ADDENDUM 1 (08-2026)
REAL PROPERTY ACQUISTION AND DISPOSITION

Purpose
The purpose of this Addendum is to establish uniform procedures for the standardization of materials, supplies, and equipment purchased by the District and to provide consistent procedures for the disposal of surplus personal property. These procedures are intended to promote efficiency, reduce costs, maximize purchasing power, ensure accountability, and maintain compliance with applicable Nevada law.

Authority
This Addendum shall be administered in accordance with applicable provisions of NRS Chapter 332, District policies, Board direction, and other applicable laws governing the acquisition and disposition of public property.

<u>STANDARDIZATION OF MATERIAL PURCHASES</u>

Standardization of all supplies, materials and equipment is to be achieved whenever possible. Standardizing requirements such as chemicals, lubricants, office supplies, vehicles, furniture, etc., allows the purchase of useful materials and supplies on a District wide basis and thereby optimized cost reductions.

Standardization is the consolidation of like items under a single specification, which can be competitively bid, and shall be done according to NRS 332 and with the full knowledge of the Business Manager.

<u>DISPOSAL OF SURPLUS PROPERTY</u>

Prior to disposing (regardless of method) of any property valued over $10,000, you must provide a detailed description to the Office Specialist. Please provide as much information as you can including a Serial Number, VIN Number, or Model Number.

- <u>Any amount</u>: destroy any personal property deemed hazardous to a potential purchaser with permission of the Office Specialist.
- <u>Any amount</u>: the following methods are available for disposal:

  - Transfer to Lyon County or another Fire District or Department.
  - Donate to a non-profit organization. This method requires Board of Directors approval. The Business Manager will facilitate this process.
  - Sell at a public auction. This method requires Board of Directors

approval. The Business Manager is the authorized representative and facilitates this process.

- If a non-mechanical item is broken beyond repair, with the approval of the Fire Chief, dispose of it properly in the trash/recycle etc.
- If a mechanical item is broken/does not work, with the approval of the Fire Chief, donate it to a non-profit organization that caters to taking items of such nature (i.e., ComputerCorp). If a non-profit organization will not accept the item, dispose of it properly in the trash/recycle etc. This does not require Board of Directors approval.
- Removal of Identification– All property or equipment leaving the control of the District must have decals and other identifiers removed or otherwise defaced before leaving the District to the extent possible. Wipe all hard drives before disposal.

REAL PROPERTY ACQUISITION AND DISPOSITION

Real property transactions require separate statutory and governance procedures from the other sections of this procurement manual.

It shall be the policy of the District to acquire, hold, use, and dispose of real property only for lawful District purposes and in accordance with NRS Chapter 474, applicable provisions of NRS Chapter 277, this procurement manual section, Board direction, and may include the advice of District Counsel.

It is established that a uniform, transparent, and legally compliant procedure for the acquisition of real property for use by the District when it is determined necessary and for the disposition of real property when it is determined no longer needed by the District.

The District is a county fire protection district governed by NRS Chapter 474. NRS 474.160 authorizes the Board of Directors to manage District business, make and execute contracts in the name of the District, acquire real or personal property necessary for District purposes, dispose of that property when no longer needed, and acquire, hold, and possess land or other property necessary for District purposes. Title to property acquired for a county fire protection district is vested in the district under NRS 474.320.

NRS 277.050 authorizes a public agency, including a public district, to sell, exchange, or lease real property to another public agency, the State of Nevada, a state agency, or an Indian tribe, subject to statutory requirements including appraisal, resolution, notice, and public meeting procedures. NRS 277.053 may authorize conveyance without charge to the State, a state agency, another political subdivision, or an Indian tribe when the real property will be used for a public purpose.

NRS 332.185 provides that NRS Chapter 332 does not apply to the purchase, sale, lease, or transfer of real property by the governing body. Accordingly, NRS Chapter 332 shall not be used as the legal authority for District real property transactions, although the District may use the Procurement Manual’s competitive procurement principles for selecting professional service providers related to real property transactions.

District transactions involving real property, including:

1. acquisition by purchase, donation, exchange, grant, dedication, or other lawful means;
2. sale of District-owned real property;
3. exchange of District-owned real property;
4. lease of District-owned real property;
5. transfer or conveyance of District-owned real property to another public agency, political subdivision, state agency, or Indian tribe;
6. declaration of District-owned real property as surplus;
7. broker listing, marketing, negotiation, escrow, closing, and recording of District-owned real property.

This procedure applies to vacant land, improved land, station sites, easements, rights-of-way, access parcels, firebreak land, training sites, and any other interest in real property owned or proposed to be acquired by the District, and does not apply to personal property, vehicles, apparatus, equipment, supplies, tools, information technology equipment, or other movable property. Those items remain governed by the surplus and purchasing provisions of the Procurement Manual and applicable law.

Definitions

"Appraised Fair Market Value" means the opinion of fair market value established by a written appraisal prepared by a Nevada-certified appraiser.

"Authorized Transaction Costs" means Board-approved costs directly associated with a real property disposition, including broker commission, escrow fees, title fees, recording fees, transfer-related charges, survey costs, appraisal costs, environmental review costs, and other closing or transaction costs approved by the Board.

"Board" or "Board of Directors" means the elected governing body of the District.

"Broker" means a real estate broker licensed and in good standing under Nevada law and authorized by Board-approved written agreement to list, market, and assist in negotiating the sale of District-owned real property.

"District Counsel" means the District Attorney, contracted legal counsel, or other legal counsel authorized to advise the District.

"Intergovernmental Transfer" means a sale, exchange, lease, or conveyance of District-owned real property to another public agency, the State of Nevada, a state agency, another political subdivision, or an Indian tribe under NRS Chapter 277 or other applicable law.

"Minimum Listing Price" means the price approved by the Board for listing District-owned real property for private-market sale. Unless otherwise approved by the Board with written findings, the Minimum Listing Price shall be no less than the Appraised Fair Market Value minus Authorized Transaction Costs.

"Private-Market Sale" means a sale to a person or entity that is not a public agency, the State of Nevada, a state agency, another political subdivision, or an Indian tribe.

"Real Property" means land, improvements, buildings, fixtures, easements, water rights appurtenant to land, access rights, and any other interest in real estate.

"Surplus Real Property" means District-owned real property that the Board determines, by motion or resolution in an open public meeting, is no longer needed for present or reasonably foreseeable District purposes.

The Board retains final authority over:

1. acquisition of real property;
2. declaration of real property as surplus;

3. approval of appraisals for disposition purposes;
4. approval of listing method and Minimum Listing Price;
5. approval of broker selection and listing agreement;
6. approval, rejection, or counteroffer of any purchase offer;
7. approval of final sale, exchange, lease, transfer, escrow, deed, and closing documents.

District-owned real property shall not be listed, marketed, sold, exchanged, leased, or transferred until the Board has declared the property surplus or has otherwise authorized the proposed transaction in an open public meeting.

For any Private-Market Sale, the District shall use a licensed Nevada real estate broker. No District officer, employee, agent, or consultant may market or negotiate a Private-Market Sale without Board authorization and a Board-approved broker listing agreement.

Before any disposition of District-owned real property, the District shall obtain a written appraisal prepared by a Nevada-certified appraiser, unless the Board, after consultation with District Counsel, makes written findings that an appraisal is not required due to a statutory exception, no-cost public-purpose conveyance under NRS 277.053, or other legally sufficient basis.

Unless otherwise approved by the Board with written findings, the Minimum Listing Price for a Private-Market Sale shall be no less than the Appraised Fair Market Value minus Authorized Transaction Costs.

The Board may approve a listing price, sale price, exchange value, lease consideration, or other transaction term below Appraised Fair Market Value only if:

1. The Board makes written findings supporting the public purpose, operational benefit, legal authority, or unique circumstances justifying the action;
2. The action is approved in an open public meeting.
3. District Counsel has reviewed the proposed action, if required by the Board;

For Intergovernmental Transfers, the District shall comply with NRS 277.050 or NRS 277.053, as applicable. NRS 277.050 requires, among other things, a resolution in a regular open meeting, a description of the property, minimum price or terms, a later public meeting not less than two weeks thereafter for objections, and published notice twice on successive days with the last publication not less than seven days before the public meeting.

NRS Chapter 332 shall not apply to the purchase, sale, lease, or transfer of real property. The District may, however, use the Procurement Manual's procedures for professional services, quotes, Board approval, contract review, and documentation when selecting appraisers, brokers, surveyors, environmental consultants, title services, or other real property transaction professionals, to the extent consistent with law and this Addendum.

For Declaring Real Property Surplus, the Fire Chief, or designee, may initiate a review of District-owned real property for possible surplus status. The Board may also direct staff to conduct such review.

Before Board consideration, the Business Manager, in coordination with the Fire Chief, or designee, shall create a parcel file containing, to the extent available:

1. APN;
2. street address or location description;
3. acreage;
4. zoning;
5. legal description;
6. vesting deed;
7. title report or preliminary title commitment;
8. assessor information;
9. map or aerial exhibit;
10. known access, utility, or easement information;
11. known deed restrictions, reversionary interests, grant restrictions, or funding restrictions;
12. operational-use analysis;
13. staff recommendation.

The Fire Chief, or designee, shall prepare or cause preparation of a written operational review stating whether the property is needed for:

1. existing or future fire station use;
2. apparatus, equipment, or training use;
3. emergency access;
4. firebreaks or fire prevention;
5. public safety staging;
6. communications infrastructure;
7. water supply or hydrant support;
8. administrative or logistics use;
9. any other present or reasonably foreseeable District purpose.

District Counsel may review the parcel file for legal authority, restrictions, procedural requirements, and applicability of NRS Chapter 277.

The Board may declare real property surplus only by motion or resolution at an open public meeting. The Board action shall include findings that:

1. the District owns or has authority over the property interest;
2. the property is no longer needed for present or reasonably foreseeable District purposes;
3. disposition is in the best interests of the District;

4. staff is authorized to obtain appraisal, title, broker, and related transaction services.

A licensed Nevada real estate broker is required for any Private-Market Sale of District-owned real property.

Broker selection shall be conducted as a professional services procurement consistent with the Procurement Manual to the extent applicable, recognizing that NRS Chapter 332 does not govern the real property transaction itself.

The Fire Chief, or designee, with assistance from the Business Manager, shall solicit broker qualifications or proposals unless the Board authorizes another method with written findings.

Broker selection criteria may include:
1. Nevada licensure and good standing;
2. experience with vacant land, public agency property, commercial property, or special-use property;
3. familiarity with Lyon County, Storey County, Dayton, Silver Springs, Silver City, Mound House, or comparable markets;
4. marketing plan;
5. proposed commission or fee structure;
6. conflicts of interest;
7. references;
8. ability to comply with public agency transaction requirements.

The Board shall approve the broker selection and listing agreement in an open public meeting before the broker markets the property. The listing agreement shall include, at minimum:
1. property identification;
2. listing term;
3. Minimum Listing Price;
4. commission or fee;
5. authorized marketing methods;
6. requirement that all offers are subject to final Board approval;
7. prohibition on broker authority to bind the District;
8. conflict-of-interest disclosure;
9. requirement to submit all offers to the Fire Chief or designee;
10. compliance with this Addendum and applicable law.

After Board approval of the listing agreement, the broker may list and market the property according to the approved agreement. Marketing shall be designed to promote broad exposure, fair competition, transparency, and best value to the District.

The broker may receive offers, communicate market feedback, and assist in negotiations, but shall not accept, reject, or bind the District to any offer.

The Fire Chief may direct preliminary negotiations consistent with Board-approved parameters. Any material deviation from Board-approved price, terms, contingencies, or transaction structure shall be presented to the Board.

The broker may receive offers, communicate market feedback, and assist in negotiations, but shall not accept, reject, or bind the District to any offer.

The Fire Chief may direct preliminary negotiations consistent with Board-approved parameters. Any material deviation from Board-approved price, terms, contingencies, or transaction structure shall be presented to the Board.

The Board may accept, reject, counter, or direct further negotiation of any offer.

Final acceptance of any offer shall occur only by Board action in an open public meeting.

If the accepted sale price is below the Minimum Listing Price or below Appraised Fair Market Value minus Authorized Transaction Costs, the Board shall make written findings supporting the action.

No purchase agreement, counteroffer, escrow instruction, deed, or closing document shall bind the District unless approved by the Board or executed under authority expressly delegated by the Board.

Upon Board acceptance of an offer, the Fire Chief or Board-designated officer may execute documents necessary to open escrow, subject to District Counsel review.

District Counsel shall review the purchase agreement, deed, escrow instructions, title exceptions, and closing documents before execution unless waived by the Board with written findings.

The Business Manager shall ensure the parcel file includes:

1. Board surplus action;
2. appraisal;
3. title report;
4. listing agreement;
5. marketing record;
6. offers received;
7. Board acceptance action;
8. purchase agreement;
9. escrow instructions;
10. deed;
11. settlement statement;
12. recorded documents;
13. proceeds documentation;
14. counsel review documentation.

Deeds and other conveyance documents shall be recorded with the appropriate county recorder.

Sale proceeds shall be deposited and accounted for in accordance with District financial procedures, Nevada local government finance requirements, Board direction, and any applicable statutory restriction. For sales under NRS 277.050, **money derived from the sale must be used for capital outlay**.

The District may acquire real property when the Board determines the acquisition is necessary, useful, or appropriate for District purposes under NRS Chapter 474.

Before acquiring real property, the Fire Chief shall prepare or cause preparation of a written acquisition report including:

1. purpose of acquisition;
2. operational need;
3. APN and legal description;
4. estimated purchase price or value;
5. appraisal or valuation basis;
6. title and access review;
7. zoning and land-use review;
8. environmental or site concerns;
9. funding source;
10. operating, maintenance, and capital impacts;
11. District Counsel review.

Acquisition shall require Board approval in an open public meeting.

NRS Chapter 332 shall not be treated as governing the purchase of real property, but professional services used in the acquisition process shall be procured consistently with the Procurement Manual to the extent applicable.

If the proposed transferee is another public agency, the State of Nevada, a state agency, another political subdivision, or an Indian tribe, the Fire Chief shall consult District Counsel to determine whether NRS 277.050 or NRS 277.053 applies.

For transactions under NRS 277.050, the District shall comply with the following statutory steps:

1. obtain current appraisal unless a statutory exception applies;
2. prepare a resolution declaring intent to sell, exchange, or lease;
3. describe the property in a manner sufficient to identify it;
4. specify minimum price, consideration, rent, and terms;
5. set a public meeting not less than two weeks thereafter for objections;
6. publish notice in a newspaper of general circulation in the county where the District or part of it is situated;
7. publish notice not less than twice on successive days;
8. ensure the last publication occurs not less than seven days before the public meeting;
9. conduct the public meeting and consider objections;
10. approve final transaction documents by Board action;

11. direct the appropriate presiding officer or authorized signer to execute and deliver the deed or lease upon performance of required terms.

For conveyances without charge under NRS 277.053, the Board shall make written findings that:
1. the transferee is eligible under NRS 277.053;
2. the property will be used for a public purpose;
3. the conveyance is in the best interests of the District;
4. any deed restriction, reversionary clause, or enforcement mechanism recommended by District Counsel is included.

Intergovernmental Transfers may be negotiated without advertising for public bids when authorized by NRS 277.050.

The Board may authorize deviation from one or more discretionary procedures when emergency, operational, legal, grant-related, title-related, or unique market circumstances require different action. No deviation may waive a mandatory statutory requirement. Any deviation shall require:
1. District Counsel review;
2. written findings by the Board;
3. approval in an open public meeting unless emergency law permits otherwise;
4. documentation in the parcel file.

The Board shall:
1. approve acquisition of real property;
2. declare real property surplus;
3. approve appraisal-based valuation and Minimum Listing Price;
4. approve broker selection and listing agreement;
5. approve final acceptance of any offer;
6. approve Intergovernmental Transfers and public-purpose conveyances;
7. make required findings and resolutions.

The Fire Chief, or designee, shall:
1. administer this process;
2. identify real property needs and surplus candidates;
3. prepare operational-use reviews;
4. coordinate appraisal, broker, title, escrow, and consultant services;
5. present recommendations to the Board;
6. ensure District Counsel review where required;
7. execute documents only when authorized by the Board.

The Business Manager shall:
1. maintain the parcel file;
2. coordinate records, notices, agendas, minutes, and document retention;
3. assist with procurement of appraisers, brokers, and related professional services;
4. track transaction costs and proceeds documentation;
5. ensure final recorded documents and closing records are retained.

District Counsel may be used to review legal authority, statutory procedure, title restrictions, proposed resolutions, listing agreements, purchase agreements, deeds, escrow instructions, public notices, and exceptions or deviations under this Addendum.

Broker shall market the property, communicate market conditions, receive and transmit offers, assist in negotiations, disclose conflicts, and comply with the Board-approved listing agreement. The broker shall not bind the District.

This Addendum shall become effective upon approval by the Board of Directors and shall remain in effect until amended or repealed by Board action.

Adopted by the Board of Directors: ____

President Chuck Ritter

Effective Date: ____________________