De Facilities OF Michael Brown

October 20, 1999

Thomas E. Stephens, P.E. Director State of Nevada Department of Transportation 1263 South Steward Street Carson City, Nevada 89712

RE: Installation of a storage structure for the Kingsbury Maintenance Station Douglas County, Nevada Facility No. 12223000

Dear Director Stephens:

This letter confirms the understanding reached during an October 11, 1999 telephone conversation between your Project Coordinator, Mark C. Davis, and me concerning the demolition work and improvements that will be performed by the Nevada Department of Transportation ("NDOT") at the Kingsbury Maintenance Station, State Route 207 at Logging Road, Douglas county, Nevada.

The understanding concerning this work is:

NDOT will demolish and remove the debris of the old pole structure four bay vehicle storage building and the salt storage building. the fall of 1999, the extent of demolition will be the removal of the structure above the concrete slab and stemwalls. Initial demolition and debris removal will be done in this manner so as to not disturb the ground condition. This is consistent with requirements of the Tahoe Regional Planning Agency ("TRPA"). In the spring of 2000, NDOT will remove the concrete slab, stemwalls and any other foundations of the old pole structure four bay vehicle storage building and the storage building. NDOT will restore the grade as close to a natural state as is possible without disturbing the landfill "cap." This removal and grading will be performed by NDOT within the time frames prescribed by TRPA.

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Thomas E. Stephens, P.E. Director
State of Nevada Department of Transportation October 20, 1999
Page 2

- 2. The removal and upgrade of the electrical service and entrance work consists of extending the service to the NDOT temporary structure and renovating the drop to the existing above ground fuel tank facility.
- 3. Removal and relocation of the existing L.P.G. tank from the south side of the shop building to the new temporary storage structure.

In performing the work set out in numbered paragraphs 1, 2 and 3 above, NDOT agrees to perform the work at NDOT expense and to hold Douglas County harmless for all claims based on NDOT's performance of the work described in this letter whether the work is performed by NDOT and its employees or whether the work is performed by independent contractors retained by NDOT.

The signature of the Douglas County Facility Operations Officer on this letter of understanding indicates that the understanding contained in this letter constitutes a valid order respecting county property made in accord with NRS 244.265 et seq. and is consistent with the agreement entered into by State of Nevada Department of Transportation and Douglas County dated May 18, 1989 respecting the Maintenance Station located at Logging Road and State Route 207.

The signature of the Director of the State of Nevada Department of Transportation on this letter signifies that NDOT concurs with and agrees to the terms and conditions set out in this letter.

STATE OF NEVADA

DEPARTMENT OF TRANSPORTATION

By: //// /n/TUUV / P.E.
Thomas/E. Stephens. P.E.

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DOUGLAS COUNTY

T. Michael Brown

Facility Operations Officer

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