(Rev. 10-18-2011)

SUMMARY: Approves a Development Agreement with Unique Infrastructure Group, LLC regarding the development of technology park projects known as Reno Technology Park, Sparks Energy Park and Water Tank Facilities.

BILL NO. 1656 ORDINANCE NO. 1476

AN ORDINANCE PURSUANT TO NEVADA REVISED STATUTES 278.0201 THROUGH 278.0207 APPROVING A DEVELOPMENT AGREEMENT FOR CASE NO DA11-001 FOR RENO TECHNOLOGY PARK AND SPARKS ENERGY PARK, SPECIAL USE PERMIT CASE NUMBERS SW11-001, SW11-002 AND SW11-003.

SECTION 1 Recitals and Findings

WHEREAS:

- A. Unique Infrastructure Group, LLC ("Developer") has received approval by the Washoe County Planning Commission of Special Use Permits SW11-001 (Sparks Energy Park), SW11-002 (Water Tank Facilities) and SW11-003 (Reno Technology Park) to be located on the real property generally described in Exhibit A hereto), and has applied to Washoe County to enter into a development agreement pursuant to NRS 278.0201; and
- B. This Board finds that the provisions of the agreement are consistent with the master plan, and has made the findings required by WCC 110.814.30;
- C. A duly noticed public hearing was held on the date that this ordinance was first read in accordance with WCC 110.814.30;
- D. Following the public hearing, based on the staff report and information brought forward at the public hearing this Board adopted the findings contained in the staff report recommending approval of the Development Agreement as required by WCC 110.814.30;

E. This ordinance does not impose a direct and significant economic burden upon a business, nor does it directly restrict the formation, operation or expansion of a business.

NOW THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF WASHOE DOES ORDAIN:

SECTION 2 Adoption of Development Agreement

1. The Development Agreement attached hereto as Attachment A is hereby approved, pursuant and subject to NRS 278.0201 through 278.0207, and WCC 110 Article 814.

SECTION 3 General Terms.

- 1. This Ordinance and the Development Agreement shall be recorded in the Official Records of Washoe County.
- 2. All actions, proceedings, matters and things heretofore taken, had and done by the County and its officers not inconsistent with the provisions of this Ordinance are ratified and approved.
- 3. The Chairman of the Board and the officers of the County are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this ordinance, including without limitation the generality of the foregoing, the preparation and execution of all necessary documents, legal proceedings and other items necessary or desirable for governance of the Project as provided in the Development Agreement. The County Clerk is authorized to make non-substantive edits and corrections to this Ordinance and the Development Agreement.
- 4. All ordinances, resolutions, bylaws and orders, or parts thereof, in conflict with the provisions of this ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed

to revive any ordinance, resolution, bylaw or order, or part thereof, heretofore repealed.

- 5. This ordinance shall be in effect from and after its publication as hereinafter provided, and after this ordinance is signed by the Chairman of the Board and attested and sealed by the County Clerk, this ordinance shall be published by title only, together with the names of the Commissioners voting for or against and with a statement that typewritten copies of said ordinance are available for inspection by all interested parties at the office of the County Clerk, such publication to be made in the Reno Gazette Journal, a newspaper published and having general circulation in the County, at least once a week for a period of two weeks by two insertions as required by NRS 244.100 and any other enabling laws.
- Each term and provision of this ordinance shall be valid and shall be enforced to the extent permitted by law. If any term or provision of this ordinance or the application thereof shall be deemed by a court of competent jurisdiction to be in violation of law or public policy, then it shall be deemed modified, ipso facto, to bring it within the limits of validity or enforceability, but if it cannot be so modified, then it shall be excised from this ordinance. In any event, the remainder of this ordinance, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected.

Passage and Effective Date

This ordinance was proposed on $Oct 25, 2011$ by Commissioner $Humke$
This ordinance was passed on <u>Dec. 13, 2011</u> .
Those voting "aye" were Bretsenitz Loebor, Hanks, Jung Those voting "nay" were None Those absent were Those abstaining were Those abstaining were Those in the second of the second

This ordinance shall be in force and effect immediately upon the date of the second publication of such ordinance as required by NRS 244.100.

John Breternitz, Chairman Board of County Commissioners Washoe, County, Nevada

ATTEST:

Amy Harvey! County Clerk

Attachment A to Ordinance

Development Agreement

(Reno Technology Park; Sparks Energy Park) (NRS 278.0201; WCC 100.814)

Article I. Parties; Definitions; Recitals

Section 1.01 Parties

(a) County Washoe County, a political subdivision of the state of

Nevada

1001 East Ninth Street Reno, Nevada 89512

Attn: Community Development Department

(b) <u>Developer</u> Unique Infrastructure Group, LLC

A Nevada Limited Liability Company

180 Country Estates Circle

Reno, Nevada 89511

Section 1.02 Definitions

Applicable Law is defined in Section 2.01

Director means the Director of the Community Development Department of Washoe County or his designee.

Orange Book means the Standard Specifications for Public Works Construction Sponsored and Distributed by the Regional Transportation Commission of Washoe County, Cason City, Churchill County, City of Reno, City of Sparks, City of Yerington, and Washoe County as revised and amended from time to time.

Project means the Sparks Energy Park described in Action Order SW 11-001, the Water Tank project described in Action Order SW 11-002 and the Reno Technology Park described in Action Order SW 11-003.

Property means approximately 2226 acres of land more particularly described in **Exhibit A** hereto.

Reno Technology Park means the construction of private roads, security facilities and several individual buildings that will range in size from approximately 150,000 to 500,000 square feet, within a gated/high security facility that will support mission

critical data centers. The technology park will limit development to data centers (that house computer systems and associated components that receive, store and process a significant amount of digital information typically used by banking institutions, telecommunications companies and internet companies) and will not support other commercial use types except in the Tourist Commercial Zoning Districts. See the application, staff report and Action Order for SW 11-003 for more details.

Sparks Energy Park — means the construction of three 120 megawatt combined cycle natural gas power plants (utilizing natural gas turbine generators operating in a combined cycle mode where exhaust heat is recovered, converted into steam and used to generate additional electricity) each including two gas turbines, two heat recovery systems, three additional cooling towers, and one steam turbine together with deaerators, boiler feed pumps, aqueous ammonia storage tanks and associated concrete containment berms, monitoring equipment, an evaporation pond, a maintenance building, two story electrical switchgear building, and substations, transmission lines and associated grading to support the construction and operation of the technology park. See application, staff report and Action Order for SW 11-001 for details.

Special Use Permit(s) means special use permits SW11-001, SW11-002 and SW11-003.

SW 11-001 means a special use permit for the Sparks Energy Park, granted on July 5, 2011 by the Washoe County Planning Commission.

SW 11-002 means a special use permit for Water Storage Tanks for the Reno Technology Park and Sparks Energy Park granted by the Washoe County Planning Commission on July 5, 2011.

SW 11-003 means a special use permit for the Reno Technology Park granted by the Washoe County Planning Commission on July 5, 2011.

Water Storage Tanks and Water Distribution System — means the construction of two new one-million gallon water tanks to be served by potable water production wells, water pump stations, the construction of approximately 14,000 linear feet water distribution system, and two one million gallon water tanks to serve the future energy facility and information center. See the application, staff report, and Action Order for SW 11-003 for more details.

Section 1.03 Recitals

- **A.** Developer is under contract to purchase the Property from Stonefield Inc., and build the Project on it. Developer applied for and the Washoe County Planning Commission has approved three special use permits (SW11-001, SW11-002, SW11-003) that authorize the Project.
- B. The parties desire to enter into a development agreement in order to assure that the Project, as constructed, is consistent with the land use designations (Tourist Commercial, Industrial and General Rural) the Truckee Canyon Area Plan element of the Washoe County Comprehensive Plan, and the findings and conditions of the Washoe County Planning Commission in approving the special use permits, and that adequate infrastructure is built as the Project is built.
- Condition 3(f) of the Special Use Permit requires Developer to offer to dedicate the Water Storage Tanks and Distribution System to the County. The County is not in a position to accept dedication because (1) County cannot provide water service there because the Project is outside the Truckee Meadows Service Area designated in the Regional Master Plan; (2) the purpose and use of the system is outside the scope of water distribution projects that the County undertakes because the vast majority of the proposed use of water is for non-potable commercial uses; and (3) the County cannot undertake the risk of liability if the system fails to deliver sufficient cooling water for the Sparks Energy Park or the Reno Technology Park. The parties desire to provide enforceable covenants running with the land to minimize the possibility that the Water Storage Tanks and Distribution System will be abandoned or stranded with the understanding that the County cannot and will not accept dedication of and cannot and will not provide any assistance to, or to provide financial assistance to Developer, or operate the Water Storage Tanks and Distribution System should the Developer propose to abandon it or suggest or advocate for alternative uses that are not compatible with the Truckee Meadows Regional Plan.
- D. Both parties desire, however, to assure that sufficient water rights are and will always remain available to operate the Water Storage Tanks and Distribution System and desire to enter into a water rights banking agreement regarding the water rights to be dedicated to County under Condition 3(a) of the Special Use Permit to provide that assurance.

NOW THEREFORE in exchange for the mutual covenants and conditions stated herein, which the parties acknowledge are adequate consideration, the parties agree as follows.

Article II. DEVELOPMENT STANDARDS; DEVELOPER OBLIGATIONS.

Section 2.01 Applicable Law; Lock up

- (a) The following laws shall apply to and Developer agrees to build the Project in accordance with:
 - i. Special Use Permits SW 11-001, SW 11-002, SW 11-003 and all conditions of approval, applications, staff reports and information provided to the Planning Commission to obtain approval;
 - ii. This Agreement;
 - iii. As provided in NRS 278.0201 (5) and WCC 110.814.05, all ordinances, resolutions or regulations applicable to the Property that govern the permitted uses of the land, density and standards for design, improvements and construction as they exist on the date of this Agreement provided that all such uses, densities and standards are consistent with the Master Plan, any applicable area plan, and any applicable specific plan. As provided in NRS 278.0201 (6) County may adopt new ordinances, resolutions or regulations applicable to the Property which do not conflict with those ordinances, resolutions and regulations in effect at the time this agreement is made, any subsequent action by Washoe County must not prevent the development of the Project as set forth in this Agreement. As provided in NRS 278.0201 (7) if extensions of deadlines in this Agreement are granted, laws applicable at the time of the extension may apply to the Project; and
 - iv. To the extent permitted by NRS 278.0201(5) and Section 2.01(a)(iii) above, all other ordinances, statutes, regulations adopted by Washoe County, State of Nevada, and the United States of America as amended from time to time and as they apply at the time of enforcement to construction or operation of the Project. Without limiting the generality of the foregoing, the County may apply current codes relating to building and safety such as building codes, fire codes, plumbing codes, mechanical codes, electrical codes, housing codes, sign codes, energy conservation standards for new building construction, building conservation codes, codes for the abatement of daages nuisances, and similar codes as they exist at the time of construction.

Section 2.02 Construction Phases; Schedule

(a) The Project will be built in phases within approximately 8 to 10 years. Each phase is predicated on securing available financing with the intent to begin construction as early as fourth quarter 2011.

Phase	Includes	Schedule/Comments
1,	Backbone infrastructure, including roadways, utilities, water system, storm drainage, perimeter fencing, entry security facilities, power corridor improvements (i.e. relocation of existing transmission lines, development of new transmission lines, construction of new distribution lines throughout the technology and energy park campus, substation(s) and initial data center buildings.	Permits must be pulled and construction must be completed as provided in Special Use Permits. Construction on initial road expected to commence in first quarter 2012 with construction of energy park, transmission lines, water tanks and technology park following completion of plans.
2, 3, 4	Consecutive data center buildings based on demand and availability of power. Concurrently, with the construction of the data center buildings, additional 120 megawatt power generation facilities will be constructed to meet demand for power by the data center development.	Permits must be pulled and construction must be completed as provided in Special Use Permits.

Section 2.03 General Development Standards

- (a) <u>Uses, density and buildings.</u> Applicable Law (including this Agreement) shall govern the permitted uses of the Property, the density and intensity of its use, the maximum height and size of proposed buildings and provisions for the dedication of any portion of the land for public use, as required by NRS 278.0201 (1).
- (b) <u>Applicable Law.</u> The Project will be built in accordance with Applicable Law as it may be modified, clarified, or explained in this Agreement.
- (c) <u>Orange Book Standards.</u> Roadways and facilities to be offered for dedication to the County shall be constructed in accordance with County specifications, including the specifications in the Orange Book.
- (d) Security. A gated security access point will be developed at the entry to the technology park. Fencing up to ten feet in height will surround the technology and energy park developments. Security is extremely important and access into the property shall be safely controlled. The fencing shall consist of, but not limited to, iron and barbed wire, chair link, and wrought iron. The use of solid block or concrete will be limited to posts, pillars and similar uses and not be used for panel or wall sections.
- (e) <u>Lighting.</u> Developer shall minimize the number of street lights, building lighting and lighting surrounding the power plant to the extent practical and in accordance with the Washoe County Development Code.
- (f) <u>Landscaping</u> Prior to applying for the first building permit, Developer shall submit a certified landscaping plan with designs that emphasize the use of native vegetation as provided in Condition "1 e" to the Special Use Permits.
- (g) Noise standards. All noise generated by the power plant must meet the standards of Article 414 of the Washoe County Development Code
- (h) Project Reviews. As site plans and building plans and specifications are prepared, Developer shall submit them to the Community Development Department for review and approval, which shall not be unreasonably withheld if such plans and specifications are consistent with Applicable Law and the Special Use Permits. County shall have 45 days to review and approve such plans and specifications. A building permit shall not be issued for any building that has not been reviewed and approved as provided herein.

Section 2.04 Water Distribution System; Dedication of Water Rights

- (a) <u>Dedication of Water Rights</u> As provided in Condition 3(a) to the Special Use Permits, prior to issuance of building permits, Developer must dedicate sufficient water rights to serve the facilities being built. To satisfy that requirement, the parties agree as follows:
 - i) Not later than the application for the first building permit, the parties will enter into an agreement (the "UIG Banking Agreement") whereunder Developer will transfer water rights to County and County will hold them for the beneficial use of Developer. The agreement will provide how and when such water rights will be committed to and be used for the Project. Developer will be permitted to assign to third parties its beneficial interest in uncommitted water rights held by the County under the UIG Banking Agreement.
 - ii) With each building permit for each facility, the duty of water rights to be committed to the Project under the UIG Banking Agreement for use by that facility will be determined by a Professional Engineer licensed in the State of Nevada who is experienced in estimating water demands and water rights needed to serve such a facility. The duty calculations are subject to the approval of the Department of Water Resources, which approval shall not be unreasonably withheld.
 - iii) Washoe County presently holds title to approximately 1,125.6 acre feet annually subject to a beneficial interest in favor of Stonefield Inc., a Nevada corporation, under an agreement recorded as Document 3653032 in the official records of Washoe County (the "Stonefield Banking Agreement"). Concurrent with the acquisition of the Property, Developer expects to acquire from Stonefield Inc. a partial or whole assignment of the beneficial interest in the Stonefield Banking Agreement. Provided that County is satisfied with the documentation transferring the beneficial interest to Developer, the beneficial interest will be transferred to the UIG Banking Agreement.
 - iv) As additional water rights are needed to serve facilities in the Project,
 Developer shall transfer such water rights to County by a water rights deed
 that reserves a beneficial interest to Developer and the transferred water
 rights shall be added to the UIG Banking Agreement.
 - v) All water rights offered for dedication must have appropriate Points of Diversion, Place and Manner of Use consistent with the Project identified under Special Use Permits SW 11-001, SW 11-002, and SW 11-003. All water rights offered for dedication must have all necessary approvals from the State Engineer and acceptable to County Department of Water Resources.

- (b) <u>Return of Committed Water Rights.</u> The water rights held by the County and committed to the Project under the UIG Banking Agreement shall be returned to Developer in either of the following events.
 - 1. Upon revocation, relinquishment or release of all three special use permits SW 11-001, SW 11-002 and SW 11-003, to the extent that the water facility is no longer needed to serve the Project; or
 - 2. If and when the County determines that the water rights are unnecessarily burdensome on the County or that reconveyance would be in the best interest of the County and its residents under NRS 244.290.

The right to receive committed water rights back under this paragraph is not assignable by Developer to any third party unless County specifically consents to the assignment and documentation.

- (c) <u>Dedication of Water facilities</u> The water distribution system shall be offered for dedication to Washoe County prior to the issuance of a business license for the operation of the facilities associated with special use permits SW11-001, SW11-002 and SW11-003. So long as Developer is not in default under this Agreement, the dedication will be rejected by the County.
- (d) Covenants regarding operation and maintenance of the Water Storage Tanks and Water Distribution System. As covenants running with the land Developer agrees on behalf of itself and with the intent of binding all future successors and assigns to all or any part of the Project property:
 - (i) Not to expand or agree to expand use of the Water Storage Tanks and Distribution System to any user not located on the Project Property, unless the Special Use Permit is amended to provide for that;
- (ii) To continuously operate, maintain in good working order and promptly make all repairs and replacements to the Water Storage Tanks and Distribution System as needed to provide adequate water supply to all users of the system;
- (iii) That if the County reasonably believes at any time that the operation and maintenance of and/or and repairs to the Water Storage Tanks and Distribution System are being neglected, or are in jeopardy, or that sufficient resources are not or may not be available in the immediate future to sustain the operation, maintenance and repairs thereof in order to provide an adequate water supply to users of the system, County may require corrective action which could include (but not be limited to) cash or asset injections to the system, replacement of system operators, or providing financial assurances (which may be secured by letters of credit or other financial security facilities) that sufficient resources will be made available to continue operating the system to provide an adequate supply of water to the users actually depending on the system at the time
- (iv) Not to request the County to expand the Truckee Meadows Service Area to

- include the Project Property. The County is limited in its ability to expand the TMSA and extending the TMSA to cover the Project Property would be at the expense of other projects involving health and public safety is inconsistent with County priorities, policies and goals regarding application of limited resources;
- (v) That if the Water Tanks and Distribution System become part of a bankruptcy estate, the cost of the ongoing operation and maintenance of the system, to the extent necessary to provide an adequate supply of water to actual users of the system, shall be deemed as an administrative expense;
- (vi) To hold the County harmless from defend and indemnify County against all claims and liability (including reasonable attorney's fees and costs) arising from or as a result of a breach of any of the foregoing;
- (vii) That a material breach of any of the foregoing is a material breach of this agreement and the Special Use Permit may be suspended or revoked.

Section 2.05 Construction/dedication of Fire Station

- (a) <u>General.</u> Developer shall build and dedicate to County, or its designee, a fire station as follows. In the event that the fire station is deemed a "public work" Developer shall pay prevailing wages pursuant to NRS 338.010 through 338.090.
- (b) <u>Specifications and location</u> The station shall be built on two acres of land located at a site west of the Patrick Interchange to be determined by agreement between Developer and County. It shall have two bays and be designed and built to accommodate a four man fire crew.
- (c) <u>Timing.</u> Upon the opening of the first data center building, Developer shall consult with County as to the specifications and location of the proposed fire station and the timing of construction. Within one year from the time that the County provides specifications for the proposed station, Developer shall prepare and present plans and specifications for the fire station for approval by the County or its designee. Unresolved disagreements between Developer and the Director may be appealed to the Board of County Commissioners. The parties shall then decide on construction timing. Unless otherwise agreed, construction will commence within six years from the opening of the first data center, and will be offered to the County (or its designee) within one year from start of construction.

Article III. GENERAL TERMS AND CONDITIONS

Section 3.01 Duration of Agreement; Extensions; Effect of expiration

(a) <u>Term of Agreement</u>. This Agreement commences when it has been approved, executed by all the parties and recorded in the official records of Washoe County. Unless sooner terminated under NRS 278.0205, it expires on the first business day

following the fifteenth anniversary (5,475 days) after it became effective. It may be renewed for one additional term of up to fifteen years upon agreement of the parties.

- (b) Reports by Developer. Upon request by County, Developer shall prepare a report and provide information regarding Developer's compliance with this Agreement and the Special Use Permits, and shall agree to appear before the Board of County Commissioners for a review of the agreement as required by NRS 278.0205 (1)
- (c) Review by Department; Report to Board. As required, the Director shall file reports with the Board of County Commissioners and the Board may cancel or amend this Agreement under NRS 278.0205.

Section 3.02 Default and Remedies

- (a) <u>Default.</u> An event of default occurs under this Agreement in any of the following events: (i) any representation of a material fact expressed herein or to the County was materially untrue at the time it was made; (ii) any ("material") warranty made herein is breached at the time made or, if a continuing warranty is breached as a result of a subsequent event or occurrence; (iii) a party breaches any ("material") covenant or fails to perform any material provision of this Agreement; (iv) any event expressly described as a ("material") breach or default hereunder occurs; or (v) Developer liquidates all of Developer's assets and Developer ceases to do business except in connection with the assignment by Developer pursuant to Section 3.04.
- (b) Notice and right to cure default. Upon an event of default, the non-defaulting party shall give notice and an opportunity to cure the default within 60 days of the delivery of the notice, provided that if the default cannot reasonably be cured within 60 days, then the default shall be deemed cured if the defaulting party commences and diligently pursues and completes action that remedies the default.

County, upon providing Developer any notice of an event of default under this Agreement, shall at the same time provide a copy of such written notice each lender which is a beneficiary pursuant to a deed of trust which encumbers all of the Property or any portion thereof. From and after such notice has been given, such lender(s) shall have the same period of time as Developer to cure, after the receipt of notice from County any event of default or acts or omissions which are the subject matter of a notice of an event of default to causing the same to be remedied, plus in each instance, an additional period reasonably necessary to either (i) diligently remedy the event of default or acts or omissions which are the subject matter of such notice or (ii) such time as is reasonable to foreclose upon the deed of trust encumbering the Property and obtain title to the Property and cure the event of default. County shall accept performance by such lender as if the same had been performed by Developer.

- (c) Remedies by County. In the event of default by Developer, County may (i) subject to the notification requirements under NRS 278.0205 and in Section 3.02(b) above, cancel or amend this Agreement, or (ii) file an action to seek injunctive relief. Any remedies of County shall not impact or affect vested rights of Developer in the Property to proceed with the development.
- (d) <u>Remedies by Developer</u> In the event of default by County, Developer may appeal any actions by the Director to the Board of County Commissioners or file an action to seek damages or injunctive relief.
- (e) <u>Litigation</u> Litigation to enforce this Agreement shall be brought in the District Court for the State of Nevada, County of Washoe.
- (f) Attorney's fees and costs In any litigation or proceedings to enforce this agreement, the prevailing party may be awarded reasonable attorneys fees and costs as determined just by the court.
- (g) <u>Remedies Cumulative</u>; <u>waivers</u> All remedies provided herein are cumulative with each other and with any other remedy afforded under Nevada law, and the election of one remedy does not preclude the election or pursuit of any other remedy.

Section 3.03 Effect of expiration or cancellation of Agreement

(a) If this Agreement expires or is cancelled, Applicable Law will continue to govern any facilities or buildings for which a building permit has been issued, and Applicable Law becomes the current statutes, ordinances, resolutions and regulations of County, the State of Nevada, and the United States of America. Construction warranties survive the cancellation of this Agreement.

Section 3.04 Assignment; Binding effect;

- (a) <u>Assignment.</u> Subject to the provisions relating to lenders in Section 3.04(b), Developer may assign all or any portion of its rights and delegate any obligations under this Agreement to third parties who acquire fee title to any portion of the Property, provided, however, that (i) County consents to the assignment/delegation, which consent shall not be unreasonably withheld, (ii) a written agreement is entered into between the County and the assignee which is approved by ordinance and recorded, and (iii) partial assignments and delegations shall be related only to the portion of the Property acquired.
- (b) <u>Developer's Right to Encumber its Interest.</u> Notwithstanding any other provision contained in this Agreement, for the purpose of financing construction, or reconstruction, operation, and maintenance or refinancing of any such financing, Developer shall have the right to encumber or assign its interest in this Agreement, by deed of trust, financing statement, or collateral assignment to any institutional lender, publicly-traded company, or other entity with the financial

capability to assume Developer's obligations under this Agreement. If such encumbrance by lender is a deed of trust, foreclosure by a lender may occur by the exercise of a power of sale in accordance with the provisions of NRS Chapter 107 and conveyance to lenders as a result of a foreclosure sale is permitted without consent of County, including lender's right to operate the Property or delegate or assign its interest to third parties, provided, however that such lender or its assigns take subject to Applicable Law.. Upon execution of a deed of trust, financing statement or collateral assignment, notice of such encumbrance or assignment shall be delivered to County together with written notice of the name and mailing address of the lender, which shall be deemed such party's address pursuant to this Agreement.

- (c) <u>Binding on assigns.</u> This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators and permitted successors and assigns of the parties hereto.
- (d) No agency or partnership The Project is a private development and the County has no interest in any improvements until County accepts dedication of such improvements in accordance with Nevada law. County and Developer hereby renounce the existence of any form of agency relationship, joint venture, partnership or other co-relationship and agree that nothing contained herein or in any document executed in connection herewith shall be construed as creating any such relationship between County and Developer.
- (e) No third party beneficiaries intended. Unless otherwise specifically identified in this Agreement, there are no third party beneficiaries intended by this agreement and no third parties have any standing to enforce any of the provisions of this Agreement.

Section 3.05 Further assurances

Each party agrees to honor any reasonable requests by the other party to complete, execute and deliver any document necessary to accomplish the purposes hereof.

Section 3.06 Severability; Changes in law.

- (a) Time is of the essence in the performance of this Agreement.
- (b) Governing Law. The laws of the State of Nevada, without regard to conflicts of law principles, shall govern the interpretation and enforcement of this Agreement.
- (c) <u>Severability.</u> Each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law. If any term or provision of this Agreement or the application thereof is held to be invalid or unenforceable by a court of competent jurisdiction, it shall be deemed to be modified to bring it within the limits of validity or enforceability, but if it cannot be so modified, then

- it shall be severed from this Agreement but in either event the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected.
- (d) Changes in law. Unless this Agreement is amended, terminated or canceled pursuant to the provisions herein, or by applicable law or regulation, this Agreement shall be enforceable notwithstanding any change hereafter in any applicable general plan, specific plan, zoning ordinance, subdivision ordinance, building regulation or development moratorium, or similar County action, adopted by the County which changes, alters or amends the rules, regulations and policies applicable to the development of the Project at the time of approval of this Agreement, as provided by Nevada law.

Section 3.07 Amendments and modifications.

(a) <u>Amendments/ Modifications.</u> This Agreement may be amended or modified from time to time, in whole or in part, by mutual written consent of the parties or their successors in interest, in accordance with this agreement and NRS 278.0205. Only those parties who will be materially affected by the amendment (i.e. owners of the properties that will be affected by the amendment) need be parties to the amendment.

Section 3.08 Authority to Implement

(a) Except as otherwise provided in this Agreement or Applicable Law, the Director of the Department of Community Development Department has the authority to conduct all reviews, make all approvals, and take all actions on behalf of the County. All decisions and actions of the Director may be appealed to the Board of County Commissioners by notifying the County Clerk within 60 days of the action or decision and asking to be put on the agenda for a future meeting.

Section 3.09 Entire Agreement; Recording

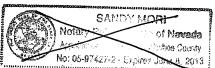
This Agreement (including recitals) integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof. When executed, this Agreement, together with its approving ordinance, shall be recorded in the official records of Washoe County.

DEVELOPER					
Unique Infrastructure Group/LL/					
By Nicholas J. Pavich, Mana	Date 10/17/2011				
STATE OF NEVADA)				
COUNTY OF WASHOE) Acknowledgment in Representative Capacity) NRS 240.1665				
This instrument was acknowledged before me on October 17, 2011 by NICHOLAS J. PAVICH as Manager of Unique Infrastructure Group, LLC					

By John Breternitz, Chairman Board of County Commissioners Attest Amy Harvey, County Clerk

STATE OF NEVADA)	
)	Acknowledgment in Representative Capacity
COUNTY OF WASHOE)	NRS 240.1665

This instrument was acknowledged before me on <u>Ohn Britanite</u> by JOHN BRETERNITZ as Chairman of the Board of County Commissioners of Washoe County, a political subdivision of the State of Nevada.



Notary Public

SANDY MORI
Notary Public - State of Managia
Appliament Recorded in Washer Guerry
No: 05-07427-2 - Expired Jame 6, 2076

EXHIBIT "A" LEGAL DESCRIPTION

APN 084-110-08

Township 20 North, Range 22 East, M.D.B.&M. Section 29: North ½; Southwest ¼.

EXCEPTING THEREFROM a parcel of land 100 feet by 100 feet square in the South ½ of the Southeast ¼ of the Southwest ¼, conveyed to Bell Telephone Company of Nevada, by Deed recorded in Book 146, Page 113, File No. 101202, Deed Records.

All according to the official plat.

APN 084-110-20

Township 20 North, Range 22 East, M.D.B.&M. Section 30: East ½ of the Southeast ¼; East ½ of the West ½ of the Southeast ¼.

All according to the official plat.

APN 084-110-05 & 084-030-20

Township 20 North, Range 22 East, M.D.B.&M. Section 28: North ½, North ½, South ½. All of Section 21

EXCEPTING THEREFROM any interest which was conveyed by Deeds recorded March 6, 1981 in Book 1608, Page 153, as Document Nos. 726811 and 726812 of Washoe County Official Records.

EXCEPTING THEREFROM that portion thereof conveyed to the STATE OF NEVADA, dexcribed in Deed dated May 14, 1956, recorded May 18, 1956, in Book 411, File No. 260132, Deed Records.

All according to the official plat.

EXCEPTING all abutters rights including access rights in and to Interstate 80.

APN 084-191-03, 084-191-05 & 084-191-06

Commencing at the Northwest corner of Section 31, Township 20 North, Range 22 East, MDBM; thence North 88°30'50" East a distance of 4968.90 feet to the Northeast corner of Section 31, Township 20 North, Range 22 East, MDBM, South 8°29'47" East, a distance of 182.06 feet; thence South 01°30'13" West a distance of 1395.06 feet to the Northerly right of way line of Interstate 80 Freeway; thence along a curve to the left, the tangent of which bears South 61°17'58" West, a delta of 02°14'14" and a radius of 7127.00 feet P.C.; thence South 59°03'44" West, a distance of 220.00 feet; thence South 30°56'16" East, a distance of 155.00 feet; thence South 59°03'44" West, a distance of

459.89 feet; thence leaving said right of way line, North 02°01'48" East, a distance of 1676.21 feet to the West ¼ corner, Section 31, Township 20 North, Range 22 East, MDBM; thence North 0°22'28" West, a distance of 2649.50 feet to the true point of beginning.

EXCEPTING THEREFROM that property conveyed by Deed recorded on February 19, 1971, Series No. 197917.

ALSO EXCEPTING THEREFROM commencing at the section corner common to Sections 29, 30, 31 and 32, Township 20 North, Range 22 East, MDBM; thence South 38°51'17" West, a distance of 1534.34 feet to the point of beginning; thence South 60°59'17" West, a distance of 418.85 feet; thence South 29°00'43" East, a distance of 208.00 feet; thence North 60°59'17" East, a distance 418.85 feet; thence North 29°00'43" West, a distance of 208.00 feet to the point of beginning.

ALSO EXCEPTING THEREFROM any portion lying within Interstate 80.

APN 084-191-01

Commencing at the Section corner to Sections 29, 30, 31 and 32 Township 20 North, Range 22 East, MDB&M; thence South 41°28'07" West, a distance of 209.1730.14 feet to the true point of beginning.

Thence South 60°59'17" West, a distance of 209.42 feet; thence South 29°00'43" East, a distance of 208.00 feet; thence North 60°59'17" East, a distance of 209.42 feet; thence North 29°00'43" West, a distance of 208.00 feet to the point of beginning.

Said land is also shown as Parcel A on Parcel Map 129 for Forrest J. hess, Jr., recorded January 28, 1975 as File No. 353692 of Official Records.

APN 084-211-01

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

That portion of North ½ of the Southeast ¼ and the Southwest ¼ of the Southeast ¼ of Section 29, Township 20 North, Range 22 East, MDB&M, lying North and West of the proposed left or northwesterly 150 foot highway right of way line of U.S. 40.

EXCEPTING THEREFROM that portion thereof conveyed to the State of Nevada described in Deed dated May 14, 1956, recorded May 18, 1956 in Book 411, Page 515, File No. 260132, Deed Records.



Community Development

"Dedicated to Excellence in Public Service"



August 11, 2011

EXHIBIT B

Amy Harvey, County Clerk Washoe County P.O. Box 11130 Reno, NV 89520

Subject: Notice of Final Action by the Washoe County Board of County Commissioners on August 9, 2011, to conduct a Public Hearing to consider Special Use Permit Case No. SW11-001 for Sparks Energy Park – To construct a 360 megawatt combined cycle natural gas power plant, substation, transmission line and associated grading to support the construction of a technology park. The project constitutes a project of regional significance per Nevada Revised Statutes (NRS) 278.026(5)(d)(5) and NRS 278.026(6)(a) through (e). Additionally, this project falls under the Hazardous Materials provision of Washoe County Development Code (110.810.42).

Location: East Truckee Canyon directly north of I-80 north of

the Tracy Power Plant

Assessor's Parcel Nos.: 084-030-20; 084-110-08; 084-110-05; 084-110-20;

084-211-01; 084-191-01; 084-191-03; 084-191-06;

084-191-05

• Parcel Size: ±2,226 acres

Washoe County
 Industrial, Tourist Commercial, General Rural &

Open

Regulatory Zone(s): Space

Area Plan: Truckee Canyon
 Citizen Advisory Board: East Truckee Canyon

Development Code: Authorized in Article 810, Special Use Permits

Commission District: 4 – Commissioner Larkin

Section/Township/Range: Within Sections 29, 30, 31 & 32 T20N R22E MDM

Washoe County, NV

Dear Ms. Harvey:

Pursuant to NRS 278.0235, please be advised of final action by the Washoe County Board of County Commissioners in the above referenced case. The Board's final action was to approve the Special Use Permit, including conditions. In its motion the Board included the following findings:

- 1. <u>Consistency.</u> That the proposed use is consistent with the action programs, policies, standards and maps of the Master Plan and the Truckee Canyon Area Plan;
- 2. <u>Improvements.</u> That adequate utilities, roadway improvements, sanitation, water supply, drainage, and other necessary facilities have been provided, the proposed improvements are properly related to

To:

Amy Harvey, County Clerk

Trevor Lloyd, Senior Planner

From: Subject:

Special Use Permit Case No. SW11-001 for Sparks Energy Park

Date: Au

August 11, 2011

existing and proposed roadways, and an adequate public facilities determination has been made in accordance with Division Seven;

Page 2

- 3. <u>Site Suitability.</u> That the site is physically suitable for an energy park., and for the intensity of such a development;
- 4. <u>Issuance Not Detrimental.</u> That issuance of the permit will not be significantly detrimental to the public health, safety or welfare; injurious to the property or improvements of adjacent properties; or detrimental to the character of the surrounding area; and
- 5. <u>Effect on a Military Installation.</u> Issuance of the permit will not have a detrimental effect on the location, purpose or mission of the military installation.

The Board's action was approved on a vote of four in favor, and none opposed, none abstaining, one absent.

Please provide a copy of this letter to our department indicating when this letter was received by your office.

Sincerely,

Kimberly H/Robinson, MUP Community Planning Services Manager

(SW11-001 Sparks Energy Park Final BCC Action Notice)

cc:

Case file



Conditions of Approval

Special Use Permit Case No's SW11-001, SW11-002 & SW11-003

The project approved under Special Use Permit Case No's: SW11-001, SW11-002 & SW11-003 shall be carried out in accordance with the Conditions of Approval granted by the Planning Commission on July 5, 2011 with the amendment of condition 3(a) by the Board of County Commission on June 9, 2011. Conditions of Approval are requirements placed on a permit or development by each reviewing agency. These Conditions of Approval may require submittal of documents, applications, fees, inspections, amendments to plans, and more. These conditions do not relieve the applicant of the obligation to obtain any other approvals and licenses from relevant authorities required under any other act.

<u>Unless otherwise specified</u>, all conditions related to the approval of this Special Use Permit shall be met or financial assurance must be provided to satisfy the conditions of approval prior to issuance of a grading or building permit. The agency responsible for determining compliance with a specific condition shall determine whether the condition must be fully completed or whether the applicant shall be offered the option of providing financial assurance. All agreements, easements, or other documentation required by these conditions shall have a copy filed with the County Engineer and the Department of Community Development.

Compliance with the conditions of approval related to this Special Use Permit is the responsibility of the applicant, his/her successor in interest, and all owners, assignees, and occupants of the property and their successors in interest. Failure to comply with any of the conditions imposed in the approval of the Special Use Permit may result in the initiation of revocation procedures.

Operational Conditions are subject to review by the Department of Community Development prior to the renewal of a business license each year. Failure to adhere to the Operational Conditions may result in the Department of Community Development recommending that the business license not be renewed until conditions are complied with to the satisfaction of Washoe County.

Washoe County reserves the right to review and revise the conditions of approval related to this Special Use Permit should it be determined that a subsequent license or permit issued by Washoe County violates the intent of this approval.

For the purpose of conditions imposed by Washoe County, "may" is permissive and "shall" or "must" is mandatory.

Conditions of Approval are usually complied with at different stages of the proposed project. Those stages are typically:

- Prior to permit issuance (i.e., grading permits, building permits, etc.).
- Prior to obtaining a final inspection and/or a certificate of occupancy.
- Prior to the issuance of a business license or other permits/licenses.
- Some "Conditions of Approval" are referred to as "Operational Conditions". These
 conditions must be continually complied with for the life of the project or business.

The Washoe County Commission oversees many of the reviewing agencies/departments with the exception of the following agencies.

- The DISTRICT BOARD OF HEALTH, through the Washoe County Health District, has jurisdiction over all public health matters in the Health District. Any conditions set by the District Health Department must be appealed to the District Board of Health.
- The RENO-TAHOE AIRPORT AUTHORITY is directed and governed by its own Board. Therefore, any conditions set by the Reno-Tahoe Airport Authority must be appealed to their Board of Trustees.
- The REGIONAL TRANSPORTATION COMMISSION (RTC) is directed and governed by its own board. Therefore, any conditions set by the Regional Transportation Commission must be appealed to that Board.

FOLLOWING ARE CONDITIONS OF APPROVAL REQUIRED BY THE REVIEWING AGENCIES. EACH CONDITION MUST BE MET TO THE SATISFACTION OF THE ISSUING AGENCY.

Washoe County Community Development

1. The following conditions are requirements of the Department of Community Development, which shall be responsible for determining compliance with these conditions.

Contact Name - Trevor Lloyd, 775.328.3620

- a. The applicant shall demonstrate substantial conformance to the plans approved as part of this special use permit. The Department of Community Development shall determine compliance with this condition.
- b. The applicant shall obtain the necessary building permits to commence construction within three years from the date of approval by Washoe County. The applicant shall complete construction within the time specified by the building permits. The applicant shall have ten years from the date of approval by Washoe County to complete construction of all buildings associated with this project. Compliance with this condition shall be determined by the Department of Community Development.
- c. The applicant shall attach a copy of the action order approving this project to all administrative permit applications (including building permits) applied for as part of this special use permit.
- d. A note shall be placed on all construction drawings and grading plans stating:

NOTE

Should any prehistoric or historic remains/artifacts be discovered during site development, work shall temporarily be halted at the specific site and the State Historic Preservation Office of the Department of Museums, Library and Arts shall be notified to record

and photograph the site. The period of temporary delay shall be limited to a maximum of two (2) working days from the date of notification.

- e. A certification letter or series of letters by a registered landscape architect or other persons permitted to prepare landscaping and irrigation plans pursuant to N.R.S. 623A shall be submitted to and approved by the Department of Community Development. The letter(s) shall certify that all applicable landscaping provisions of Articles [410 and 412] of the Development Code have been met. Any landscaping plans and the letter shall be wet-stamped. The letter shall indicate any provisions of the code that the Director of Community Development has waived.
- f. All landscaping shall be maintained in accordance with the provisions found in Section 110.412.75, Maintenance. A three-year maintenance plan shall be submitted by a licensed landscape architect registered in the State of Nevada to the Department of Community Development, prior to a Certificate of Occupancy. The plan shall be wet-stamped.
- g. The following Operational Conditions shall be required for the life of the project/business:
 - 1. This special use permit shall remain in effect until or unless it is revoked or is inactive for three years.
 - 2. Failure to comply with the conditions of approval shall render this approval null and void. Compliance with this condition shall be determined by the Department of Community Development.
 - 3. The applicant and any successors shall direct any potential purchaser/operator of the site and/or the special use permit to meet with the Department of Community Development to review conditions of approval prior to the final sale of the site and/or the special use permit. Any subsequent purchaser/operator of the site and/or the special use permit shall notify the Department of Community Development of the name, address, telephone number, and contact person of the new purchaser/operator within 30 days of the final sale.
 - 4. This special use permit shall remain in effect as long as the business is in operation and maintains a valid business license.
- h. The applicant shall obtain a development agreement through Washoe County for the development of the project prior to issuance of any building or grading permits.
- k. The applicant shall provide terraced retaining walls behind the water tanks to reduce the amount of disturbance on the hillside.
- I. The applicant shall ensure that no structures associated with the technology park are located within the Tourist Commercial regulatory zone.
- m. The cut slopes behind the buildings within the technology park shall not be taller than the height of the buildings.

- n. The applicant shall provide the Department of Community Development with a slope analysis map. To the extent possible, grading shall be restricted within slopes that exceed 30 percent.
- o. Due to the high security demands of the proposed use the applicant shall erect a security fence not to exceed 10 feet in height.
- p. The applicants shall provide a list of all hazardous materials with the State Fire Marshal's office and obtain the necessary hazardous materials permit if required prior to issuance any building permits for the proposed energy facility.
- q. The applicant shall comply with all requirements from the Nevada Division of Industrial Relations prior to the issuance of a building permit for the proposed energy facility.

Washoe County Department of Public Works

2. The following conditions are requirements of the Engineering Division, which shall be responsible for determining compliance with these conditions.

Contact Name - Leo Vesely, 775.328.8032

- a. A complete set of construction improvement drawings, including site plans, grading plans, roadway plan & profiles shall be submitted when applying for a building/grading permit. Grading shall comply with best management practices (BMP's) and shall include detailed plans for grading, site drainage, erosion control (including BMP locations and installation details), slope stabilization, cut and fill slopes, retaining walls, and mosquito abatement. Placement or removal of any excavated materials shall be indicated on the grading plan. Silts shall be controlled on-site and not allowed onto adjacent property.
- b. For construction areas larger than 1 acre, the owner/developer shall obtain from the Nevada Division of Environmental Protection a Stormwater Discharge Permit for construction and submit a copy to the Engineering Division prior to issuance of a grading permit.
- c. The owner/developer shall complete and submit the Construction Permit Submittal Checklist, the Performance Standards Compliance Checklist and pay the Construction Stormwater Inspection Fee prior to obtaining a grading permit. The County Engineer shall determine compliance with this condition.
- d. Applicant shall indicate on the plans where exported materials will be taken and a grading permit shall be obtained for the import site.
- e. Exported materials shall not be sold without the proper business license.
- f. A grading bond of \$1,500/acre of disturbed area shall be provided to the Engineering Division prior to any grading.
- g. All disturbed areas left undeveloped for more than 30 days shall be treated with a dust palliative. Disturbed areas left undeveloped for more than 45 days shall be revegetated. Methods and seed mix must be approved by the County Engineer with technical assistance from the Washoe-Storey Conservation

District. The applicant shall submit a revegetation plan to the Washoe-Storey Conservation District for review.

- h. Provide documentation of access and easements for all access roads and sites to the satisfaction of the County Engineer.
- i. A hydrology/hydraulic report prepared by a registered engineer shall be submitted to the Engineering Division for review and approval. The report shall include the locations, points of entry and discharge, flow rates and flood limits of all 5- and 100-year storm flows impacting both the site and offsite areas and the methods for handling those flows. The report shall include all storm drain calculations and a discussion of and mitigation measures for any impacts on existing offsite drainage facilities and properties.
- j. Any increase in storm water runoff resulting from the site grading and based upon the 5 and 100-year storms shall be detained and/or mitigated on site to the satisfaction of the County Engineer.
- k. A note shall be placed on the improvement plans stating that at no time shall natural drainage be impeded.
- I. Standard reinforced concrete headwalls or other approved alternatives shall be placed on the inlet and outlet of all drainage structures and rip rap shall be used to prevent erosion at the inlets and outlets of all pipe culverts to the satisfaction of the County Engineer.
- m. The developer shall provide pretreatment for petrochemicals and silt for all storm drainage from the site to the satisfaction of the County Engineer.
- n. The applicant shall obtain a street excavation permit from the Washoe County Engineering Division for any work within the County right-of-way.
- o. An approved occupancy permit shall be obtained from the Nevada Department of Transportation (NDOT) for access to, from, or under roads maintained by NDOT and a copy of said permit shall be sent to the Engineering Division prior to issuance of a grading permit.
- p. During construction, access easements shall remain open to allow for local and emergency traffic access.
- q. Any easement documents recorded for the project shall include an exhibit map that shows the location and limits of the easement in relationship to the project. The County Engineer shall determine compliance with this condition.
- r. Prior to ground-disturbing activity, a proposed Construction Traffic Haul Route Plan shall be submitted to the Engineering Division for review and approval. Any existing or proposed roads that will be used as construction haul routes and are not designated truck routes must be evaluated by a geotechnical study to determine the existing structural section and its load capacity. If the structural section is inadequate to support the proposed construction loadings and trip volumes, the roadways shall be redesigned and upgraded as needed to serve the project.

- s. A detailed traffic report shall be prepared by a registered engineer and shall address driveway locations and turning movements, delivery truck patterns and movements, and provide recommendations on acceleration/deceleration lanes, storage lanes, and access control. The County Engineer shall be responsible for determining compliance with this condition and the traffic improvements that are required.
- t. All slopes steeper than 3:1 shall be mechanically stabilized to control erosion. As an alternative to riprap, an engineered solution (geofabric, etc.) may be acceptable. The County Engineer shall determine compliance with this condition.
- u. Verification that all legal accesses have been perpetuated shall be provided prior to issuance of a grading/building permit. The County Engineer shall determine compliance with this condition.
- v. All roadway improvements necessary to serve the project shall be designed and constructed to County requirements. Financial assurances, in an appropriate form and amount, may be required. The County Engineer shall determine compliance with this condition.
- Driveway locations shall conform to the Washoe County Code Article 436 for commercial driveways.
- All regulatory traffic signs shall meet County standards and the Manual on Uniform Traffic Control Devices.
- y. Any existing easements or utilities that conflict with the project shall be relocated, quitclaimed, and/or abandoned, as appropriate. The County Engineer shall determine compliance with this condition.
- z. Applicant shall indicate on the plans where excess cut and trench overage materials will be placed.
- aa. Appropriate drainage facilities for tank overflow and drainage shall be extended to a natural or improved drainage system. The County Engineer shall determine compliance with this condition.
- bb. The applicant shall provide a tank overflow and drainage easement from the tank overflow/drain outlet to a natural or improved drainage system. A copy of the easement shall be submitted to the Engineering Division.
- cc. The minimum pavement requirements for on-site paving shall be three inches (3") asphalt over six inches (6") granular base.

Washoe County Department of Water Resources (DWR)

3. The following conditions are requirements of the Department of Water Resources, which shall be responsible for determining compliance with these conditions.

Contact Name - John Cella, 775.954.4600

a. The Applicant shall dedicate necessary water rights pursuant to the development agreement required by condition 1(h) prior to issuance of any building permits.

The dedication of water rights shall be in accordance with Article 422 and the Truckee Canyon Area Plan and the development agreement. Water rights must be in good standing with the State of Nevada Division of Water Resources and the point of diversion, place and manner of use must be acceptable to the DWR.

- b. Fees for improvement plan checking and construction inspection shall be in accordance with Washoe County Ordinance and paid prior to the approval of a final map.
- c. Improvement plans shall be in compliance with Washoe County Design Standards and NAC 445A. A Professional Engineer licensed to practice in the State of Nevada must design the improvement drawings.
- d. The Developer shall construct and/or provide the financial assurance for the construction of the water distribution system prior to release of building permit(s). The financial assurance must be in a form and amount acceptable to the DWR.
- e. DWR approved improvement plans shall be used for the construction of the water distribution system. The DWR will be responsible to inspect the construction of the water distribution system, or appurtenant facilities.
- f. The water distribution system must be offered for dedication to Washoe County along with the recordation of each final map.
- g. Easements and real property for all water distribution and appurtenances shall be offered for dedication to Washoe County prior to release of Certificate of Occupancy.
- h. In accordance with the applicable ordinances, all fees shall be paid prior to release of building permit(s).
- i. No Certificates of Occupancy will be issued until necessary potable water facilities necessary to serve the development, have been completed and accepted for operation and maintenance by the DWR.
- j. If infrastructure such as wells, pump structures, controls, telemetry and appurtenances, storage tanks, transmission lines, are necessary to accommodate the project, the Developer will be responsible to fund the design and construction. However, the actual design will be the responsibility of the DWR. The DWR may either provide such design in-house, or select and outside consultant. When an outside consultant is to be selected, the DWR and the Developer shall jointly select that consultant.
- k. Any well on the property not in use for production or monitoring purposes, shall be properly abandoned in accordance with state regulations governing Water Wells and Related Drilling.
- I. The developers' engineer shall submit a plan or letter from the appropriate fire agency identifying the approved fire hydrant locations and indicating the fire flow and duration required for each phase of development. This information must accompany the water system improvements plans when submitted for initial review.

m. No structures (including walls, fences, buildings, etc.) shall be allowed within or upon any County maintained utility easement.

Washoe County District Health Department

4. The following conditions are requirements of the District Health Department, which shall be responsible for determining compliance with these conditions. The District Board of Health has jurisdiction over all public health matters in the Health District. Any conditions set by the District Health Department must be appealed to the District Board of Health.

Contact Name - Bryan Tyre, 775.328.2434

- a. All land disturbing activities during construction phases, such as, but not limited to, grading, excavation, cut and fill, etc., must be done with effective dust control measures consistent with Washoe County district Board of Health Regulations Governing Air Quality Management, Section 040.030. Disturbances greater than 1 acre in size must obtain an approved dust control plan prior to beginning work.
- b. Once the working population has exceeded 25 people, the potable water system will become a public water system. All public water systems are subject to regulation by the Nevada Bureau of Safe Drinking Water and by contract, the Washoe County Health District.
- c. All components of the water system must comply with the State of Nevada Public Water System construction regulations and will require a water project submittal prior to building permit approval. Additionally, prior to serving water to employees, the applicant must show that the water meets all the quality standards of the Federal Safe Drinking Water Act.

Washoe County District Health Department - Vector Borne Diseases

5. The following conditions are requirements of the District Health Department Vector Borne Diseases, which shall be responsible for determining compliance with these conditions. The District Board of Health has jurisdiction over all public health matters in the Health District.

Contact Name - Jim Shaffer, 775.328.2434

- a. The proposed evaporation pond design will require the placement of rock two feet above and two feet below the mean water line. Additionally the pond will require a fountain aerator to eliminate habitat for midge (often described as gnats) and mosquitoes to eliminate the colonization of these insects.
- b. Included in the design of the proposed detention basin District Health will require a low flow channel between the inlet and outlet pipe. Additionally to reduce the impacts of storm water runoff and down stream impacts we will require an infiltration trench below the low flow channel that is 2 feet wide and 3 feet deep the length of the basin.
- c. All cut and fill slopes that may necessitate armoring for slope stabilization will require a mixed aggregate ¾ inch to 1 ½ inch D size placed to a depth of 4 inches to eliminate void formation for rodent habitat.

- d. In the design of the proposed rockery walls, the voids in these walls shall be filled by placing smaller rock within 6 inches of the face for the entire height of the wall.
- e. All proposed catch basins will require a water quality insert placed below the grate to improve water quality and eliminate access by mosquitoes from colonizing the ponded water in the sump (040.013)
- f. The following maintenance language shall be noted on the plans. "All vegetation, debris and blockages in the bottom of the basin, flow line of the drainage improvements and the perimeter of the pond shall be removed on an annual basis. The maintenance plan will mitigate insect development by eliminating habitat for insect colonization.
- g. Prior to approval of any grading permit and or building plans the above detail designs shall be noted on the plans.

Reno-Tahoe Airport Authority

6. The following conditions are requirements of the Reno-Tahoe Airport Authority, which shall be responsible for determining compliance with these conditions. The Reno-Tahoe Airport Authority is directed and governed by its own board. Therefore, any conditions set by the Reno-Tahoe Airport Authority must be appealed to their Board of Trustees.

Contact Name - Dean Schultz, 775.328.6400

a. The applicant(s) and/or property owner(s) shall submit one executed form set of FAA Form 7460-1, Notice of Proposed Construction or Alteration, to the Chief, Air Traffic Division, FAA Western-Pacific Regional Office, for the proposed project. Any changes or special requirements requested by the FAA, in its review, shall be incorporated into the building plans.

Truckee Meadows Fire Protection District

7. The following conditions are requirements of the Truckee Meadows Fire Protection District, which shall be responsible for determining compliance with these conditions.

Contact Name - Kurt Latipow, 775.328.6400

- a. The applicant shall submit to the Reno Fire Department and the Washoe County Fire Services Coordinator for their consideration of approval, a construction fire safety plan that is consistent with the applicable sections of Chapter 14 of the 2003 International Fire Code and and based on the fact that this project is located in an area rated as a high fire risk, the applicant follow the provisions of Section A 104 of the 2009 International Wildland-Urban Interface Code to properly address and mitigate potential wildland fire hazards.
- b. Following approval and prior to commencement of grading, the contractor shall confirm that all workers including subcontractors have been trained on the requirements and provisions of the plan and a copy of the approved plan shall be kept on site for the duration of the project.
- c. The area where this project is located is rated High Fire Risk rating. As such, any future development must comply with the most recent version of the

International Fire Code as adopted by the local fire authority having jurisdiction. In addition, due to the risk rating any future development shall take into consideration the applicable sections of the International Wildland Urban Interface Code. Conformance with this requirement will be verified by the Washoe County Building Department and the local fire authority having jurisdiction in consultation with the County Fire Services Coordinator.

- d. Due to the rural nature of the area, response times related to establishing an effective fire force on scene will exceed 20 minutes. Therefore, all buildings within the development shall be equipped with an approved automatic fire suppression system meeting the provisions of NFPA 13 and the hazard classification as determined by the Fire Authority having jurisdiction.
- e. Due to the remote nature of the project, site security personal shall to trained and certified to an appropriate level in order to provide initial emergency medical care to include but not be limited to first aid, CPR and the application and use of Automatic External Deliberators.
- f. The applicant shall install fire hydrants with fire flows acceptable to the Truckee Meadows Fire Protection District. For fire flow information and exact locations please contact the Plan Review Services for the Division of Fire Prevention, Reno Fire Department.
- g. Approved fire apparatus access roads shall be provided as outlined in Section 503 IFC. Permanent all-weather fire apparatus access roads shall be paved surfaces, following Washoe County Standards, not less than 20 feet in width and an unobstructed vertical clearance of not less than 13'-6".
- h. Turns in the fire access roadways shall provide a minimum 40-foot centerline-turning radius. Cul-de-sacs or turnarounds shall be a minimum of 100 feet in diameter, curb to curb, which will permit parallel parking along the cul-de-sac. The maximum dead end length for a cul-de-sac shall be 1500 feet unless there is a secondary emergency access road.
- i. When gates are proposed or introduced by the applicant on any access roadway, the design of all emergency access gates shall be with the approval of the fire department. On roadways that are designed as the primary means of access, a rapid entry system of opening the gates shall be established, which operates by radio operated controls (i.e., Click2Enter or other approved equal equipment). The design and layout of all emergency access gate systems shall be with the approval of the fire department.

Nevada Department of Wildlife

8. The following conditions are requirements of the Nevada Department of Wildlife, which shall be responsible for determining compliance with these conditions.

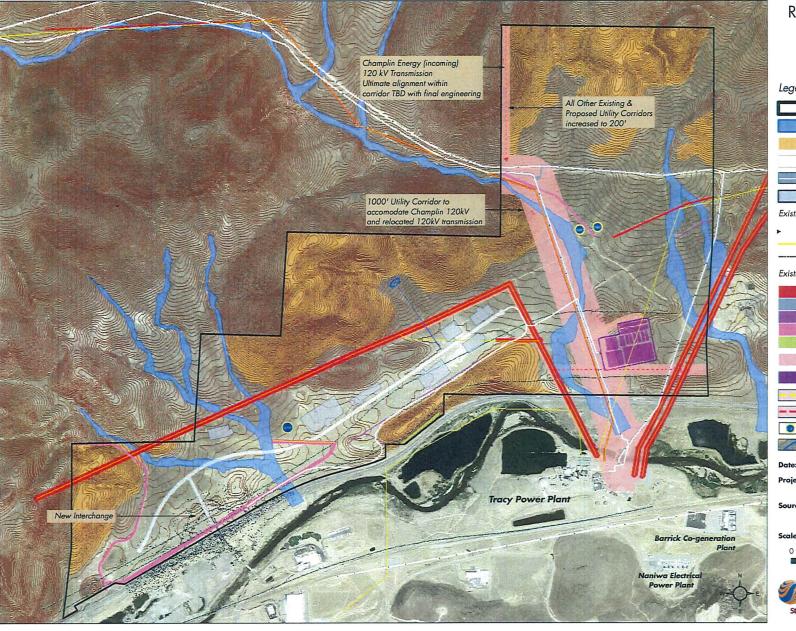
Contact Name - Mark Freese, 775.688.1500

a. To the extent possible, the applicant shall minimize construction activities during the migratory bird nesting season (March 15 – July 31). Minimizing construction activities during this time will reduce the potential for taking of a migratory bird

species. If ground disturbing activities must occur during this time frame within intact habitat that has been clearly identified, appropriate migratory bird surveys shall be conducted by a qualified biologist. If a migratory bird nest is discovered, the applicant shall contact the United States Fish and Wildlife Service (USFWS) for direction.

b. The applicant shall provide the Nevada Department of Wildlife with sampled water results from discharged waters within the evaporation pond(s) to determine if water toxicity presents a hazard to wildlife. If the evaporation pond or any other water storage impoundments are toxic and present a hazardous risk to wildlife, the applicant shall obtain an Industrial Artificial Pond Permit (IAPP) at that time. An IAPP permits the proponent to operate an industrial artificial pond that may cause death to wildlife. This permit provides the proponent with NDOW expertise in designing, operating and maintaining a facility to mitigate impacts to wildlife (fencing, netting, bird balls, etc). The permit requires that the proponent: 1) comply with the mitigation design, 2) keep a log and report all wildlife mortalities and injuries, 3) notify NDOW of any changes to the facility or ownership, and 4) allow NDOW access to the facility for site inspections (i.e. permit compliance). The objective of the IAPP program is to reduce the potential risk of wildlife mortalities associated with operating an industrial artificial pond.

*** End of Conditions ***



Reno Technology Park & Sparks Energy Park Site Plan Map



Project Boundary - 2,226 acres

Conceptual Masterplan Floodplains

Open Space (Slopes over 30%)

90' (ROW) Primary Arterial

Fire and Tank Access Roadways

Potential Data Center Building Locations

Existing Utilities

Gas Pipelines

Electric Transmission --- Telecommunications

Existing Easements

NV Energy Gas

Telephone

Private Roadway

NDOT Right Of Way

Proposed Utility Corridor Modifications

360MW Power Plant Site

Relocated Transmission Line

Proposed New Transmission Line

Existing Wells/Future Pump Station Locations

Water Storage Location

Revised May 31, 2011

Projection: State Plane Nevada West Zone, NAD 83

US Survey Foot

Washoe County Department of Community Development; 3/11 digital data release; Source:

Stantec Consulting Services, Inc.

1 inch = 1,500 feet Scale:

750 1,500 2,250 3,000 3,750

Exhibit B



Stantec Consulting 6980 Sierra Center Parkway Suite 100 Reno. NV 89511



RENO NEWSPAPERS IN CASHOE COUNTY Publishers of

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WASHOE CO PO BOX 11130 RENO NV 89520-0027 Customer Acct# 349008 PO# ORD 1476 Ad# 1000769571 Legal Ad Cost \$186.50

STATE OF NEVADA COUNTY OF WASHOE

Being first duly sworn, deposes and says: That as the legal clerk of the Reno Gazette-Journal, a daily newspaper of general circulation published in Reno, Washoe County, State of Nevada, that the notice referenced below has published in each regular and entire issue of said newspaper between the dates: 12/17/2011 - 12/23/2011, for exact publication dates please see last line of Proof of Publication below.

Subscribed and sworn to before me

signed:

DEC 2 3 2011

TANA CICCOTTI

Notary Public - State of Nevada
Appointment Recorded in Washoe County
No: 02-75259-2 - Expires May 16, 2014

Proof of Publication

NOTICE OF ADOPTION WASHOE COUNTY ORDINANCE NO.1476 BILL NO. 1656 An Ordinance pursuant to Nevada Revised Statutes 278.0201 through 278.0207 approving a Development Agreement for Case No DA11-001 for Reno Technology Park and Sparks Energy Park, Special Use Permit Case Numbers SW11-001, SW11-002, and SW11-003. (Bill No. 1656) NOTICE IS HEREBY GIVEN that typewritten copies of the above-numbered and entitled ordinance are available for inspection by the interested parties at the office of the County Clerk of Washoe County, Nevada, at her office in the Washoe County Courthouse, 75 Court Street, Reno, Washoe County, Nevada; and that the ordinance was proposed on October 25, 2011 and was passed and adopted without amendment at a regular meeting held on December 13, 2011 by the following vote of the Board of County Commissioners: Those Voting Aye: John Breternitz David Humke Kitty Jung Bonnie Weber Robert Larkin Those Voting Nay: None Those Absent: None This ordinance shall be in full force and effect from and after the date of the second publication of such ordinance by its title only on December 23, 2011. IN WITNESS WHEREOF, the Board of County Commissioners of Washoe County, Nevada, has caused this ordinance to be published by title only. DATED: December 14, 2011. AMY HARVEY,

Ad Number: 1000769571

1476

Page 1 of 2

Washoe County Clerk and Clerk of the Board of County Commissioners No. 769571 Dec. 17, 23, 2011

Ad Number: 1000769571