

AMENDED INTERLOCAL AGREEMENT
FOR THE FORMATION OF THE INTERIM
WESTERN REGIONAL WATER COMMISSION

This **Amended** Agreement is by and among the Cities of Reno and Sparks, Nevada (respectively, “Reno” and “Sparks”); Washoe County, Nevada (“Washoe County”); the Truckee Meadows Water Authority (“TMWA”); the South Truckee Meadows General Improvement District (“STMGID”); and the Sun Valley General Improvement District (“SVGID”) (each a “Party,” and collectively “Parties”).

RECITALS

- A. The Parties are public agencies authorized by chapter 277 of the Nevada Revised Statutes to enter into interlocal and cooperative agreements with each other for the performance of governmental functions.
- B. In 2007, the Nevada Legislature enacted SB 487, Sections 3 through 53 of which are the Western Regional Water Commission Act (the “Act”), attached hereto as Exhibit A. The Act creates the Western Regional Water Commission (“WRWC”), effective April 1, 2008.

- C. WRWC may be created through a cooperative agreement among the Parties to this Interlocal Agreement, pursuant to NRS 277. If the Parties do not enter into a cooperative agreement, WRWC will become effective by operation of the Act.
- D. The Act requires WRWC to be governed by a Board of Trustees composed of nine members: two trustees who are members of the Reno City Council; two trustees who are members of the Sparks City Council; two trustees who are members of the Washoe County Board of Commissioners; one trustee representing the Truckee Meadows Water Reclamation Facility (“TMWRF”); one trustee **designated by** the STMGID Board of Trustees; and one trustee who is a member of the SVGID Board of Trustees. TMWA’s Board of Directors is to appoint from its membership one trustee each from Reno, Sparks and Washoe County. Each of the trustees of WRWC must be an elected official. Further restrictions and qualifications are set forth in Section 25 of the Act.
- E. The Parties recognize that the Act requires WRWC to assume significant responsibility on April 1, 2008, including the responsibility for water resource planning and the designation of service territories within the planning area in which the public purveyors defined in the Act provide or may provide retail and wholesale water service.

F. The Parties acknowledge that cooperative and coordinated planning among them will be required to ensure the smooth, efficient, and effective implementation of the Act.

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

1. **Effective Date:** This Agreement shall be effective on the date last executed by the duly designated member of the Parties' respective governing boards. This Agreement shall terminate upon the implementation of WRWC, either by cooperative agreement between the Parties, or by operation of law pursuant to the Act.
2. **Appointment of Interim Trustees:** No later than August 31, 2007, each Party, and Reno and Sparks, jointly, acting as the owners of TMWRF, shall appoint an interim trustee ("Interim Trustee") who must be qualified pursuant to the Act to represent such party on the WRWC Board of Trustees, **except as otherwise provided herein.** Such Interim Trustees shall constitute the Interim Commission for the Formation of WRWC (the "Interim Commission"). Upon April 1, 2008 and the official inception of WRWC, either by cooperative agreement between the Parties, or by operation of law pursuant to the Act, each Interim Trustee, **if appropriately qualified,** shall assume the position of the WRWC Trustee for his or her appointing Party and shall serve in accordance with the Act. **For the purposes**

of the Agreement, the Interim Trustee designated to represent STMGID shall be appointed from the Local Managing Board of STMGID.

- 3. Initial Meeting of Interim Commission:** Each Party shall provide notice of its appointment to: the other Parties; the General Managers of TMWA and SVGID; the Directors of Washoe County’s Department of Water Resources and the Public Works Departments of Reno and Sparks; and, a designated member of the Local Managing Board of STMGID (collectively, for the purpose of this Agreement, the “Managers”). As soon as practicable following the appointment of all Interim Trustees, the Managers shall jointly provide legal notice of the initial meeting of the Interim Commission, and the Interim Commission shall thereafter convene its initial meeting.
- 4. Compliance with the Nevada Open Meeting Law:** The Parties agree that the Interim Commission shall be governed by and shall comply with the provisions of NRS Chapter 241, the Nevada Open Meeting Law. Other than compliance with the requirements for an action of a board constituted solely of elected officials and the definition of a quorum set forth in NRS 241.015, the Interim Commission may designate such officers and adopt such rules of governance as it deems appropriate.
- 5. Administrative Services:** Routine administrative services for the Interim Commission (e.g. posting meeting agendas, staffing meetings, copying service, etc.) shall be provided jointly and cooperatively by the Parties’ respective staffs.

The Interim Commission shall confer with such staffs to determine the most efficient and effective use of these services.

6. Duties of the Interim Commission: The Parties agree that it is in the best interests of the community that WRWC be constituted by a cooperative and coordinated effort among the affected agencies. Accordingly, the Interim Commission is charged with fostering such an effort. The Interim Commission shall coordinate closely with the Managers and a working group constituted by the staffs of the Parties (“Staff Working Group”), seeking input from the Staff Working Group and directing Staff Working Group as appropriate, to develop a critical path for the formation of WRWC, to ensure its smooth and effective implementation. The Interim Commission shall consider the appropriate scope and mission of WRWC, the advantages and disadvantages of creating WRWC through a cooperative agreement, and shall develop operating and administrative plans for WRWC. The Interim Commission shall be guided by, but not limited by, the statement of legislative determination set forth in Section 4(2) of the Act. The Interim Commission is charged with the responsibility of formulating specific and timely recommendations to the governing boards of the Parties, including but not limited to the following (The dates set forth below are intended as target dates but are not binding deadlines.)

- a. No later than October 1, 2007, the Interim Commission shall have formulated a recommendation as to the scope and mission of WRWC, and no later than October 30, 2007, shall have presented such recommendation

to the Parties' respective governing boards for their comments and approval.

- b. No later than November 15, 2007, the Interim Commission shall have formulated a recommendation as to the advisability of constituting WRWC through a cooperative agreement, and no later than January 4, 2008, shall have presented such recommendation to the Parties' respective governing boards for their comments and approval.
- c. No later than January 4, 2008, the Interim Commission shall have formulated a recommendation as to the operating and administrative plans for WRWC, and no later than February 1, 2008, shall have presented such recommendation to the Parties' respective governing boards for their comments and approval.
- d. In the event the Parties agree to constitute WRWC through a cooperative agreement, the Interim Commission shall have the responsibility of formulating and jointly proposing a draft cooperative agreement (which may have alternative provisions) to the Parties' respective governing boards for their comments and approval. Initial drafts of any cooperative agreement must be presented to the governing boards no later than February 29, 2008.

7. Amendment: This Agreement may be amended or modified only by the mutual written agreement of the Parties and ratification by their respective governing boards.

8. Governing Law. This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of Nevada.

IN WITNESS WHEREOF, the Parties have set their hands with the intent to be bound.

CITY OF RENO

CITY OF SPARKS

By: _____
Robert A. Cashell, Sr.
Mayor

By: _____
Geno Martini
Mayor

Date: _____

Date: _____

ATTEST:

ATTEST:

By: _____
Reno City Clerk

By: _____
Sparks City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Susan Ball Rothe
Deputy City Attorney

WASHOE COUNTY

**TRUCKEE MEADOWS WATER
AUTHORITY**

By: _____
Robert M. Larkin, Chairman
Washoe County Commission

By: _____
Mike Carrigan, Chairman
Board of Directors

Date: _____

Date: _____

ATTEST:

ATTEST:

By: _____
Amy Harvey, Washoe County Clerk

By: _____
Lori Williams, Secretary

APPROVED AS TO FORM:

APPROVED AS TO FORM:

John Rhodes
Deputy District Attorney

Sylvia Harrison
McDonald Carano Wilson LLP

**SUN VALLEY GENERAL
IMPROVEMENT DISTRICT**

**SOUTH TRUCKEE MEADOWS
GENERAL IMPROVEMENT
DISTRICT**

By _____
James Ainsworth, Chairman
Board of Trustees

By _____
Robert M. Larkin, Chairman
Board of Trustees

Date: _____

Date: _____

ATTEST:

ATTEST:

By _____
Margaret Reinhardt, Secretary
Board of Trustees

By _____
Amy Harvey, Washoe County Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

John Rhodes
Deputy District Attorney

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