



STAFF REPORT

Report To: Board of Supervisors

Meeting Date: June 21, 2018

Staff Contact: Darren Schulz, Public Works Director

Agenda Title: For Possible Action: 1) To approve and authorize the Mayor to sign a Grant of Permanent Easement across APN 010-034-01 and a Grant of Permanent Easement across APN 010-052-01 by Carson City (Grantor) to Paiute Pipeline Company (Grantee), for the installation and maintenance of a natural gas pipeline or pipelines and appurtenances, pursuant to NRS 244.279 which allows for the sale or lease of right-of-way to a public utility; and 2) to approve the Letter Agreement between Carson City and Paiute Pipeline Company including the Grantee's offer of compensation in the amount of \$13,350.00 for the permanent easements; and 3) to authorize the Finance Department to place the revenue in a separate line item in the Quality of Life account to be spent only on the subject properties for open space improvements, operations, and maintenance. (Jennifer Budge, JBudge@carson.org and Stephanie Hicks, SHicks@carson.org).

Staff Summary: The 2018 Paiute Pipeline Expansion Project will include the installation or replacement of pipeline facilities for approximately 8.46 miles in four segments through Douglas County, Lyon County and Carson City, Nevada. City staff has been coordinating with Paiute Pipeline Company regarding the design and easements required on Segment 2 and 3 of the project located in Carson City. Paiute Pipeline Company is requesting two permanent easements in Segment 2 for construction outside of the road right-of-way on property owned by Carson City and managed by the Parks and Open Space Department. The easements are needed for construction and maintenance associated with the project.

Agenda Action: Formal Action/Motion

Time Requested: 10 minutes

Proposed Motion

Move to: 1) Approve and authorize the Mayor to sign a Grant of Permanent Easement across APN 010-034-01 and a Grant of Permanent Easement across APN 010-052-01 by Carson City (Grantor) to Paiute Pipeline Company (Grantee), for the installation and maintenance of a natural gas pipeline or pipelines and appurtenances, pursuant to NRS 244.279 which allows for the sale or lease of right-of-way to a public utility; and 2) Approve the Letter Agreement between Carson City and Paiute Pipeline Company including the Grantee's offer of compensation in the amount of \$13,350.00 for the permanent easements; and 3) Authorize the Finance Department to place the revenue in a separate line item in the Quality of Life account to be spent only on the subject properties for open space improvements, operations, and maintenance.

Board's Strategic Goal

Sustainable Infrastructure

Previous Action

Background/Issues & Analysis

As part of the 2018 Paiute Pipeline Expansion Project, Paiute Pipeline Company will be installing or replacing pipeline facilities for approximately 8.46 miles in four segments through Douglas County, Lyon County and

Carson City, Nevada. Segments 2 and 3 for the project are located within Carson City. Segment 2 will be constructed along the southern boundary of Fairview Drive affecting two parcels of Carson City Parks and Open Space property containing a paved pedestrian path. Segment 3 will be constructed along the northern boundary of Highway 50 affecting Carson City Parks and Open Space property along the southern edge of Centennial Park.

As a result of some of these improvements being outside of the road right-of-way, Paiute Pipeline Company is requesting a permanent easement totaling approximately 11,399 square feet across APN 010-034-01 located south of Fairview Drive, and a permanent easement totaling approximately 43,876 square feet across APN 010-052-01 also located south of Fairview Drive for the installation and maintenance of the natural gas pipeline.

Pursuant to NRS 279.470(4), the City may sell or lease right-of-way to a public utility.

City staff has been coordinating with Paiute Pipeline regarding the design and easements required on Segment 2 and 3 of the project through Carson City. The attached Letter Agreement, Grant of Easement documents and Addendums include conditions that Staff believes will help to mitigate the project impacts. Additionally, appraisal reports were requested and completed to establish fair market value of the easements. Based on the available information and the mutual agreement of the parties, the compensation offered is \$13,350.00 for the permanent easements.

Staff is requesting that because the subject property was acquired through the Omnibus Public Lands Management Act and also contains a conservation easement, revenues for these easements be placed in a separate line item in the Quality of Life account to be spent only on the subject properties for open space improvements, operations, and maintenance.

Applicable Statute, Code, Policy, Rule or Regulation

NRS 244.279 Sale or lease of right-of-way or water rights to public utility.

1. A board of county commissioners may sell or lease:
 - (a) A right-of-way to a public utility as defined in NRS 704.020

Financial Information

Is there a fiscal impact? ☒ Yes ☐ No

If yes, account name/number: Quality of Life Fund/Revenue

Is it currently budgeted? ☐ Yes ☒ No

Explanation of Fiscal Impact: The City will receive \$13,350 for the permanent easements.

Alternatives

Do not move to: 1) Approve and authorize the Mayor to sign a Grant of Permanent Easement across APN 010-034-01 and a Grant of Permanent Easement across APN 010-052-01 by Carson City (Grantor) to Paiute Pipeline Company (Grantee), for the installation and maintenance of a natural gas pipeline or pipelines and appurtenances, pursuant to NRS 244.279 which allows for the sale or lease of right-of-way to a public utility; and 2) Approve the Letter Agreement between Carson City and Paiute Pipeline Company including the Grantee's offer of compensation in the amount of \$13,350.00 for the permanent easements; and 3) Authorize the Finance Department to place the revenue in a separate line item in the Quality of Life account to be spent only on the subject properties for open space improvements, operations, and maintenance.

Approve motion with modifications.

Board Action Taken:

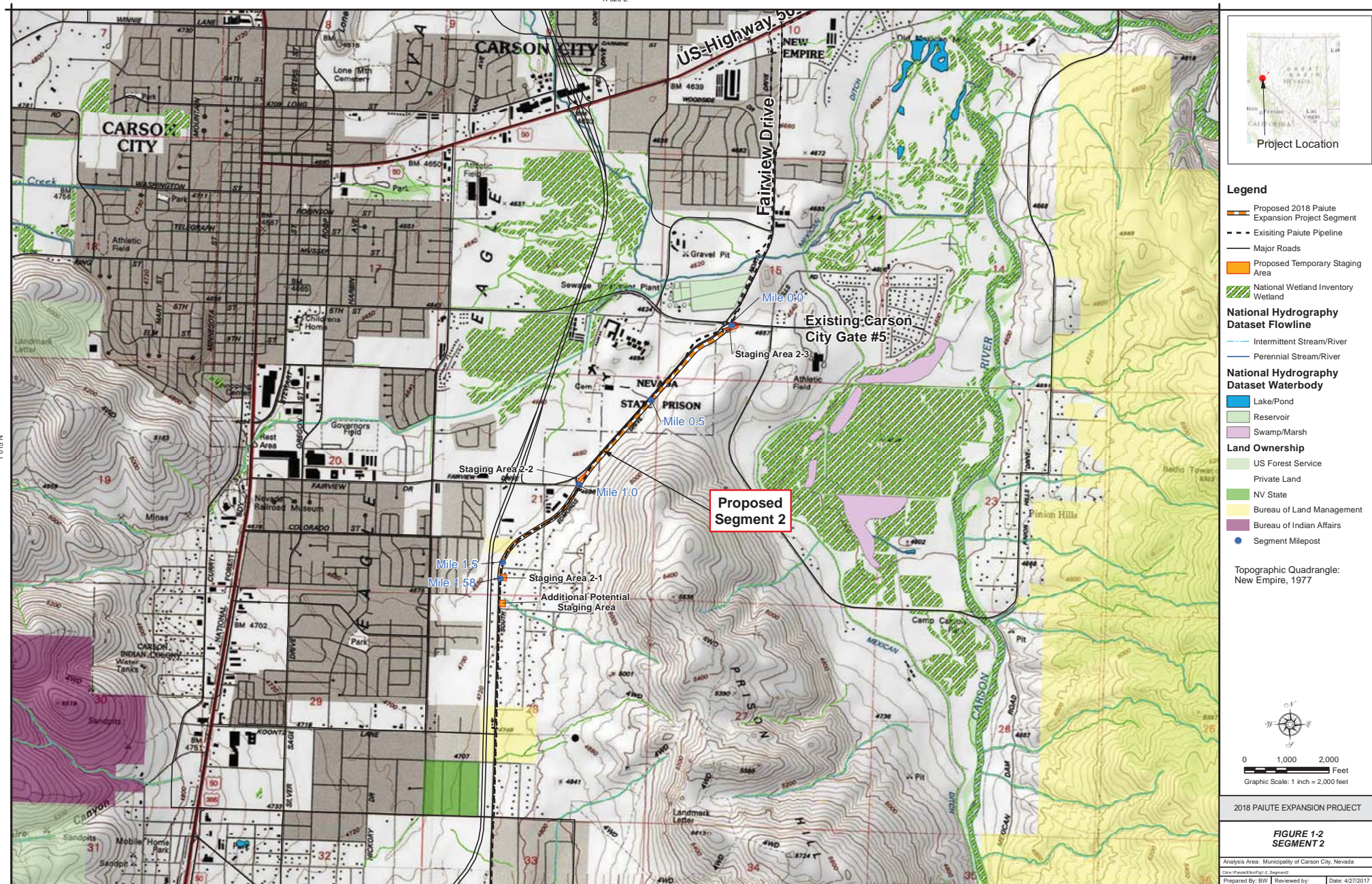
Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)



LETTER AGREEMENT

June 11, 2018

Stephanie A. Hicks, AICP, CFM
Real Property Manager
Carson City Public Works Department
3505 Butti Way
Carson City, Nevada 89701

Re: Paiute Pipeline Company
2018 Expansion Project
APNs 010-052-01, 010-034-01, 008-391-15

Dear Ms. Hicks:

This letter agreement ("Letter Agreement") is to state the terms under which Paiute Pipeline Company ("Paiute") and the Consolidated Municipality of Carson City, State of Nevada ("City"), collectively referred to as the "Parties" will proceed for the purpose of the City granting certain temporary and perpetual easements to Paiute on City-owned property for Paiute's 2018 Expansion Project.

In exchange and consideration for granting of the perpetual and temporary easements, the Parties agree as follows:

1) Compensation:

Appraisal Reports for the above-captioned City-owned property, prepared by Johnson Valuation Group (JVG), were provided to the City in electronic form on May 8, 2018. Separate reports were prepared for the perpetual easements and the temporary easements, due to differences in locations for the easements and differences in comparable value properties. The Reports were prepared at the request of Paiute Pipeline Company ("Paiute") to determine the fair market value (FMV) for the acquisition of perpetual and temporary easements.

Based on the available information and the mutual agreement of the parties, the combined compensation for the perpetual and temporary easements is \$15,150.00. Paiute shall pay \$13,350.00 for the Perpetual Easements and \$1,800.00 for the temporary easements, for a total amount of \$15,150.00. Although the compensation for use of the temporary easements is only \$600.00 per year, revegetation efforts may take several years after construction of the pipeline facilities is completed; accordingly, Paiute shall initially pay for three (3) years of occupancy of the temporary easement areas to perform the restoration and revegetation. After three (3) years, native plant revegetation will be reasonably evaluated by the City in cooperation with Paiute to ensure compliance with revegetation requirements set forth herein below. If the required revegetation is in accordance with the revegetation requirements in a manner that is reasonably satisfactory to the City, the temporary easements will be relinquished. If such

revegetation is not in accordance with the revegetation requirements in a manner that is reasonably satisfactory to the City, the temporary easements shall continue and the associated compensation shall be due and payable until such time the revegetation is completed in accordance with the requirements for this project. Compensation will be paid upon receipt of the signed easement documents.

2) Non-exclusivity of easement:

An addendum is included with the Grant of Easement clarifying the non-exclusive nature of the perpetual easement. The addendum also addresses a subsequent request by the City for an appropriate hold harmless provision and incorporation of provisions of this Letter Agreement which, by their nature, are applicable to such perpetual easements.

Wherever discretion or approval is reserved by the City, such discretion and approval shall be exercised acting reasonably; and such approval shall not be unreasonably withheld, conditioned, or delayed.

In all events, the City shall strictly observe applicable statutes and regulations to prevent harm to and for the protection of subsurface installations.

3) Segment 2 Construction Access:

Paiute and its contractors will access the right-of-way (R/W) along Segment 2 at two locations that could impact the bike path: the southeast corner of Fairview Drive and Fifth Street; and the east side of the intersection of Fairview Drive and Edmonds Drive. Appropriate measures to minimize damage to the bike path will be taken. Crossing of the bicycle and pedestrian path by large equipment should be limited in order to minimize impacts.

4) Restoration of bicycle/pedestrian path:

Paiute will restore the bicycle/pedestrian path to reasonably the same condition as the condition existing prior to the construction activities, as determined by the City, acting reasonably. The full width of the bike path will be restored in those areas disturbed by Paiute's construction activities. Carson City's Construction Manager, acting reasonably, will determine the extent of path repair or replacement that is required following the installation of the pipeline. In no event shall any betterments be required or restoration beyond the area disturbed by Paiute, except at City's expense.

5) Revegetation of construction areas and construction staging areas:

Paiute will meet applicable revegetation requirements for both Segment 2 and 3. Paiute consulted with the City in the development of the Project's Restoration and Revegetation Plan ("Restoration Plan"). The City has reviewed and approved the Restoration Plan. This Restoration Plan contains the City's prescribed seed mixes and the criteria for successful revegetation. Pursuant to the approved Restoration Plan, areas of unsuccessful revegetation will be re-worked until the success criteria of uniform annual cover with a density of seventy percent (70%) native background vegetation cover is achieved. The City has directed that the drainage channel area along South Edmonds Drive does not require revegetation.

6) Ten (10) feet of separation from existing City water line and recommended 10-foot separation from City fiber optic lines:

Paiute and its contractors will maintain the requested 10-foot separation from the City's existing water line and the City's existing fiber optic cables, where feasible. If there are any locations where the ten feet of separation cannot be reasonably maintained, Paiute will consult with the City and obtain approval prior to any installation, which approval shall not be unreasonably withheld, conditioned, or delayed.

7) Five (5) to six (6) foot minimum cover at drainage crossings/Riprap for erosion control:

Paiute will maintain a minimum five feet (5') depth of cover at all drainage crossings and ensure riprap is installed for erosion control.

8) Abandoned pipe not removed to be abandoned to applicable requirements:

If the pipeline facilities cease to be used and useful and are to be abandoned by Paiute, then Paiute will grout fill any segments of pipe that will not be removed pursuant to Grantee's requirements in Orange Book, Section 305.01.03.05.02, as may be amended.

9) Construction of drainage swales and re-grading of right-of-way and City-permitted area at southeast intersection of East Fifth Street & Fairview Drive and South Edmonds Drive between Stations 71+00 to 93+07:

The City, by electronic mail dated May 3, 2018, requires Paiute to grade the area within the Paiute right-of-way and City-permitted area for the land adjacent to the Paiute pressure regulation station to the southeast of the East Fifth Street and Fairview intersection, as shown in green on the attached Exhibit A and incorporated by this reference.

In addition, the City requests Paiute to install two (2) drainage swales in the locations shown in purple on Exhibit A; plus grade the highlighted area to remove any ruts formed due to erosion from previous years' rainfall. One of the swales will parallel the southeasterly edge of the right-of-way for a distance of approximately 150 feet in length. The second swale will commence at a point approximately 20 feet from the beginning of the course of the first swale, and angles in a northwest direction toward East Fifth Street; roughly bisecting the area to be graded and revegetated. This second swale will be approximately 130 feet in length, terminating just inside Paiute's right-of-way, approximately 25 feet from the edge of pavement for East Fifth Street.

The City also requests Paiute to install a third swale, located along South Edmonds Drive, between Stations 71+00 to 93+07.

The swales will be constructed using the general profiles in Exhibit A. The swale along Edmonds Drive will have an apron of six inches (6") of compressed Type II aggregate base approximately two to four feet wide paralleling the pavement edge of Edmonds Drive, sloping the contour to a depth of one foot (1') to four feet (4') deep, to fit the topography and conditions; then a return slope back toward the opposite edge of the right-of-way. The swales in the East Fifth Street/Fairview Drive area will be earthen cuts, contoured based on the topography and conditions found in the field.

After all construction is complete, Paiute will revegetate the green highlighted area for the East Fifth Street/Fairview Drive location, with the seed mix in the Project's Revegetation Plan approved by the City and Nevada State Lands Division.

Once completed, no further warranty or guarantee is offered or provided for the swales and graded areas. All subsequent responsibility and maintenance for the swales and graded area shall belong solely to the City. Absent negligence or willful misconduct in the construction of the swales, in no event shall Paiute be responsible for any additional repairs, replacement or betterment. Any other maintenance, repairs, replacement or restoration efforts desired by the City shall be at City's cost and expense.

10) Removal of excess sediment from 2017 flooding:

Paiute agrees to remove excess sediment accumulated within a roadside drainage channel located between South Lompa Lane to De Ann Drive along South Edmonds Drive within the easement area as a result of 2017 flooding. Removed sediments will be disposed by Paiute at an approved site selected by the City.

11) Maintaining a 35-foot buffer of existing vegetation in the area of temporary easement along U.S. Highway 50 (HWY 50):

The temporary easement will be utilized to facilitate construction of the Expansion Project, including using a portion of the temporary easement as a staging area for pipe and construction materials and another portion for vehicle and equipment parking. Because the planned staging area already has existing surface disturbance, impacts to the surface and restoration efforts can be reduced by locating the staging area on the City property.

Paiute and its contractors intend to clear only as much of the temporary construction easement that is required to complete the installation of the new pipeline and abandon of the existing pipeline. To the extent possible, a 35-foot buffer of existing vegetation will be retained along HWY 50 where it is consistent with safe construction practices and while maintaining the ability to construct the project. There may be some areas where the 35-foot buffer is not possible to maintain and construct or abandon the pipeline facilities. Consistent with the commitment to restore the easement areas, Paiute will revegetate those areas where less than a 35-foot buffer cannot be maintained during construction.

12) Recordation:

Recordation of this Letter Agreement and Temporary Easement will be at the discretion of the Board of Supervisors as part of the City's approval process. When fully executed, perpetual easements shall be recorded by the Carson City Clerk-Recorder, with a copy provided to Paiute after recordation.

Other than the foregoing, there are no other conditions or requirements to be imposed by the City for granting the requested easements; and this Letter Agreement; together with the Temporary Easements and Grant of Easement, with Addendums, constitute the entire agreement between the City and Paiute in this matter. This provision shall not be construed to mean that the project is exempt from the standard plan review and permitting processes, including, without limitation, the issuance of a permit pursuant to CCMC 5.04.020 and 15.80.

This Letter Agreement may be executed simultaneously or in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute but one and the same document. All previous communications on this subject matter are hereby withdrawn and superseded with this Letter Agreement.

Please confirm the City's acceptance of the foregoing by having a duly-authorized representative of the City execute the acceptance provision and return the letter with original signature to: Paiute Pipeline Company; Attn: T. Economy, P.O. Box 1190; Carson City, NV 89702-1190. Please also provide a copy of the signed letter by electronic mail to: theresa.economy@swgas.com.

Also enclosed are the Grant of Easement (GOE) and Temporary Easement (TE), with their respective Addendums, for approval and signature by the appropriate authorized City representative.

Respectfully,



Mark A. Litwin
Vice President/General Manager

Enclosures

[APPROVAL SIGNATURE PAGE FOLLOWS]

APPROVED AND ACCEPTED:

CARSON CITY, NEVADA

By: _____
Robert Crowell, Mayor

Attest:

By: _____
Sue Merriwether, Clerk-Recorder

Approved as to form:

By: _____
District Attorney

Printed Name: _____

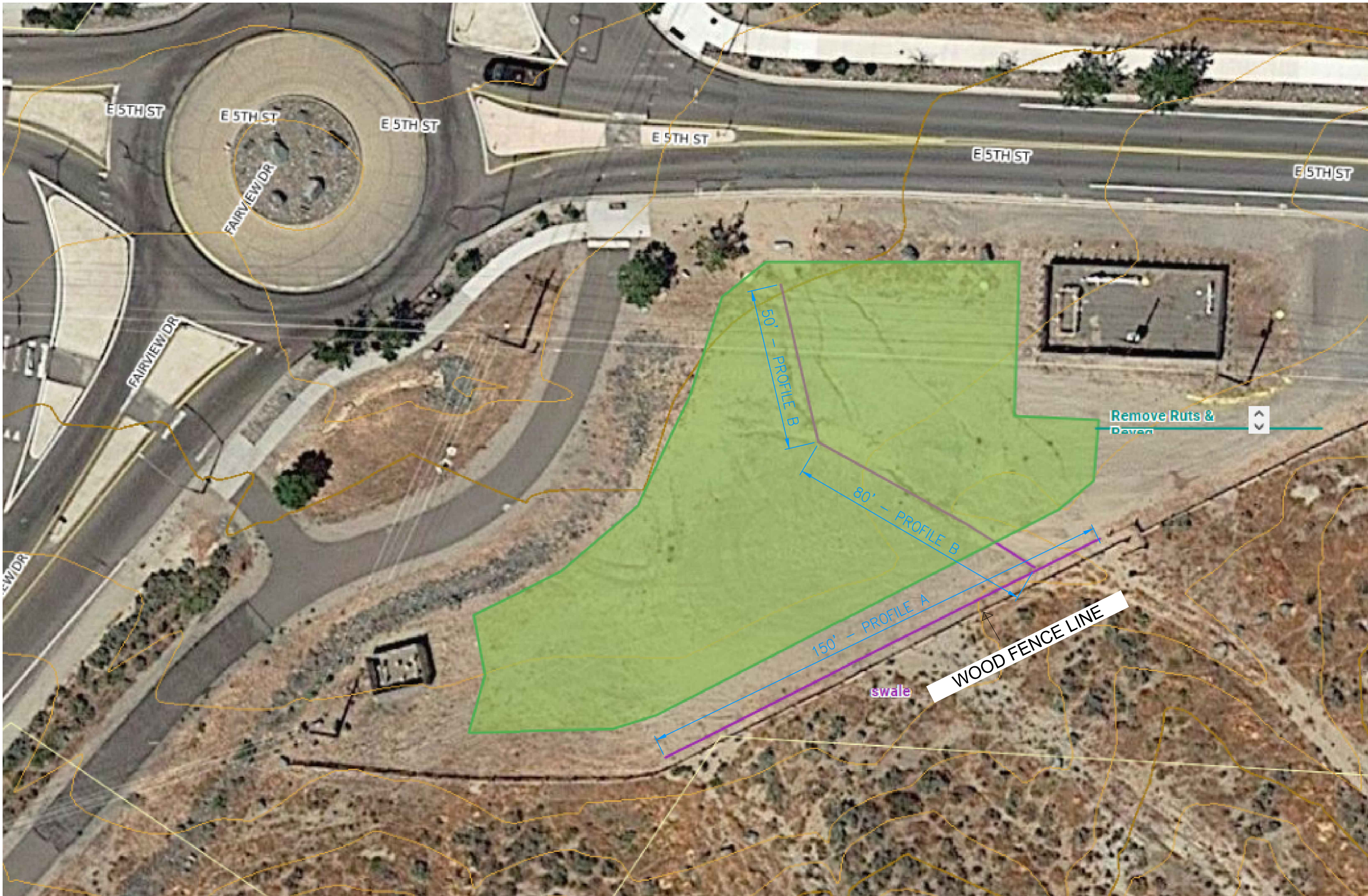
PAIUTE PIPELINE COMPANY

By: _____
Mark A. Litwin,
Vice President/General Manager

Date: _____

CARSON CITY REVEGETATION & SEDIMENT CLEANUP

EXHIBIT "A"

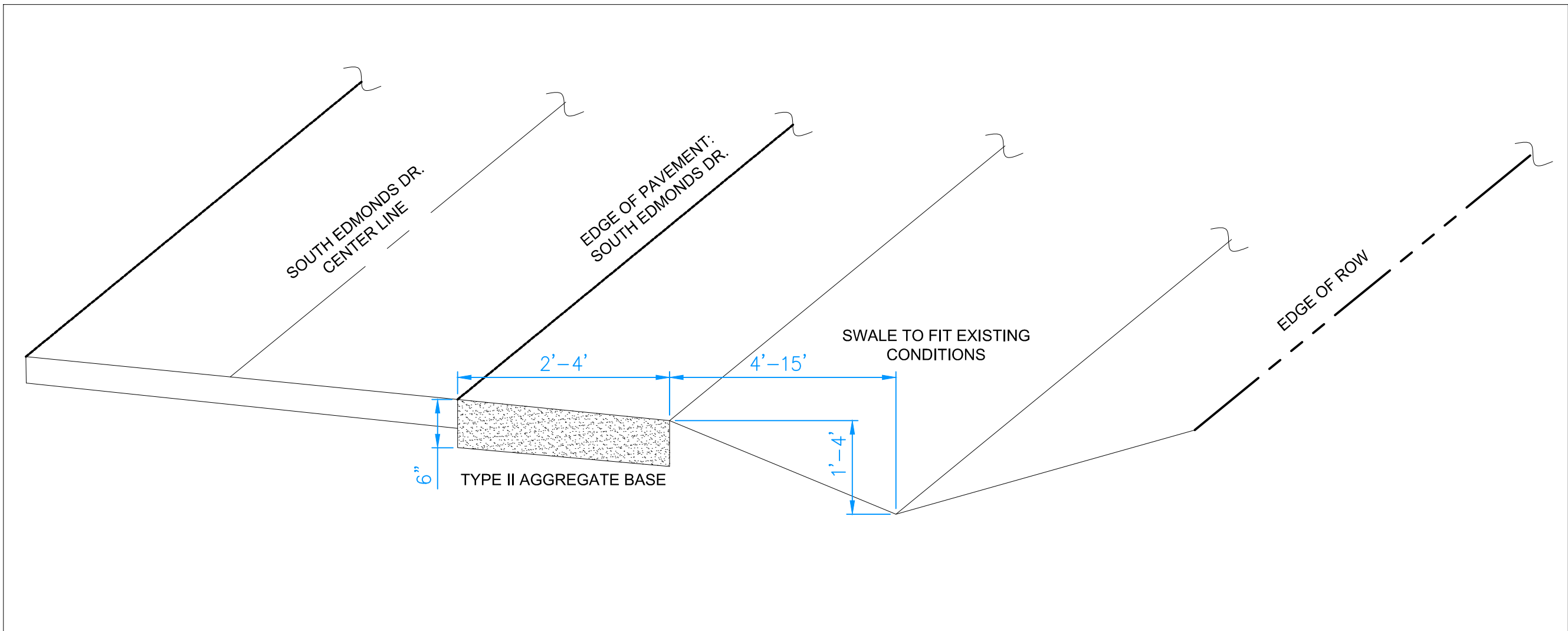


CARSON CITY REVEGETATION/SWALE REQUEST - FIFTH/FAIRVIEW DR.: STATION 00+00

SCALE: N.T.S.

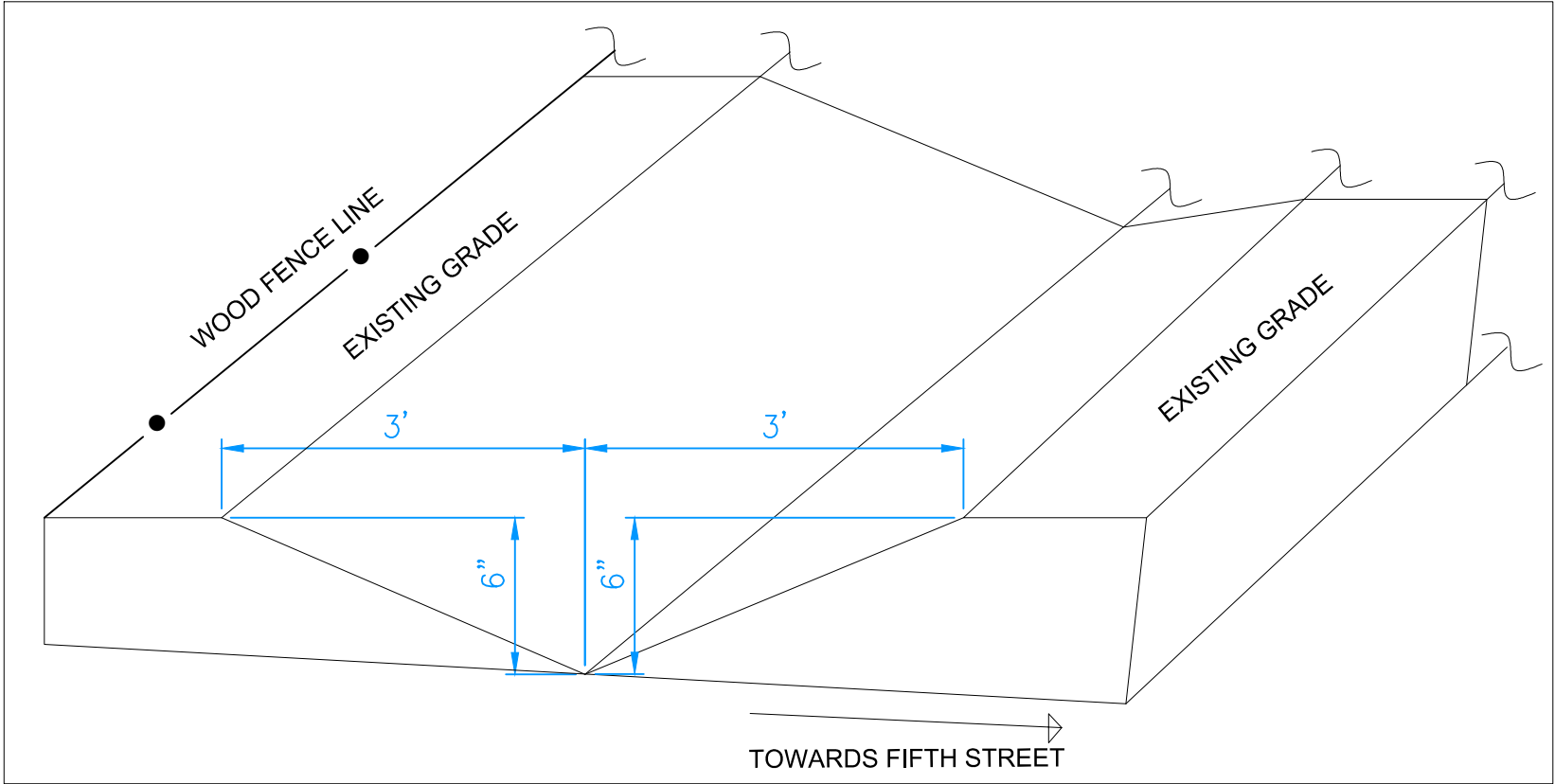
NOTES:

- C1** GREEN SHADED AREA REQUIRES RUTS REMOVED AND REVEGETATION AFTER CONSTRUCTION.
- C2** SWALE MUST BE GRADED ALONG PURPLE LINES. SEE SWALE PROFILES A & B FOR DETAILS.
- C3** SEDIMENT TO BE CLEANED UP ALONG S. EDMONDS DRIVE: STATION 71+00 TO 93.07



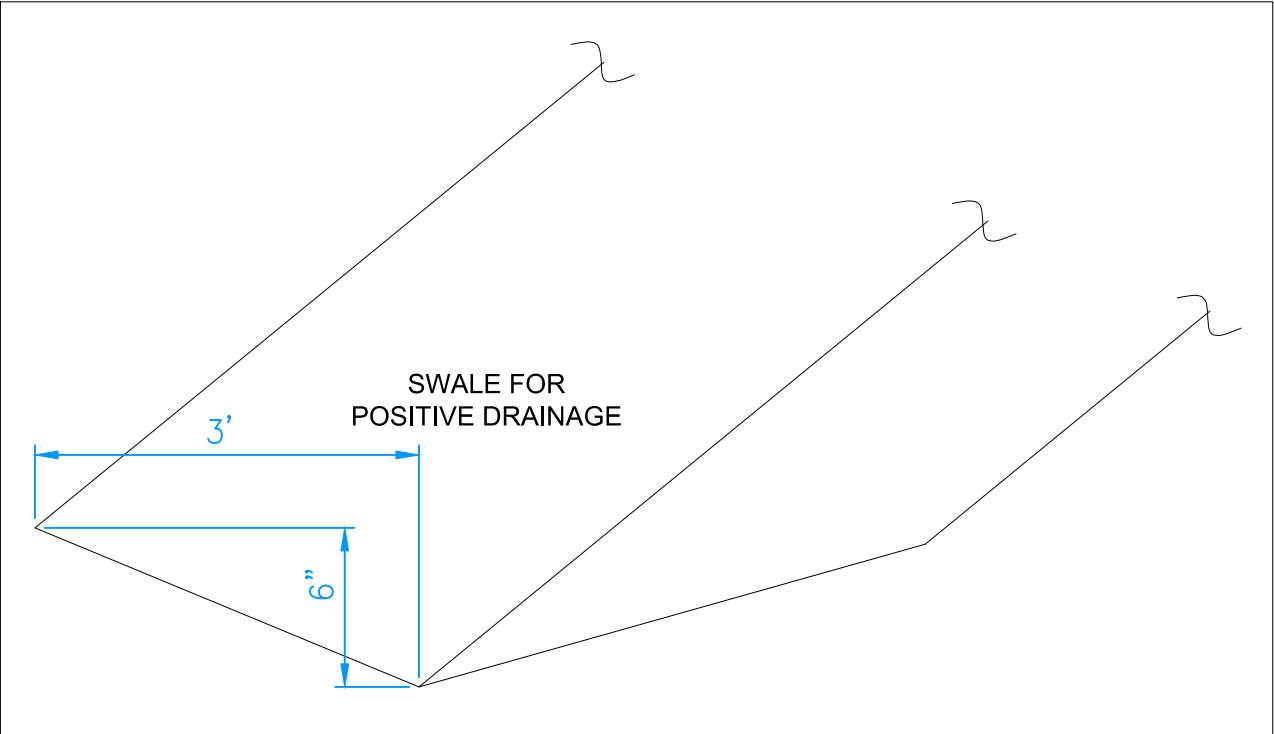
ROADSIDE IMPROVEMENT REQUEST - S. EDMONDS DR: STATION 71+00 TO 93+07

SCALE: N.T.S.



SWALE PROFILE A - FIFTH/FAIRVIEW DR.

SCALE: N.T.S.



SWALE PROFILE B - FIFTH/FAIRVIEW DR.

SCALE: N.T.S.

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APN # 010-034-01

Recording Requested By/Return To:

Paiute Pipeline Company

P.O. Box 1190

Carson City, Nevada 89702-1190

Attn: TME3 24A-580

DOCUMENTARY TRANSFER TAX \$

() Computed on full value of property conveyed.

() Computed on full value less liens & encumbrances remaining thereon at time of sale.

Signature of individual determining tax

PAIUTE PIPELINE

C O M P A N Y A Subsidiary of Southwest Gas Corporation

GRANT OF EASEMENT

This form is used to acquire land rights for installation of pipeline(s) and appurtenances.

Prepared By	TME3	Reviewed By	N/A
Sec.	15	T	15 N R 20 E
County	Carson City	State	Nevada
W.R. No.	3335600	W.O. No.	N/A

I (We) CARSON CITY CONSOLIDATED MUNICIPALITY

For and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, hereinafter referred to as Grantor(s), does hereby grant, convey, quitclaim and release unto **PAIUTE PIPELINE COMPANY**, a Nevada Corporation, its successors, assigns, licensees, and invitees as reasonably necessary to effect the purpose of the easement, hereinafter referred to as Grantee, a perpetual easement for the installation and maintenance of a natural gas pipeline or pipelines and appurtenances, across, over, under and through the following described property, to wit:

SEE ATTACHED EXHIBIT(s) "A", "B" and Addendum attached hereto and made a part of

together with the right of ingress and egress to and from the said easement and the right to use existing roads for the purpose of constructing, inspecting, repairing, and maintaining said pipeline or pipelines and appurtenances and the removal or replacement of same, in whole or in part, at will.

Grantor agrees that no buildings, structures, fences or trees shall be placed upon, over or under said parcel of land, except for street, road or driveway purposes, which Grantor agrees shall not interfere with Grantee's exercise of the rights herein granted. Grantee agrees to work with due care in the exercise of its rights on the property and to restore it to reasonably the same condition which existed before the work was performed.

Except as provided above, Grantee agrees to pay all direct damages which are caused by the Grantee's exercise of the rights herein granted.

Form 335.00PP (08/2015) 581 - Microsoft Word

[Link to Form Instructions](#)

W.R. No. 3335600W.O. No. N/A

The undersigned hereby affirms that there is no Social Security Number contained in this document submitted for recording.

TO HAVE AND TO HOLD said easement unto Grantee, its successors, assigns, licensees, and invitees, together with all rights granted hereby.

IN WITNESS WHEREOF, the duly authorized representative of the undersigned has executed this Grant of Easement this

_____ day of _____, _____.

CARSON CITY CONSOLIDATED MUNICIPALITY

Grantor

Signature and Title

Grantor

Name and Title

ACKNOWLEDGMENT

STATE OF _____)

)

COUNTY OF _____)

On _____, before me, _____,
(here insert name of the officer)

a notary public, personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____ that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "A"

PAIUTE PIPELINE COMPANY
PERMANENT EASEMENT

APN: 10-034-01

That portion of Section 15, Township 15 North, Range 20 East, Mount Diablo Meridian, Carson City, Nevada, more particularly described as follows:

PERMANENT EASEMENT 1

Commencing at the Southwest corner of the Southeast Quarter (SE1/4) of the Southwest Quarter (SW1/4) of Section 15; thence North 00°31'16" East 914.91 feet along the sixteenth section line of said Section 15 to the POINT OF BEGINNING; thence continuing North 00°31'16" East 8.28 feet to a point on the Southeasterly line of a variable width Right of Way for Fairview Drive according to the document ROW MAP 1106 of official records; thence along said Southeasterly Right of Way line through the following four (4) calls:

thence North 00°31'16" East 51.12 feet along said sixteenth section line of said Section 15 to a point on a non-tangent curve to the left (concave northwesterly) having a radius of 870.00 feet, a central angle of 12°47'55" and a radial line bearing South 39°03'49" East (chord bears North 44°32'13" East 193.94 feet);

thence and along said curve Northerly an arc distance of 194.34 feet;

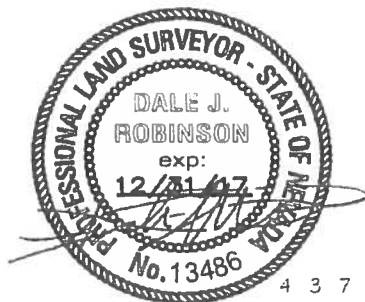
thence North 80°29'32" East 13.21 feet;

thence South 52°29'55" East 41.06 feet to a point on a non-tangent curve to the right (concave northwesterly) having a radius of 920.01 feet, a central angle of 13°26'06", and a radial line bearing of South 52°29'55" East (chord bears South 44°13'08" West 215.23 feet);

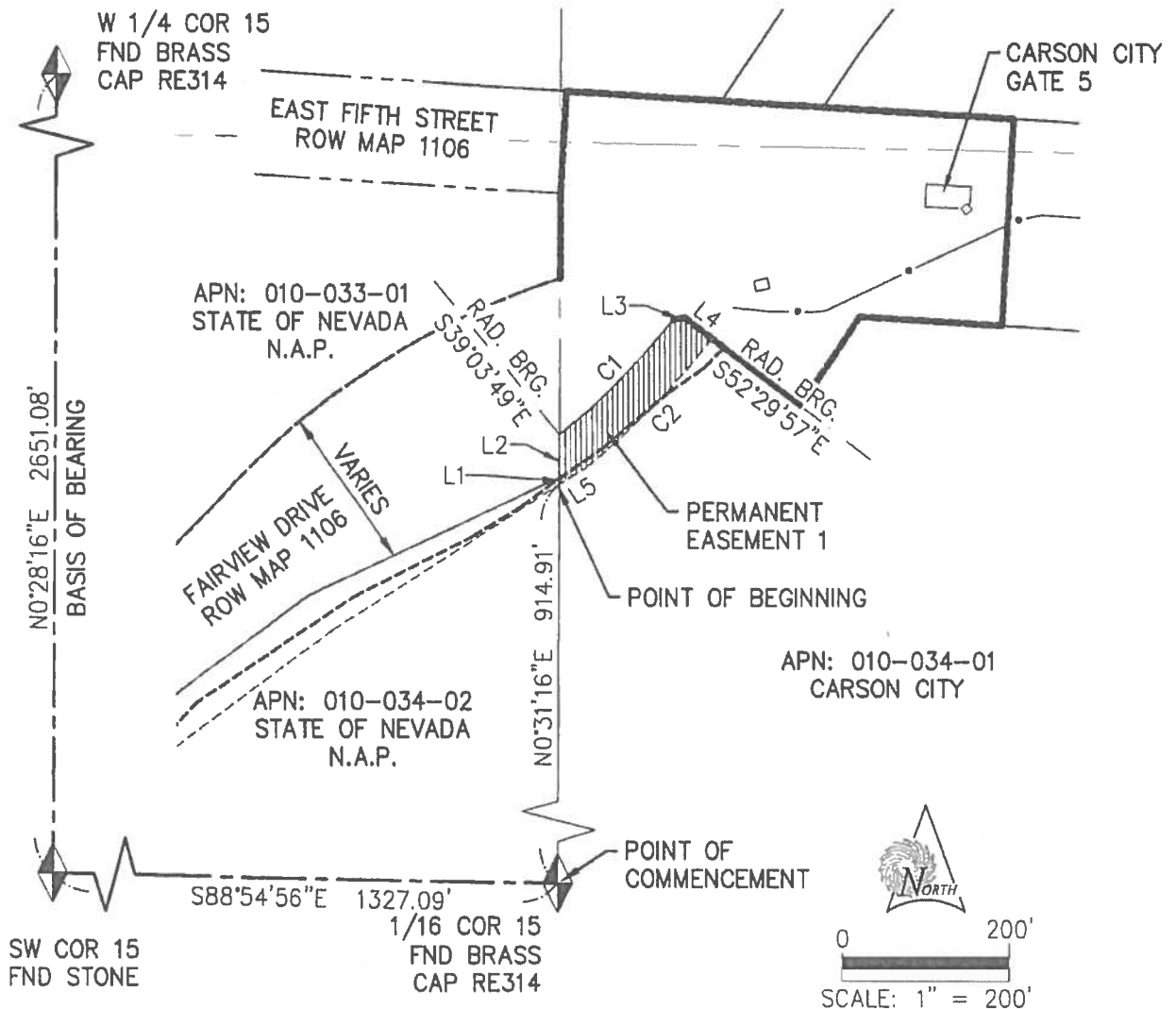
thence along said curve southwesterly an arc distance of 194.34 feet; thence South 57°19'35" West 38.08 feet to the POINT OF BEGINNING. Contains 11399 square feet or 0.262 acres, more or less.

Basis of Bearings: Nevada State Plane NAD83, West Zone as per the Right of Way map for Edmonds Drive, map no.: 1106, file no.: 32326, official records of Carson City, Nevada. With using the above stated bearing basis, the physical basis of bearing is N0°28'16"E from the Southwest corner of said Section 15, being a found stone, to the West quarter (W1/4) corner of said Section 15, being a found brass inscribed with "RE314".


"The above described parcels of land are not intended for inclusion in a document conveying fee ownership. To do so is a violation of state law and/or local ordinance."



25 EAST 500 NORTH
FILLMORE, UTAH 84631
TEL 435.743.6151 • FAX 435.743.7900
www.sunrise-eng.com




BASIS OF BEARINGS: NEVADA STATE PLANE NAD83, WEST ZONE AS PER THE RIGHT OF WAY MAP FOR EDMONDS DRIVE, MAP NO.: 1106, FILE NO.: 32326, OFFICIAL RECORDS OF CARSON CITY, NEVADA. WITH USING THE ABOVE STATED BEARING BASIS, THE PHYSICAL BASIS OF BEARING IS N0°28'16"E FROM THE SOUTHWEST CORNER OF SAID SECTION 15, BEING A FOUND STONE, TO THE WEST QUARTER (W1/4) CORNER OF SAID SECTION 15, BEING A FOUND BRASS INSCRIBED WITH "RE314".

<div><div>PAIUTE PIPELINE</div><div>C O M P A N Y</div><div>A Subsidiary of Southwest Gas Corporation</div></div>					<div>EXHIBIT "B"</div>	
CARSON CITY, APN: 10-034-01						
SW 1/4, SEC 15, T15N, R20E, MDM						
CARSON CITY, NEVADA						
SET NO.: 05707	SURVEYED: K.B.B.	DRAWN: K.B.B.	CHECKED: D.J.R.	DATE: 4/13/17	SHEET NO.: 1 of 2	<div><div>SUNRISE ENGINEERING</div></div> <div>25 EAST 500 NORTH FILLMORE, UTAH 84631 TEL 435.743.6151 • FAX 435.743.7900 www.sunrise-eng.com</div>

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Line Table		
Line #	Direction	Length
L1	N0°31'16"E	8.28'
L2	N0°31'16"E	51.12'
L3	N80°29'32"E	13.21'
L4	S52°29'57"E	41.06'
L5	S57°19'35"W	38.08'

Curve Table					
Curve	Delta	Radius	Length	Chord Bearing	Chord Dist
C1	12°47'55"	870.00	194.34'	N44°32'13"E	193.94'
C2	13°26'06"	920.01	215.73'	S44°13'08"W	215.23'

PAIUTE PIPELINE <small>C O M P A N Y A Subsidiary of Southwest Gas Corporation</small>					EXHIBIT "B"	
					 SUNRISE ENGINEERING	
CARSON CITY, APN: 10-034-01						
SW 1/4, SEC 15, T15N, R20E, MDM						
CARSON CITY, NEVADA						
SEI NO.: 05707	SURVEYED: K.B.B.	DRAWN: K.B.B.	CHECKED: D.J.R.	DATE: 4/13/17	SHEET NO.: 2 of 2	
U:\Arcad s\PalutePipeline\LDE\DWG\SEGMENT 2\2-2 APN10-034-01_PERMEASE.dwg Apr 13, 2017 1:55pm drabinson					25 EAST 500 NORTH FILLMORE, UTAH 84631 TEL 435.743.6151 • FAX 435.743.7900 www.sunrise-eng.com	

Addendum
PAIUTE PIPELINE COMPANY
GRANT OF EASEMENTS
APNs 010-052-01 & 010-034-01

This Addendum is attached to and made a part of the Grant of Easements (“GOE”) between the Consolidated Municipality of Carson City, State of Nevada (as “Grantor”), and Paiute Pipeline Company (as “Grantee”), and their respective successors and assigns, and governs in the event of conflict.

1.
 - (i) The easement areas are non-exclusive to Grantee.
 - (ii) In addition to the permitted purposes set forth in the GOE, Grantor may use the easement areas for any reasonable purpose that does not interfere with Grantee’s facilities, access to the facilities, Grantee’s rights or use of the easements, or that pose a risk to public safety or the safety and safe operation of the pipeline facilities that are the subject of the Easement.
 - (iii) In all events, and at all times, all separations from Grantee’s facilities as specified by Grantee are to be maintained and all applicable statutes and regulations for the protection of subsurface installations are to be strictly observed by Grantor.
 - (iv) In no event shall any structures, fences or other improvements be placed on or in the easement areas other than as existing on the date of the GOE without consulting with Grantee and obtaining Grantee’s approval, which approval shall not be unreasonably withheld, conditioned or delayed. Except as otherwise provided herein or as may be mutually agreed upon in writing by the Parties, in no event may any permanent buildings, reservoirs, fences, or trees be placed on or in the easement areas. No permanent structures or improvements shall be permitted that interfere with Grantee’s facilities, access to the facilities, Grantee’s rights or use of the easements, or that pose a risk to public safety or the safety and safe operation of the pipeline facilities that are the subject of the Easement. Notwithstanding the foregoing, Grantee shall allow Grantor to install certain appurtenances that are consistent with aesthetics and the safe operation and management of the City’s trail system. Appurtenances may include, but are not limited to signage, waste containers, portable restroom facilities, landscaping, irrigation, fences, and benches; provided that at least ten feet (10’) of separation is maintained from the pipeline facilities. Except as otherwise mutually agreed upon in writing by the Parties, appurtenances or improvements permitted under this provision may not be placed above, on, or cross over the pipeline facilities. Permitted fences or similar trail management devices shall be of a split-rail type fencing or other easily removed and replaced nature and subject to the foregoing separation requirements and restriction against placement on, above, or crossing over the pipeline facilities. Any permitted landscaping shall be restricted to ground cover and other shallow-rooted vegetation (not exceeding 12-inches in root depth at maturity). Appurtenances shall not be installed exceeding 12-inches of depth.
2. Grantee shall be responsible for all damages to the real property, improvements, and personal property of Grantor directly or proximately caused by Grantee during any construction, re-location, installation, use, operation, inspection, future maintenance, repairs, reconstruction, or removal of Grantee’s facilities that are the subject of the GOE. Grantee further agrees to return the land to as reasonably the same condition upon completion of such work, including revegetation, which meets the requirements as outlined in the Restoration and Revegetation Plan that was developed between Grantor and Grantee for the purpose of this GOE.
3. Grantee shall maintain Grantor’s requested ten-foot (10’) separation from Grantor’s water distribution facilities and ten-foot (10’) separation from the Grantor’s fiber optic cables existing within the Easement at the time of initial grant. If a ten-foot (10’) separation is not possible in any area, Grantee shall first consult with and obtain approval from the City prior to installation, which approval shall not be unreasonably withheld, conditioned, or delayed.

4. Grantee shall maintain a minimum of five feet (5') of cover at all drainage crossings and install riprap for erosion control, as appropriate.

5. Grantee must abandon and grout fill any segments of existing pipeline facilities within the easement area that will not be removed from the easement area in accordance with Grantor's requirements in Orange Book, Section 305.01.03.05.02, as may be amended. Any future pipeline facilities that are abandoned in place and not removed from the easement area shall be filled grout in accordance with Grantor's requirements in Orange Book, Section 305.01.03.05.02, as such requirements are amended and applicable at the time of such abandonment in place.

6. To the extent consistent with applicable law, Grantee shall indemnify and hold harmless Grantor, including Grantor's Board of Supervisors of Carson City, Nevada, other elected officials, representatives, agents and employees thereof, from any and all suits, claims, damages, and judgments ensuing from injury or death to persons and property due to the construction, operation and maintenance of said natural gas pipelines and related appurtenances performed by Grantee within the subject Easement areas; all to the extent and in proportion that Grantee is determined to be at fault by a court of competent jurisdiction, or by settlement. If the City decides to participate in any matter in which Grantee has agreed to defend the Grantor, the cost of such participation shall be solely that of Grantor and not subject to this provision of this Easement and Addendum. Nothing in this provision shall require Grantee to indemnify or defend Grantor from any suits, claims, damages, loss, cost, expense or judgments arising from the negligence or willful misconduct of Grantor, or that of Grantor's officers, officials, employees, contractors, subcontractors, representatives or agents; or third parties not under Grantee's direction and control.

7. All other provisions of the GOE remain as written.

The duly-authorized representatives of the Parties have executed this Addendum, to be effective as of the effective date of the GOE.

"GRANTEE"
Paiute Pipeline Company,
a Nevada corporation

By: _____

Title: _____

Printed Name: _____

Date: _____

"GRANTOR"
Carson City,
a Nevada municipal corporation

By: _____

Title: _____

Printed Name: _____

Date: _____

APN # 010-052-01

Recording Requested By/Return To:

Paiute Pipeline Company

P.O. Box 1190

Carson City, Nevada 89702-1190

Attn: TME3 24A-580

DOCUMENTARY TRANSFER TAX \$

() Computed on full value of property conveyed.

() Computed on full value less liens & encumbrances remaining thereon at time of sale.

Signature of individual determining tax

PAIUTE PIPELINE

C O M P A N Y A Subsidiary of Southwest Gas Corporation

GRANT OF EASEMENT

This form is used to acquire land rights for installation of pipeline(s) and appurtenances.

Prepared By	TME3	Reviewed By	N/A
Sec.	21	T	15 N R 20 E
County	Carson City	State	Nevada
W.R. No.	3335600	W.O. No.	N/A

I (We) CARSON CITY CONSOLIDATED MUNICIPALITY

For and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, the undersigned, hereinafter referred to as Grantor(s), does hereby grant, convey, quitclaim and release unto **PAIUTE PIPELINE COMPANY**, a Nevada Corporation, its successors, assigns, licensees, and invitees as reasonably necessary to effect the purpose of the easement, hereinafter referred to as Grantee, a perpetual easement for the installation and maintenance of a natural gas pipeline or pipelines and appurtenances, across, over, under and through the following described property, to wit:

SEE ATTACHED EXHIBIT(s) "A", "B" and Addendum attached hereto and made a part of

together with the right of ingress and egress to and from the said easement and the right to use existing roads for the purpose of constructing, inspecting, repairing, and maintaining said pipeline or pipelines and appurtenances and the removal or replacement of same, in whole or in part, at will.

Grantor agrees that no buildings, structures, fences or trees shall be placed upon, over or under said parcel of land, except for street, road or driveway purposes, which Grantor agrees shall not interfere with Grantee's exercise of the rights herein granted. Grantee agrees to work with due care in the exercise of its rights on the property and to restore it to reasonably the same condition which existed before the work was performed.

Except as provided above, Grantee agrees to pay all direct damages which are caused by the Grantee's exercise of the rights herein granted.

Form 335.00PP (08/2015) 581 - Microsoft Word

[Link to Form Instructions](#)

W.R. No. 3335600

W.O. No. N/A

The undersigned hereby affirms that there is no Social Security Number contained in this document submitted for recording.

TO HAVE AND TO HOLD said easement unto Grantee, its successors, assigns, licensees, and invitees, together with all rights granted hereby.

IN WITNESS WHEREOF, the duly authorized representative of the undersigned has executed this Grant of Easement this

_____ day of _____, _____.

CARSON CITY CONSOLIDATED MUNICIPALITY

Grantor

Signature and Title

Grantor

Print Name and Title

ACKNOWLEDGMENT

STATE OF _____)

)

COUNTY OF _____)

On _____, before me, _____,
(here insert name of the officer)

a notary public, personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of _____
that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

EXHIBIT "A"

PAIUTE PIPELINE COMPANY PERMANENT EASEMENT

APN: 10-052-01

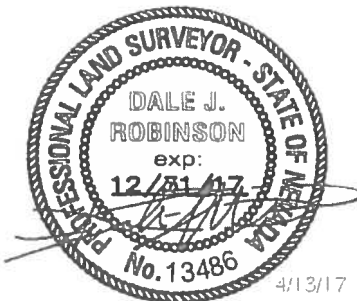
That portion of Section 21, Township 15 North, Range 20 East, Mount Diablo Meridian, Carson City, Nevada, more particularly described as follows:

PERMANENT EASEMENT 1

Commencing at the Southwest corner of the Southeast Quarter (SE1/4) of the Northeast Quarter (NE1/4) of said Section 21; thence North 00°49'04" East 598.15 feet along the sixteenth section line of said Section 21 to the POINT OF BEGINNING; thence North 00°49'04" East 71.81 feet along said sixteenth section line to a point on the Easterly line of variable width Right of Way for Fairview Drive according to ROW MAP 1106 of official records; thence North 44°57'33" East 7.05 feet along said Easterly Right of Way line; thence North 39°50'18" East 822.08 feet along said Easterly Right of Way line to a point on the sixteenth section line of said Section 21; thence South 89°00'44" East 64.22 feet leaving said Easterly Right of Way line and along said sixteenth section line; thence South 39°50'18" West 864.60 feet leaving said sixteenth section line; thence South 44°57'33" West 60.82 feet to the POINT OF BEGINNING. Contains 43876 square feet or 1.007 acres, more or less.

Basis of Bearings: Nevada State Plane NAD83, West Zone as per the Right of Way map for Edmonds Drive, map no.: 1106, file no.: 32326, official records of Carson City, Nevada. With the above stated Bearing Basis, the Physical Basis of Bearing is N0°49'04"E from the 1/16 corner at the Southwest corner of the Southeast quarter of the Northeast quarter of Section 21, being a found brass cap inscribed "RE314" to the 1/16 corner at the Northwest corner of the Southeast quarter of the Northeast quarter of Section 21, being a found brass cap inscribed "RE314"

"The above described parcels of land are not intended for inclusion in a document conveying fee ownership. To do so is a violation of state law and/or local ordinance."



25 EAST 500 NORTH
FILLMORE, UTAH 84631
TEL 435.743.6151 • FAX 435.743.7900
www.sunrise-eng.com

Addendum
PAIUTE PIPELINE COMPANY
GRANT OF EASEMENTS
APNs 010-052-01 & 010-034-01

This Addendum is attached to and made a part of the Grant of Easements (“GOE”) between the Consolidated Municipality of Carson City, State of Nevada (as “Grantor”), and Paiute Pipeline Company (as “Grantee”), and their respective successors and assigns, and governs in the event of conflict.

1.
 - (i) The easement areas are non-exclusive to Grantee.
 - (ii) In addition to the permitted purposes set forth in the GOE, Grantor may use the easement areas for any reasonable purpose that does not interfere with Grantee’s facilities, access to the facilities, Grantee’s rights or use of the easements, or that pose a risk to public safety or the safety and safe operation of the pipeline facilities that are the subject of the Easement.
 - (iii) In all events, and at all times, all separations from Grantee’s facilities as specified by Grantee are to be maintained and all applicable statutes and regulations for the protection of subsurface installations are to be strictly observed by Grantor.
 - (iv) In no event shall any structures, fences or other improvements be placed on or in the easement areas other than as existing on the date of the GOE without consulting with Grantee and obtaining Grantee’s approval, which approval shall not be unreasonably withheld, conditioned or delayed. Except as otherwise provided herein or as may be mutually agreed upon in writing by the Parties, in no event may any permanent buildings, reservoirs, fences, or trees be placed on or in the easement areas. No permanent structures or improvements shall be permitted that interfere with Grantee’s facilities, access to the facilities, Grantee’s rights or use of the easements, or that pose a risk to public safety or the safety and safe operation of the pipeline facilities that are the subject of the Easement. Notwithstanding the foregoing, Grantee shall allow Grantor to install certain appurtenances that are consistent with aesthetics and the safe operation and management of the City’s trail system. Appurtenances may include, but are not limited to signage, waste containers, portable restroom facilities, landscaping, irrigation, fences, and benches; provided that at least ten feet (10’) of separation is maintained from the pipeline facilities. Except as otherwise mutually agreed upon in writing by the Parties, appurtenances or improvements permitted under this provision may not be placed above, on, or cross over the pipeline facilities. Permitted fences or similar trail management devices shall be of a split-rail type fencing or other easily removed and replaced nature and subject to the foregoing separation requirements and restriction against placement on, above, or crossing over the pipeline facilities. Any permitted landscaping shall be restricted to ground cover and other shallow-rooted vegetation (not exceeding 12-inches in root depth at maturity). Appurtenances shall not be installed exceeding 12-inches of depth.
2. Grantee shall be responsible for all damages to the real property, improvements, and personal property of Grantor directly or proximately caused by Grantee during any construction, re-location, installation, use, operation, inspection, future maintenance, repairs, reconstruction, or removal of Grantee’s facilities that are the subject of the GOE. Grantee further agrees to return the land to as reasonably the same condition upon completion of such work, including revegetation, which meets the requirements as outlined in the Restoration and Revegetation Plan that was developed between Grantor and Grantee for the purpose of this GOE.
3. Grantee shall maintain Grantor’s requested ten-foot (10’) separation from Grantor’s water distribution facilities and ten-foot (10’) separation from the Grantor’s fiber optic cables existing within the Easement at the time of initial grant. If a ten-foot (10’) separation is not possible in any area, Grantee shall first consult with and obtain approval from the City prior to installation, which approval shall not be unreasonably withheld, conditioned, or delayed.

4. Grantee shall maintain a minimum of five feet (5') of cover at all drainage crossings and install riprap for erosion control, as appropriate.

5. Grantee must abandon and grout fill any segments of existing pipeline facilities within the easement area that will not be removed from the easement area in accordance with Grantor's requirements in Orange Book, Section 305.01.03.05.02, as may be amended. Any future pipeline facilities that are abandoned in place and not removed from the easement area shall be filled grout in accordance with Grantor's requirements in Orange Book, Section 305.01.03.05.02, as such requirements are amended and applicable at the time of such abandonment in place.

6. To the extent consistent with applicable law, Grantee shall indemnify and hold harmless Grantor, including Grantor's Board of Supervisors of Carson City, Nevada, other elected officials, representatives, agents and employees thereof, from any and all suits, claims, damages, and judgments ensuing from injury or death to persons and property due to the construction, operation and maintenance of said natural gas pipelines and related appurtenances performed by Grantee within the subject Easement areas; all to the extent and in proportion that Grantee is determined to be at fault by a court of competent jurisdiction, or by settlement. If the City decides to participate in any matter in which Grantee has agreed to defend the Grantor, the cost of such participation shall be solely that of Grantor and not subject to this provision of this Easement and Addendum. Nothing in this provision shall require Grantee to indemnify or defend Grantor from any suits, claims, damages, loss, cost, expense or judgments arising from the negligence or willful misconduct of Grantor, or that of Grantor's officers, officials, employees, contractors, subcontractors, representatives or agents; or third parties not under Grantee's direction and control.

7. All other provisions of the GOE remain as written.

The duly-authorized representatives of the Parties have executed this Addendum, to be effective as of the effective date of the GOE.

"GRANTEE"
Paiute Pipeline Company,
a Nevada corporation

By: _____

Title: _____

Printed Name: _____

Date: _____

"GRANTOR"
Carson City,
a Nevada municipal corporation

By: _____

Title: _____

Printed Name: _____

Date: _____