

**INTERLOCAL AGREEMENT ESTABLISHING THE BUDGET AND FUNDING
ALLOCATIONS FOR LAS VEGAS WASH LONG-TERM OPERATING PLAN ACTIONS**

This Interlocal Agreement Establishing the Budget and Funding Allocations for Las Vegas Wash Long-Term Operating Plan Actions (“Agreement”) is entered into by the City of Henderson; the City of Las Vegas; the City of North Las Vegas; Clark County; the Clark County Regional Flood Control District; the Clark County Water Reclamation District; and the Southern Nevada Water Authority (“Authority”) comprised of Authority “Purveyor Members” (City of Henderson, City of North Las Vegas and the Las Vegas Valley Water District), and the Authority “Wastewater Discharge Members” (City of Henderson, City of Las Vegas, City of North Las Vegas and the Clark County Water Reclamation District) this _____ day of _____, 2024. For convenience, the parties to this Agreement may be referred to individually as a “Party” or, collectively, as the “Parties.”

RECITALS

WHEREAS, Lake Mead and the Colorado River are the primary source of water for over two million residents of the metropolitan Las Vegas Valley and Laughlin, Nevada; and

WHEREAS, Lake Mead and the Colorado River are a significant source of water for millions of other residents in the lower Colorado River basin, including those in Arizona, California and Mexico, as well as members of several Native American Tribes; and

WHEREAS, the Las Vegas Wash is comprised of highly treated wastewater flows, urban runoff, shallow groundwater, stormwater flows and other flows, all of which run through the single tributary from the urban Las Vegas Valley into Lake Mead; and

WHEREAS, concerns over erosion, water quality, the loss of wetlands, and other issues have made managing the Las Vegas Wash one of the highest environmental priorities for southern Nevada; and

WHEREAS, the undersigned Parties – along with other local, state and federal entities – embarked on a water quality process in 1997 that included participation in the Lake Mead Water Quality Forum and the formation of a citizens advisory committee which studied various issues related to water quality in the Las Vegas Wash, Las Vegas Bay and Lake Mead; and

WHEREAS, the citizens advisory committee developed a series of recommendations for protecting and improving water quality, one of which was to develop a comprehensive adaptive management plan for the Las Vegas Wash; and

WHEREAS, following the presentation of the citizen recommendations to the Lake Mead Water Quality Forum and their acceptance by the Authority Board of Directors in 1998, the undersigned Parties participated in the Las Vegas Wash Coordination Committee (“LVWCC”), a committee comprised of 28 local, state, federal, environmental and public representatives; and

WHEREAS, the LVWCC, over a 10-month period and with the support of over 100 staff from participating agencies, developed 44 recommended actions in nine study areas related to the Las Vegas Wash; and

WHEREAS, the LVWCC compiled the recommendations into the Las Vegas Wash Comprehensive Adaptive Management Plan (“CAMP”), which was subsequently approved by the

**INTERLOCAL AGREEMENT ESTABLISHING THE BUDGET AND FUNDING
ALLOCATIONS FOR LAS VEGAS WASH LONG-TERM OPERATING PLAN ACTIONS**

LWVCC in December 1999 and by the Authority Board of Directors in January 2000; and

WHEREAS, in June of 2002, the Parties to this Agreement entered into a cooperative agreement which recognized the CAMP and established a basic understanding of the Parties concerning implementation of the plan and their respective roles in that implementation through the Management Advisory Committee (“MAC”); and

WHEREAS, in November 2007, the Parties to this Agreement, along with the Clean Water Coalition, entered into an agreement that established the Las Vegas Valley Watershed Advisory Committee (“LVVWAC”). The LVVWAC assumed the responsibilities of the MAC and provided that the LVVWAC would continue implementation of the CAMP, along with establishing a cohesive direction and integrated approach to addressing water quality issues in the Las Vegas Valley and Lake Mead; and

WHEREAS, the Authority was designated as the lead agency to implement the CAMP and established a staff team to coordinate this effort; and

WHEREAS, the Authority implemented the recommendations in the CAMP from 2000 into 2022, stabilizing and enhancing the valuable environmental resources of the Las Vegas Wash with funding from 4% of a ¼ cent sales tax allocated to capital improvements and infrastructure needs in the Las Vegas Wash and local contributions from the MAC and LVVWAC; and

WHEREAS, on March 10, 2020, the LVVWAC voted to approve the Las Vegas Wash Long-Term Operating Plan (“LTOP”), establishing an annual budget of \$2,392,189 in 2019 dollars to operate and maintain Las Vegas Wash assets and program attributes, with an annual increase of 2.5%; and

WHEREAS, all Parties to this Agreement desire to allocate monetary responsibility for contribution to the LTOP budget; and

WHEREAS, all Parties to this Agreement desire to reduce the burden to their governing bodies by entering into this Agreement for a five-year term, rather than a one-year term, beginning in fiscal year 2024/2025; and

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to NRS 277.180.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the sufficiency of which is hereby acknowledged, the Authority, City of Henderson, Clark County Water Reclamation District, City of Las Vegas, City of North Las Vegas, Clark County and the Clark County Regional Flood Control District agree as follows:

TERMS AND CONDITIONS

Section 1: LTOP Budget

A. The Parties agree that the total annual operating budget for the Authority’s LTOP actions for fiscal year 2024/2025 is estimated to be \$2,706,542 (Attachment A) and that this amount, and the Parties’ financial contributions, will increase by 2.5% each fiscal year thereafter for the duration of this Agreement. The budget will be presented to the Parties, for review and comment, and approved by the LVVWAC

**INTERLOCAL AGREEMENT ESTABLISHING THE BUDGET AND FUNDING
ALLOCATIONS FOR LAS VEGAS WASH LONG-TERM OPERATING PLAN ACTIONS**

each fiscal year. Clark County Regional Flood Control District will pay 50% of the amount allocated for Erosion & Stormwater actions (Attachment A) (“Flood Control Share”), for a total contribution of \$678,641 for fiscal year 2024/2025. The total operating budget for the Authority’s LTOP actions minus the Flood Control Share (referred to herein as the “local share”) will be provided by the remaining Parties (\$2,027,9017 for fiscal year 2024/2025). Additionally, it is anticipated that the Authority’s Purveyor Members will contribute 44% of the local share (\$892,277 for fiscal year 2024/2025). The Purveyor Members’ contribution, however, is not governed by this Agreement. The Parties therefore agree that 56% of the local share (\$1,135,624 for fiscal year 2024/2025) shall be paid by the City of Henderson, Clark County Water Reclamation District, City of Las Vegas, City of North Las Vegas, and Clark County. The budget outlining the anticipated costs for implementing LTOP actions is attached to this Agreement and incorporated herein, as Attachment A.

The Parties agree that the following allocation ratios and funding sources are established as binding for funding the local share for LTOP actions each fiscal year:

1. The Authority shall pay 44% of the local share using revenues derived from the water wholesale delivery charges paid to the Authority by the Authority Purveyor Members. For fiscal year 2024/2025, the Authority will contribute \$892,277.
2. Authority Wastewater Discharge Members shall pay 43% of the local share. Contribution percentages are based on the two-year running average reported by the Sewage and Wastewater Advisory Committee to the State of Nevada in June of the prior calendar year. For fiscal year 2024/2025, the Authority Wastewater Discharge Members will contribute \$871,997, allocated as follows:
 - a. The City of Henderson will be responsible for payment of 12.9% (\$112,487);
 - b. The Clark County Water Reclamation District will be responsible for 54.6% (\$476,111);
 - c. The City of Las Vegas will be responsible for 23.0% (\$200,559); and
 - d. The City of North Las Vegas will be responsible for 9.5% (\$82,840).
3. Clark County will pay 13% of the local share. For fiscal year 2024/2025, Clark County will contribute \$263,627.

B. The Authority will apply for grant funding to help offset the costs of LTOP actions. The amount of grant funding received for each fiscal year will vary. Grant funds received for regular programs (e.g., maintenance of Las Vegas Wash assets and program attributes) will reduce the Parties’ contributions to the LTOP budget under this Agreement (“Grant Funds”). Grant funding for special projects is outside the scope of this Agreement. As stated in Section 1.A, above, for each fiscal year, Grant Funds will be used to reduce the Flood Control Share by an amount that corresponds to their percentage of the total LTOP budget. The remaining Grant Funds will be used to reduce the local share.

1. Funding of LTOP Budget with Grant Funds for Fiscal Year 2024/2025: In fiscal year 2024/2025, it is anticipated that Grant Funds from the Bureau of Reclamation will be \$255,000 and Grant Funds from the Nevada Division of Environmental Protection will be \$34,750. Grant Funds will be used to reduce the Parties’ contributions, leaving \$2,416,792 to be funded by the Parties.

**INTERLOCAL AGREEMENT ESTABLISHING THE BUDGET AND FUNDING
ALLOCATIONS FOR LAS VEGAS WASH LONG-TERM OPERATING PLAN ACTIONS**

- a. The Flood Control Share will be reduced to \$605,988 for fiscal year 2024/2025.
 - b. The remaining Grant Funds will be used to reduce the local share to \$1,810,804 for fiscal year 2024/2025.
2. Funding of Local Share with Remaining Grant Funds for Fiscal Year 2024/2025: The Parties agree that the following allocations and funding sources are established as binding for the purpose of funding the local share of \$1,810,804 for fiscal year 2024/2025.
- a. The Authority shall pay 44% (\$796,754) of the local share for fiscal year 2024/2025, using revenues derived from the water wholesale delivery charges paid to the Authority by the Authority Purveyor Members.
 - b. Authority Wastewater Discharge Members shall pay 43% (\$778,646) of the local share for fiscal year 2024/2025.
 - i. The City of Henderson will be responsible for payment of 12.9% (\$100,445);
 - ii. The Clark County Water Reclamation District will be responsible for 54.6% (\$425,141);
 - iii. The City of Las Vegas will be responsible for 23.0% (\$179,089); and
 - iv. The City of North Las Vegas will be responsible for 9.5% (\$73,971).
 - c. Clark County shall pay 13% of the local share for fiscal year 2024/2025, which is \$235,404.

Section 2: Payments

Payments will be made annually by the respective Parties hereto as specified in Section 1 into a fund established specifically for LTOP actions. For fiscal year 2024/2025, each Party shall remit their payment to the Authority within 30 days of approval of the Agreement by all governmental bodies. In subsequent years, the Authority will provide the other parties with a summary that identifies the elements and total amount of the LTOP budget for that fiscal year, Grant Funds applied, and each Party's allocation, and each Party shall remit their payment to the Authority by July 1.

Section 3: Effective Date; Term and Termination

This Agreement shall be effective as of the date of full execution of this Agreement by each Party's duly authorized representative, as reflected on the signature pages below. This Agreement will terminate on June 30, 2029, unless terminated earlier by mutual written agreement by the Parties in an instrument signed by each Party's duly authorized representative.

Section 4: Severability

Should any part of this Agreement be rendered void, invalid, or unenforceable by any court of law for any reason, such determination shall not render void, invalid or unenforceable any other part of this

**INTERLOCAL AGREEMENT ESTABLISHING THE BUDGET AND FUNDING
ALLOCATIONS FOR LAS VEGAS WASH LONG-TERM OPERATING PLAN ACTIONS**

Agreement. The Parties agree to replace such void, invalid, or unenforceable provision with a valid provision that has as nearly as possible, the same effect.

Section 5: Governing Law and Venue

The laws of the State of Nevada will govern as to the interpretation, validity and effect of this Agreement, and exclusive venue shall be in Clark County, Nevada.

Section 6: Third Party Beneficiaries

This Agreement is intended only to benefit the Parties hereto and does not create any rights, benefits or causes of action for any other person, entity or member of the general public.

Section 7: One Time Agreement

It is specifically recognized and agreed by all Parties hereto, that this Agreement is not to be interpreted or constructed as establishing a precedent for any further agreement, covenant or commitment on the part of any Party hereto and should be considered a stand-alone document without establishing any future obligations, other than as described herein, on the part of any Party hereto.

Section 8: Fiscal Fund-Out

The Parties' funding obligations established in this Agreement are contingent upon and subject to the annual allocation and sufficient funds for this Agreement by the governing body of each Party through its annual budgeting process.

Section 9: Amendment

This Agreement may be amended only by written agreement executed by each Party's duly authorized representative and approved by each Party's governing body with the same formality as this instrument.

Section 10: Electronic Signatures; Counterparts

Each Party agrees that the electronic signatures, whether digital or encrypted, of the Parties are intended to authenticate this writing and to have the same force and effect as manual signatures. The Parties may execute this Agreement in one or more counterparts, each of which when so signed and delivered shall be deemed an original, and all of which, when taken together, shall constitute one and the same Agreement.

[Signature Pages Follow]

INTERLOCAL AGREEMENT ESTABLISHING THE BUDGET AND FUNDING ALLOCATIONS FOR LAS VEGAS WASH LONG-TERM OPERATING PLAN ACTIONS

SOUTHERN NEVADA WATER AUTHORITY

Marilyn Kirkpatrick, Chair

Approved as to form:

Approved on _____, by the Southern Nevada Water Authority Board of Directors.

Steven C. Anderson, Deputy Counsel

Attest:

CITY OF LAS VEGAS

LuAnn D. Holmes, MMC,
City Clerk

Carolyn G. Goodman, Mayor

Approved as to form:

Approved on _____, by the City Council for the City of Las Vegas.

John S. Ridilla,
Chief Deputy City Attorney

**INTERLOCAL AGREEMENT ESTABLISHING THE BUDGET AND FUNDING
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Attest:

CITY OF NORTH LAS VEGAS

Jackie Rodgers, City Clerk

Pamela A. Goynes-Brown, Mayor

Approved as to form:

Approved on _____, by the City Council for
the City of North Las Vegas.

Andy Moore, Acting City Attorney

**CLARK COUNTY WATER RECLAMATION
DISTRICT**

Tick Segerblom, Chairman

Approved as to form:

Approved on _____, by the Board of
Trustees for the Clark County Water Reclamation District.



David J. Stoft, District General Counsel

INTERLOCAL AGREEMENT ESTABLISHING THE BUDGET AND FUNDING ALLOCATIONS FOR LAS VEGAS WASH LONG-TERM OPERATING PLAN ACTIONS

Attest:

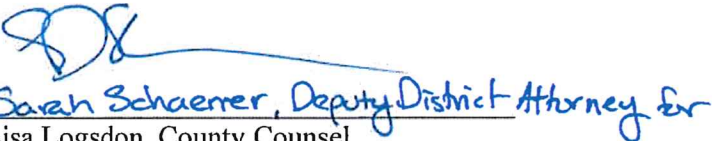
CLARK COUNTY

Lynn Goya, County Clerk

Tick Segerblom, Chair

Approved as to form:

Approved on _____, by the Board of County Commissioners for Clark County (Parks & Recreation)


Sarah Schaemer, Deputy District Attorney for
Lisa Logsdon, County Counsel

Attest:

CLARK COUNTY REGIONAL FLOOD CONTROL DISTRICT

Deanna M. Hughes,
Secretary to the Board

Justin Jones, Chair

Approved as to form:

Approved on _____, by the Clark County Regional Flood Control District Board of Directors.

Christopher D. Figgins, Clark County RFCD Attorney

**Attachment A
LTOP Budget**

On March 10, 2020, when first approved by the LVVWAC, the annual cost of implementing the LTOP's 36 actions was \$2,392,189 in 2019 dollars. As agreed, an increase of 2.5 percent has been applied for each fiscal year to address cost of living adjustments and inflation, resulting in a total cost of \$2,706,542 in 2024 dollars. Labor costs include fringe benefits and 19% to cover overhead costs such as office lease and supplies.

Core Element	Action No.	Labor	Other	Total
Erosion & Stormwater	1–8	\$315,254	\$1,042,027	\$1,357,281
Jurisdictional & Regulatory	9–14	\$91,083	\$973	\$92,056
Public Outreach	15–21	\$319,629	\$66,301	\$385,930
Funding	22–23	\$82,344	\$0	\$82,344
Shallow Groundwater	24–26	\$29,997	\$40,731	\$70,728
Environmental Resources	27–36	\$398,015	\$320,188	\$718,203
Totals		\$1,236,322	\$1,470,220	\$2,706,542