

**INTERLOCAL COOPERATIVE AGREEMENT  
FOR REIMBURSEMENT**

This Interlocal Cooperative Agreement for Reimbursement (hereinafter called "Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between the City of Sparks, Nevada (hereinafter called "CITY"), and the Truckee Meadows Water Authority (hereinafter called "TMWA").

**WITNESSETH**

WHEREAS, NRS 277.110(2) provides that any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the provisions of NRS 277.080 to 277.170, inclusive;

WHEREAS, the Parties hereto are public agencies as defined in NRS 277.100(1)(a);

WHEREAS, Truckee Meadows Water Authority (TMWA) was created as a joint powers authority pursuant to NRS Chapter 277 and is empowered to exercise the powers, privileges and authority of the City of Reno, City of Sparks, and Washoe County to own and operate a municipal water system. Among the powers conferred upon TMWA is the express power to enter into interlocal agreements;

WHEREAS, CITY is undertaking a project that includes the construction of improvements to provide additional sewer capacity for future upstream development, referred to as the Tyler and 18th Street Sanitary Sewer Capacity Improvements (hereinafter called "PROJECT");

WHEREAS, TMWA desires to construct specific improvements associated with the realignment of certain ten-inch, eight-inch, and six-inch water mains and laterals on Tyler Street and on 18th Street alignments that are within and/or adjacent to the PROJECT (hereinafter called "TMWA IMPROVEMENTS"). The TMWA IMPROVEMENTS are described in Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, CITY and TMWA agree it is in both Parties' interests to incorporate the TMWA IMPROVEMENTS into the PROJECT drawings, details, and specifications and subsequently cause the TMWA IMPROVEMENTS to be constructed along with construction of the PROJECT.

NOW, THEREFORE, the Parties mutually agree to the following terms and conditions.

**CITY AGREES:**

CITY agrees to perform the following:

1. To prepare or cause to be prepared drawings, details, and specifications for the PROJECT and to include TMWA IMPROVEMENTS in PROJECT scope of work in accordance with NRS Chapter 338.

2. To provide record drawings of TMWA IMPROVEMENTS to TMWA at completion of the PROJECT.

3. To prepare solicitation documents for the PROJECT that include the TMWA IMPROVEMENTS and, following receipt of bids, award a construction contract for the PROJECT and TMWA IMPROVEMENTS in accordance with NRS Chapter 338.

4. To inform TMWA, upon CITY'S determination of the apparent low bidder, of the total bid cost of the TMWA IMPROVEMENTS, including, without limitation, those costs reasonably incurred during construction, administration, and management of the TMWA IMPROVEMENTS work. The estimated cost of the TMWA IMPROVEMENTS, including without limitation those costs reasonably estimated to be incurred during construction, administration, and management of the TMWA IMPROVEMENTS work, are set forth in Exhibit A, which is attached hereto and incorporated herein by reference. The estimated cost set forth in Exhibit A for the TMWA IMPROVEMENTS shall not be exceeded unless TMWA agrees that the actual cost of the TMWA IMPROVEMENTS exceeds the estimated cost of the TMWA IMPROVEMENTS or the Parties mutually agree to an additional sum.

5. To permit inspection of TMWA IMPROVEMENTS by TMWA officers, employees, or authorized agents at all reasonable times during construction. TMWA shall have the right to stop construction if an unsafe practice is observed that is not immediately corrected or the work on the TMWA IMPROVEMENTS is not being constructed to TMWA standards. TMWA shall direct questions and concerns to the CITY Project Manager and not to the contractor.

6. To allow TMWA or its authorized agents to review and approve contract change orders associated with the construction of the TMWA IMPROVEMENTS.

7. To execute change orders for the TMWA IMPROVEMENTS only upon written approval from TMWA or its authorized agents.

8. To diligently prosecute and complete construction of the TMWA IMPROVEMENTS in accordance with the TMWA specifications and requirements and in a timely manner.

9. To allow TMWA, within FIFTEEN (15) days of CITY determining low bidder, to withdraw from the PROJECT if TMWA or its agents determine the low bidder cost for the TMWA IMPROVEMENTS is unreasonably excessive. This withdrawal option shall expire after the FIFTEEN (15) day period and is not subject to renewal. Notice of withdrawal shall be served on the CITY in writing.

10. To invoice TMWA at the completion of the PROJECT and following TMWA'S inspection and approval of the TMWA IMPROVEMENTS, for the actual costs associated with the TMWA IMPROVEMENTS, subject to the limitations in Section 4 above.

**TMWA AGREES:**

TMWA agrees to perform the following:

1. To prepare or cause to be prepared drawings, details, and specifications for the TMWA IMPROVEMENTS.
2. To provide inspection, quality assurance, and water quality testing of the TMWA IMPROVEMENTS.
3. To invoke any authority available to TMWA under State law or existing permits or agreements to have impacted third party utilities relocated at the utility owner's expense.
4. To acquire all additional right-of-way, easements, and/or entry permits from adjacent property owners, as necessary, to allow the CITY and its agents to construct TMWA IMPROVEMENTS in accordance with the drawings, details, and specifications. Notwithstanding the foregoing, the Parties intend that TMWA IMPROVEMENTS shall be constructed within existing CITY right-of-way to the maximum extent possible.
5. To direct all questions or requests pertaining to the TMWA IMPROVEMENTS to the CITY Project Manager and designate a TMWA representative to assist the CITY Project Manager in the administration of all issues relating to the TMWA IMPROVEMENTS.
6. To timely review and provide the CITY Project Manager with prompt input relating to the approval, modification, or disapproval of contract change orders related to the TMWA IMPROVEMENTS and to reimburse the CITY for actual costs that result from the approved contract change orders on the TMWA IMPROVEMENTS. For purposes of this Agreement, actual costs include, but are not limited to, inspection, testing, change orders, and compensable delays caused by conditions related to such change orders.
7. To reimburse the CITY for the actual costs of the TMWA IMPROVEMENTS, provided, however, the estimated cost of the TMWA IMPROVEMENTS in Exhibit A shall not be exceeded unless TMWA agrees that the actual cost of the TMWA IMPROVEMENTS exceeds the estimated cost of the TMWA IMPROVEMENTS or the Parties mutually agree to an additional sum. The reimbursable costs include, but are not limited to, the costs reasonably incurred during construction, administration, and management of the TMWA IMPROVEMENTS work as described in Exhibit A.
8. To remit payment within thirty (30) calendar days following receipt of an invoice from the CITY and, if not timely paid, to pay interest as provided in NRS 99.040.

**IT IS MUTUALLY AGREED:**

1. That upon completion and acceptance of the TMWA IMPROVEMENTS, TMWA shall be sole and exclusive owner of and shall assume all maintenance responsibility for the water facilities constructed as part of the TMWA IMPROVEMENTS work and City shall assign to TMWA any warranties provided by the contractor associated with the TMWA IMPROVEMENTS.

2. That each Party will cooperate with the other Party to this Agreement and their agents in carrying out their respective responsibilities under this Agreement.

3. That each Party will assist the other Party in communicating with the public regarding the provisions of this Agreement.

4. That all communications and notices required pursuant to the Agreement shall be given as hereinafter provided, unless written notice of a new designee is sent by certified or registered mail to the other Party, as follows:

TMWA: Truckee Meadows Water Authority  
c/o Steve Volk, Project Manager  
1355 Capital Blvd.  
PO Box 30013,  
Reno, NV 89520  
(775) 834-8024

CITY: John A. Martini, P.E.  
Assistant City Manager  
City of Sparks  
431 Prater Way  
P.O. Box 857  
Sparks, Nevada 89432-0857  
(775) 353-4080

5. Subject to the limitations of NRS Chapter 41, which the Parties expressly do not waive, each Party agrees to indemnify, defend, and hold harmless the other Party from and against any liability including but not limited to property damage, personal injury, and/or death proximately caused by the negligent acts or omissions of its officers, employees, and agents arising out of the performance of this Agreement.

6. That the laws of the State of Nevada shall be applied in interpreting and construing this Agreement.

7. That the Parties have had the opportunity to consult with counsel concerning the terms of this Agreement, and this Agreement shall not be construed in favor of or against any Party solely by reason of one Party having drafted all or part of this Agreement.

8. That the illegality or invalidity of any provision or portion of this Agreement shall not affect the validity of the remainder of the Agreement, and any provision or portion of this Agreement that is held invalid or illegal by a court of competent jurisdiction shall be severed from this Agreement.

9. That this Agreement constitutes the entire contract between the Parties and shall not be modified unless such modification is in writing and signed by the Parties.

10. That this Agreement is not intended and shall not be construed to provide any person or entity not a party to this Agreement with any benefits or causes of action or to obligate the Parties to this Agreement to any entity or person not a party to this Agreement.

11. That in the event either Party initiates litigation to enforce the terms of this Agreement, the prevailing Party shall be entitled to recover its costs of litigation, including reasonable attorney fees.

12. Nothing contained in this agreement shall be deemed, construed, or represented by CITY or TMWA or by any third person to create the relationship of principal or agent, or of a partnership, or of a joint venture, or of any other association of any kind or nature between CITY and TMWA. No act or acts of either CITY or TMWA may be deemed to constitute or create any relationship between CITY and TMWA other than that set forth in this Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their authorized officers on the day and year first above written.

[Signatures on following pages]

**TRUCKEE MEADOWS WATER AUTHORITY**

APPROVED AS TO LEGALITY AND FORM:

BY:   
TMWA Chief Legal Counsel

Date: 3/11/20

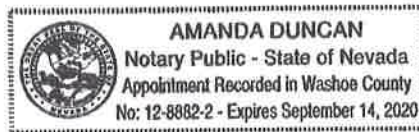
TRUCKEE MEADOWS WATER AUTHORITY

BY:   
Mark Foree, General Manager

State of Nevada     )  
                                  )  
County of Washoe    )

This instrument was acknowledged before me this 12<sup>th</sup> day of March, 2020, by Mark Foree as General Manager of the Truckee Meadows Water Authority.

  
Notary Public



**CITY OF SPARKS**

BY: \_\_\_\_\_  
Ronald E. Smith, Mayor

ATTEST:

SPARKS CITY CLERK

BY: \_\_\_\_\_

APPROVED AS TO FORM:

BY: \_\_\_\_\_  
Sparks City Attorney

EXHIBIT A

Description of TMWA IMPROVEMENTS:

Realign approximately 590 feet of 8" water main and appurtenance including reinstating lateral service connections as necessary in Tyler Street and 18<sup>th</sup> Street (south of Byrd Drive). Realign approximately 330 feet of 10" water main and appurtenance including reinstating lateral service connections as necessary in 18<sup>th</sup> Street (north of Byrd Drive to Vance Way).

Estimated costs of TMWA IMPROVEMENTS:

Construction:	\$300,000.00
Testing and Inspection:	\$15,000.00
TOTAL ESTIMATED AMOUNT:	\$315,000.00