



**NEVADA COMMISSION FOR THE RECONSTRUCTION OF THE V&T RAILWAY
("V&T Commission")
Agenda Report**

Date Submitted: 4/19/2024

Meeting Date Requested: 4/24/2024

Time Requested: 10 Minutes

To: NEVADA COMMISSION for the RECONSTRUCTION of the V&T RAILWAY Commissioners

From: Clay Mitchell, David Peterson

Subject Title: Discussion and possible action regarding an acknowledgment by Storey County of an elimination of a liability in the amount of \$250,000, representing a one-time grant the V&T Commission agreed to contribute to match Storey County's \$250,000 grant for the purchase of the old freight depot in Virginia City, Assessor Parcel Number 001-096-02 ("Liability"), pursuant to an Interlocal Cooperative Agreement, dated May 20, 2010, and direction to staff to remove the Liability from the appropriate accounting records. (Clay Mitchell; cmitchell@storeycounty.org), David Peterson (admin@vtrailway.com)

Staff Summary: *At its March 19, 2024, the Board of Storey County Commissioners acknowledged that the Liability was eliminated by a superseding V&T Interlocal Agreement entered into by the V&T Commission and Storey County, on May 19, 2020. The ownership of the old freight depot in Virginia City was transferred to Storey County by way of a recorded deed on August 29, 2021. In the report on the audit of the V&T Commission Financial Statements and Supplementary Information ended June 30, 2023, prepared by the V&T Commission's independent auditor Casey Neilon, Inc., the Liability is documented in Note 8 – Commitments and Contingencies.*

Type of Action Requested:

Resolution

Ordinance

Formal Action/Motion

Presentation Only

Recommended Board Action:

I move to approve the elimination of the \$250,000 debt to Storey County and direct staff to remove the Liability from the accounting records, as discussed.

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact:

Explanation of Impact:

Funding Source:

Supporting Material/Attachments: 20240424 VT Item 9 2010 Interlocal Agreement; 20240424 VT Item 9 VTRR SC Interlocal Agreement 2020 sg; 20240424 VT Item 9 grant bargain sale deed

Prepared By: Cheryl Bailey, Executive Assistant

INTERLOCAL COOPERATIVE AGREEMENT

This Interlocal Cooperative Agreement ("Agreement") is entered into by and between the Nevada Commission for the Reconstruction of the V&T Railway ("Commission") and the Board of County Commissioners of Storey County, Nevada ("Storey County") on this 28 day of May, 2010, notwithstanding a later date of execution of this Agreement.

WITNESSETH

WHEREAS, Storey County is a duly created County of the State of Nevada which is authorized and empowered by Chapters 244 and 277 NRS to enter into an interlocal cooperative agreement with another public entity; and

WHEREAS, the Commission, duly created by Chapter 566 Statutes of Nevada, 1993, is authorized and empowered to do all things necessary to establish and maintain a railway which as closely as possible reconstructs the historic Virginia & Truckee Railroad; and

WHEREAS, the Commission and Storey County may contract with each other pursuant to the provisions of NRS 277.180 to perform any activity or undertaking which either entity is authorized by law to perform; and

WHEREAS, NRS 277.057 authorizes public entities such as the Commission and Storey County to enter into cooperative agreements for the preservation, protection, restoration and enhancement of unique and irreplaceable sites of historical significance. Both the Commission and Storey County have determined that the reconstruction of the V&T Railway between Carson City and Virginia City is unique, irreplaceable and is historically significant; and

WHEREAS, by Ordinance 144 adopted by Storey County in 1995, Storey County imposed an additional tax upon retailers in Storey County at the rate of 1/4 of 1 percent of the gross receipts of any retailer from the sales of tangible personal property sold at retail in Storey County on or after 1 January 1996 for the sole purpose of contributing Storey County's share of the costs of the reconstruction of the railroad. After an affirmative vote of a majority of voters of Storey County, Storey County implemented the additional tax for a period of 15 years; the current additional 1/4 of 1 percent sales tax will "sunset" or expire as of 1 January 2011 unless renewed by the electorate of Storey County; and

WHEREAS, the Commission and Storey County have enjoyed, and continue to enjoy, a close "partnership" in the railroad reconstruction efforts. The Commission has been able to reconstruct the railroad from Gold Hill to the outskirts of Carson City, however, the Commission has not undertaken any construction of improvements of the railroad from its current terminus to the old freight depot and adjoining parcel; the depot and parcel located within Virginia City and known as 104 and 136 North E Street; Storey County APNs 01-096-01 and 01-096-02; and

WHEREAS, Storey County has undertaken feasibility studies to determine the necessary improvements required to extend the railroad from its existing terminus to the former freight depot of the Virginia & Truckee Railroad located within Virginia City; and

WHEREAS, the Commission and Storey County agree that reconstruction of the railroad within Virginia City is a valued and valuable extension of the Commission's reconstruction efforts; and

WHEREAS, on 11 January 2010 the Commission approved two requests made by Storey County; the first of such requests was to approve of a one-time grant of \$250,000 to match Storey County's identical amount for the purchase of the old freight depot in Virginia City. The Commission also approved a request from Storey County to return to Storey County any of the funds collected by the Commission from the 1/4 of 1 percent additional sales tax imposed by Storey County Ordinance No. 144 for the balance of calendar year 2010; and

WHEREAS, Storey County will present a question to the Storey County electorate on the November 2010 ballot to extend the 1/4 of 1 percent sales tax for the purpose of reconstruction and maintenance of the railroad; specifically, for the reconstruction of the railroad through Tunnel No. 6 and to the old freight depot and adjoining parcel in Virginia City. *

NOW THEREFORE, for and in consideration of the above-stated recitals, each and every of which is incorporated into the parties' Interlocal Cooperative Agreement, and the mutual covenants, conditions and promises contained in this Agreement, the Commission and Storey County agree as follows:

AGREEMENT

1. The Commission and Storey County agree that the "refund" of collected Storey County sales' taxes collected by the Commission pursuant to the requirements of Storey County Ordinance 144 shall continue to be refunded to Storey County for calendar year 2010.

2. The Commission and Storey County agree that should the Storey County electorate pass an extension of the 1/4 of 1 percent sales to be used solely for the reconstruction and maintenance of the Virginia & Truckee Railway, the Commission will continue to refund to Storey County, on a monthly basis, such sales taxes as are collected by the Commission under any renewed or extended sales tax ordinance for the entire length of time that such additional 1/4 of 1 percent sales tax is approved by the Storey County electorate. Storey County agrees, subject to the terms and conditions of this Agreement, to apply the refunded sales tax money to the reconstruction and maintenance of the railroad.

3. The Commission and Storey County agree that, at the time of the approval of this Agreement, the Commission has contracted for train operations between Carson City and Virginia City. While the Commission and Storey County both believe that the revenues generated from ticket

sales will pay for the cost of operation and track maintenance, the Commission and Storey County recognize that in any month's period the ticket sales revenue may not be sufficient to cover all of the operating costs incurred by the Commission.

The Commission and Storey County agree that for any month of the term of this Agreement, where ticket sales revenues are insufficient to maintain the Commission's train operations or track maintenance expenses, the Commission may withhold, for the purposes of payment of the costs of train operations and track maintenance, a portion or all of that month's sales tax revenues received from the 1/4 of 1 percent sales tax imposed by Storey County.

4. The Commission shall provide written notice to Storey County that all or a portion of a month's sales tax revenues must be retained for the purposes of payment of the costs of train operations and track maintenance as soon as practicable after it learns of a shortfall in ticket sales revenue.

5. To the fullest extent of Chapter 41 NRS, each party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other from and against all liability, claims, actions, damages, lawsuits, and expenses, including but not limited to reasonable attorney's fees and costs, caused by any negligence, error, omissions, recklessness or intentional misconduct of any party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any right or obligation of indemnity which would otherwise exist as to any party or person described herein. This indemnification obligation is conditioned upon the performance of contractual duties by the party seeking indemnification (Indemnified Party), and its service upon the other party (Indemnifying Party) with written notice of the actual or pending claim within thirty days of Indemnified Party's notice of actual or pending claim or cause of action. The Indemnifying Party shall not be liable for reimbursement of any attorney's fees and costs incurred by the Indemnified Party due to said party exercising its right to participate with its legal counsel.

6. The parties do not waive and intend to assert available liability limitations in all cases as set forth in Chapter 41 NRS. Agreement liability of both parties shall not be subject to punitive damages. Actual damages for any breach shall never exceed the amount of funds which have been identified for payment under this Agreement for each month.

7. This Agreement and the rights and obligations of the parties shall be governed by, and construed in accordance with, the laws of the State of Nevada.

8. The illegality or invalidity of any provision or portion of this Agreement shall not affect the validity of the remainder of the Agreement and this Agreement shall be construed as if such provision did not exist. The unenforceability of such provision shall not be held to render any other provision or provisions of this Agreement unenforceable.

9. Each party agrees to keep and maintain under generally accepted accounting principles full, true and complete records and documents pertaining to this Agreement and present

to the other party, at any reasonable time, such information for inspection, examination, review, audit and copying at any office where such records and documentation are kept.

10. The parties are associated with each other only for the purposes and to the extent set forth in this Agreement. Each party is and shall be a public agency separate and distinct from the other party and shall have the right to supervise, manage, operate, control and direct performance of the details incident to its duties under this Agreement. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or, except as provided herein, otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities and obligations of the other agency or any other party.

11. Neither party shall assign, transfer, or delegate any rights, obligations or duties under this Agreement without the prior written consent of other party.

12. This Agreement shall not become effective unless and until approved by the appropriate official action of the Commission and Storey County.

13. This Agreement constitutes the entire agreement of the parties and such is intended as a complete and exclusive statement of the rights, duties, obligations and other agreements that may have been made in connection with the subject matter hereof.

IN WITNESS WHEREOF, the above-named parties have hereunto set their hands and executed this Agreement on the date(s) set forth below.

Dated: May _____, 2010

Dated: May 20th, 2010

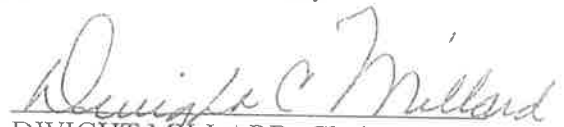
Storey County, Nevada Board of
County Commissioners

Nevada Commission for the Reconstruction of
the Virginia & Truckee Railway


By:

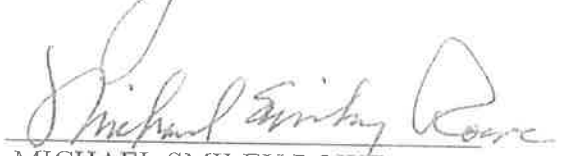

Chairman

By:


DWIGHT MILLARD, Chairman

Approved as to form and content:


HAROLD SWAFFORD,
Storey County District Attorney


MICHAEL SMILEY ROWE,
General Counsel for the Nevada
Commission for the Reconstruction of
the & Truckee Railway

V & T INTERLOCAL AGREEMENT

This Agreement is entered into as of the date of the last signature affixed hereto and is by and between the County of Storey, (County) a political subdivision of the State of Nevada, and the Nevada Commission for the Reconstruction of the V & T Railway (Commission), a body corporate and politic of the State of Nevada.

BACKGROUND

The Commission was created by an Act passed in the 1993 Nevada Legislative Session. See Chapter 566, 1993 Stats. of Nev. pg. 2326. Initially the commission was known as the Tricounty Railway Commission and consisted of members from Carson City, Storey County and Lyon County. In the Legislative Session of 2001, the Commission was given its present name and expanded to include members from Douglas County and Washoe County. See Chapter 42, 2001 Stats. of Nev. pg. 400. In the Legislative session of 2017, the makeup of the Commission was again amended to reduce the number of commissioners and its jurisdiction was reduced to Carson City and Storey County. See Chapter 62, 2017 Stats. of Nev. pg. 239. The purpose of reducing the size of the Commission was to increase the effectiveness of the Commission, reduce the costs of the Commission and to limit the representatives on the Commission to those with a substantial interest in the successful operation of the historic V & T Railroad.

The Commission has the authority to enter into an agreement with the Board of County Commissioners of Storey County to create a fund for the Commission and to pay all claims against the fund that are properly approved by the Commission. 1993 Stats of Nev., chapter 566 , section 8(2). It also has the authority to take such actions necessary to accomplish the purposes of the act creating the Commission. Further, pursuant to NRS Chapter 277.180 any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform. By this Agreement the parties desire to establish a process for handling the finances and budgets of the Commission through the use of the services of the Storey County Treasurer with assistance from the Storey County Comptroller to provide accounting services. Accordingly, the parties hereto agree as follows:

1. **Budget Preparation.** Each year, the Storey County Comptroller shall prepare tentative and final budgets with the assistance of the Executive Director in accordance with the Local Government Budget and Finance Act (NRS 354.470 – 354.626, inclusive) on behalf of the Commission, subject to the approval of the Commission.
2. **Budget Augmentation.** The Storey County Comptroller shall also prepare the Nevada Department of Taxation documentation necessary for budget augmentations which are approved by the Commission.

3. **Comptroller Processing of Bills.** Bills to pay the expenses of the Commission will be first submitted to the Commission. Bills approved for payment must be delivered to the Storey County Comptroller for processing and for the issuance of vouchers. Vouchers prepared by the Comptroller shall be delivered to the Storey County Treasurer for payment. Processing of payables will follow Storey County policies and established processes.
4. **Creation of Fund.** The Commission shall approve by resolution, the creation of an Enterprise fund to be known as the V & T Railway Fund. It is agreed that this fund shall be under the control of the Storey County Comptroller.
5. **Location of Account.** The account containing the V & T Railway Fund shall be maintained at the Wells Fargo Bank. All balances in other accounts maintained by or on behalf of the Commission shall be consolidated into the V & T Railway Fund account.
6. **Deposits into the V & T Railway Fund.** There shall be deposited into the V & T Railway Fund the revenues from the operation of the Railway, funds appropriated by either Carson City or Storey County for the benefit of the operations of the Railway, funds generated through the sale of license plates pursuant to NRS 482.37945, grants received, and donations received.
7. **Use of Revenues from License Plate Sales.** To the extent that funds are received from the sales of license plates pursuant to NRS 482.37945, they must only be used for the reconstruction, maintenance, improvement and promotion of the Virginia & Truckee Railroad. Commission will advise the Department of Motor Vehicles that revenues from the sale of license plates should now be directed to the Storey County Treasurer for deposit in the Fund authorized by 1993 Stats. of Nev. chapter 42 section 8(2).
8. **Reimbursement of Storey County.** Approved vouchers for the payment of Commission expenses will be forwarded to the Storey County Comptroller who will audit and authorize payment of approved vouchers from Storey County funds by the Storey County Treasurer. County will be reimbursed for its expenditures from the V & T Railway Fund. The Storey County Treasurer and Comptroller will have signing authority over the V & T Railway Fund and need not await the approval of the reimbursement for the payment of vouchers authorizing the payment of bills which have been approved by the Commission.
9. **Records.** Storey County will maintain complete accounting records for the Commission, which records will be public records available for inspection by the Commission, Carson City, the independent auditor and the public. Commission will endeavor to obtain all existing accounting records and turn them over to the Storey County Comptroller.
10. **Reports.** The Storey County Comptroller will prepare timely monthly, quarterly and annual accounting reports and perform or prepare analyses and special reports as requested by the Commission.
11. **Accounting.** In addition to the other duties provided above, the Storey County Comptroller and Treasurer shall reconcile the account containing the V & T Railway

Fund, balance the check book for the fund against the bank statements produced and provide for the proper account classifications for voucher payments.

12. **Payment for Services of County.** County is entitled to have the costs incurred in handling the financial and budgeting matters for Commission paid to County. These costs include a portion of the salaries, wages and benefit costs incurred by County in providing the services. County will submit invoices for the cost of the services provided to Commission for approval. Commission shall promptly review each invoice on a monthly basis, and process each invoice as the Commission processes other monthly invoices. For the first 24 months of this agreement, the County and Commission on an hourly basis will share an administrative assistant, accountant, or like position to perform accounting, bookkeeping, and other administrative functions of the Commission as specified in this Agreement. The subject position will be equivalent to that of an Administrative Assistant II in the Storey County Classification Plan. All merit increases, promotions, transfers, overtime, incentive pay, differential, etc. will be administered in accordance with Storey County policies and/or the applicable collective bargaining agreement. Written timesheets shall reflect the hours spent on Commission work by the staff of the Comptroller's office. Following this 24-month period the County and Commission will share the cost of this like position on a 50/50 basis.

13. **Status of Interlocal Contract with Carson City.** The Commission and Carson City entered into an Interlocal Contract on the 31st day of August, 2005, by which the Carson City Finance Department would provide financial services on behalf of the Commission. That Agreement is superseded by this Agreement as Storey County will now be providing the financial and budgeting services.

14. **Storey County Quarter Cent Sales Tax.** Storey County voters approved a ballot measure in 2010 (ST-1) extending the 1/4 of 1 cent sales tax upon retailers in Storey County for a period of 30 years. In 2010 the Commission and Storey County agreed that if the Storey County voters approved the ballot measure, that the Commission would refund to Storey County on a monthly basis sales taxes as are collected by the Commission under any renewed or extended sales tax ordinance for the entire length of time that such additional 1/4 of 1 percent sales tax is approved by the Storey County electorate. That obligation continues. Storey County will annually attribute \$125,000.00 \$250,000 from the proceeds of the tax in the V & T Railway Fund for the operation and maintenance of the railroad within Storey County. These funds are subject to being utilized by the Commission in preparing its annual budget. In any year in which proceeds from ticket sales and the annual amount provided above are insufficient to cover the costs

of the train operation and track maintenance of the railroad, or, in an emergency situation, the V & T Commission may request that additional tax revenues be allocated to cover those expenses.

15. The Agreement between Storey County and the Commission dated May 20, 2010 is superseded by this Agreement.
16. **Termination.** Either party may terminate this Agreement for any reason or even for no reason at all upon giving 60 days notice to the other party of the termination. Notice shall be in writing and mailed by certified mail, return receipt requested to:

Storey County Manager
P. O. Box 176
Virginia City, NV. 89440

Nevada Commission for the Restoration of the V & T Railway
Post Office Box 1711
Carson City, NV 89702-1711

Upon termination of this Agreement, the Storey County Treasurer will turn over control of the account containing the V & T Railway Fund to the Commission. The Storey County Comptroller will turn over all financial and budgeting records to the Commission.

17. **Limitation of Liability.** The parties do not waive and intend to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Actual damages for any breach by a party shall never exceed the amount of funds which have been identified for payment under the Agreement for each month.
18. **Governing Law.** This Agreement and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada.
19. **Severability.** If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Agreement unenforceable.
20. **Status of Parties.** The parties are associated with each other only for the purposes and to the extent set forth in this Agreement. Each party is and shall be a public agency separate and distinct from the other party and shall have the right to supervise, manage, operate, control and direct performance of the details incident to its duties under this Agreement. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or except as provided herein, otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities and obligations of the other agency or any other party.
21. **Assignment/Delegation.** Neither party shall assign, transfer or delegate any rights, obligations or duties under this Agreement without the prior written consent of the other party.


22. **Waiver of Breach.** Failure to declare a breach or the actual waiver of any particular breach of the Agreement or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.
23. **No Interpretation Against Drafter.** Each party recognizes that this Agreement is a legally binding contract and acknowledges that such party has had the opportunity to consult with legal counsel of choice. In any construction of the terms of this Agreement, the same shall not be construed against either party on the basis of that party being the drafter of such terms.
24. **Force Majeure.** Neither party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the Agreement after the intervening cause ceases.
25. **Entire Agreement; Modifications.** This Agreement constitutes the entire agreement of the parties and is intended to be the complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless otherwise expressly authorized by the terms of this Agreement, no modification or amendment to this Agreement shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto.
26. **Third-Party Beneficiaries.** Unless otherwise specifically provided herein, nothing in this Agreement shall be construed to create any third party beneficiaries.
27. **Counterparts and Facsimile Signatures.** This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each party and delivered to the other party, it being understood that all parties need not sign the same counterpart. This Agreement may be executed by facsimile signatures.

IN WITNESS WHEREOF, the above-named parties have set their hands and executed this Agreement on the date(s) set forth below.

(Dates and Signatures appear on next page.)

Dated this 19 day of May, 2020.

Board of County Commissioners of Storey County

By: 
Marshal McBride, Chairman

Attest:

Vanessa Stephens Storey County Clerk
Dated this 19 day of May, 2020

Vanessa Stephens
Vanessa Stephens, Storey County Clerk/Treasurer

Dated this 22 day of July, 2020.

Nevada Commission for the Reconstruction of the V & T Railway

By Stan Jones
Stan Jones, Chairman

Attest:

Commission Secretary

Doc #: 130304

08/29/2019 01:13 PM Page: 1 of 5

OFFICIAL RECORD

Requested By: TICOR TITLE - CC (NVT)

**Storey County, NV
Marney Hansen Martinez, Recorder**

Fee: \$0.00 RPTT: \$0.00

Recorded By: rmartinoni

WHEN RECORDED MAIL TO:
County of Storey, a political subdivision of the State of
Nevada
P. O. Box 176
Virginia City, NV 89440

MAIL TAX STATEMENTS TO:
Same As Above

Escrow No. 1904609-DKD

The undersigned hereby affirms that this document
submitted for recording does not contain the social
security number of any person or persons.
(Pursuant to NRS 239b.030)

SIGNED IN COUNTERPART

APN No.: 001-088-03, 001-096-01, 001-096-02
R.P.T.T. \$0.00

SPACE ABOVE FOR RECORDER'S USE ONLY

GRANT, BARGAIN, SALE DEED

THIS INDENTURE WITNESSETH: That Terry A Ward, a single man as to Parcel 1 and David Pierce Powell, Trustee of the David Pierce Powell Revocable Living Trust as to Parcels 2 and 3

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, do/does hereby Grant, Bargain, Sell and Convey to County of Storey, a political subdivision of the State of Nevada

all that real property situated in the County of Storey, State of Nevada, described as follows:
SEE EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF

Together with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining.

The David Pierce Powell Revocable Living Trust

D. Pierce Powell
David Pierce Powell, Trustee

SIGNED IN COUNTERPART

Terry A Ward

STATE OF NEVADA
COUNTY OF CARSON CITY

} ss:

This instrument was acknowledged before me on ,
by Terry A Ward and David Pierce Powell, Trustee

8.23.19

[Signature]
NOTARY PUBLIC



The David Pierce Powell Revocable Living Trust

David Pierce Powell, Trustee

Terry A Ward

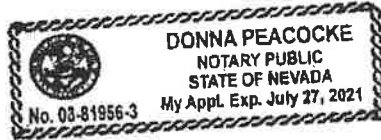
SIGNED IN COUNTERPART

STATE OF NEVADA
COUNTY OF CARSON CITY

} ss:

This instrument was acknowledged before me on , 08-28-2019
by Terry A Ward and David Pierce Powell, Trustee

Donna Peacocke
NOTARY PUBLIC



Escrow No. 1904609-DKD

**EXHIBIT A
LEGAL DESCRIPTION**

All that certain real property situate in the County of Storey, State of Nevada, described as follows:

THE SURFACE RIGHTS ONLY IN AND TO:

PARCEL 1

Lot 13 in Block 67, Range D, as shown on the Official Map of Virginia City, filed June 6, 1865 in the office of the County Recorder of Storey County, State of Nevada.

Excepting therefrom any portion of the herein described lands lying within the existing public right of way for roads and appurtenances thereto.

APN: 001-096-01

PARCEL 2

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 in Block 67, Range D as shown on the official map of Virginia City, filed June 6, 1985 in the office of the County Recorder of Storey County, State of Nevada.

EXCEPTING THEREFROM any portion of the herein described lands lying within the existing public right-of-way for roads and appurtenances thereto.

APN: 001-096-02

PARCEL 3

Lots 1 through 9A, inclusive in Block 86, Range D, as shown on the Official Map of Virginia City, filed June 6, 1865 in the office of the County Recorder of Storey County, State of Nevada.

Reference is further made to lot 9A as set for on Record of Survey map recorded in the Office of the Storey County Recorder, State of Nevada.

Excepting therefrom any portion of the herein described lands lying within the existing public right of way for roads and appurtenances thereto.

APN: 001-088-03

STATE OF NEVADA
DECLARATION OF VALUE FORM

- 1. Assessor Parcel Number(s)
 - a. 001-088-03
 - b. 001-096-01
 - c. 001-096-02
 - d. _____

- 2. Type of Property:
 - a. Vacant Land
 - b. Single Fam. Res.
 - c. Condo/Twnhse
 - d. 2-4 Plex
 - e. Apt. Bldg
 - f. Comm'l/Ind'l
 - g. Agricultural
 - h. Mobile Home
 - i. Other _____

FOR RECORDERS OPTIONAL USE ONLY	
Book _____	Page _____
Date of Recording: _____	
Notes: _____	

- 3. a. Total Value/Sales Price of Property: \$ 695,000.00
- b. Deed in Lieu of Foreclosure Only (value of property) \$ _____
- c. Transfer Tax Value \$ 695,000.00
- d. Real Property Transfer Tax Due: \$ 0.00

- 4. **If Exemption Claimed**
 - a. Transfer Tax Exemption, per NRS 375.090, Section #2
 - b. Explain Reason for Exemption: DEEDING TO STOREY COUNTY, GOVERNMENT ENTITY, WITHOUT CONSIDERATION

5. Partial Interest: Percentage being transferred: 100%

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature [Signature] Capacity Agent

Signature _____ Capacity _____

SELLER (GRANTOR) INFORMATION (REQUIRED)

Print Name: Terry A Ward and David Pierce Powell, Trustee

Address: PO Box 115

City: Silver City

State: NM Zip: 89429

BUYER (GRANTEE) INFORMATION (REQUIRED)

Print Name: County of Storey, a political subdivision of the State of Nevada

Address: P. O. Box 176

City: Virginia City

State: NM Zip: 89440

COMPANY/PERSON REQUESTING RECORDING (Required if not Seller or Buyer)

Print Name: Ticor Title of Nevada, Inc. Escrow No.: 01904609-010-DKD

Address: 307 W. Winnie Lane Suite #1

City, State, Zip: Carson City, NV 89703

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED