

## INTERLOCAL AGREEMENT

### 1) PARTIES

This Interlocal Agreement ("Agreement") is entered into between the Western Regional Water Commission (the "Commission"), a political subdivision of the State of Nevada created pursuant to Chapter 531, Statutes of Nevada 2007, the Western Regional Water Commission Act (the "Act") and Cooperative Agreement, and the City of Reno ("Reno"), collectively, the "Parties" or, as the context requires, "Party". In consideration of the mutual promises contained in this Agreement, the Parties agree as follows:

### 2) RECITALS

2.1 The Parties are public agencies as defined in NRS 277.100(1)(a).

2.2 NRS 277.180 provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any public agency, entering into the contract, is authorized to perform.

2.3 On January 14, 2011, the Commission, at its regular meeting held that date, directed staff to include in its fiscal year 2011-2012 budget, \$262,500 from the Regional Water Management Fund ("RWMF"), to support the Truckee Meadows Storm Water Quality Management Program, and Storm Water Permit Coordinating Committee activities related to the implementation of the storm water drainage provisions of the Comprehensive Regional Water Management Plan, (the "Project").

2.4 The Scope of work for the Project is attached hereto as Exhibit "A". Other expenses related to the implementation of the Project for fiscal year 2011-2012, which will assist in implementation of the storm water drainage provisions of the Comprehensive Regional Water Management Plan, will be paid as provided for in this Agreement.

2.5 This Agreement is subject to that certain First Amended Agreement Regarding National Pollutant Discharge Elimination Storm Water Permit Implementation, entered into

between Reno, the City of Sparks, and Washoe County, dated June 22, 2004 (the "Storm Water Interlocal Agreement"), which Agreement shall remain in full force and effect.

### 3) RIGHTS & DUTIES

#### 3.1 Reno

3.1.1 Reno shall submit invoices on a monthly basis for reimbursement of shared costs as approved pursuant to the terms of the Storm Water Interlocal Agreement. Reno shall prepare and verify all invoices and then submit invoices to the Storm Water Permit Coordinating Committee ("SWPCC") for approval. After SWPCC approval, Reno shall submit invoices for reimbursement to the Commission, through its Contract Administrator, on a monthly basis. Work on the Project will progress and be completed by June 30, 2012.

3.1.2 Reno will provide or contract for all services required to complete the Project.

3.1.3 For contracted services, Reno's Contract Administrator will hold payment of the final invoice until final deliverables are received and accepted. Reno's Contract Administrator will have sole authority to accept or reject final deliverables based on completeness and consistency with the Project's scope of work and will be responsible for final payment.

3.1.4 Reno's Contract Administrator will be provided from all contract service providers, when appropriate, electronic versions of final deliverables. All work product deliverables shall, at a minimum, be provided to Reno as follows:

One (1) copy of each deliverable element in its current native file format. Native formats for deliverables will be provided as follows: Text in Microsoft Word format; Spreadsheets in Excel format; Databases in Microsoft Access format; graphics in AutoCAD format, all native pre-modeling and post-modeling files and Global Information Systems data in ESRI ArcMap/ArcInfo compatible file formats. Additionally, any and all native file formats as specified in contract scopes of work.

3.1.5 Reno shall, through its designated representative or Contract Administrator, provide to the Commission any information requested by the Commission's Contract Administrator, relating to any invoice submitted for payment.

3.1.6 Reno shall set up a separate account for the Project, if not already existing, so that check numbers along with copies of cancelled checks for all expenditures can be submitted, as well as an exact itemization of Project expenditures, copies of itemized invoices, and properly documented timesheets.

3.1.7 To the extent authorized by Nevada law, Reno will save, hold harmless, and indemnify the Commission from and against any and all liability incurred in relation to the Project.

### 3.2 The Commission

3.2.1 The Commission's Water Resources Program Manager, Jim Smitherman, is hereby designated as the Commission's Contract Administrator.

3.2.2 Upon the submission of an invoice for payment, pursuant to Paragraph 3.1.1 above, the Contract Administrator shall promptly review the invoice, request any further information or documentation required, and process the invoice for payment within thirty (30) days following his approval.

3.2.3 The Commission's Contract Administrator will hold payment of the final invoice until the final deliverable is received and accepted. The Commission's Contract Administrator will have sole authority to accept or reject final deliverables based on completeness and consistency with the Project's scope of work and will be responsible for final payment.

3.2.4 The Commission, at its discretion, may conduct an audit of compliance with this Agreement and the funding provided for herein, relating to performance of this Agreement and compliance with all applicable State, Federal and local laws, policies and procedures. Such audit shall be at the Commission's expense.

3.2.5 The total amount of invoices paid pursuant to this Agreement shall not exceed the sum of \$262,500 from the RWMF.

3.3 Joint Rights and Responsibilities

3.3.1 Either Party may terminate this Agreement with a thirty (30) - day advance written notice to the other.

3.3.2 This Agreement may be extended for one or more years by mutual written Agreement duly executed by the Parties.

3.3.3 Both Parties agree to coordinate and use their best efforts to complete the Project and to collaborate in a timely manner in order to maximize the efficient use of funding and other resources.

4) INDEMNIFICATION

4.1 Each Party agrees to be responsible for any liability or loss that may be incurred as a result of any claim, demand, cost, or judgment made against that Party arising from any negligent act or negligent failure to act by any of that Party's employees, agents in connection with the performance of obligations assumed pursuant to this Agreement.

4.2 Each Party further agrees, to the extent allowed by law pursuant to Chapter 41 of the Nevada Revised Statutes ("NRS"), to hold harmless, indemnify and defend the other from all losses, liabilities or expenses of any nature to the person or property of another, to which the indemnified party may be subjected as a result of any claim, demand, action or cause of action arising out of the negligent acts, errors or omissions on the part of employees or agents of the indemnifying party in relation to this Agreement.

5) MISCELLANEOUS PROVISIONS

5.1 This Agreement is binding upon and inures to the benefit of the Parties and their respective heirs, estates, personal representatives, successors and assigns.

5.2 This Agreement is made in, and shall be governed, enforced and construed under the laws of the State of Nevada.

5.3 This Agreement constitutes the entire understanding and agreement of the Parties with respect to the subject matter hereof, and supersedes and replaces all prior understandings and agreements, whether verbal or in writing, with respect to the subject matter hereof.

5.4 This Agreement may not be modified, or amended in any respect, except pursuant to an instrument in writing duly executed by the Parties.

5.5 In the event the Commission fails to appropriate or budget funds for the purposes as specified in this Agreement, Reno hereby consents to the termination of this Agreement. In such event, the Commission shall notify Reno in writing and the Agreement will terminate on the date specified in the notice. The Parties understand that this funding out provision is required under NRS 244.320 and NRS 354.626.

5.6 In the event either Party brings any legal action or other proceeding with respect to the breach, interpretation, or enforcement of this Agreement, or with respect to any dispute relating to any transaction covered by this Agreement, the losing Party or Parties in such action or proceeding shall reimburse the prevailing Party or Parties therein for all reasonable costs of litigation, including reasonable attorneys' fees.

5.7 No delay or omission by either Party in exercising any right or power under this Agreement shall impair any such right or power or be construed to be a waiver thereof, unless this Agreement specifies a time limit for the exercise of such right or power or unless such waiver is set forth in a written instrument duly executed by the person granting such waiver. A waiver of any person of any of the covenants, conditions, or agreements hereof to be performed by any other Party shall not be construed as a waiver of any succeeding breach of the same or any other covenants, agreement, restrictions or conditions hereof.

5.8 All notices, demands or other communications required or permitted to be given in connection with this Agreement, shall be in writing, and shall be deemed delivered when personally delivered to a Party or, if mailed, three (3) business days after deposit in the United States mail, postage prepaid, certified or registered mail, addressed to the Parties as follows:

To Commission: Jim Smitherman, Water Resources Program Manager  
Western Regional Water Commission  
4930 Energy Way  
Reno, Nevada 89502

To Reno: John Flansberg, P.E., Director of Public Works  
City of Reno  
P.O. Box 1900  
Reno, Nevada 89505

5.9 This Agreement shall be effective July 1, 2011, regardless of the date each Party signs this Agreement ("Effective Date").

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

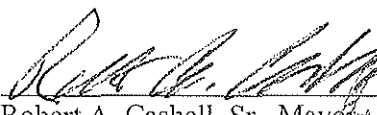
WESTERN REGIONAL WATER COMMISSION

CITY OF RENO

Dated this ~~20<sup>th</sup>~~ day of SEPT., 2011

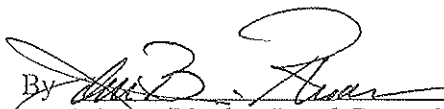
Dated this 22<sup>nd</sup> day of June, 2011

By   
Mike Carrigan, Chairman  
Western Regional Water Commission

By   
Robert A. Cashell, Sr., Mayor  
City of Reno



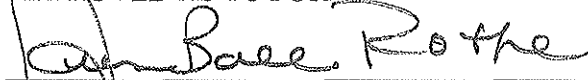
APPROVED AS TO FORM:  
Rhodes Law Offices, Ltd.

By   
John B. Rhodes, Legal Counsel

ATTEST:

  
Lynnette Jones  
Reno City Clerk

APPROVED AS TO FORM:

  
Deputy City Attorney