

BOARD OF REGENTS BRIEFING PAPER

1. **AGENDA ITEM TITLE:** Western Nevada College High Tech Center Transfer
2. **MEETING DATE:** September 5-6, 2024

2. BACKGROUND & POLICY CONTEXT OF ISSUE:

Western Nevada College (the "WNC") is requesting approval to transfer property rights in its High Tech Center (the "HTC"), a building on a small parcel located on the campus of Carson High School, created through legislation in the late 1990s. The proposed transfer is to the Carson City School District (the "District").

The District has been utilizing the building for over a decade with exclusive use during the hours of 7:00am - 3:00pm through an ongoing Interlocal Joint Use Agreement. WNC has gradually decreased its traditional use of the building and has not had an evening class in this building for over 9 years (since Spring 2015) due to traditional students transitioning to online options and in-person courses being taught at WNC's main Carson campus. WNC has and will continue to partner with Carson High School and the District to provide educational opportunities through the dual enrollment and Jumpstart programs, which are held during normal daytime school hours at rooms within all of Carson High School.

As Carson High School is the primary occupant of this building and due to the changing environment in both K12 and higher education, WNC is factoring in the heightened security measures that need to be maintained, and it is now in NSHE's best interest to transfer the property to mitigate any future liabilities. There will be no monies exchanged for this transfer, but WNC would realize a fiscal gain of \$100,000 per year in cost savings related to utilities, maintenance, repairs and staff time. In addition, NSHE legal counsel will no longer need to review this Interlocal Agreement which otherwise is renewed on a regular basis.

The HTC property was originally conveyed by the District to WNC for the purpose of developing the HTC for the joint use of both parties. The documents conveying the property to WNC specifically provide that, if WNC no longer intends to use the Property, its only option is to convey it back to the District. That requirement means that the HTC is not saleable to a third party, and there is no better option in terms of obtaining value for its sale.

On or about July 1, 2024, the District's Board approved the proposed transfer agreement, which is attached to this Briefing Paper.

3. SPECIFIC ACTIONS BEING RECOMMENDED OR REQUESTED:

WNC is requesting approval to transfer the High Tech Center to Carson City School District and that the Board grant the Chancellor authority to execute a transfer agreement and deed, substantially in the form of the attached, and to take any other steps necessary to complete the transfer.

4. IMPETUS (WHY NOW?):

The reasons for this proposed transfer are that the asset has surpassed its "usefulness" due to the changing environment in both K12 and higher education in our area. For example, WNC offers several concurrent enrollment classes for high school students at Carson City High School, but they are scheduled in several locations within the high school, not just the High Tech Center, for efficiency. In addition, the maintenance of that building is becoming a negative consideration for WNC as the college is essentially responsible for the repairs of a building with minimal utilization. Finally, in today's age of heightened security, the school district has taken control of the building from a security standpoint, which is preferable, but restricts WNC's access. WNC's intent is that the transfer would explicitly allow it to continue to use the property under the terms to be agreed upon with the District. This transaction will also strengthen WNC's partnership with the District and with Carson City in general.

5. CHECK THE NSHE STRATEGIC PLAN GOAL THAT IS SUPPORTED BY THIS REQUEST:

- ★ Access (Increase access to higher education)
- ★ Success (Improve student success)
- ☐ Close Institutional Performance Gaps
- ☐ Workforce (Meet workforce needs in Nevada)

- ☐ Research (Increase solutions-focused research)
- ★ Coordination, Accountability, and Transparency (Ensure system coordination, accountability, and transparency)
- ☐ Not Applicable to NSHE Strategic Plan Goals

6. INDICATE HOW THE PROPOSAL SUPPORTS THE SPECIFIC STRATEGIC PLAN GOAL

Transfer of the HTC will strengthen our partnership with the District and reduce WNC's fiscal burden related to the HTC. The college can focus staff time on buildings and other infrastructure at our Carson City, Fallon and Minden Campuses.

7. BULLET POINTS TO SUPPORT REQUEST/RECOMMENDATION:

- Transfer of the HTC will strengthen our partnership with the District and create additional goodwill with the community.
- Transfer of the HTC will reduce WNC's financial obligation for utilities, maintenance, insurance and staffing and we can redirect funding to campus needs that we do utilize for instruction.
- Transfer of the HTC will drastically reduce the time and effort spent on HTC issues for the Facilities department, Computing Services department, Finance team and President's office.
- Transfer of the HTC will limit WNC's liability in the event that there is an emergency situation on site.
- Because of a restriction in the documents originally conveying the Property to WNC, the property cannot be sold to a third party. It can only be re-conveyed to the District, meaning there is no viable option to sell the HTC property.

8. POTENTIAL ARGUMENTS AGAINST THE REQUEST/RECOMMENDATION:

- None identified.

9. ALTERNATIVE(S) TO WHAT IS BEING REQUESTED/RECOMMENDED:

Failure to obtain approval of the transfer would result in WNC incurring continued costs for utilities, repairs, insurance and staff time on a building that the college no longer utilizes. In addition, the college would maintain some responsibility for security of the building, which is not in WNC's best interest. Finally, WNC would need to amend the current interlocal joint use agreement for future periods.

10. RECOMMENDATION FROM THE CHANCELLOR'S OFFICE:

The Chancellor's Office supports this request.

11. COMPLIANCE WITH BOARD POLICY:

- ☐ Consistent With Current Board Policy: Title # 4 Chapter # 10 Section # 1(9), Table 9.1
- ☐ Amends Current Board Policy: Title # _____ Chapter # _____ Section # _____
- ☐ Amends Current Procedures & Guidelines Manual: Chapter # _____ Section # _____
- ☐ Other: _____
- ☐ Fiscal Impact: Yes No _____

Explain:

INTERLOCAL GOVERNMENT TRANSFER AGREEMENT

THIS INTERLOCAL TRANSFER AGREEMENT ("Agreement") dated as of the last date reflected on the signature page hereto ("Effective Date"), is entered into between the BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION, on behalf of WESTERN NEVADA COLLEGE, an instrumentality of the State of Nevada, hereinafter referred to as "Seller", and Carson City School District, a political subdivision of the State of Nevada, hereinafter referred to as "Buyer," and with Seller, the "Parties."

RECITALS:

WHEREAS, Seller is the owner of certain real property in Carson City, Nevada, commonly known as 1103 N. Saliman Road, bearing Assessor's Parcel Number 010-041-63, previously identified as 1111 N. Saliman Road, Carson City, Nevada, bearing Assessor's Parcel Number 010-041-64, more particularly described on Exhibit "A" attached hereto and incorporated by this reference as if fully set forth herein (the "Property").

WHEREASE, Nevada Revised Statute ("NRS") 277.180 provides that one or more public agencies may enter into an agreement to perform any governmental service, activity or undertaking which any of the public agencies entering the contract is authorized by law to perform;

WHEREAS, Seller is the owner of the Property and desires to sell it to Buyer to further student and general public educational opportunities.

NOW, THEREFORE, for payment of One Hundred United States Dollars (\$100.00) (the "Purchase Price"), and in consideration of the representations, warranties, covenants, and agreements contained herein, and subject to the terms and conditions hereof, the Parties hereto agree as follows:

1. In consideration of the Buyer's payment of the Purchase Price, and the other covenants and upon the conditions, terms and provisions set forth in this Agreement, Seller will sell, and Buyer will purchase the Property. The "Property" as defined herein shall include the Property and: (i) all easements, hereditaments and belonging to or inuring to the benefit of Seller or pertaining the Property; (ii) all assignable warranties and guaranties issued in connection with the Property and/or structures, facilities or other improvements (collectively, the "Improvements"), if any, located on, in or adjacent to the Property; (iii) all transferable consents, authorizations, variances or waivers, licenses, permits and approvals from any governmental or quasi-governmental agency, department, board, commission, bureau or other entity or instrumentality solely in respect of the Property (collectively, the "Permits"), if any; and (iv) unlimited use of approved architectural drawing and construction documents (the "Plans and Specifications").

2. Consideration. The transfer hereunder is made and accepted as a result of the Buyer's payment of the Purchase Price, and the respective Parties' historic and continuing

mutual commitment to educational purposes and the mutual maximum utilization of the Property for students in Carson City, Nevada.

3. The Seller's Deed. In conjunction with the closing of the transfer hereunder (the "Closing"), Seller shall deliver a notarized quitclaim deed in the form attached hereto as Exhibit A (the "Seller's Deed") conveying the Property to Buyer executed by Seller. Seller makes no representation or warranty as to A) the condition of the Property, B) the condition, legality, or suitability of any of the Improvements, the Permits, or the Plans and Specifications, C) legal title to the Property, or any encumbrances to such title, D) any environmental matter related to the Property, or the violation of any federal, state, or local environmental law, regulation, statute or ordinance related to the Property, or E) the suitability of any of the Property, the Improvements, the Permits, or the Plans and Specifications or any particular use, Seller disclaiming any and all warranties and representations with respect to the Property, the Improvements, the Permits, or the Plans and Specifications

4. Actions, Suits or Proceedings. Other than those expressly set forth herein, to the best of Seller's knowledge, there are no actions, suits, or proceedings which are pending or threatened before any court or governmental department, commission, board, bureau, agency, or instrumentality that would materially and adversely affect the Property or the right to occupy or utilize it.

5. Power and Authority. Seller has the full right and authority to enter into this Agreement and consummate the transactions contemplated herein; each of the persons signing this Agreement on behalf of Seller is authorized to so sign; and the execution, consent or acknowledgment of no other person or entity is necessary in order to validate the execution of this Agreement by Seller. Notwithstanding the foregoing, Seller's obligations hereunder are subject to approval by the Board of Regents of the Nevada System of Higher Education (the "**Board of Regents**"), and a meeting thereof noticed and held in accordance with applicable Nevada law, and the policies and procedures of the Board of Regents.

6. Other Agreements. To the best of Seller's knowledge, entry into this Agreement, and the performance by Seller of its obligations hereunder, does not contravene or constitute a breach of any agreement, contract, obligation, or indenture to which Seller is a party.

7. Intentionally Omitted.

8. Power and Authority. Buyer has the full right and authority to enter into this Agreement and consummate the transactions contemplated herein; each of the persons signing this Agreement on behalf of Buyer is authorized to so sign; and the execution, consent or acknowledgment of no other person or entity is necessary in order to validate the execution of this Agreement by Buyer.

9. Other Agreements. Entry into this Agreement, and the performance by Buyer of its obligations hereunder, does not contravene or constitute a breach of any agreement, contract, obligation, or indenture to which Buyer is a party.

10. Survival of Provisions. The representations, warranties, agreements, and indemnities set forth in this Agreement shall remain operative, shall be deemed made at Closing, and shall survive the Closing.

11. Captions. Captions in this Agreement are inserted for convenience of reference only and do not define, describe, or limit the scope or the intent of this Agreement.

12. Entire Agreement. This Agreement contains the entire agreement between the Parties relating to the transactions contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, oral or written, are merged into this Agreement.

13. Modification. No modification, waiver or discharge of this Agreement shall be valid unless it is in writing and signed by the party against which the enforcement of the modification, waiver or discharge is or may be sought.

14. Successors; Assignment. All terms of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective administrators or executors, successors, and assigns. Neither party may assign this Agreement without the written consent of the other party, except that Buyer shall, without the consent of Seller, be entitled to assign this Agreement and its rights and obligations hereunder to another entity with common ownership or control at or prior to Closing.

15. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which together will constitute but one instrument.

16. Costs. Buyer shall bear any and all title, escrow, and recording costs and fees and associated with this transaction, and Seller's sole obligation shall be to tender the fully executed Deed to Buyer, within five (5) business days of Buyer's request, following approval of this Agreement by the Board of Regents, and following Seller's receipt of the Purchase Price in immediately available United States Dollars. Seller shall reasonably cooperate with Buyer to effectuate the Closing.

17. The Buyer, as a local governmental entity, is subject to the requirements of NRS 244.230 and NRS 354.626, which require the Buyer to budget annually for its expenses and which prohibit Buyer from obligating itself to expend money or incur liability in excess of the amounts appropriated for a particular function or purpose. Notwithstanding the monetary obligations of this Agreement, the total amount of Buyer's payment obligations hereunder for any fiscal year shall not exceed the amount that Buyer has appropriated for the Purchase Price, as set forth in this Agreement. This Agreement shall terminate and Buyer's liability and payment obligations thereunder shall be extinguished at the end of the fiscal year (June 30) in which the Buyer's governing body fails to appropriate monies for the ensuing year for the payment of all amounts which will then become due. All Buyer's financial obligations under this Agreement are subject to those statutory requirements hereinafter referred to as the "Fund Out Clause."

18. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Nevada. Any action brought to enforce the terms hereof shall be brought in a court of competent jurisdiction in Carson City, Nevada. ///

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CARSON CITY SCHOOL DISTRICT

**BOARD OF REGENTS OF THE NEVADA
SYSTEM OF HIGHER EDUCATION,
on behalf of Western Nevada College**

Andrew Feuling, Superintendent

Dr. J. Kyle Dalpe, President

Patty Charlton, Chancellor

EXHIBIT "A"

APN: 010-041-83

RETURN RECORDED DEED:

Ryan D. Russell, Esq.
Allison MacKenzie, Ltd.
402 N. Division Street
P.O. Box 646
Carson City, NV 89702

MAIL TAX STATEMENTS TO:

Carson City School District
1502 West King Street
Carson City, NV 89703

RPTT: EXEMPT

The parties executing this document hereby affirms that this document submitted for recording does not contain the social security number of any person or persons pursuant to NRS 239B.230

QUITCLAIM DEED

THIS INDENTURE is made on _____, 2024, by and between the BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION, on behalf of WESTERN NEVADA COLLEGE, an instrumentality of the State of Nevada, hereinafter referred to as "GRANTOR," and Carson City School District, a political subdivision of the State of Nevada, hereinafter referred to as "GRANTEE."

WITNESSETH:

That the GRANTOR in consideration of the sum of ONE HUNDRED DOLLARS (\$100.00) lawful money of the United States, and other good and valuable consideration to GRANTORS in hand paid by the GRANTEE, the receipt and sufficiency of which is hereby acknowledged, does by these presents hereby release, remise and forever quitclaim unto the GRANTEE and to its successors and assigns forever, any and all GRANTOR's right, title and interest in and to that certain real property lying and situate in Carson City, state of Nevada, more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof.

TO HAVE AND TO HOLD all and singular the said premises, together with the appurtenances, unto the said GRANTEE and to its successors and assigns forever.

IN WITNESS WHEREOF, the GRANTOR has executed this deed on the day and year first above written.

BOARD OF REGENTS OF THE NEVADA
SYSTEM OF HIGHER EDUCATION

By: _____

Its: _____

STATE OF NEVADA)
 : ss.
COUNTY OF _____)

On _____, 2024, personally appeared before me, a notary public, _____ personally known (or proved) to me to be the person whose name is subscribed to the foregoing instrument, who acknowledged to me that he/she is the _____ of the BOARD OF REGENTS OF THE NEVADA SYSTEM OF HIGHER EDUCATION, on behalf of WESTERN NEVADA COLLEGE, an instrumentality of the State of Nevada and who further acknowledged to me that he executed the foregoing document on behalf of said company.

NOTARY PUBLIC

EXHIBIT A

TITLE COMPANY TO SUPPLY

EXHIBIT "A"
LEGAL DESCRIPTION
CARSON CITY HIGH TECH CENTER

A portion of the Carson High School parcel located within the Northwest Quarter of Section 16, Township 15 North, Range 20 East, MDM, Carson City, Nevada, more particularly described as follows:

Commencing at the North Quarter Corner of said Section 16;
 thence along the Northerly line of said Section North
 89°26'06" West a distance 1184.27 feet;
 thence departing said Northerly line South 0°58'42" West a
 distance of 1710.82 feet;
 thence North 89°28'25" West a distance of 935.16 feet;
 thence North 0°31'15" East a distance of 153.19 feet to the
 TRUE POINT OF BEGINNING;
 thence North 48°59'35" West a distance of 94.67 feet;
 thence South 41°00'25" West a distance of 5.33 feet;
 thence North 48°59'35" West a distance of 103.33 feet;
 thence North 41°00'25" East a distance of 106.00 feet;
 thence North 48°59'35" West a distance of 8.00 feet;
 thence North 41°00'25" East a distance of 78.00 feet;
 thence South 48°59'35" East a distance of 104.67 feet;
 thence South 41°00'25" West a distance of 4.67 feet;
 thence South 48°59'35" East a distance of 101.33 feet;
 thence South 41°00'25" West a distance of 174.00 feet to the
 TRUE POINT OF BEGINNING.

Said parcel contains an area of approximately 36078 square feet
 (0.828 acres).

BASIS OF BEARINGS: Parcel Map 975, filed June 29th, 1983, in Book
 4, page 975, of the Official Records of Carson City, Nevada.



9-22-98

376894



Western Nevada College

April 23, 2024

**Patricia Charlton
Chancellor
Nevada System of Higher Education
4300 S. Maryland Parkway
Las Vegas, NV 89119**

Dear Chancellor Charlton,

Western Nevada College (WNC) is requesting approval to negotiate the transfer of NSHE's property rights in its High Tech Center, a building on a small parcel located on the campus of Carson City High School, created through legislation in the late 1990s. The proposed transfer is to the Carson City School District and would be for no payment.

The reasons for this proposed transfer are that the asset has surpassed its "usefulness" due to the changing environment in both K12 and higher education in our area. For example, we offer several concurrent enrollment classes for high school students at Carson City High School, but they are scheduled in several locations with the high school, not just the High Tech Center, for efficiency. In addition, the maintenance of that building is becoming a negative consideration for WNC as we are essentially responsible for the repairs of a building with minimal utilization. Finally, in today's age of heightened security, the school district has taken control of the building from a security standpoint, which I prefer but restricts our access. WNC's intent is that the transfer would explicitly allow it to continue to use the property under terms to be agreed with the School District. This transaction will also strengthen WNC's partnership with the School District and with Carson City generally.

Per the Board of Regents handbook (Title 4, Chapter 10, Section 1, Table 9.1) we are requesting approval to negotiate a potential purchase, lease, or trade of property, or property rights.

Any contract negotiated for purchase, lease, or trade for property, or property rights will be, of course, contingent upon the approval of the Board of Regents, after meeting the approval of NSHE's real property counsel. Please call me should you have any questions.

Sincerely,

**J. Kyle Dalpe, Ph.D.
President
Western Nevada College**

2201 West College Parkway, Carson City, Nevada, 89703 - wnc.edu



Western Nevada College

Patricia Charlton, Chancellor

Date