

After Recordation Return To:
SIERRA PACIFIC POWER COMPANY
Right-of-Way Department
P.O. Box 10100
Reno, Nevada 89520

NO TAX DUE

AGREEMENT

THIS AGREEMENT, made and entered into this 5th day of August, 1991, by and between SIERRA PACIFIC POWER COMPANY, a Nevada corporation, hereinafter called "Sierra" and DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT 1, a quasi-public agency, hereinafter called "District".

WITNESSETH:

WHEREAS, Sierra is the owner and holder of certain easement(s) and right(s) of way granted by the U.S. Department of Interior, Bureau of Land Management identified as N-295 upon which it has installed and now operates and maintains electric power transmission line(s) and facilities, in the County of Douglas, State of Nevada, such easement(s) being more particularly described as follows:

EXHIBIT "A"

and:

WHEREAS, District has acquired, or intends to acquire, a grant from U.S. Department of Interior, Bureau of Land Management which will under lie Sierra's existing transmission line for the purpose of constructing, operating or maintaining treated sewage storage reservoirs, evaporation ponds, and related facilities.

NOW, THEREFORE, in consideration of the sum of TEN AND 00/100 DOLLARS (\$10.00), receipt of which is hereby acknowledged, and the mutual covenants and conditions contained herein, the parties agree as follows:

1. Sierra hereby consents to the construction, reconstruction, maintenance and use by District of Sierra's aforementioned easements for the purpose described in the recitals above. District agrees not to occupy, use or permit its facilities to interfere with the safe operation, maintenance or construction of Sierra's power line(s) which have been constructed thereon or which may be constructed in the future. Sierra shall have unlimited access to all of its facilities at all times.
2. This grant and consent is given only to the extent that Sierra has the power to give the same and shall not be construed as a consent of the owner of record of the underlying real property.
3. District, by acceptance of this Agreement (1) assumes all risk of loss or damage to its facilities, in any way caused by or arising out of the presence of its facilities on or adjacent to Sierra's right-of-way; (2) shall indemnify against and save Sierra harmless from any and all actions, suits, costs, damages, expenses (including attorneys fees), loss, liability, and claims arising from injury to or death of any persons, or damage to any property or any loss of revenue arising from the presence of District's facilities upon Sierra's right(s)-of-way, or from the construction, operation, maintenance, or removal thereof, excepting claims for damage to property or injury to persons directly resulting from the sole negligence of Sierra's employees or agents; and (3) agrees that any and all damage or injury to Sierra's property caused by or resulting from the construction, operation, use, maintenance, removal or repair of the facilities of District may be repaired by Sierra, and in such case the actual costs of such repair shall be charged against and paid by District; provided, however, that Sierra, in lieu of its right to repair such property, may elect to require District, at no cost to Sierra, to repair such damage or injury, under the supervision and to the satisfaction of the Sierra.
4. District agrees to pay, at no cost to Sierra, all costs necessary to replace the existing structures with taller structures in order to maintain Sierra's minimum ground clearance requirements. District further agrees to construct, at no cost to Sierra, a road parallel with the existing transmission line. Said road shall be 14 feet wide, capable of supporting equipment weighing 58,000 pounds. District further agrees to construct, at no cost to Sierra, a pad 100 feet square around each power transmission structure effected by District's project. Sierra reserves the right to approve the materials used in the construction of the road and pads.

Sierra, or Sierra's contractor, shall perform the necessary work to replace the existing power transmission structures. District will not be charged any more or less than Sierra's actual costs including overheads.

Final Site design shall be approved by Sierra's Engineering Department in writing.

5. No equipment of any kind shall be used or permitted within such proximity to the conductors of Sierra's power lines as to be in violation of the safe working clearance prescribed by the National Electrical Safety Code.

6. District, or those acting through District, must regard all power lines on Sierra's easement(s) as being energized at all times.

7. District agrees to require its contractor and contractor's employees to attend a safety class to be conducted by Sierra. District further agrees to provide a suitable location for said safety class.

8. In the event of any litigation to enforce the terms or conditions of this Agreement, the prevailing party shall be entitled to recover, in addition to all costs otherwise to be paid hereunder and taxable court costs, its reasonable attorneys fees and costs incurred herein.

9. This Agreement and its terms and conditions shall bind and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

SIERRA PACIFIC POWER COMPANY

James D. Salo

JAMES D. SALO, General Counsel

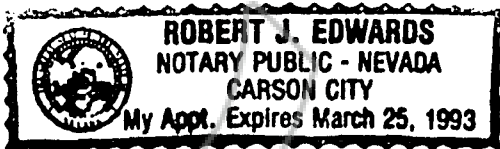
DOUGLAS COUNTY SEWER IMPROVEMENT DISTRICT NO. 1.

By: *James B. Martin*
Title: *Dist. Mgr.*

James B Martin

STATE OF NEVADA)
) ss.
COUNTY OF WASHOE)

On August 5, 1991, personally appeared before me, a Notary Public, JAMES D. SALO, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed the within instrument as GENERAL COUNSEL, of SIERRA PACIFIC POWER COMPANY, a Nevada corporation, on behalf of said corporation therein named and acknowledged to me that the corporation executed it.



Robert J. Edwards

NOTARY PUBLIC

STATE OF Nevada)
) ss.
COUNTY OF Douglas)

On this 1st day of August, 1991, before me, a Notary Public, personally appeared James B. Martin, personally known to me (or proved to me on the basis of satisfactory evidence) to be person who executed the within instrument as General Manager of DOUGLAS COUNTY SEWER DISTRICT NO. 1 on behalf of said Sewer District therein named and acknowledged to me that the Sewer District executed it.



Diane Bennett

NOTARY PUBLIC

260113

EXHIBIT "A"

EASEMENT #1

All of that parcel identified as Parcel "B" of that particular easement between R.F. Dangberg Land and Livestock Co. and Sierra Pacific Power Co. executed 14 October 1963, recorded in Douglas County, Nevada, November 5, 1963 at Book 20, Pages 406-409, Document Number 23788.

EASEMENT #2

Parcel #2 of that particular easement between H.F. Dangberg Land and Livestock Co. and Sierra Pacific Power Co. executed June 2, 1977, recorded in Douglas County, Nevada, June 13, 1977 at Book 677, Pages 678-680, Document Number 10021.

BE:GC:1

REQUESTED BY
Sierra Pacific Power
IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA

91 SEP 13 A9:58

SUZANNE BEAUDREAU
RECORDER

260113

PAID *KQ* DEPUTY

BOOK 991 PAGE 1771