

Item # 18c

**City of Carson City
Agenda Report**

Date Submitted: December 23, 2009

Agenda Date Requested: January 7, 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 Contract between Carson City and the Carson Water Subconservancy District addressing funding for the Construction of the Carson City Water Line Internal Intertie Project (Burnham)

Staff Summary: This agreement provides for an annual reimbursement to Carson City in the amount of \$125,000 each year for twenty years for costs for increasing the capacity of the City water system delivery capability for the region.

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 adopt Resolution No. _____ a resolution approving and authorizing the Mayor to sign an Interlocal Contract between Carson City and the Carson Water Subconservancy District addressing funding for the Construction of the Carson City Water Line Internal Intertie Project .

Explanation for Recommended Board Action: This agreement provides for an annual reimbursement to Carson City in the amount of \$125,000 each year for twenty years for costs for increasing the capacity of the City water system delivery capability for the region. The funding allows Carson City to increase the size of several water lines which are planned for construction as part of the Douglas County and Carson City Water Line Intertie project. The cost for the upsizing the lines is approximately \$2.5 million. CWSD approved the agreement at their meeting of December 16, 2009.

Applicable Statue, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: Revenue of \$125,000 annually.

Explanation of Impact: Will off-set costs for upsizing water lines.

Funding Source: CWSD to the City water Fund

Alternatives: Do not approve and direct staff otherwise.

Supporting Material: Interlocal Agreement between the CWSD and Carson City.

Prepared By: Ken Arnold, Deputy Public Works Director - Operations

Reviewed By:

[Signature]
(Department Head)

Date: 12/29/09

[Signature]
(City Manager)

Date: 12/29/09

[Signature]
(District Attorney)

Date: 12-29-09

[Signature]
(Finance Director)

Date: 12/29/09

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)

RESOLUTION NO. _____

**RESOLUTION APPROVING AN INTERLOCAL CONTRACT BETWEEN
CARSON CITY AND THE CARSON WATER SUBCONSERVANCY DISTRICT
ADDRESSING FUNDING FOR THE CONSTRUCTION OF THE CARSON CITY
WATER LINE INTERNAL INTERTIE PROJECT**

WHEREAS, any two or more political subdivisions of the State of Nevada may enter into cooperative agreements for the performance of any governmental function, including the exchange of facilities and the payment of money, pursuant to NRS 277.045; and

WHEREAS, Carson City and the Carson Water Subconservancy are both political subdivisions of the State of Nevada; and

WHEREAS, NRS 277.045 provides that every such agreement must be by formal resolution or ordinance of the governing body of each political subdivision included and must be spread at large upon the minutes, or attached in full thereto as an exhibit, of each governing body; and

WHEREAS, the parties to the Interlocal Contract between Carson City and the Carson Water Subconservancy District addressing funding for the Construction of the Carson City Water Line Internal Intertie Project desire to adopt and approve such agreement as required by NRS 277.045. A copy of the agreement is attached to this Resolution as Exhibit "A"; and

NOW, THEREFORE, BE IT RESOLVED, that the terms and conditions of the Interlocal Contract between Carson City and the Carson Water Subconservancy District addressing funding for the Construction of the Carson City Water Line Internal Intertie Project are hereby adopted and approved; and

BE IT FURTHER RESOLVED, that the Interlocal Contract between Carson City and the Carson Water Subconservancy District addressing funding for the Construction of the Carson City Water Line Internal Intertie Project 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 the Carson Water Subconservancy District.

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

CARSON WATER SUBCONSERVANCY DISTRICT
777 East William Street, Suite 110A
Carson City, NV 89701
775/887-7450, fax 775/887-7457

December 17, 2009

Larry Werner
Carson City Manager
City Hall Complex
201 N. Carson St., Ste. #2
Carson City, NV 89701

Re: Interlocal Contract Between Carson City & CWSD

Dear Mr. Ruschmeyer:

I am enclosing two originals of the Agreement #2009-22 between Carson City and CWSD for long-term funding for the North Douglas County and Carson City Water Line Intertie which was approved by the CWSD Board of Directors on December 16, 2009. After your board approves the agreement, please have both copies signed, retain one for your files, and return one to us. The date upon which your board approves the agreement is the date which should be placed on the first page. Thanks for your cooperation.

Sincerely,



Toni Leffler
Administrative Assistant

Enclosures

INTERLOCAL CONTRACT

Between Carson City and the Carson Water
Subconservancy District Addressing Funding for the Construction
Of The Carson City Water Line Internal Intertie Project

THIS AGREEMENT, dated this ___ day of _____, 2009, is made between CARSON WATER SUBCONSERVANCY DISTRICT, a water district organized under Chapter 541 of the Nevada Revised Statutes ("CWSD"), and CARSON CITY, NEVADA, a consolidated municipality and political subdivision of the State of Nevada ("CARSON").

WITNESSETH:

WHEREAS, CARSON, Town of Minden, Indian Hills General Improvement District (GID), Douglas County, and CWSD are working together on a regional water line intertie project known as the "North Douglas County and Carson City Water Line Intertie Project" ("PROJECT"); and

WHEREAS, in 2001, CWSD identified the long-term water service needs of Douglas County and Carson City, as well as the overall regional water system needs in the general area, and one of the projects identified was the need for a pipeline through Carson City for water delivery to Lyon County; and

WHEREAS, CARSON is currently in the process of designing the PROJECT; and

WHEREAS, CARSON has requested funding assistance from CWSD to help cover the annual debt service for the construction costs for the PROJECT; and

WHEREAS, the PROJECT will entail the construction of large diameter pipelines to be able to transport water from the Project through Carson City to provide increased water capacity to the Lyon County water system which is already connected to the CARSON water system; and

WHEREAS, the Parties understand that CARSON will own and maintain the pipeline and facilities that are located in Carson City; and

WHEREAS, if CWSD decides to help fund the construction of the PROJECT, CWSD will not own any part of the PROJECT but will own capacity rights in the PROJECT.

NOW, THEREFORE, the Parties to this Contract, in consideration of the promises and provisions contained in this Contract and other good and valuable consideration, do agree as follows:

1. CARSON will take the lead in overseeing the design, bidding and construction of the specific elements of the PROJECT.
2. CWSD shall be responsible for and shall reimburse CARSON \$62,500 semi-annually (\$125,000 annually) for the term of the bond, not to exceed twenty (20) years, as reimbursement for a portion of the construction costs for Phase 1 of the PROJECT.
3. As consideration for the funding provided to CARSON, CWSD will be entitled to THREE MILLION (3,000,000) gallons per day of CARSON water system capacity which shall be able to be delivered to Lyon County water system interconnection with the CARSON water system at the eastern boundary of CARSON.
4. In the event that a private entity wants to utilize the capacity owned by CWSD, CWSD reserves the right to charge for such capacity in an amount that will recoup some or all of the financial commitment made by CWSD. The entity that purchases the capacity from CWSD shall also be responsible for operation, maintenance, depreciation, charges and other fees that may be established by CARSON. These fees shall be negotiated in a separate agreement with CARSON.
5. Under this agreement, CWSD expenditure is limited to the cost for the construction of the Project. CWSD shall not be liable for any operation, maintenance, depreciation, or any other fees associated with the Project.

10. This Contract shall be by and between the Parties hereto and shall not be assignable or transferable.

11. Any dispute regarding this Contract shall be decided according to the laws of the State of Nevada. If any part of this Contract is declared to be unlawful, any remaining obligations shall be deemed terminated.

12. This Contract may only be amended by consent of both Parties. Any amendments must be written and executed with the same formality as this Contract.

13. This Contract constitutes the entire understanding between the Parties and there are no representations, conditions, warranties or collateral agreements (expressed or implied), statutory or otherwise, with respect to the subject of this Contract.

14. Notwithstanding this Contract is initially executed by the Carson City Manager and General Manager of CWSD, this Contract becomes effective when ratified by appropriate official action of the governing body of each Party, and shall be deemed dated as of the later date of said official action.

15. The Parties hereto represent and warrant that the person executing this Contract on behalf of each Party has full power and authority to enter into this Contract and that the Parties are authorized by law to engage in cooperative action set forth herein.

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16. This Contract shall be entered into with duplicate originals, realizing that each entity, by necessity, must approve and execute the subject document at different dates, times and places.

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

DATED: Dec 16, 2009

DATED: _____

CARSON WATER SUBCONSERVANCY
DISTRICT

CARSON CITY


Gwen Washburn, Chairperson

Robert L. Crowell, Mayor

ATTEST:

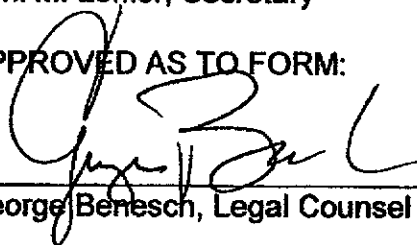
ATTEST:

Toni M. Leffler, Secretary

Alan Glover, Clerk-Recorder

APPROVED AS TO FORM:

APPROVED AS TO FORM:


George Benesch, Legal Counsel

Neil A. Rombardo, District Attorney
By: Deputy District Attorney