

WESTERN REGIONAL WATER COMMISSION

AMENDED AND RESTATED JOINT POWERS AGREEMENT

AMONG

CITY OF RENO

CITY OF SPARKS

SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

TRUCKEE MEADOWS WATER AUTHORITY

WASHOE COUNTY

WESTERN REGIONAL WATER COMMISSION
AMENDED AND RESTATED JOINT POWERS AGREEMENT

This Agreement, made and entered into as of [7-29-2008], is by and among the City of Reno, Nevada ("Reno"), the City of Sparks, Nevada ("Sparks"), South Truckee Meadows General Improvement District ("STMGID"), Sun Valley General Improvement District ("SVGID"), the Truckee Meadows Water Authority ("TMWA"), and the County of Washoe, Nevada ("Washoe County").

RECITALS

A. The parties desire hereby to work to sustain our community's quality of life through efficient total water management and to lead a cooperative approach to stewardship of our region's water resources through developing and implementing an integrated water resource plan, building understanding and trust among all stakeholders, and establishing water resources public policy.

B. The Western Regional Water Commission having the purposes, powers, rights, privileges and immunities provided in this Agreement will serve a public use and will promote the general welfare by facilitating unified and cooperative efforts to secure and develop additional water supplies, maintain and cooperatively establish policies for managing existing water resources and water supplies, provide for integrated regional water resources and management of water supplies, provide for integration of efforts to manage storm water, provide for protection of watersheds and provide for regional conservation efforts, subject to and in accordance with the Truckee River Operating Agreement.

C. The planning for the acquisition, development, management and conservation of regional water supplies and any associated facilities by the Western Regional Water Commission is for a public and governmental purpose and a matter of public necessity.

D. Each of the parties is authorized to contract with each other for the joint exercise of any member's power under Chapter 277 of the Nevada Revised Statutes ("NRS").

E. The parties desire to amend and restate this Agreement as set forth herein.

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1:
DEFINITIONS

1.1. Definitions. For the purposes of this Agreement, the following terms shall have the following meanings:

- a. "Act" means Chapter 531 Statutes of Nevada 2007, the Western Regional Water Commission Act.
- b. "Board of Trustees" or "Board" means the Board of Trustees of the Regional Water Commission.
- c. "Comprehensive Plan" means the plan developed pursuant to sections 34 through 52 of the Act.
- d. "Comprehensive Regional Plan" means the plan required to be created pursuant to NRS 278.0272.
- e. "Facilities" means any facility necessary for the beneficial use of Water Resources, including, without limitation, any diversion, dam, reservoir, other water storage facility for the Water Resources, water conveyance, well, pump, treatment facility, storage tank, pipe, turnout and any other facility required to provide water services or to provide for the conservation of water or enhanced control of floods.
- f. "Governing Board" means:

- i. In the case of the City of Reno, the Reno City Council;
 - ii. In the case of the City of Sparks, the Sparks City Council and the mayor of Sparks;
 - iii. In the case of Washoe County, its Board of County Commissioners;
 - iv. In the case of the Truckee Meadows Water Authority, its Board of Directors;
 - v. In the case of Sun Valley GID, its Board of Trustees;
 - vi. In the case of South Truckee Meadows GID, its Board of Trustees; and
 - vii. In the case of the Truckee Meadows Water Reclamation Facility, the City Councils of Reno and of Sparks.
- g. "Member" means an entity which is a party to this Agreement and a Member of the Commission.
- h. "Planning Area" means the area within the boundaries of the Commission's authority, as set forth in Section 22 of the Act.
- i. "Public Purveyor" means:
- i. The Truckee Meadows Water Authority, or its successor;
 - ii. The Washoe County Department of Water Resources, or its successor;
 - iii. The South Truckee Meadows General Improvement District, or its successor;
 - iv. The Sun Valley General Improvement District, or its successor; or
 - v. Any other governmental entity engaged in the delivery or management of Water Resources in the Planning Area.
- j. "Purveyor" means any entity engaged in the delivery or management of Water Resources in the Planning Area.
- k. "Regional Facilities" means Facilities, other than Facilities that are owned by a single Member, that are or may be constructed, owned or operated jointly by all or some of the Members of the Commission, through interlocal agreement or other agreement, in furtherance of regional water resource management objectives established by the Commission.
- l. "Regional Water Commission" or "Commission" means the Western Regional Water Commission created pursuant to the Act.
- m. "Truckee River Operating Agreement" means all agreements relating to the implementation of Public Law 101-618, 104 Stat. 3324, as

amended, including, without limitation, the Operating Agreement referenced in section 205(a) of Public Law 101-618, 104 Stat. 3324, as amended, whether entered into before, on or after April 1, 2008, to which the Truckee Meadows Water Authority, its predecessor or its successor, if any, is a party.

n. "Water Planning Commission" means the Northern Nevada Water Planning Commission created pursuant to section 36 of the Act.

o. "Water Quality Settlement Agreement" means the Agreement entered into on October 10, 1996, by the City of Reno, the City of Sparks, Washoe County, the United States Department of the Interior, the United States Department of Justice, the United States Environmental Protection Agency, the Nevada Division of Environmental Protection and the Pyramid Lake Paiute Tribe, and any agreements entered into to implement that Agreement including, without limitation, any applicable provisions of the Truckee River Operating Agreement.

p. "Water Rights" means any entitlement to the beneficial use of surface water or groundwater supplies, including, without limitation, an entitlement that exists by contract, by interest in real property, by decree or by rights granted or recognized by the State of Nevada, the State of California or any other governmental agency.

q. "Water Resources" means surface water, groundwater, reclaimed water, waste water, water rights, storm water, and any other water capable of being put to beneficial use.

ARTICLE 2: **CREATION OF WESTERN REGIONAL WATER COMMISSION**

2.1. Commission Created. A legal entity known as the Western Regional Water Commission is established as provided by the Act. The Commission is a body corporate and politic and a municipal corporation and shall be a political subdivision of the State of Nevada and shall be separate from the Members, pursuant to NRS 277.074 and 277.120.

2.2. The property and revenues of the Regional Water Commission, any interest of any creditor therein and any possessory interest in or right to use that property which the

Regional Water Commission may grant are exempt from all state, county and municipal taxation.

2.3. The Regional Water Commission shall, in carrying out the provisions of this Agreement: (1) Make full use of any available resources for sustainability, economic viability and maintenance of environmental values; (2) Communicate the decisions and policies of the Regional Water Commission in an effective manner; (3) Provide for a centralized system of decision making; (4) Facilitate the effective coordination of land use and resource planning; (5) Facilitate the effective and efficient planning, management and operation of Facilities; and (6) Plan for the effective stewardship of Water Resources, including, without limitation, ensuring the quantity and quality of surface water and groundwater and the control of point and nonpoint sources of pollution.

2.4. Effective Date. This Amended and Restated Agreement shall become effective upon its execution by each Party pursuant to approval of their respective Governing Boards and the approval of this Agreement, given or deemed to be given, by the Attorney General of Nevada pursuant to NRS 277.140.

ARTICLE 3:
MEMBERS, GOVERNANCE, AND ADMINISTRATION

3.1. Membership. The Members of the Commission shall be the Truckee Meadows Water Authority, Reno, Sparks, Washoe County, Sun Valley General Improvement District and South Truckee Meadows General Improvement District.

3.2. Governing Body of the Commission. The Regional Water Commission shall be directed and governed by a Board of Trustees composed of the following nine

trustees appointed pursuant to this section:

- a. Two Members of the Governing Board of the City of Reno;
- b. Two Members of the Governing Board of the City of Sparks;
- c. Two Members of the Board of County Commissioners of Washoe County;
- d. One Member representing the Truckee Meadows Water Reclamation Facility or its successor;
- e. One Member designated by the Local Managing Board of the South Truckee Meadows General Improvement District, or its successor; and
- f. One Member of the Board of Trustees of the Sun Valley General Improvement District, or its successor.

3.3. The Governing Boards of the City of Reno, the City of Sparks and Washoe County shall each appoint one trustee from their membership for an initial term of 2 years.

3.4. The Board of Directors of the Truckee Meadows Water Authority or its successor shall appoint from its membership, for initial terms of 3 years:

- a. One trustee who is a Member of the Governing Board of the City of Reno;
- b. One trustee who is a Member of the Governing Board of the City of Sparks; and
- c. One trustee who is a Member of the Board of County Commissioners of Washoe County.

The trustees appointed pursuant to this subsection must be different persons than those appointed pursuant to section 3.3.

3.5. The Board of Trustees of the Sun Valley General Improvement District or its successor shall appoint one trustee for an initial term of 3 years.

3.6. The Local Managing Board of the South Truckee Meadows General Improvement District or its successor shall appoint one trustee for an initial term of 3 years.

3.7. The owners of the Truckee Meadows Water Reclamation Facility or its successor shall jointly appoint one trustee for an initial term of 2 years.

3.8. After the initial terms, each trustee who is appointed to the Board of Trustees serves for a term of 2 years. A trustee may be reappointed.

3.9. All trustees must be elected officials. No trustee may serve beyond his or her term of office.

3.10. The position of a trustee must be considered vacated upon loss of any of the qualifications required for his or her appointment.

3.11. The Board of Trustees shall annually elect one of its Members as Chairman and one of its Members as Vice Chairman. The Board shall select a Secretary and a Treasurer, who are not required to be trustees of the Board. The Secretary and the Treasurer may be the same person.

3.12. The Secretary shall keep audio recordings or transcripts of all meetings of the Board and, in a well-bound book, a record of all the proceedings of the Board, minutes of all meetings, certificates, contracts, bonds given by employees and all other acts of the Board. Except as otherwise provided in NRS 241.035, the minute book, audio recordings, transcripts and records must be open to the inspection of all interested persons, at all reasonable times and places.

3.13. The Treasurer shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the Board.

3.14. The Board shall meet regularly at a time and in a place to be designated by the Board. The Board shall provide for the calling of a special meeting when action is required before a regular meeting would occur. The Board shall comply with the requirements of NRS Chapter 241.

3.15. A majority of the Board of Trustees constitutes a quorum at any meeting.

3.16 The Regional Water Commission is a public employer within the meaning of NRS 286.070, and the provisions of Chapter 286 of NRS apply to the Regional Water Commission and its employees.

3.17. Administrative and technical support shall be provided to the Commission by the cooperative and collaborative efforts of the staffs of the Members, through in-kind services, or otherwise. The Members may provide for such services through interlocal agreement among the Members.

ARTICLE 4:
CONFERRED FUNCTIONS

4. Conferred Functions of the Commission. Subject to the provisions of Article 6, the Conferred Functions of the Commission are as follows:

- a. To promote the general welfare by facilitating unified and cooperative efforts to manage, secure and develop Water Resources.
- b. To maintain and establish policies for managing existing Water Resources.
- c. To provide for integrated regional Water Resources and management of Water Resources.

- d. To provide for integration of efforts to manage storm water.
- e. To provide for protection and enhancement of watersheds and groundwater resources.
- f. To provide for regional conservation efforts, subject to and in accordance with the Truckee River Operating Agreement.
- g. To provide for planning for the acquisition, development, management and conservation of regional Water Resources and any associated Facilities.
- h. To provide for water quality management.
- i. To develop a Water Resources shortage sharing plan among Purveyors and implement such plan with the approval of all affected entities.
- j. To perform such other functions as may be conferred upon the Commission by amendment to this Agreement or by statute.

ARTICLE 5:
POWERS OF COMMISSION

5.1. **Powers.** In furtherance of the Conferred Functions set forth in Article 4 of this Agreement, and subject to the limitations of that article, the Commission shall have the power in its own name to do any of the following:

- a. Sue and be sued.
- b. Enter into agreements with any government entity and any person.
- c. Prepare, adopt, update and oversee the implementation of the Comprehensive Plan.
- d. Plan for the implementation of a mechanism for:
 - i. Scheduling the delivery of Water Resources held by Public Purveyors and Members to maximize the yield of regional Water Resources and facilitate the cooperative administration of regional water conveyance and treatment Facilities for the benefit of the Public Purveyors and Members.

- ii. Maximizing conjunctive use by and among the Members to optimize resources.
- e. Prepare, adopt and update a water conservation plan for the use of municipal, industrial and domestic Water Resources within the Planning Area, and make recommendations for water conservation agreements among Purveyors and Members.
- f. Study and recommend to Members ordinances or tariffs for implementation of a water conservation plan and the Comprehensive Plan.
- g. Contract with Purveyors and Members for the provision of services to or by the Commission, and, in the performance of its functions, use the officers, agents, employees, services, Facilities, records and equipment of any Purveyor or Member, with the consent of the respective Purveyors or Members, and subject to such terms and conditions as may be agreed upon.
- h. Employ or contract with such persons as deemed necessary and hire and retain officers, agents and employees, including fiscal advisers, engineers, attorneys or other professional or specialized personnel.
- i. Seek, apply for and otherwise solicit and receive from any source, public or private, such contributions, gifts, grants, devises and bequests of money and personal property, or any combination thereof, as the Commission determines is necessary or convenient for the exercise of any of its powers.
- j. Participate with relevant agencies of the United States, the State of Nevada, the State of California, the Pyramid Lake Paiute Tribe, and other entities on issues concerning Water Resources.
- k. Adopt such rules and regulations for the conduct of the affairs of the Commission as deemed necessary or desirable.
- l. Develop a plan for the establishment of services territories within the Planning Area in which the Public Purveyors and Members and all systems for the supply of Water Resources which are controlled or operated by the Public Purveyors and Members may provide new retail or wholesale Water Resources to new customers. In developing and updating such plans, the Commission shall:
 - i. Seek to ensure the coordination of the delivery of water at the lowest reasonable cost, considering all the Facilities, improvements and operations required to provide that water as

measured by the net present value of those Facilities, improvements and operations existing at the time of the determinations, generally using current dollars;

- ii. Seek to ensure that existing or future customers are not affected inequitably;
- iii. Seek to provide for the most effective management, development and integration of systems for the efficient use of Water Resources and associated Facilities; and
- iv. Consider:
 - aa. Any specific planning conducted by Public Purveyors and Members before April 1, 2008, for existing or new customers;
 - bb. The topography of the service territories and the readiness and ability of Public Purveyors and Members to serve customers with existing Facilities;
 - cc. Any policies for land use that affect the service territories; and
 - dd. The rate of growth within the service territories projected over a reasonable period.
- m. Upon the recommendation of the Water Planning Commission:
 - i. Adopt and revise the Comprehensive Plan;
 - ii. Make recommendations concerning methods for conserving existing Water Resources which are consistent with any other plans required by law;
 - iii. Make recommendations concerning methods of collecting and treating sewage to protect and conserve Water Resources;
 - iv. Provide information to members of the public regarding present and potential uses of Water Resources; and
 - v. Make recommendations concerning the management and use of Water Resources within the Planning Area to:

aa. The Governing Boards of the Members and the Planning Commission of Washoe County and the Cities of Reno and Sparks;

bb. The Governing Board for Regional Planning and the Regional Planning Commission established in Washoe County pursuant to NRS 278.0264 and 278.0262, respectively;

cc. The State Engineer;

dd. The Federal Government; and

ee. Such other entities as the Commission deems appropriate.

n. To impose a fee adopted by resolution at a public hearing to fund planning, administration and implementation of the Comprehensive Plan at a rate not to exceed 1.5 percent of the amount otherwise billed, to be collected by each Public Purveyor and supplier of Water Resources from customers within the Planning Area. A public purveyor or supplier of water must state separately on its billings to customers the amount charged as a result of any fee charged pursuant to this paragraph.

o. To perform all other acts, and to exercise all rights and powers including the authority to perform such actions and powers exercisable by any of its Members, necessary or incidental to or implied from the powers granted in this Agreement, and including specifically oversight over the Water Planning Commission, as set forth in Article 7.

ARTICLE 6: **PROHIBITED FUNCTIONS AND POWERS**

6.1. The Commission shall take no action that will impair the bond obligations of any Member.

6.2. Except to the extent the Commission may become a successor or party to the following agreements;

a. The Commission shall not abridge the exclusive power and

authority of the Truckee Meadows Water Authority to negotiate, execute, and implement its obligations under the Truckee River Operating Agreement, as the successor in interest to Sierra Pacific Power Company.

b. The Commission shall not alter the rights and obligations under the Truckee River Operating Agreement.

c. The Commission shall not alter the rights and obligations of the Water Quality Settlement Agreement.

6.3. A plan developed pursuant to powers set forth in Article 5 above does not apply to any Public Purveyor and Member unless each Public Purveyor and Member agrees to the provisions of the plan.

6.4. The Commission shall not dispose of or encumber property belonging to a Member of the Commission without the consent of such Member.

6.5. Absent the written consent of the affected Governing Board of a Public Purveyor, the Commission shall not render any retail service rendered by a Public Purveyor within the service area of a Public Purveyor.

6.6. The Commission shall not take any action inconsistent with the provisions of NRS Chapter 534 with respect to domestic wells.

6.7. The Commission shall not have the power to impose any general tax unless such tax is duly authorized by the State Legislature.

ARTICLE 7:
OVERSIGHT OF NORTHERN NEVADA WATER PLANNING COMMISSION

7.1. The Act creates the Northern Nevada Water Planning Commission (defined herein as the "Water Planning Commission"), effective April 1, 2008. Pursuant to the Act, the Water Planning Commission is required to develop, and as necessary recommend revisions to, a Comprehensive Plan for the Planning Area covering the

supply of municipal and industrial water, quality of water, sanitary sewerage, treatment of sewage, drainage of storm waters and control of floods. The initial Comprehensive Plan must be developed on or before January 1, 2011. The provisions of the Comprehensive Plan developed and revised pursuant to the former provisions of NRS 540A.130 before April 1, 2008, remain in effect until the Commission adopts the initial Comprehensive Plan.

7.2. The Commission shall exercise oversight over the Water Planning Commission including the authority to adopt the Comprehensive Plan and to ensure the consistency between the Comprehensive Plan and Comprehensive Regional Plan.

7.3 The Commission shall establish, publish, and implement procedures for public input into the development and adoption of the Comprehensive Plan.

ARTICLE 8: **GENERAL PROVISIONS**

8.1. Liabilities of the Commission. The debts, liabilities, and obligations of the Commission shall be the debts, liabilities, and obligations of the Commission alone and not of the Members.

8.2. Liabilities of the Board. The funds of the Commission shall be used to defend, indemnify, and hold harmless the Commission, its trustees, officers, and employees, and any Member for actions taken within the scope of the authority of the Commission. Nothing herein shall limit the right of the Commission to purchase insurance to provide coverage for any of the foregoing.

8.3. Term. The Agreement shall continue in existence until it is rescinded as provided in section 8.6.

8.4. Other Cooperative Agreements. Nothing in this Agreement shall prevent the Members from entering into other cooperative agreements.

8.5. Withdrawal of Member. A Member may withdraw from the Agreement on terms and conditions specified in an agreement of withdrawal executed by all Members.

8.6. Termination.

a. This Agreement may be rescinded by a written agreement of termination executed by all Members, except during the outstanding term of any indebtedness incurred by, on behalf of, or at the request of the Commission, or for which the Commission is otherwise responsible, the terms of which preclude such termination.

b. Upon termination of the Commission by Act of the Legislature (1) the obligations of the Commission shall be paid, and (2) all other assets shall be distributed as provided in the termination agreement.

8.7. Amendment. This Agreement may be amended by action taken by the Governing Board of each Member and upon any required approval given, or demand to be given, by the Attorney General of Nevada.

8.8. Assignment; Binding on Successors. Except as otherwise provided in this Agreement, the rights and duties of the Members may not be assigned or delegated without the written consent of all Members. Any attempt to assign or delegate such rights or duties in contravention of this Agreement shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions, indemnities, and other obligations of the Commission then in effect. Subject to the foregoing, this Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Members.

8.9. Choice of Law. This Agreement shall be governed by the laws of the

State of Nevada.

8.10. Severability. If any provision of this Agreement should be held to be invalid or unenforceable by a final decision of a court of competent jurisdiction, then this Agreement shall terminate unless the remaining provisions are reaffirmed by action of the Governing Board of each Member within 120 days from the date on which such decision of invalidity or unenforceability becomes final.

IN WITNESS WHEREOF, the Members have caused this Amended and Restated Agreement to be executed as of the date written above.

CITY OF RENO

CITY OF SPARKS

By: [Signature]
Robert A. Cashell, Sr.
Mayor

By: [Signature]
Geno Martini
Mayor

Date: 7-11-2008

Date: 6/23/08

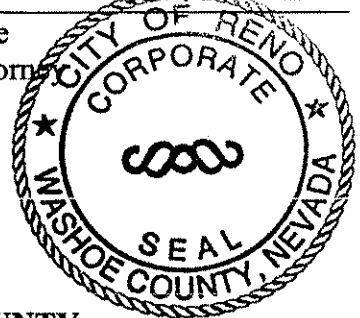
ATTEST:
By: [Signature]
Reno City Clerk Chief Deputy

ATTEST:
By: [Signature]
Sparks City Clerk



APPROVED AS TO FORM:
[Signature]
Susan Ball Rothe
Deputy City Attorney

APPROVED AS TO FORM:
[Signature]
Shirle Eiting
Senior Assistant City Attorney



WASHOE COUNTY
By: [Signature]
Robert M. Larkin, Chairman 6/24/08

TRUCKEE MEADOWS WATER AUTHORITY
By: [Signature]
Mike Carrigan, Chairman

Washoe County Commission

Date: June 24, 2008

ATTEST:

By: *Amy Harvey*
Amy Harvey, Washoe County Clerk

APPROVED AS TO FORM:

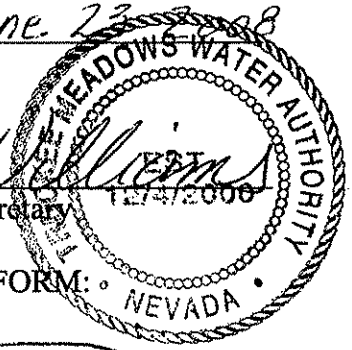
Pete Simeoni
Pete Simeoni
Deputy District Attorney

Board of Directors

Date: June 23, 2008

ATTEST:

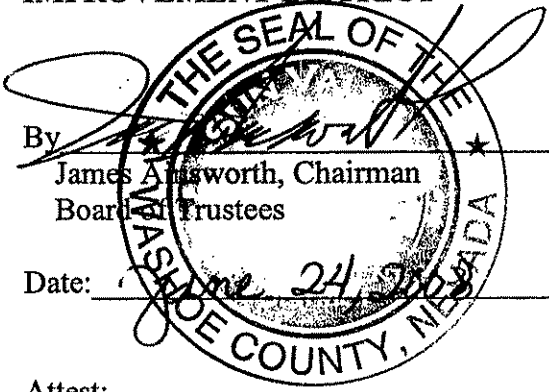
By: *Lori Williams*
Lori Williams, Secretary



APPROVED AS TO FORM:

Sylvia Harrison
Sylvia Harrison
McDonald Carano Wilson LLP

SUN VALLEY GENERAL IMPROVEMENT DISTRICT



By: *James Answorth*
James Answorth, Chairman
Board of Trustees

Date: June 24, 2008

Attest:

By: *Margaret Reinhardt*
Margaret Reinhardt, Secretary
Board of Trustees

APPROVED AS TO FORM:

Stewart White
Stewart White
White Meany & Weatherall

SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT

By: *Robert M Larkin*
Robert M. Larkin, Chairman
Board of Trustees

Date: June 24, 2008

Attest:

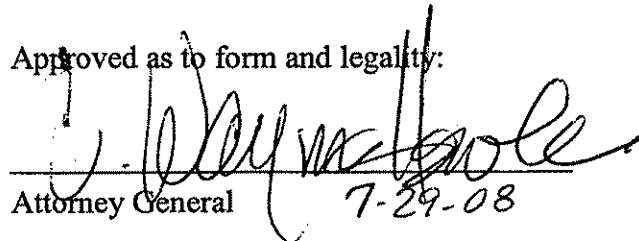
By: *Amy Harvey*
Amy Harvey, Washoe County Clerk

APPROVED AS TO FORM:

Pete Simeoni
Pete Simeoni
Deputy District Attorney

OFFICE OF ATTORNEY GENERAL

Approved as to form and legality:



Attorney General 7-29-08