



WASHOE COUNTY

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PARK COMMISSION STAFF REPORT

MEETING DATE: MARCH 2, 2021

DATE: February 21, 2021

TO: Open Space and Regional Parks Commission

FROM: Sophia Kirschenman, Park Planner, Planning & Building Division, Community Services Department, 328-3623, skirschenman@washoecounty.us

THROUGH: Eric Crump, Operations Division Director, Community Services Department, 328-2182, ecrump@washoecounty.us

SUBJECT: Discussion and possible recommendation to the Board of County Commissioners to hold a public hearing pursuant to NRS 533.550 to approve the Agreement for Purchase and Sale of Truckee River Water Rights Claim DTR-50/50A between Washoe County and Great Basin Land and Water on behalf of the Pyramid Lake Paiute Tribe for the sale of 28.55 acre feet of water rights [at the appraised value of \$197,000], having made all four findings in accordance with the NRS; and, if approved, authorize the chair to execute the associated water rights deed prior to the closing of escrow. (Commission District 5.)

SUMMARY

Washoe County, through its Community Services Department, was approached by Great Basin Land and Water (GBLW), a non-profit conservation organization, about the potential sale of water rights to benefit instream flows for the Truckee River. Washoe County staff have identified 28.55 acre feet of excess water rights. The water rights are a portion of the 60.83 acre feet per annum of water rights owned by Washoe County and appurtenant to 15.19 acres of land currently identified as Assessor's Parcel Number 038-530-42.

The Board of County Commissioners (Board) must hold a public hearing, consider any public comment and make the required findings pursuant to NRS 533.550 before approving the purchase and sale agreement. If approved, GBLW would purchase these water rights utilizing National Fish and Wildlife Foundation grant funding at the appraised value of \$197,000. The water rights would be deeded to the Pyramid Lake Paiute Tribe to benefit wildlife, plant, and habitat resources, including instream flows for the endangered cui-ui and Lahontan cutthroat trout, as well as other fish. The funding could then be utilized to support other park and natural resource projects in this park district.

County Strategic Objective supported by this item: Safe, Secure and Healthy Communities

AGENDA ITEM # _____

PREVIOUS ACTION

May 26, 2020 – The Board of County Commissions (BCC) approved the Recorded Amendment to Nonrevocable Agreement to Restrict Property between Washoe County and the State of Nevada and the side agreement titled Nonrevocable Agreement to Restrict Property between Washoe County and the State of Nevada. These agreements will be executed upon completion of the River Bend boundary line adjustment.

June 4, 2019 – The Open Space and Regional Parks Commission recommended that Community Services Department staff negotiate an agreement to exchange Washoe County land (a portion of APN 038-100-34) for adjacent land owned by the River Bend Mobile Home Park and Storage, LLC (portions of APNs 038-11-02, 038-112-03, 038-112-04, and 038-112-12) for presentation and possible approval by the Washoe County Board of County Commissioners.

November 8, 2011 – The BCC approved the purchase of the Riverbend property (then identified as APN 038-100-01, but currently known as APN 038-100-34) along the Truckee River near Verdi and the associated water rights to maintain as open space and utilize for passive recreation for approximately \$845,000; and authorized the chairman to execute all associated agreements, including a Nonrevocable Agreement to Restrict Property between Washoe County and the State of Nevada.

August 11, 2009 – The BCC executed a resolution authorizing the sale of 111.1 acres (a portion of the Canepa Ranch property) to the United States of America (through their Department of Agriculture, Forest Service) in the amount of \$1,530,000. All water rights appurtenant to those lands were retained.

July 22, 2008 – The BCC conducted a public hearing for comments on the proposed sale of 111.1 acres (a portion of the Canepa Ranch property) to the United States of America (through their Department of Agriculture, Forest Service) in the amount of \$1,530,000.

July 8, 2008 – The BCC executed a resolution declaring the County’s intent to sell 111.1 acres (a portion of the Canepa Ranch property) to the United States of America (through their Department of Agriculture, Forest Service) in the amount of \$1,530,000.

October 22, 2002 – The BCC executed two purchase and sale agreements with Canepa Trust et al. and Canepa Realty Ltd. et al., acquiring 120.83 acres of real property (known as the Canepa Ranch near Mogul) and 167.68 acre feet of water rights appurtenant to that land for the amount of \$2,191,880.

January 15, 2002 – The BCC directed Regional Parks and Open Space staff to move forward with the purchase of real property and water rights associated with Canepa Ranch near Mogul, NV.

BACKGROUND

Washoe County, through its Community Services Department, is currently finalizing a boundary line adjustment (BLA) between Washoe County land (roughly 12.95 acres identified as APN 038-100-34), known as the “Riverbend” property, and adjacent land (roughly 11.65 acres identified as APNs 038-112-02, 038-112-03, 038-112-04, and 038-112-12) owned by Riverbend Mobile Home Park and Storage, LLC. These parcels are located along the Truckee River in Verdi, NV. This

concept was supported by the Washoe County Park Commission in June of 2019 and would allow for Washoe County to construct a trailhead and trail, and protect an important riparian corridor.

The Riverbend property was acquired in 2011 utilizing funding from the State Question One-Truckee River bond (SQ-1) and Washoe County Regional Parks, Trails and Open Space bond (WC-1) with the purpose of preserving open space and utilizing the area for passive recreation, including hiking, fishing, river access, and future trail connectivity. The use of SQ-1 funds to acquire a property requires that the property be maintained and used in a manner consistent with the regulations (NAC Section 321) adopted by the State. Per the regulations, lands acquired with SQ-1 funds can be used to protect and enhance wildlife habitat, sensitive or unique vegetation, historic or cultural resources, riparian corridors, floodplains, wetlands and other environmental resources. A deed restriction was subsequently recorded on the Riverbend property to ensure conformance with the terms of the SQ-1 funding.

As part of the BLA process, Washoe County and the State of Nevada are amending the deed restriction to transfer the restrictions from the County's current Riverbend property to the County's resulting property. Per the deed restriction, any voluntary transfer of the property provides that non-profit conservation organizations have a first right of refusal of the property in question. Upon notification of the potential boundary line adjustment and amendment to the deed restriction, Great Basin Land and Water (GBLW) staff contacted Washoe County staff about a potential sale of 28.55 acre feet of water rights (the same amount that Washoe County acquired as part of the Riverbend land and water acquisition) to benefit instream flows for the Truckee River.

To resolve any potential claim that GBLW would have on the Riverbend property or the associated water rights, Washoe County staff have identified 28.55 acre feet of excess water rights that could be sold to GBLW. The 28.55 acre feet are a portion of the 60.83 acre feet of water rights appurtenant to 15.19 acres of land currently identified as Assessor's Parcel Number 038-530-42, administered by the United States Forest Service. Washoe County acquired this property and the associated water rights in 2002, and then sold the property to the Forest Service in 2009. Washoe County retained the water rights.

If this water rights sale were to be approved, 28.55 acre feet of water rights would be deeded to the Pyramid Lake Paiute Tribe to benefit Truckee River instream flows. This would support important natural resource functions, including additional water for two endangered species, the cui-ui and Lahontan cutthroat trout. In exchange, GBLW would sign a stipulation disclaiming any interest in the rights, interest or title of the Riverbend property. Additionally, GBLW would purchase the 28.55 acre feet of water rights at the appraised value of \$197,000. This funding could be utilized to support the development of additional park amenities in this park district.

FINDINGS

Pursuant to NRS 533.550, in order for a public body to sell water rights owned by the public body, at least one public hearing must be held at which public comment is solicited and the public body must be able to make the following findings:

- 1) The sale of lease of the water right is consistent with the prudent, long-term management of the water resources within the jurisdiction of the public body.

Staff comment: Staff have concluded that the 28.55 acre feet of water rights for potential sale to GBLW are excess water rights. Washoe County would retain 32.28 acre feet of water rights appurtenant to APN 038-530-42 for potential future use. This is an ample amount of water to be utilized for future projects.

- 2) The sale or lease of the water right will not deprive residents and businesses within the jurisdiction of the public body of reasonable access to water resources for growth and development.

Staff comment: These water rights are managed by the Open Space and Regional Parks Program and would not be used by residents or businesses for growth or development. The remaining water rights would provide adequate supply to support future growth and development of park and/or open space properties.

- 3) The sale or lease of the water right is a reasonable means of promoting development and use of the water right.

Staff comment: The sale of the water right would allow for use of the water right to support instream flows for the Truckee River. This would benefit two endangered species and improve wildlife, plant and habitat resources.

- 4) The means by which the water right is sold or leased reasonably ensures that the public body will receive the actual value of the water right or comparable economic benefits.

Staff comment: The water rights have been appraised and, if the purchase and sale agreement is approved, will be purchased at their actual value to benefit the public body.

FISCAL IMPACT

Should the agreement be approved; the proceeds from the sale of the water rights in the amount of \$197,000 will be deposited into the Parks Capital Fund 404, District 1 A West Truckee Canyon (900110); Fund 4401.

RECOMMENDATION

It is recommended that the Open Space and Regional Parks Commission recommend that the Board of County Commissioners hold a public hearing pursuant to NRS 533.550 to approve the Agreement for Purchase and Sale of Truckee River Water Rights Claim DTR-50/50A between Washoe County and Great Basin Land and Water on behalf of the Pyramid Lake Paiute Tribe for the sale of 28.55 acre feet of water rights [at the appraised value of \$197,000], having made all four findings in accordance with the NRS; and, if approved, authorize the chair to execute the associated water rights deed prior to the closing of escrow.

POSSIBLE MOTION

Should the Commission agree with staff's recommendation, a possible motion would be:

“Move to recommend that the Board of County Commissioners hold a public hearing pursuant to NRS 533.550 to approve the Agreement for Purchase and Sale of Truckee River Water Rights Claim DTR-50/50A between Washoe County and Great Basin Land and Water on behalf of the Pyramid Lake Paiute Tribe for the sale of 28.55 acre feet of water rights [at the appraised value of \$197,000], having made all four findings in accordance with the NRS; and, if approved, authorize the chair to execute the associated water rights deed prior to the closing of escrow.”