgment in representative
capacity (NRS 240.1665)**

This instrument was acknowledged before me on the 3rd day of May,
2004, by Lori L. Williams as GENERAL MANAGER of the Truckee Meadows
Water Authority.



Jackie Lewis
Notary Public

APN:

EXHIBIT "A"

When Recorded Return To:

Truckee Meadows Water Authority
Work Order No.
P.O. Box 30013
Reno, NV 89520-3013
Attn: Heather Edmunson, Land Agent

GRANT OF EASEMENT
for
WATER TRANSMISSION FACILITIES

THIS INDENTURE, made and entered into this _____ day of _____, 2004, by and between, the CITY OF SPARKS, a municipal corporation of the State of Nevada, (hereinafter referred to as "GRANTOR") and TRUCKEE MEADOWS WATER AUTHORITY, a Joint Powers Authority entity created pursuant to a cooperative agreement among the cities of Reno, Nevada, Sparks, Nevada and Washoe County, Nevada, pursuant to N.R.S. Chapter 277, (hereinafter referred to as "GRANTEE").

WITNESSETH:

GRANTOR, for and in consideration of the sum of Ten Dollars (\$10.00), in hand paid by Grantee, and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby grant to Grantee, its successors, assigns and agents, a permanent and non-exclusive easement consisting of approximately _____ miles and containing approximately _____ square feet (the "Easement Property") to construct, alter, maintain, inspect, repair, reconstruct, and operate water transmission facilities with pipes and mains 24" or larger in diameter, together with necessary or convenient appurtenances connected therewith (collectively "Utility Facilities"), across, upon, over, under and through certain public roadways situate in the City of Sparks, County of Washoe, State of Nevada, being more fully described on Exhibit "A" and shown on Exhibit "B" both attached hereto and by reference made a part hereof.

IT IS FURTHER AGREED:

1. GRANTEE, its successors, assigns and agents, shall have at all times the right of ingress to and egress from the Easement Property for the herein stated purpose.
2. SUBJECT to Paragraph 5 below, except for damages proximately caused by or attributable to the negligence or willful misconduct of Grantor or Grantor's agents, Grantee shall be responsible for any damage to personal property, improvements or public roadways, suffered by Grantor or other users of said public roadways, by reason of constructing, altering, maintaining,

inspecting, repairing, reconstructing and operating said Utility Facilities by Grantee.

3. EXCEPT for damages proximately caused by or attributable to the negligence or willful misconduct of Grantor or Grantor's agents, Grantee shall at all times save and hold harmless Grantor with respect to any and all loss, damage or liability suffered or sustained by reason of any injury or damage to any person or property, caused by the constructing, altering, maintaining, inspecting, repairing, reconstructing and operating said Utility Facilities by Grantee.

4. GRANTOR shall not permit any activity to occur within the Easement Property which in the reasonable judgment of Grantee is inconsistent with Grantee's use of said Easement Property.

5. GRANTEE shall have the right, without payment or compensation to Grantor, to remove or clear any and all obstructions from said Easement Property, which in the reasonable judgement of Grantee may interfere with or endanger the construction, altering, maintaining, inspecting, repairing, reconstructing and operation of said Utility Facilities.

6. GRANTOR shall bear the expense of any and all relocation costs resulting from grade changes or road modifications.

7. GRANTOR agrees to reimburse Grantee for the reasonable costs incurred by Grantee as a result of Grantor's breach of any covenant of Grantor set forth herein. Other, or additional easements to be granted by Grantor over the same Easement Property, or portion thereof, will be granted subject to the terms and conditions of this grant of easement.

THIS GRANT is binding upon and shall inure to the benefit of the parties to this Grant and their respective successors and assigns.

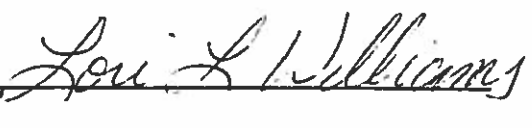
TO HAVE AND TO HOLD all and singular the herein described Easement Property, granted together with the appurtenances, unto said Grantee, its successors assigns and agents forever.

IN WITNESS whereof, Grantor has caused these presents duly to be executed the day and year first above written.

CITY OF SPARKS

TRUCKEE MEADOWS WATER AUTHORITY

By: 

By: 

Title:

Title: GENERAL MANAGER

Approved as to Form

David Creekman
David Creekman,
Senior. Assistant City Attorney

STATE OF NEVADA)
COUNTY OF WASHOE)

Acknowledgment in representative
capacity (NRS 240.1665)

This instrument was acknowledged before me, a Notary Public, on this 12th day of
April, 2004, by Tony Armstrong as Mayor of the City of
Sparks, a municipal corporation of the State of Nevada.

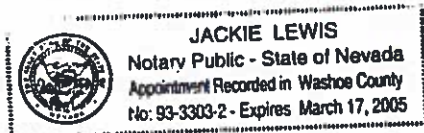


Linda Z. Azcarate
Notary Signature

STATE OF NEVADA)
COUNTY OF WASHOE)

Acknowledgment in representative
capacity (NRS 240.1665)

This instrument was acknowledged before me on the 3rd day of May,
2004, by Lori L. Williams as General Manager of the Truckee Meadows
Water Authority.



Jackie Lewis
Notary Public

EXHIBIT "B"

MUA and Right of Way Toll

DEFINITIONS:

Maximum Unit Assessment (MUA) is a right of way toll or maximum amount that can be charged (under this agreement) by the City of Sparks per mile of water main pipe within their public roadways; that is equal to but does not exceed five percent (5%) of the gross revenues derived by the Authority from the sale of water to its customers located within the corporate limits of the City of Sparks. This 5% maximum of gross revenues derived from Authority sales is not to exceed an annual payment equivalent and calculated relating to, and per the actual miles of water main pipe located within the City of Sparks public roadways.

The MAU shall be tabulated quarterly, January - March, April - June, July - September and October - December, and paid on or before the last day of April, July, October and January, respectively, for each quarter.

Right of Way Toll is a percentage surcharge or annual assessment fee to each of the Authority's customers located within the corporate limits of Sparks. The fee Collected shall be equal to or a Not to Exceed amount of 5% (five percent) of the gross revenues generated within the City of Sparks.

Pipe Mile of Water Main is the total length of the inventory (existing plus new pipes) of water main pipeline used for the transmission and distribution of water to the City of Sparks customers (water main pipe inventory as of spring, 2004, was 307.2 miles). The length of water main pipeline from system expansions shall be set July 1st of every year in determining the quarterly calculations through the fiscal year.

The MUA is calculated as follows:

$$\text{MUA} = (\text{Estimated payment per \% of R/W Toll, \$}) (\text{R/W Toll \% imposed})$$

/ miles of pipe.

The MUA under this agreement will be:

$$\text{MUA} = (\$219,200) (5) / (307.2 \text{ miles of pipe}) = \$3,567.71 \text{ per mile of pipe.}$$

Check to a Gross Revenue equivalent:

$$(\text{MUA}) (\text{miles of Pipe}) / (5\% \text{ R/W Toll}) \leq \text{Gross Revenue}$$

$$(\$3,567.71) (307.2 \text{ miles}) / 0.05 \leq \$21,920,000$$

BILL NO. 2395

INTRODUCED BY COUNCIL

ORDINANCE NO. 2217

AN ORDINANCE ADOPTING A RIGHT-OF-WAY AGREEMENT BETWEEN THE TRUCKEE MEADOWS WATER AUTHORITY AND THE CITY OF SPARKS; AND PROVIDING OTHER MATTERS PROPERLY RELATED THERETO.

THE CITY COUNCIL OF THE CITY OF SPARKS DOES ORDAIN:

Section 1. A new Section 13.51.010 is hereby added to read as follows

13.51.010 Adoption of right-of-way agreement.

As provided for in Article 32 of the Cooperative Agreement between the City of Reno, the City of Sparks and Washoe County which created the Truckee Meadows Water Authority as a successor-in-interest to the Sierra Pacific Power Company and its franchise created under Ordinance No. 368, the Truckee Meadows Water Authority, its successors and assigns, shall be bound by the agreements and obligations imposed under the Right-Of-Way Agreement adopted by the Sparks City Council on March 15, 2004.

Section 2. A new Section 13.51.020 is hereby added to read as follows

13.51.020 Allocation of right-of-way toll.

Upon its receipt of payments of the right-of-way toll collected and transmitted to the City of Sparks under the Right-Of-Way Agreement adopted under section 010 of this chapter, the City of Sparks shall allocate the proceeds of the right-of-way toll in the following manner:

- 1. forty (40) percent of the right-of-way toll shall be allocated to the City's General Fund; and*
- 2. sixty (60) percent of the right-of-way toll shall be allocated to the City's Road Fund.*

SECTION 3: Ordinance No. 368, approved April 24, 1956, granting a franchise to Sierra Pacific Power Company to lay, install, construct, maintain and operate a water supply and distribution system in the City of Sparks, is repealed.

SECTION 4: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 5: The City Clerk is instructed and authorized to publish the title to this ordinance as provided by law.

SECTION 6: This ordinance shall become effective following passage, approval and publication.

SECTION 7: The provisions of this ordinance shall be liberally construed to effectively carry out its purposes in the interest of the public health, safety, welfare and convenience.

Right-Of-Way Agreement

SECTION 8: If any subsection, phrase, sentence or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions.

SECTION 9: The City Council finds that this ordinance is not likely to impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business, or is otherwise exempt from Nevada Revised Statutes Chapter 237.

PASSED AND ADOPTED this 12 day of April, 2004 by the following vote of the City Council:


AYES: MAYER, SALERNO, MARTINI, SCHMITT

NAYS: NONE

ABSTAIN: NONE


ABSENT: CARRIGAN

APPROVED this 12 day of April, 2004 by:



TONY ARMSTRONG, Mayor

ATTEST:



DEBORINE J. DOLAN, City Clerk



APPROVED AS TO FORM AND
LEGALITY:



CHESTER H. ADAMS, City Attorney

