

**TERMINATION AGREEMENT
BETWEEN THE CLEAN WATER COALITION AND THE CITY OF LAS VEGAS**

This Termination Agreement is dated the 29nd day of June, 2010, and is entered into by and between the City of Las Vegas, Nevada ("City") and the Clean Water Coalition ("CWC"), a public entity created by an inter-local agreement pursuant to Chapter 277, N.R.S.

WHEREAS on the 20th day of April, 2004 and again on June 17, 2009 ("2009 Agreement"), the parties hereto entered into Inter-local Agreements whereby Las Vegas, in Section 2.1 of the 2009 Agreement agreed "that its Human Resource Department and benefits administration resources will be available to the CWC for employee selection and/or employee benefits and pension plan enrollment for all CWC employees;" and

WHEREAS, on March 4, 2010, Elizabeth N. Fretwell, City Manager of City, notified Chip Maxfield, P.E., General Manager of CWC that, effective 5:00 p.m. on June 30, 2010, City would discontinue its "Human Resource Department assistance, benefit administration resources and employee benefit packages for CWC employees," which position is accepted by the CWC. A copy of Ms. Fretwell's letter is attached as Exhibit A; and

WHEREAS, the parties hereto desire to define their respective duties and responsibilities with respect to termination of the above described services heretofore provided to the CWC by City.

NOW THEREFORE, in consideration of the mutual agreements contained herein, the parties agree as follows:

1. Subject to the provisions of this Agreement, the duties of City pursuant to Section 2.1 of the 2009 Agreement will terminate effective 5:00 p.m. June 30, 2010, and thereafter, said section will be of no further force or effect.

2. Effective July 1, 2010, the CWC will separate its payroll and personnel functions from the City of Las Vegas and will contract with a payroll service provider(s) and a benefit contractor(s) to provide the services heretofore provided to the CWC by City. These services will include, but not be limited to the following:

- (a) Payroll processing services, including direct deposit availability;
- (b) Employee health care insurance and dependent health care insurance availability;
- (c) Retirement benefits through the Nevada Public Employees Retirement System (NPERS);
- (d) Life/accidental death/accidental dismemberment insurance;
- (e) Deferred compensation (457) and investment (401(a)) plan availability;
- (f) Supplemental insurance availability;
- (g) Worker's compensation insurance;
- (h) Unemployment insurance coverage;
- (i) Employee Assistance Programs (EAP);
- (j) Wellness program availability.

3. As of July 1, 2010, the City of Las Vegas will provide to the CWC payment based on the accrued leave balances multiplied by the actual current hourly rate for both sick leave and vacation/annual leave for all CWC employees. . All leave balances will be "trued up" as of June 30, 2010 by the City of Las Vegas no later than July 15, 2010, at which time, the City of Las Vegas will make payment to the CWC for accrued balances. All records pertaining to current or prior CWC employees will be retained by the City of Las Vegas in accordance with the State of Nevada record retention requirements. Copies of records will be made available to the CWC

upon request. The City of Las Vegas will provide any payroll data necessary for the CWC to set up their payroll records and complete the transition of employees.

4. Regarding the deferred compensation plans, the City of Las Vegas agrees to vest all 401(a) accounts for those employees with less than 5 years of service. The City of Las Vegas will assist the CWC in a mass rollover to a new deferred comp plan, if required. Unless and until a mass roll-over to another qualified plan occurs, CWC employees will be able to access their current 457 and 401(a) accounts to manage their funds, make eligible withdrawals, and initiate roll-over transactions. However, new employee or employer contributions will not be allowed.

5. The City of Las Vegas agrees to bill the CWC for their employees' COBRA insurance coverage through December 31, 2010, or sooner if CWC establishes their own health insurance plan(s). Continued COBRA coverage beyond December 31, 2010 will not be billed automatically, and CWC employees will need to notify the City of Las Vegas of their intent to continue their COBRA coverage and arrange for the related COBRA payment.

6. The parties agree to work cooperatively together to accomplish the foregoing by the above indicated dates. Notwithstanding the party's best efforts, in the event any of the tasks cannot be completed by the dates set forth above, the parties shall continue to use their best efforts to accomplish their respective tasks as soon as possible, and the time for performing the delinquent task shall be extended as needed.

IN WITNESS WHEREOF the parties have executed this Termination Agreement as of the day and year first above written, which date shall be the date of approval of this Agreement by the governing board of the party last to approve this Agreement.

CLEAN WATER COALITION

By: Lawrence L. Brown III
Lawrence L. Brown, III, Chairman

Approved as to legality:

Robert W. Marshall
Robert W. Marshall, General Counsel

CITY OF LAS VEGAS

By: Oscar Goodman
Oscar Goodman, Mayor

Attest:

Beverly K. Bridges
Beverly K. Bridges, City Clerk

Approved as to form:

Bradford R. Jerbic FOR
Bradford R. Jerbic, City Attorney



LAS VEGAS CITY COUNCIL

OSCAR B. GOODMAN
MAYOR

GARY REESE
MAYOR PRO TEM

STEVE WOLFSON

LOIS TARKANIAN

STEVEN D. ROSS

RICKI Y. BARLOW

STAVROS S. ANTHONY

ELIZABETH N. FRETWELL
CITY MANAGER

March 4, 2010

Chip Maxfield, P.E.
General Manager
Clean Water Coalition
150 N. Stephanie Street #130
Henderson, NV 89074

COPY

Subject: Interlocal Agreement dated as of June 3, 2003 by and between the City of Henderson, the City of Las Vegas and the Clark County Conservation District ("Interlocal Agreement")

Dear Mr. Maxfield: *Chip*

Please accept this letter as the City's formal notification that effective at five o'clock p.m. on June 30, 2010, the City of Las Vegas will terminate its provision of services to the CWC as outlined in Paragraph 2 of the Interlocal Agreement, to include discontinuation of Human Resources Department assistance, benefit administration resources and employee benefit packages for CWC employees. While the City of Las Vegas has willingly provided these services for the CWC for many years, the current economic environment does not permit the City to continue providing this support.

Section 4.2 states that "any service to be provided by any Member to the CWC hereunder may be terminated . . . by the Member . . . on thirty (30) days written notice, except that provisions of Section 4.1 and 4.2 shall not apply to employee benefit packages for existing CWC employees on the dates described in Sections 4.1 and 4.2 [that date being June 30, 2004] which are administered by Las Vegas pursuant to Section 2.2 hereof. Such employee benefit packages may only be changed by mutual consent of Las Vegas and the CWC Board."

In other words, the City may unilaterally terminate "any services to be provided," unless the service includes employee benefit packages that were in existence as of June 30, 2004. If employee benefit packages existed as of that date, the City and the CWC Board must "mutually agree" to the change to "such employee benefit packages."

In the present case, the four employees of the CWC are Chip Maxfield, Martha Jones, John Brumley and James Devlin. Mr. Maxfield's hire date was February 28, 2009, Ms. Jones hire date was January 14, 2008, Mr. Brumley's hire date was December 12, 2005 and Mr. Devlin's hire date was February 27, 2006. As all employees were hired by the CWC after June 30, 2004, and none of the employee benefit packages existed prior to June 30, 2004, the City may unilaterally terminate all services provided and any post-June 30, 2004 employee benefit packages pursuant to the explicit terms of Paragraph 4.2.

CITY OF LAS VEGAS
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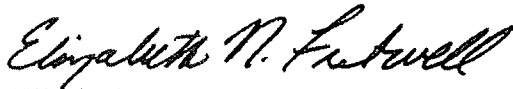
FM-0044-08-09

Chip Maxfield
March 4, 2010
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As a member agency of the CWC, the City of Las Vegas does not want to cause undue harm to the employees that constitute the agency. However, the City of Las Vegas is currently considering significant reductions in city-wide constituent services, as well as reductions in its workforce to balance its FY 10-11 budget, and termination of our Human Resources support and provision of employee benefits packages for the CWC must be one of those service reductions.

Should you have any questions or concerns, please feel free to contact me at your earliest convenience. If the CWC Board members have questions or concerns regarding this action, we would certainly be willing to discuss this matter at the next available CWC Board meeting. If you choose to put an agenda item on for discussion, please give me reasonable notice so I can schedule and send the appropriate staff to the meeting.

Sincerely,



Elizabeth N. Fretwell
City Manager

Cc: City of Las Vegas
Councilman Ross
Orlando Sanchez
Claudette Enus
Judy Tuttle
Dan Tarwater

*Chip -
Thanks for your
understanding!
Betsy*