INTERLOCAL AGREEMENT FOR CITY OF LAS VEGAS CENTENNIAL HILLS PARK PHASE 3

THIS AGREEMENT made and entered into by and between the CITY OF LAS VEGAS, a municipal corporation of the State of Nevada, hereinafter called "CITY", and the LAS VEGAS VALLEY WATER DISTRICT, a quasi-municipal corporation of the State of Nevada, hereinafter called "DISTRICT".

RECITALS

WHEREAS, the DISTRICT is engaged in the business of distributing potable water in the City of Las Vegas, Nevada, and portions of the County of Clark, Nevada; and

WHEREAS, the CITY is engaged in the development of real property generally located on the north side of Deer Springs Way, east of Cimarron Road, further described as Clark County Assessor's Parcel Numbers 125-21-601-007, 125-21-601-008, 125-21-601-009, 125-21-701-011, and has submitted plans for the third phase of a public park (formerly known as Deer Springs Park), and is desirous of receiving potable water from the DISTRICT and has made application for water service to said project; and

WHEREAS, the CITY has approved the development of the real property as a public park and has authorized a distribution of water for the development subject to the DISTRICT'S Service Rules; and

WHEREAS, DISTRICT is willing to serve said real property with water pursuant to its Service Rules as adopted by its Board of Directors and subject to the CITY performing all of the terms, conditions and provisions hereinafter set forth and required of the CITY; and

WHEREAS, the CITY is willing to construct at its sole cost and expense the required water service connections and appurtenances for the purpose of providing water service to said real property; and

WHEREAS, both the CITY and the DISTRICT are authorized to enter into interlocal agreements pursuant to NRS 277.180.

NOW, this Agreement WITNESSETH:

ARTICLE I

CITY AGREES:

A. That this Agreement provides a water commitment on a conditional basis only for a public park, located on the north side of Deer Springs Way, east of Cimarron Road. The conditional water commitment is provided in accordance with the DISTRICT'S Service Rules, which are made a part of the Agreement by reference and applies only to the development identified in this paragraph.

B. The water commitment will be conditional until all water facilities identified in paragraph E of this Article I are constructed by the CITY and accepted by the DISTRICT for the complete development described in paragraph A of this Article I.

C. That in the event the use of the property changes and modifications to the water facilities are required, the CITY will be required to either obtain a new conditional water commitment from the DISTRICT, or at the option of the DISTRICT, to amend the Agreement.

D. That the CITY has had the opportunity to review the Service Rules and agrees to comply with the Service Rules that are in force on the effective date of this Agreement including those sections pertaining to the water commitment process.

E. At CITY'S sole cost and expense to furnish all necessary materials, labor, and equipment for the construction of the service connections and appurtenances which may include, but not be limited to, the connection to the main and the lateral pipe, a meter, or battery thereof, a meter box or vault, valves, and backflow prevention assembly hereinafter called "WATER FACILITIES", from the main to the point where the water being delivered leaves the piping owned by the DISTRICT. The location and type of said WATER FACILITIES are identified on the plan entitled:

CENTENNIAL HILLS PARK PHASE 3
Utility Plan

F. That said WATER FACILITIES may be sized to ultimately provide water service to development other than described herein, however the conditional water commitment is only for that portion of the project described herein and any additional construction requires a separate and additional conditional water commitment from the DISTRICT.

G. That said WATER FACILITIES shall be constructed in the location shown, and in accordance with the above-mentioned plan, as approved by the DISTRICT, and in conformance with DISTRICT specifications.

H. That all work shall be subject to inspection and approval by an authorized representative of the DISTRICT and the DISTRICT shall be notified a minimum of 48 hours in advance of actual construction start and 24 hours prior to an inspection of any part of the work, in order that necessary inspection can be arranged.

I. To comply with the DISTRICT'S Service Rules that are in force on the effective date of this Agreement including those sections pertaining to the water commitment process and construction of the WATER FACILITIES identified in Article I, paragraph E above.

J. At CITY'S sole cost and expense, to perform all survey work necessary to ensure installation of the WATER FACILITIES to the location and grades called for in the plans.

K. At CITY'S sole cost and expense, to disinfect and pressure test the WATER FACILITIES to the satisfaction of the DISTRICT and the health authorities having jurisdiction.

L. That connections to existing mains shall be made only in the presence of an authorized representative of the DISTRICT and at the times specified by the DISTRICT.

M. That the WATER FACILITIES shall be located outside of driveways, driveway approaches, or other areas subject to vehicular traffic. In the event the WATER FACILITIES are located within those areas either inadvertently or otherwise, the CITY shall cause such WATER FACILITIES to be relocated outside of the driveways, driveway approaches or other areas described above, in accordance with DISTRICT'S requirements, or shall reimburse the DISTRICT for the cost of relocating said WATER FACILITIES. If extraordinary conditions exist that would prevent compliance with this requirement, the CITY may submit to the DISTRICT a written request for a waiver of this requirement pursuant to the DISTRICT'S Service Rules.

N. To furnish to the DISTRICT easements, in a form satisfactory to the DISTRICT, where WATER FACILITIES are approved to be installed in other than dedicated street or alleys. Said easements shall conform to the requirements as indicated on the approved water plans and be perpetual. The conditions of said easements shall be such that no buildings, structures, trees, shrubs, or other improvements which would interfere with its use by DISTRICT can be placed upon it, that DISTRICT will have the right to operate, maintain, repair, replace, and/or change the size and/or number of WATER FACILITIES; and that proper access to all parts of the easement by DISTRICT forces and equipment is provided. The conditions of said easements shall further provide that the property owner agrees to pay any and all costs incurred by the DISTRICT to make and/or maintain said easements accessible to the DISTRICT. It may be provided that other utility lines can be installed in said easement, so long as they do not interfere with its use by DISTRICT, and are in compliance with state laws and regulations.

O. Should any defective material or workmanship affecting the WATER FACILITIES installed by the CITY be disclosed within one (1) year of the date of completion and acceptance of the WATER FACILITIES by the DISTRICT, the CITY shall immediately cause the defect to be corrected, or shall reimburse DISTRICT for its cost to correct said defect. For the purpose of this Agreement, failures including, but not limited to, any leak or break in the WATER FACILITIES, or any pavement settlement, shall be considered conclusive evidence of defective materials and/or workmanship.

P. That upon completion of construction of the work and acceptance of the work by the DISTRICT, the CITY will provide final acceptance of all work associated with the project and the final acceptance shall include providing the DISTRICT with all its right, title, and interest, in and to the WATER FACILITIES. The CITY will warrant at the time of said final acceptance that there are no encumbrances for material and labor claims.

Q. That installation of said WATER FACILITIES does not assure or guarantee that a complete water service will be available in the future. Until such time as a complete service connection is approved by the DISTRICT and a water commitment is obtained from the DISTRICT, no water may be taken from the new WATER FACILITIES installed under this Agreement.

R. That all water will be taken through metered service connections, in accordance with DISTRICT'S Service Rules. The CITY will require its contractor to install the meters in a timely manner.

S. To require its contractor to protect all existing water facilities during construction and to promptly undertake the repair of damaged facilities upon authorization of the DISTRICT.

T. If required as a condition of the DISTRICT'S Service Rules, the CITY will pay any additional Regional Connection Charges based on a confirmed audit of annual water usage by the above-described property within the first three (3) years of operation. All assessments will be based on the Regional Connection Charge Rates paid at time of project approval.

ARTICLE II

DISTRICT AGREES:

A. That upon completion of construction of the WATER FACILITIES, acceptance of same by the DISTRICT, and fulfillment by the CITY of all requirements of this Agreement, to supply water to, and to thereafter operate and maintain the WATER FACILITIES installed pursuant to this Agreement in accordance with the DISTRICT'S Service Rules as the same are established and amended.

B. That construction water may be provided through metered fire hydrants and/or metered service connections in accordance with the DISTRICT'S Service Rules.

C. If required as a condition of the DISTRICT'S Service Rules, to refund to the CITY any overpayment of Regional Connection Charges based on a confirmed audit of annual water usage by the above-described property within the first three (3) years of operation. All payments will be based on the Regional Connection Charge Rates paid at the time of project approval.

ARTICLE III

IT IS MUTUALLY AGREED:

A. That the parties understand that this Agreement does not create "water rights", but only rights to conditional water service as a potential customer. This Agreement does not create a property interest in such water service and the CITY is not deemed a DISTRICT water customer until the water facilities and development identified herein are completed as specified.

B. That the WATER FACILITIES installed under this Agreement shall be and remain the exclusive property of the DISTRICT, and shall become a part of the DISTRICT'S general water distribution system after acceptance by the District.

C. That in the event a portion of the WATER FACILITIES are constructed but this Agreement terminates, the above-described property shall have no water commitment by virtue of the installation of the WATER FACILITIES. Requests for future use of said WATER FACILITIES if retained in place, shall require that a new water commitment be obtained before the WATER FACILITIES can be utilized.

D. That this Agreement shall terminate and the conditional commitment shall be void if any of the following occurs:

1. Construction of the water facilities covered by the plan or plans identified in Article I, paragraph E of this Agreement is not diligently commenced within one (1) year from the date of DISTRICT approval of said plan or plans; or
2. If active construction work is discontinued for a period of one (1) year; or if such construction is commenced within said one (1) year period, but is not diligently prosecuted to completion in a manner acceptable to the DISTRICT.

E. That if this Agreement terminates in accordance with its terms, right, title and interest of all or any portion of the WATER FACILITIES installed, as determined solely and exclusively by the DISTRICT, shall become the exclusive property of the DISTRICT for the DISTRICT to use, modify, or to dispose of as the DISTRICT deems appropriate.

F. That noncompliance or violation of the DISTRICT'S Service Rules or any provision of this Agreement by the CITY or its officers, employees, agents, contractors, licensees or invitees shall be cause for the District, at its sole discretion, to discontinue water service to CITY'S project without challenge by CITY and without liability for any damages caused by said discontinuation.

G. That the CITY will be responsible for any loss, damage, liability, cost or expense, except those exempted by law, caused by the actions or inactions of its employees, consultants, contractors, or agents arising under this Agreement. Without waiving the limitations on governmental liability set forth in NRS Chapter 41, as amended, the CITY shall protect, indemnify, and hold the DISTRICT, its officers, employees, and agents harmless from and against any and all claims, damages, losses, expenses, suits, actions, judgements, and awards including attorney's fees and court costs which may be brought against it or them as a result of or by reason of or arising out of or as a consequence of the construction of the WATER FACILITIES contemplated in this Agreement.

H. That this Agreement shall not be deemed to be for the benefit of any entity or person who is not a party hereto, and is not a commitment for water service, and neither this Agreement, nor any interest therein, may be assigned without the prior written consent of the non-assigning party. This Agreement is not intended by the parties to create any right in or benefit to parties other than the District and the CITY. This Agreement does not create any third party beneficiary rights or causes of action

I. That this Agreement represents the entire understanding of the CITY and the DISTRICT relative to the installation of the WATER FACILITIES in conjunction with the CITY'S project.

J. That 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.

K. That the laws of the State of Nevada will govern as to the interpretation, validity, and effect of this Agreement.

L. That each party shall not discriminate against employees or applicants based on race, color, religion, sex,age, or national origin, and shall take affirmative action to ensure that applicants are employed and employees are treated without regard to the above-mentioned factors and agrees to post in conspicuous places for employees and applicants' notices provided by the Federal Civil Rights Commission setting forth these provisions. Each party further agrees that solicitation for employees shall state that qualified applicants will receive consideration without regard to the above-mentioned factors and will send to labor unions or collectives with which he/it has an agreement a notice of the commitments required herein and each party will comply with all local, state and federal laws prohibiting discrimination in hiring or employment opportunities.

IN WITNESS WHEREOF, the parties hereto have entered into this Interlocal Agreement on the _____ day of _____, 200_____.

APPROVED AS TO FORM:

Thomas R. Green 8/29/06
Thomas R. Green
City Attorney
DEPUTY

ATTEST:

CITY OF LAS VEGAS

_____
BARBARA JO RONEMUS, City Clerk

BY:_____
OSCAR B. GOODMAN, Mayor

ATTEST:

LAS VEGAS VALLEY WATER DISTRICT

_____
PATRICIA MULROY, Secretary
Las Vegas Valley Water District

BY:_____
MYRNA WILLIAMS, President
Board of Directors

APPROVED:

for
CHARLES K. HAUSER, General Counsel