

Item # 11

**City of Carson City
Agenda Report**

Date Submitted: July 2, 2010

Agenda Date Requested: July 15, 2010
Time Requested: 5 minutes

To: Mayor and Supervisors

From: Public Works

Subject Title: Action to adopt Resolution No. _____ a resolution approving and authorizing the Mayor to sign an Interlocal Agreement by and between Carson City and Douglas County Relating to Water Service (Burnham)

Staff Summary: This agreement facilitates the delivery of Carson City owned water rights from the Regional Water Project to Carson City. This agreement sets forth additional provisions for Douglas to construct a small portion of the pipeline in Carson to avoid contractor conflicts and provides for an additional connection between Douglas and Carson near COSTCO in Vista Grande.

Type of Action Requested: (check one)
(XXX) Resolution () Ordinance
() Formal Action/Motion () Other

Does This Action Require A Business Impact Statement: () Yes (XXX) No

Recommended Board Action: I move to adopt Resolution No. _____ a resolution approving and authorizing the Mayor to sign an Interlocal Agreement by and between Carson City and Douglas County Relating to Water Service.

Explanation for Recommended Board Action: This agreement facilitates the delivery of Carson City owned water rights from the Regional Water Project to Carson City. This agreement sets forth provisions for Douglas to construct a small portion, approximately 3,000 feet, of the regional pipeline to avoid contractor conflicts. Douglas and Carson will share a common area for the lines from the northern pumping station to both North Valley and Carson City and having two contractors working in the same area would create conflicts. Carson will pay Douglas to construct this portion of Carson's pipeline. The agreement also provides for an additional inter-tie or connection of water systems between Douglas and Carson near COSTCO in Vista Grande. This connection is beneficial and necessary to maintain water flow in this area and avoid a dead-end zone which might otherwise occur when the freeway is finally constructed and a waterline on Carson Street is removed. Carson will be able to pump to Douglas and Douglas will be able to provide fire flows to this area in the event of an emergency.

Applicable Statue, Code, Policy, Rule or Regulation:
Uranium Limit - 40 CFR Part 141, Subpart G, 141.66 (e)

Fiscal Impact: Approximately \$900,000

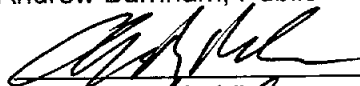
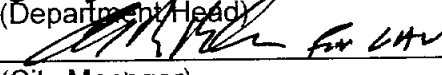
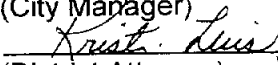
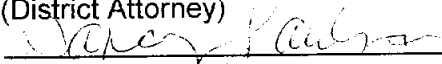
Explanation of Impact: The project funding is contained in the Regional Water Project budget.

Funding Source: Water Fund

Alternatives: Do not approve and direct staff otherwise.

Supporting Material: Interlocal Agreement between Carson City and Douglas County.

Prepared By: Andrew Burnham, Public Works Director

Reviewed By:  Date: 7/6/10
(Department Head)
 For City Date: 7/6/10
(City Manager)
 Date: 7/6/10
(District Attorney)
 Date: 7/6/10
(Finance Director)

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay
2) _____

(Vote Recorded By)

A RESOLUTION ADOPTING AND APPROVING AN INTERLOCAL AGREEMENT BY AND BETWEEN CARSON CITY AND DOUGLAS COUNTY RELATING TO WATER SERVICE

WHEREAS, 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 of the contracting agencies is authorized by law to perform pursuant to NRS 277.180; and

WHEREAS, Carson City and Douglas County are both political subdivisions of the State of Nevada; and

WHEREAS, NRS 277.180 provides that every such agreement must be ratified by formal action of the governing body of each public agency; and

WHEREAS, NRS 277.180 also provides that every such contract must fully set forth the purposes, powers, rights, objectives and responsibilities of the contracting parties; and

WHEREAS, the parties to the Interlocal Agreement by and between Carson City and Douglas County Relating to Water Service desire to adopt and approve such agreement as required by NRS 277.180. A copy of the agreement is attached to this Resolution as Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED, that the terms and conditions of the Interlocal Agreement by and between Carson City and Douglas County Relating to Water Service are hereby adopted and approved; and

BE IT FURTHER RESOLVED, that the Carson City Board of Supervisors finds that the Interlocal Agreement by and between Carson City and Douglas County Relating Water Service will be in the best interests of Carson City; and

BE IT FURTHER RESOLVED, that the Interlocal Agreement by and between Carson City and Douglas County Relating to Water Service shall be spread at large upon the minutes or attached in full thereto as an exhibit, and that a copy of this Resolution shall be sent to Douglas County.

Upon motion by Supervisor _____, seconded by Supervisor _____, the foregoing Resolution was passed and adopted this _____ day of _____, 2010 by the following vote:

AYES: _____ NAYS: _____

ABSENT: _____ ABSTAIN: _____

Robert L. Crowell, Mayor
Carson City, Nevada

ATTEST:

Alan Glover, Clerk
Carson City, Nevada

INTERLOCAL AGREEMENT RELATING TO WATER SERVICE

This INTERLOCAL AGREEMENT RELATING TO WATER SERVICE ("Agreement") is entered into this ___ day of _____, 2010, by and between Douglas County, a political subdivision of the State of Nevada (hereinafter referred to as "COUNTY") and Carson City, a consolidated municipality and political subdivision of the State of Nevada (hereinafter referred to as "CARSON CITY") and hereinafter sometimes referred to individually as "Party" and collectively as "Parties".

RECITALS

WHEREAS NRS 277.100(1) defines a public agency eligible to enter into an interlocal contract to include counties, unincorporated towns and consolidated municipalities, and CARSON CITY and COUNTY are public agencies under that definition; and

WHEREAS NRS 277.180(1) 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 of the contracting agencies is authorized by law to perform; and

WHEREAS CARSON CITY and COUNTY are authorized by the laws of Nevada to construct, improve, maintain, provide capital improvements and related services for the delivery of water including, but not limited to, the purchase and administration of water rights; and

WHEREAS COUNTY provides retail water service through the Douglas County Public Works Department to certain areas of the COUNTY within the COUNTY's service district boundaries. The COUNTY owns, maintains and operates its own distribution system for the delivery of water to its retail service area including daily storage and fire protection capacity; and

WHEREAS CARSON CITY provides retail water service to the residents of Carson City, Nevada within its service district boundaries. CARSON CITY owns, maintains and operates its own distribution system for the delivery of water to its retail service area including daily storage and fire protection capacity; and

WHEREAS the Parties have entered into an agreement to accomplish the North Douglas County and Carson City Water Line Intertie Project; and

WHEREAS the Parties desire to provide an additional connection of their water systems at Vista Grande Blvd and to also provide for COUNTY to construct a small portion of the regional water line for CARSON CITY and for CARSON CITY to reimburse COUNTY for costs incurred.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the Parties agree as follows:

1. REQUIRED APPROVAL.

This Agreement will only become effective after it is approved by the governing body of each Party.

2. TERM OF AGREEMENT. This Agreement is to provide a means of delivering and sharing water resources between the Parties. The nature of the Agreement requires that the Parties use their best efforts to keep it in place as long as customers of both entities are dependent on the interconnection of the Parties' water systems.

3. CARSON CITY'S RESPONSIBILITIES.

a) CARSON CITY will reimburse COUNTY for the actual cost of constructing that portion of the regional water line Carson City is required to construct pursuant to the Interlocal Agreement Relating to Water Service by and between CARSON CITY and COUNTY dated January 21, 2010, including all costs associated with the bidding, permitting, testing and inspection of the improvements from the North Douglas County Pump Station to the Carson City Well 50, a distance of approximately 3000 feet. CARSON CITY will be responsible for costs of design of the improvements.

b) CARSON CITY agrees to design and construct a waterline intertie of each party's water systems at Vista Grande Blvd, which connects Douglas County with Carson City, a distance of approximately 1700 feet including a small booster pump station.

4. COUNTY'S RESPONSIBILITIES.

a) COUNTY will construct the regional waterline as part of their larger waterline project from the North Douglas County Pump Station to the Carson City Well 50, a distance of approximately 3000 feet.

5. MUTUAL RESPONSIBILITIES.

a) Each Party agrees that in the event of any failure of any existing or future infrastructure of either Party's water delivery system or of the water delivery system constructed by COUNTY's contractor required to meet the obligations of this Agreement, which interrupts, restricts or impairs the delivery of water, necessary repairs, rehabilitation or replacements, such failure will be addressed promptly and in conformance with all applicable industry and water utility standards.

b) Each Party agrees that any and all well(s) and infrastructure located within existing COUNTY water systems are owned and operated by COUNTY and any and all well(s) and infrastructure located within the existing CARSON CITY water systems are owned and operated by CARSON CITY. The Parties agree that any future wells or infrastructures which expand the existing CARSON CITY water system shall be owned and operated by CARSON CITY. The Parties agree that any future wells or infrastructures which expand the existing COUNTY water systems shall be owned and operated by COUNTY.

c) The Parties agree that each respective Party shall be responsible for the maintenance repair or reconstruction of any and all well(s) or any other infrastructure owned by that respective Party.

d) The Parties agree that all water being provided by COUNTY to CARSON CITY shall be in compliance with all Federal and State water quality standards and that all water being provided by CARSON CITY to COUNTY shall be in compliance with all Federal and State water quality standards

6. PLANS. Either Party has the right to inspect any plan pertinent to the improvements contemplated by this Agreement. Each Party will provide the other with complete information about the infrastructure of their respective water systems. Furthermore, each Party will share with the other its water testing results to ensure water provided hereunder meets Federal, State and local requirements. Such documentation is restricted and should be treated in accordance with NRS 239C.090 and NRS 239C.220.

7. NOTICES.

a) All written notices under this Agreement shall be delivered to the following officials at the addresses stated:

Carl Ruschmeyer, Director of Douglas Co. Public Works
P.O. Box 218, Minden, NV 89423
cruschmeyer@co.douglas.nv.us

Andrew Burnham, Public Works Director
3505 Butti Way, Carson City, NV 89701
Aburnham@ci.carson-city.nv.us

b) All emergency notifications regarding delivery of water or water quality will be delivered via telephone to the respective 24 hour Dispatch Centers below:

COUNTY – DOUGLAS County Dispatch Center at (775) 782-9935

CARSON CITY – Carson City Dispatch Center at (775) 887-2007

9. LIMITED LIABILITY. The Parties will not waive and intend to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both Parties shall not be subject to punitive damages.

10. INDEMNIFICATION. Each Party agrees to indemnify and hold harmless the other Party, to the extent provided by law, including, but not limited to, NRS chapter 41, from and against any liability arising out of the performance of this Agreement proximately caused by any act or omission of its officers, agents, and employees. The Parties will not waive and intend to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both Parties does not include punitive damages.

11. OWNERSHIP OF FACILITIES. Each entity maintains ownership of its own facilities and no transfer of ownership is implied as part of this Agreement.

12. REASONABLE CARE. Each Party shall exercise reasonable care in the performance of its obligations and rights under this Agreement to ensure that the other Party's facilities and operations are not impaired or damaged.

13. PROTECTION OF A PARTY'S SEPARATE FACILITIES. If any occurrence or conditions during operation or maintenance of the interconnection threaten the physical integrity or operational capability of a Party's separate facilities, upon notification to the other Party the affected Party may stop operation or maintenance of the interconnection and/or take any other action that the affected Party determines to be necessary to protect its own separate facilities. Any Party may remove part of the interconnection if required, for emergency repair of its separate facilities provided that such affected interconnection facilities are restored to operation as soon as possible by the removing Party.

14. RESPONSIBILITY FOR DAMAGE TO FACILITIES. If damage occurs to interconnection facilities during the operation of interconnection under this Agreement, then responsibility to pay for any necessary repairs of said damaged facilities shall be as follows:

a) If damage occurs when the interconnection is being operated within the Operating Standards (said Operating Standards to be agreed upon in writing by the Parties subsequent to execution of this Agreement as part of the design of the interconnection) then responsibility to pay for any necessary repairs to such damaged facilities shall be allocated based on ownership.

b) If damage occurs when the interconnection is being maintained and/or is being operated beyond the Operating Standards, then responsibility to pay for any necessary repairs to said damaged facilities shall be allocated to the Party responsible for the nonstandard operations.

c) If damage occurs to either Party's separate facilities during operation of the interconnection facilities under this Agreement, then responsibility to pay for any necessary repairs to the damaged separate facilities shall be as follows:

i) If damage occurs when the interconnection is being operated within the Operating Standards, then responsibility to pay for any necessary repairs to said damaged separate facilities shall be allocated to the owner of said damaged facilities.

ii) If damage occurs when the interconnection is being maintained and/or is operated beyond the Operating Standards, then responsibility to pay for any necessary repairs to said damaged separate facilities shall be allocated to the Party responsible for nonstandard operations.

15. DISPUTES. The Parties agree to first meet and confer to resolve any dispute. If such meet and confer does not resolve the dispute, the Parties agree to mediate before a department of the Ninth Judicial District Court of the State of Nevada in and for the County of Douglas, selected by a flip of the coin, any dispute between them that cannot be resolved by negotiations between the Parties. The Parties may also agree to another independent mediator. The fee, rate or charge of the mediator will be shared equally by the Parties, who will otherwise be responsible for their own attorney's fees and costs. If mediation is unsuccessful, litigation may proceed before a department of the Ninth Judicial Court of the State of Nevada in and for the County of Douglas that was not involved in the mediation process and attorney's fees and costs will be awarded to the prevailing party at the discretion of the Court.

16. FORCE MAJEURE. Neither Party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder due to protests, strikes, legal impossibility, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, emergencies or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the Party asserting such an excuse, and the excused Party is obligated to promptly perform in accordance with the terms of this Agreement after the intervening cause ceases. In the event of an emergency, as defined at NRS 414.0345 or NRS 455.090, either Party may make use of available water to perform any function of emergency management.

17. SEVERABILITY. If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement shall be construed as if such provision did not exist and the non-enforceability of such provision shall not be held to render any other provision or provisions of this Agreement unenforceable.

18. TERMINATION. This Agreement deals with water resources and the provision of utility service by two retail community water utility systems. As such, the public interest is not served by the termination of this Agreement by one of the Parties to this Agreement absent an opportunity to resolve the alleged breach or have its

position on the claimed breach heard before a qualified mediator in accordance with this Agreement.

This Agreement may be terminated only by the mutual consent and agreement of the Parties or by the order of a court with jurisdiction. If a Party is in breach of a portion of this Agreement then the Party alleging such breach shall provide written notice to the other Party specifying the nature of the violation and allowing thirty (30) days for the Party in breach to correct the violation. If the breach is not corrected within the thirty (30) day period then the matter shall be resolved in accordance with Paragraph 16 above.

19. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents may be open to public inspection and copying. The Parties will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests or the order of a court having jurisdiction.

20. CONFIDENTIALITY. Each Party shall keep confidential all information, in whatever form, produced, prepared, observed or received by that Party to the extent that such information is confidential by law or otherwise required by this Agreement.

21. PROPER AUTHORITY.

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

b) The Parties are associated with each other only for the purpose and to the extent set forth in this Agreement, and in respect to performance of services and payment of costs pursuant to this Agreement, each Party is and shall be a public agency separate and distinct from the other Party and, subject only to the terms of this Agreement, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Agreement. 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.

22. GOVERNING LAW: JURISDICTION. This Agreement and the rights and obligations of the Parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. The Parties agree that venue in any judicial action concerning this Agreement shall be in a northern Nevada court having jurisdiction.

23. ENTIRE CONTRACT AND MODIFICATION. This Agreement constitutes the entire Agreement of the Parties and as such is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and

other contracts that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Agreement specifically displays a mutual intent to amend a particular part of this Agreement, general conflicts in language between any such attachment and this Agreement shall be construed consistent with the terms of this Agreement. 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, approved by the boards of both Parties and signed by the respective Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the day and year first above written.

DOUGLAS COUNTY BOARD
OF COUNTY COMMISSIONERS

CARSON CITY BOARD
OF SUPERVISORS

By: _____
Michael A. Olson
Chairman

By: _____
Robert L. Crowell
Mayor

Date: _____

Date: _____

Approved as to form:

Approved as to form:

By: _____
District Attorney

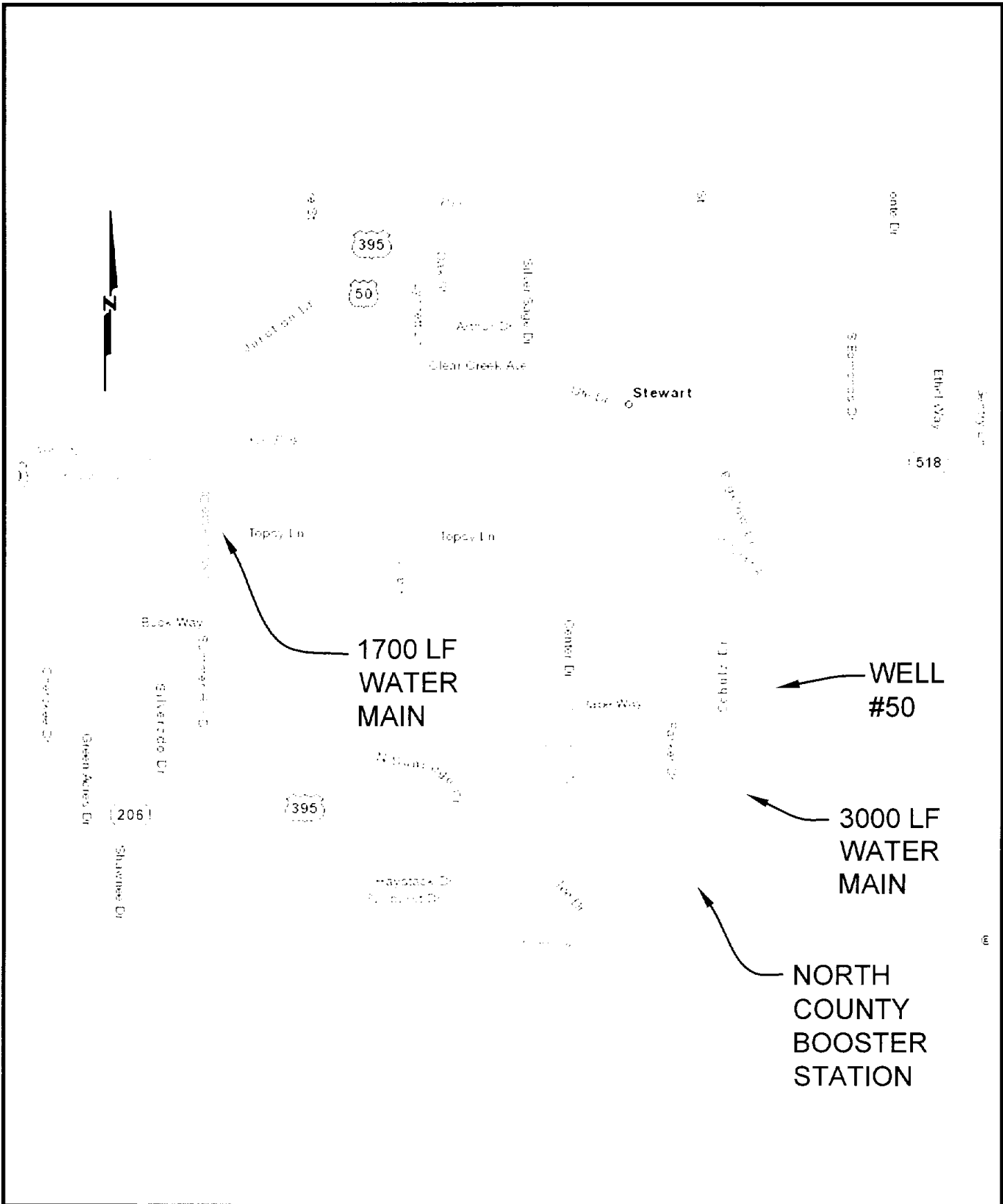
By: _____
District Attorney

ATTEST:

ATTEST:

By: _____
County Clerk

By: _____
Clerk Recorder



**CARSON CITY / DOUGLAS COUNTY
REGIONAL WATER CONNECTIONS**

EXHIBIT

1