

**INTERLOCAL AGREEMENT FOR
CONSTRUCTION AND FUNDING OF SEWER FACILITIES AS PART OF THE WARM SPRINGS ROAD
IMPROVEMENT FROM DECATUR BOULEVARD TO DEAN MARTIN DRIVE**

This Interlocal Agreement, made and entered into by and between the CLARK COUNTY WATER RECLAMATION DISTRICT a general improvement district incorporated under Chapter 318 of the Nevada Revised Statutes ("RECLAMATION"), and the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada ("AUTHORITY"). Each is referred to individually as the "Party" and collectively as the "Parties." The Effective Date is the date of the last signature on this Agreement.

WITNESSETH:

WHEREAS, the Parties are authorized to enter into Agreements pursuant to Nevada Revised Statutes ("NRS") 277.180;

WHEREAS, the AUTHORITY has a desire to facilitate the conversion from septic systems to sanitary sewer for existing customers of the public water system;

WHEREAS, RECLAMATION provides municipal collection and treatment of wastewater within the unincorporated area of Clark County, Nevada;

WHEREAS, CLARK COUNTY PUBLIC WORKS ("COUNTY") has designed and is constructing a project known as "CCPW Warm Springs Road – Decatur Boulevard to Dean Martin Drive" ("COUNTY PROJECT"), the limits of which are generally depicted in Exhibit "A," attached hereto and incorporated herein;

WHEREAS, the COUNTY has designed the construction and installation of 12-inch sewer lines including stubs and laterals along Warm Springs Road from Decatur Boulevard to Dean Martin Drive and replace the existing sewer assets from Valley View Boulevard to Dean Martin Drive ("SEWER IMPROVEMENTS"), which is generally depicted in Exhibit "A," attached hereto and incorporated herein;

WHEREAS, RECLAMATION and the AUTHORITY have agreed that it is beneficial to include the construction phase of the SEWER IMPROVEMENTS within the COUNTY PROJECT;

WHEREAS, the COUNTY is willing and able to perform the construction and administration of the SEWER IMPROVEMENTS so long as the COUNTY does not incur any additional costs or expenses for the SEWER IMPROVEMENTS;

WHEREAS, RECLAMATION and the AUTHORITY are willing to pay for all costs and expenses associated with the design and construction of the SEWER IMPROVEMENTS;

WHEREAS, RECLAMATION and the AUTHORITY are willing to share the costs of designing and constructing the SEWER IMPROVEMENTS as described in this Agreement;

WHEREAS, the AUTHORITY will provide to RECLAMATION the funding for the AUTHORITY's share of the cost of the SEWER IMPROVEMENTS;

WHEREAS, the COUNTY has incorporated the design of the SEWER IMPROVEMENTS in the COUNTY PROJECT and has agreed to construct the SEWER IMPROVEMENTS as a part of the COUNTY PROJECT ("COMBINED PROJECT");

WHEREAS, RECLAMATION will execute a separate agreement with the COUNTY for the design and construction of the SEWER IMPROVEMENTS; and

WHEREAS, the estimated cost of the design and construction of the SEWER IMPROVEMENTS is Nine Million Seven Hundred Sixty-Seven Thousand Two Hundred Ninety-Eight and 15/100 Dollars (\$9,767,298.15) ("SEWER IMPROVEMENT COSTS"), as set forth above and in Exhibit "B".

NOW, THEREFORE, in consideration of the promises and of the mutual covenants hereinafter contained, it is agreed as follows:

ARTICLE I – AUTHORITY AGREES:

1. To pay to RECLAMATION the amount of Four Million Eight Hundred Eighty-Three Thousand Six Hundred Forty-Nine and 08/100 Dollars (\$4,883,649.08) ("AUTHORITY CONTRIBUTION") for the AUTHORITY's share of the SEWER IMPROVEMENTS COSTS, which is one half of the estimated SEWER IMPROVEMENTS COSTS. The AUTHORITY's total obligation under this Agreement shall not exceed half of the SEWER IMPROVEMENT COSTS.
2. To advance to RECLAMATION the AUTHORITY CONTRIBUTION within thirty (30) calendar days after the construction contract for the COMBINED PROJECT is awarded by the Board of County Commissioners ("BCC").
3. Should the bid amount of the SEWER IMPROVEMENTS be in excess of the SEWER IMPROVEMENT COSTS after the COUNTY opens the bids for the COMBINED PROJECT or should the best bid include contingencies that increase the cost of the SEWER IMPROVEMENTS, the Parties agree that the AUTHORITY will be responsible for half of the costs in excess of the AUTHORITY CONTRIBUTION. The Parties acknowledge that the Agreement will need to be amended to account for the additional costs, and the AUTHORITY may be required to have the amendment approved by its Board of Directors before the future amendment will have any force or effect.
4. To review and approve the COMBINED PROJECT when submitted through the Digital Plan Submittal system, which is operated and maintained by the Las Vegas Valley Water District.
5. To assign a Project Manager and/or a Construction Manager to act as the AUTHORITY's representative, to monitor the progress of the construction of the SEWER IMPROVEMENTS, and to coordinate with the designated Project Managers for the COUNTY and RECLAMATION assigned to the COUNTY PROJECT.
6. The AUTHORITY understands and agrees that pursuant to NRS 338.143, the COUNTY will make the determination as to whether or not the COMBINED PROJECT is awarded or rejected. If the COUNTY determines that the COMBINED PROJECT should not be awarded, then this Agreement shall terminate and neither Party shall have a claim against the other for damages.
7. Subject to the limitations established by law, AUTHORITY will be responsible for any loss, damage, liability, cost or expense, except those exempt by law, caused by actions or inactions of its employees arising under this Agreement. AUTHORITY does not waive the conditions and limitations of NRS Chapter 41. Any liability of AUTHORITY arising under the terms of this Agreement shall not be subject to punitive damages.

ARTICLE II – RECLAMATION AGREES:

1. To execute an agreement with the COUNTY for inclusion of the construction of the SEWER IMPROVEMENTS in the base bid as a part of the COUNTY PROJECT, and for the COUNTY to advertise and administer the COMBINED PROJECT, if awarded, including the COUNTY PROJECT and SEWER IMPROVEMENTS as one project. RECLAMATION shall ensure that its separate agreement with the COUNTY does not include damages against RECLAMATION or the AUTHORITY, if the COUNTY determines that the COMBINED PROJECT should not be awarded.
2. To pay the COUNTY the total cost of all work to be performed for the SEWER IMPROVEMENTS project, including the cost share of the AUTHORITY.
3. To ensure that the COUNTY includes in its construction contract with its contractor the requirement to construct the SEWER IMPROVEMENTS in accordance with RECLAMATION's plans and technical specifications as approved by the COUNTY and RECLAMATION, and in accordance with the latest edition of the Design and Construction Standards for Wastewater Collection Systems, Southern Nevada.

4. To attend all project meetings pertaining to the SEWER IMPROVEMENTS.
5. To assign a Project Manager and/or a Construction Manager to act as the Parties' representative to oversee all aspects of the construction of the COMBINED PROJECT, and to coordinate the construction of the SEWER IMPROVEMENTS to ensure a good and serviceable project.
6. To ensure that the COUNTY includes in its contract with its contractor the requirement that the AUTHORITY is listed as an indemnified party to the same extent that the COUNTY is indemnified within the agreement(s) entered between the COUNTY and the COUNTY's contractor for the COMBINED PROJECT.
7. Subject to the limitations established by law, RECLAMATION shall include in its separate agreement with the COUNTY that the COUNTY will be responsible for any loss, damage, liability, cost or expense, except those exempt by law, caused by actions or inactions of its employees arising under this Agreement. The COUNTY does not waive the conditions and limitations of NRS Chapter 41. Any liability of the COUNTY arising under the terms of this Agreement shall not be subject to punitive damages.
8. Subject to the limitations established by law, RECLAMATION will be responsible for any loss, damage, liability, cost or expense, except those exempt by law, caused by actions or inactions of its employees arising under this Agreement. RECLAMATION does not waive the conditions and limitations of NRS Chapter 41. Any liability of RECLAMATION arising under the terms of this Agreement shall not be subject to punitive damages.
9. In connection with the performance of work under this Agreement, RECLAMATION agrees to include with its contract with the COUNTY that the COUNTY will comply with all applicable laws, including, but not limited to, NRS Chapter 338 and to include in any construction contract the contractor's agreement not to discriminate against any employees or applicant for employment because of race, creed, color, religion, sex, sexual orientation, gender expression, gender identity, age or national origin, including, without limitation, with regard to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff, or termination, rates of pay, or other forms of compensation, and selection for training, including, without limitation, apprenticeship, and to insert this provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

ARTICLE III – IT IS MUTUALLY AGREED:

1. This Agreement shall not become effective until and unless approved by appropriate official action of the governing body of each Party.
2. Pursuant to NRS 239.010, information or documents in connection with this Agreement may be open to public inspection and copying. The Parties will have the duty to disclose unless a particular record is confidential by law.
3. The term of this Agreement shall be from the Effective Date until the completion of and RECLAMATION's acceptance of the SEWER IMPROVEMENTS.
4. This Agreement shall not be modified, amended, or altered except by written agreement mutually consented to by the Parties and executed by an authorized representative of each Party.
5. Either Party may terminate this Agreement upon written notification ten (10) calendar days prior to the COUNTY's award of the bid for the COMBINED PROJECT. After the award of the bid, this Agreement may be terminated by mutual consent of both Parties.
6. Any and all notices, demands or requests required or appropriate under this Agreement (including invoices) shall be given in writing and signed by a person with authorization to bind the Parties, either by personal delivery, via a scanned document sent via email, or by registered or certified mail, return receipt requested, addressed to the following addresses:

FOR RECLAMATION: Clark County Water Reclamation District
Attention: Shawn Mollus, P.E., Deputy General Manager
5857 East Flamingo Road
Las Vegas, Nevada 89122
Telephone: (702) 668-8157
Email: smollus@cleanwaterteam.com

FOR AUTHORITY: Southern Nevada Water Authority
Attn: Janelle Boelter, P.E., Director, Infrastructure Management
1001 South Valley View Boulevard
Las Vegas, Nevada 89153
Telephone: (702) 258-3128
Email: janelle.boelter@lvvwd.com

With copy to: Southern Nevada Water Authority
(excluding invoices) Attention: General Counsel
1001 South Valley View Boulevard
Las Vegas, Nevada 89153
Email: generalcounsel@lvvwd.com

When notice is given by mail, it shall be deemed served three business days following deposit, postage prepaid in the United States mail. When notice is given by email transmission, it shall be deemed served upon receipt of confirmation of transmission if transmitted during normal business hours or, if not transmitted during normal business hours, on the next business day following the email transmission.

The Parties may designate a new contact person under this provision for notices or invoices or change the addresses or email addresses identified above by notifying the other Party in writing.

7. Once completed and accepted by RECLAMATION, the improvements that comprise the SEWER IMPROVEMENTS shall be the exclusive property of RECLAMATION and shall become a part of RECLAMATION's publicly owned facilities. After RECLAMATION's final acceptance, RECLAMATION shall be responsible for the maintenance of the improvements that comprise the SEWER IMPROVEMENTS. Any portion of RECLAMATION's publicly-owned facilities that pre-exists, and remains after the completion of any work on the SEWER IMPROVEMENTS, shall be and remain the exclusive property of RECLAMATION.

8. This Agreement is not a commitment for sewer service to any parcel or entity.

9. Neither this Agreement, nor any interest herein, may be assigned, transferred, or delegated without the prior written consent of the non-assigning Party. If a Party assigns or transfers this Agreement without prior written consent, the assignment or transfer shall be void and not merely voidable.

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

11. The Parties hereto represent and warrant that the person executing this Agreement on behalf of each Party has full power and authority to enter into this Agreement and the Parties are authorized by law to perform the services set forth in the Agreement.

12. 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 Agreement; and, to the extent permitted and possible, the invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term.

13. The laws of the State of Nevada will govern as to the interpretation, validity and effect of this Agreement. The Parties agree that venue for any dispute arising from the terms of this Agreement shall be Clark County, Nevada.

14. The Parties are associated with each other only for the purposes and to the extent set forth in this Agreement, and in respect to performance of services pursuant to this Agreement, each Party is and shall remain separate and distinct from the other Party. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other Party.

15. The Parties acknowledge that the COUNTY may choose to not award the COMBINED PROJECT if the BCC, in its sole determination, determines that there are not sufficient funds to continue with the COUNTY PROJECT and/or the COUNTY PROJECT is not in the best interest of the COUNTY. If the COUNTY chooses to not award the COMBINED PROJECT, RECLAMATION shall refund to the AUTHORITY all unspent AUTHORITY CONTRIBUTION within thirty (30) calendar days of termination of the agreement between the COUNTY and RECLAMATION.

16. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original Agreement and each of which shall constitute one and the same Agreement. The counterparts of this Agreement may be executed and delivered in accordance with this Agreement's notice requirements.

17. This Agreement constitutes the entire agreement of the Parties and is intended as a complete and exclusive statement of the promises, representations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless otherwise expressly authorized by the terms of this Agreement, no modification or amendment to this agreement shall be binding upon the Parties unless the same is in writing and signed by the respective Parties hereto.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date of the last signature below.

CLARK COUNTY WATER RECLAMATION
DISTRICT

SOUTHERN NEVADA WATER AUTHORITY

Tick Segerblom
Chair, Board of Trustees

Marilyn Kirkpatrick, Chair
Board of Directors

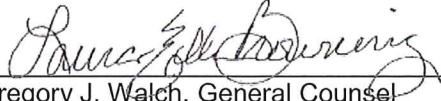
Date

Date

ATTEST:

APPROVED AS TO FORM:

Lynn Marie Goya
Ex-Officio Secretary



Gregory J. Walch, General Counsel
Southern Nevada Water Authority

APPROVED AS TO FORM:



David Stoft, General Counsel
Clark County Water Reclamation District

EXHIBIT "A"

SEWER IMPROVEMENTS



EXHIBIT "B"**LISTING OF BID LINE ITEMS ANTICIPATED FOR
RECLAMATION PROJECT NO. 19105
JONES CAPACITY UPGRADE SUNSET TO RUSSELL**

BID ITEM	DESCRIPTION	APPROX. QTY	UNIT	PRICE
1	DUST CONTROL	*Prorated		\$14,967.65
2	MOBILIZATION	*Prorated		\$185,313.82
3	TRAFFIC CONTROL	*Prorated		\$467,820.20
4	REMOVE 48-INCH SEWER MANHOLE	7	EA	\$25,900.00
5	ABANDON 60-INCH SEWER MANHOLE	1	EA	\$25,000.00
6	REMOVE 8" SEWER PIPE	2260	LF	\$135,600.00
7	48-INCH CORROSION PROTECTED POLYMER CONCRETE SANITARY SEWER MANHOLE < 12 FEET DEEP	1	EA	\$30,000.00
8	48-INCH CORROSION PROTECTED POLYMER CONCRETE SANITARY SEWER MANHOLE > 12 FEET DEEP	1	EA	\$35,000.00
9	60-INCH CORROSION PROTECTED POLYMER CONCRETE SANITARY SEWER MANHOLE > 12 FEET DEEP	32	EA	\$1,184,000.00
10	INTERCEPT EX. 8-INCH PVC SANITARY SEWER PIPE AND INSTALL 48-INCH CORROSION PROTECTED POLYMER CONCRETE SANITARY SEWER MANHOLE < 12 FEET DEEP	2	EA	\$90,000.00
11	INTERCEPT EX. 12-INCH PVC SANITARY SEWER PIPE AND INSTALL 60-INCH CORROSION PROTECTED POLYMER CONCRETE SANITARY SEWER MANHOLE > 12 FEET DEEP	1	EA	\$60,000.00
12	8-INCH PVC (C900) SANITARY SEWER PIPE	1831	LF	\$915,500.00

BID ITEM	DESCRIPTION	APPROX. QTY	UNIT	PRICE
13	12-INCH PVC (C900) SANITARY SEWER PIPE	6912	LF	\$3,801,600.00
14	4" PVC (C900) SEWER LATERAL	24	EA	\$600,000.00
15	6" PVC (C900) SEWER LATERAL	2	EA	\$60,000.00
	Subtotal of Items 1 to 15			\$7,630,701.68
	13% County Administrative Cost			\$991,991.22
	15% Contingency			\$1,144,605.25
	Total Payment to County			\$9,767,298.15

* The prorated share will be determined by the sum of the awarded bid prices for items 4 through 15 as a percentage of the total sum of all awarded bid items for the COMBINED PROJECT, excluding items 1 through 3 above.