

WATER RIGHTS AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this 17th day of February, 2011, between the Las Vegas Valley Water District, a political subdivision of the State of Nevada ("District"), and the City of Las Vegas, a municipal corporation of the State of Nevada ("City"), pursuant to the authority granted by Nevada Revised Statutes Chapter 277.180. For convenience the District and the City are referred to herein individually as "Party" and collectively as the "Parties."

RECITALS

WHEREAS, on May 26, 1995, the Parties entered into an Interlocal Cooperative Agreement (the "1995 Agreement") regarding 133.05 acre-feet per year ("afy") of water rights owned by the City that the District put to beneficial use on behalf of the City; and

WHEREAS, pursuant to the 1995 Agreement, the City paid a portion of the construction, operation, and maintenance costs for a District-owned well to pump and put to beneficial use the 133.5 afy owned by the City; and

WHEREAS, the City effectively received a discounted water rate from the District for the City's first 133.05 afy of water use; and

WHEREAS, the 1995 Agreement expired on November 26, 2010; and

WHEREAS, the Parties desire to enter into a new agreement and continue to encourage local cooperative efforts to make the best public use of available resources and employee expertise.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the Parties do agree as follows:

AGREEMENT

1. Definition. As used in this Agreement, the term “City Water Rights” means the 133.05 afy represented by Permits 61282, 61283, and 61284 (Certificates 14940, 14941, and 14942, respectively) which currently have a point of diversion corresponding with the District’s Well 89.
2. Expiration of the 1995 Agreement. Both Parties agree that the 1995 Agreement has terminated and all conditions and terms are of no further force or effect.
3. Use of City Water Rights. Each year, the District shall make practicable and reasonable efforts to put to beneficial use the entire 133.05 afy of the City Water Rights by serving the City Water Rights to District customers within the District service area.
 - 3.1. If at any time the District’s Well 89 is unavailable to pump the City Water Rights and the District desires to move the City Water Rights to a different well, the District shall notify the City in writing, and the District shall prepare and file the required change applications at the District’s expense. The City hereby allows the District to act as the City’s agent when filing change applications pursuant to this Agreement.
 - 3.2. Upon request, the District shall provide the City with pumping records for the City Water Rights.
 - 3.3. The District recognizes that the use of the City Water Rights is a usufructuary right and does not constitute a sale or transfer of ownership or title. The City recognizes that no ownership or usufructuary right to well equipment or facilities is accrued or obtained by allowing the District’s use of the City Water Rights under this Agreement or as a result of the 1995 Agreement.

3.4. The Parties agree that the District's use of the City Water Rights is in the spirit of cooperation and neither Party has monetary or cost obligations to the other Party as a result of entering this Agreement. The City will not be required to contribute construction, operation, maintenance, and/or repair costs to the District and the City will not receive a discounted water rate from the District for any of its water use.

4. Cooperation. Each Party, upon reasonable request of the other, shall take such further actions as may be necessary or appropriate in order to affect the purposes of this Agreement and to assist in matters regarding the City Water Rights. Each Party agrees to take no action to adversely affect the City Water Rights during the term of this Agreement.

5. Term. Once executed by all Parties, this Agreement shall take effect as of January 1, 2011, and continue until December 31, 2012. This Agreement may be extended by mutual written agreement of the Parties for one additional two year term.

6. Termination. Either Party may terminate this Agreement at any time by providing thirty (30) days' prior written notice to the other Party.

7. Notices. If notice is required to be sent to the Parties, the addresses are as follows:

If to the City:

Real Estate & Utilities Administrator
City of Las Vegas
333 N. Rancho Drive, 8th Floor
Las Vegas, Nevada 89106

If to the District:

General Manager
Las Vegas Valley Water District
1001 S. Valley View Blvd.
Las Vegas, Nevada 89153

With a copy to:

General Counsel
Las Vegas Valley Water District
1001 S. Valley View Blvd.
Las Vegas, Nevada 89153

8. Assignment and Delegation. The City shall not delegate, transfer or assign its interest in the City Water Rights or this Agreement without the prior written consent of the District. Any delegation, transfer, or assignment performed without the District's prior written consent shall be void.
9. Governing Law and Venue. This Agreement shall be governed in accordance with the laws of the State of Nevada. Any legal action will only be filed in the Clark County District Court or, if applicable, the United States District Court, Southern Division, for the District of Nevada.
10. Amendment. This Agreement may be amended only by mutual written agreement of the Parties.
11. Binding on Successors. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective personal representatives, successors, transferees and assigns.
12. No Third Party Beneficiaries. It is mutually agreed by the Parties hereto that nothing contained in this Agreement shall be construed in any way as being for the benefit of any third party not a Party to this Agreement and no third party cause of action is created by this Agreement.
13. Counterparts. This Agreement may be executed in any number of counterparts and when so executed, each such counterpart shall be deemed to be an original hereof as against any Party who has signed it.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

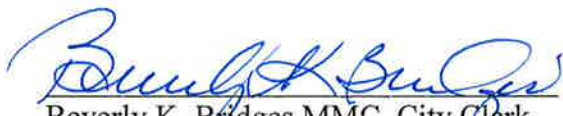
CITY OF LAS VEGAS

LAS VEGAS VALLEY WATER DISTRICT

By: 
Oscar B. Goodman, Mayor

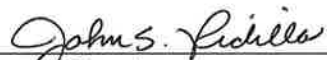
By: 
Patricia Mulroy, General Manager

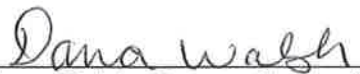
ATTEST:


Beverly K. Bridges MMC, City Clerk

Approved as to form:

Approved as to form:


Deputy City Attorney
City of Las Vegas
John S. Ridilla
Deputy City Attorney


Dana Walsh, Deputy Counsel
Las Vegas Valley Water District