AGENDA

SOUTHERN NEVADA WATER AUTHORITY

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS

REGULAR MEETING
9:00 A.M. – APRIL 21, 2016

COLORADO RIVER CONFERENCE ROOMS, SOUTHERN NEVADA WATER AUTHORITY
100 CITY PARKWAY, SEVENTH FLOOR, LAS VEGAS, NEVADA
(702) 258-3100

Board of Directors
Mary Beth Scow, Chair
Sam Bateman, Vice Chair
Bob Coffin
Marilyn Kirkpatrick
Duncan McCoy
Steve Sisolak
Anita Wood

John J. Entsminger, General Manager

Date Posted: April 14, 2016

The Southern Nevada Water Authority makes reasonable efforts to assist and accommodate persons with physical disabilities who desire to attend the meeting. For assistance, call the Agenda Coordinator at (702) 258-3939 at least 24 hours prior to the meeting.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS:

City of Boulder City, City Hall
401 California Street
Boulder City, Nevada

City of Henderson, City Hall
240 Water Street
Henderson, Nevada

City of North Las Vegas, City Hall
2250 Las Vegas Boulevard North
North Las Vegas, Nevada

City of Las Vegas, City Hall
495 South Main Street
Las Vegas, Nevada

Clark County Government Center
500 S. Grand Central Parkway
Las Vegas, Nevada

Clark County Water Reclamation District
5857 E. Flamingo Road
Las Vegas, Nevada

Southern Nevada Water Authority
100 City Parkway, Suite 700
Las Vegas, Nevada

Las Vegas Valley Water District
1001 S. Valley View Boulevard
Las Vegas, Nevada

All items on the agenda are for action by the Board of Directors, unless otherwise indicated. Items may be taken out of order. The board may combine two or more agenda items for consideration, and the board may remove an item from the agenda or delay discussions relating to an agenda item at any time.

Visit our website at http://www.snwa.com or main office at 1001 S. Valley View Boulevard, Las Vegas, Nevada for Southern Nevada Water Authority agenda postings, copies of supporting material and approved minutes. To receive meeting information, including supporting material, contact the Agenda Coordinator at (702) 258-3939 or agendas@snwa.com.

CALL TO ORDER

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: This is a period devoted to comments by the general public pertaining to items on this agenda. If you wish to speak to the Board about items within its jurisdiction, but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Please limit your comments to three minutes or less and refrain from making comments that are repetitious, offensive, or amounting to personal attacks. No action may be taken upon a matter not listed on the posted agenda.

ITEM NO.

1. *For Possible Action:* Approve agenda with the inclusion of tabled and/or reconsidered items, emergency items and/or deletion of items, and approve the minutes from the regular meeting of March 17, 2016.

CONSENT AGENDA **Items 2 - 3 are routine and can be taken in one motion unless a Director requests that an item be taken separately.**

2. *For Possible Action:* Approve the award of Bid No. 2311-16, Contract for Fluorosilicic Acid, for a period of one year from date of award with an option to renew for four additional one-year periods, and authorize an increase in an amount not to exceed 5 percent for each renewal term.

3. *For Possible Action*: Approve a resolution authorizing the submission of grant proposal to the Bureau of Reclamation WaterSMART: Drought Resiliency Project Grant.

BUSINESS AGENDA

4. *For Possible Action:* Approve and authorize the General Manager to sign, in substantially the same form, the Water Service Agreement between Robin Prop Holdco, LLC, and the Authority; the Apex Phase I Infrastructure Design Agreement between Robin Prop Holdco, LLC, and the Authority; and the Escrow Agreement Regarding Infrastructure Development among Robin Prop Holdco, LLC, First American Title Insurance Company, and the Authority, for construction water and preliminary design of infrastructure development in the Apex area.

5. *For Possible Action:* Approve and authorize the General Manager to sign an agreement between MWH Americas, Inc., and the Authority to provide professional services for the design of a potable water system to be located within Garnet Valley.

6. *For Information Only:* Receive an overview and discuss the Fiscal Year 2016/2017 Tentative Budget.

COMMENTS BY THE GENERAL PUBLIC

NO ACTION MAY BE TAKEN: At this time, the Board of Directors will hear general comments from the public on matters under the jurisdiction of the Southern Nevada Water Authority. Please limit your comments to three minutes or less and refrain from making comments that are repetitious, offensive, or amounting to personal attacks. No action may be taken upon a matter not listed on the posted agenda.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
MARCH 17, 2016
MINUTES

CALL TO ORDER	9:01 a.m., Colorado River Conference Rooms, Southern Nevada Water Authority, 100 City Parkway, Seventh Floor, Las Vegas, Nevada
BOARD MEMBERS PRESENT	Mary Beth Scow, Chair Sam Bateman, Vice Chair Marilyn Kirkpatrick Bob Coffin Duncan McCoy Steve Sisolak Anita Wood
BOARD MEMBERS ABSENT	None
STAFF PRESENT	John Entsminger, Greg Walch, Julie Wilcox, Dave Johnson, Gina Neilson
OTHERS PRESENT	Marc Jensen

Unless otherwise indicated, all members present voted in the affirmative.

COMMENTS BY THE GENERAL PUBLIC
For complete comments, audio is available online at snwa.com

Ed Uehling referred to Item 9 of the agenda, and commented that the Authority is not interested in conserving water and referenced a previously-approved agreement with California as an example. He said that if the system's tiers are extended, more would be spent per thousand gallons.

1. ***For Possible Action:* Approval of Agenda & Minutes**

FINAL ACTION: A motion was made by Director Kirkpatrick to approve the meeting's agenda and the meeting minutes of January 21, 2016. The motion was approved.

2. ***For Possible Action:* Receive a presentation from the Authority's Youth Advisory Council and direct staff accordingly.**

The Youth Advisory Council gave their presentation on desert agriculture and drip irrigation. Board members thanked them for their commitment to water conservation and offered other ideas for future study and consideration.

CONSENT AGENDA: The following items are considered routine and were taken in one motion.

3. **For Possible Action: Approve and authorize the General Manager to sign a task order between Carollo Engineers, Inc., and the Authority for the Authority's continued participation in the Water Research Foundation study, Blending Requirements for Water from Direct Potable Reuse Treatment Facilities, and accept additional funds in an amount not to exceed $50,000.**

4. **For Possible Action: Approve and authorize the General Manager to sign Amendment No. 1 to the agreement between Spring Valley Associates, LLC, and the Authority for professional staffing services for the Authority's Northern Resources properties, for an amount not to exceed $1,200,000 annually.**

5. **For Possible Action: Approve and authorize the General Manager to execute a purchase agreement between Ameron Water Transmission Group, LLC, and the Authority in the amount of $4,531,810 for the supply of 355 feet of large diameter steel pipe and associated fittings for the Lake Mead Intake No. 3 Low Lake Level Pumping Station Discharge Aqueducts, and authorize the General Manager to approve change orders for additional costs for an amount not to exceed $400,000.**

6. **For Possible Action: Approve the award of Bid No. 2304-15, Annual Requirements Contract for Liquid Chlorine, to DX Systems Company, L.P., in the estimated amount of $539,800 for a period of one year from date of award, with the option to renew for four additional one-year periods, and authorize an increase in an amount not to exceed 5 percent for each renewal term.**

7. **For Possible Action: Approve the award of Bid No. 2306-15, AMSWTF Filter Beds 1 and 2 Butterfly Valves, to Ferguson Enterprises, Inc., DBA Ferguson Waterworks, in the amount of $538,852.**

FINAL ACTION: Director Wood made a motion to approve staff's recommendations. The motion was approved.

BUSINESS AGENDA

8. **For Possible Action: Approve and authorize the General Manager to accept funds in an amount not to exceed $160,000 to develop a preliminary interpretive plan for a Colorado River traveling exhibit; authorize the Authority to contribute up to $15,000 as a co-project participant; and authorize the General Manager to enter into and execute agreements to accept these contributions and other agreements that may be necessary to effectuate the development of the Plan.**

General Manager Entsminger and Councilwoman Scow said they are excited to work with partners of the Colorado River Basin on this project, including all seven Basin states, non-governmental organizations, the federal government, and the Chicago Field Museum. Mr. Entsminger said that he thinks it will go a long way towards helping educate the population both in the seven states and worldwide about the challenges facing the Colorado River.

FINAL ACTION: Director McCoy made a motion to approve staff's recommendation. The motion was approved.

9. **For Possible Action: Receive an update on conservation activities and approve new conservation initiatives, including a revised watering schedule and uniform fountain policy.**

Mr. Entsminger gave a presentation about the summer watering schedule and fountain use.

Vice Chair Bateman asked about the watering schedule and if enforcement measures are going to be taken on a purveyor or city level. Mr. Entsminger said that the watering schedule varies by jurisdiction – each has its own enforcement capabilities. He said that the new schedule will not add any overhead to what is being done already since staff is already in place to monitor other requirements. Mr. Entsminger added that the Authority is the regional agency and does not have the regulatory authority to mandate the changes that need to be done. He said that if the Board recommends the policy, the Authority's member agencies would consider the proposed changes at the Council level for them to be enacted.

Director Sisolak asked how much water a golf course uses, and how many used reclaimed water. Mr. Entsminger said that golf courses use 600 to 650 acre feet a year, and nearly all golf courses use at least a portion of reclaimed water. Director Sisolak and Chairwoman Scow said that the Authority should think about going to IRPAC to add a fifth tier for egregious water wasters. Mr. Entsminger said that the tier structure is implemented by the member agencies, and recommended taking it to the Las Vegas Valley Water District's advisory committee instead.

Directors Sisolak, McCoy, and Councilwoman Scow said they wanted to see data and the performance of a study of water usage on Sundays. Director Sisolak recommended that the Youth Advisory Council (YAC) do the experiment to promote an effective message in the community. Mr. Entsminger said the Authority can arrange for YAC to do a demonstration at the Springs Preserve.

Directors Coffin, Sisolak, McCoy, and Wood stated that vegetable and flower gardens should be exempt from the proposed watering restrictions. Director Coffin and McCoy said that they do not think gardens consume a great deal of water, and spoke about the importance of drip irrigation, and personal and community gardens.

Director Sisolak and Kirkpatrick expressed concern about unintended consequences caused by the proposed restriction. Mr. Entsminger reported that experts were consulted about impacts to fescue; the Authority is already working on preliminary outreach and advertisements that will be brought to the Board.

Mr. Entsminger said that the proposed summer watering schedule is intended to be voluntary for the first year to allow the community to adjust, and would become mandatory the year after.

Director. Sisolak asked about the amount of water used by marijuana cultivation facilities, and Mr. Entsminger committed to providing that information.

FINAL ACTION: Vice Chair Bateman made a motion to approve staff's recommendation. The motion was approved.

10. For Possible Action: Approve and authorize the General Manager to sign, in substantially the same form, a water service agreement between Playa Solar 1, LLC, and Playa Solar 2, LLC, collectively, and the Authority for construction water services, and authorize the General Manager to enter into ministerial agreements necessary to effectuate.

Mr. Entsminger said that this agreement is largely for construction water for a large solar facility in Garnet Valley. He said that for the return of supply construction water, Playa Solar will drill a production well in Garnet Valley and turn over ownership to the Authority, which could be used for the future Garnet Valley/APEX water system.

Directors Kirkpatrick and Sisolak stated their preference of utilizing Nevada and Clark County labor to perform the work.

Director Wood asked if staff reached out to the City of North Las Vegas to review the agreements. Dave Johnson indicated that they had. Director Wood expressed concerns that her staff still had outstanding questions about the item.

Director Wood inquired whether SNWA could supply construction water to both Playa Solar and Faraday Future through the aquifer. Mr. Entsminger said that the Nevada State Engineer approved temporary change applications for a sufficient volume of water in Garnet Valley to cover both Playa Solar and Faraday Futures' construction water needs. She also asked SNWA to confirm that the $1 million investment from Playa Solar will reduce funding for water service to Kapex for the same amount. Mr. Entsminger confirmed that the $1 million value for the well will reduce the costs of the permanent water system by that same amount. Mr. Entsminger also mentioned the work that is being done to secure contracts for the 30 percent design effort. Director Wood also asked if the SNWA plans to provide water to Special Improvement District/Tax Increment Area authorized by Senate Bill 3, and how the Authority would reduce costs if cost estimates exceed the financed amount. Mr. Entsminger said that the costs for the project will be better informed by the 30 percent design effort, and noted that a review will need to be conducted when all entities' costs are known for Phase I.

FINAL ACTION: Director Sisolak made a motion to approve staff recommendations. The motion was approved.

11. For Possible Action: Receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, the results of the implementation of the Authority's Water Resource and Conservation Plans, activities on the Colorado River, the development of in-state water resources, and the status of construction activities near Lake Mead.

Marc Jensen, Director of Engineering, gave a presentation on updates of the Low Lake Level Pumping Station, and Greg Walch, General Counsel, gave a presentation on Colorado River hydrology.

NO ACTION REQUIRED.

Public Comment

Ed Uehling recognized the efforts of the Youth Advisory Council, but noted concerns about the Board's lack of interest. Mr. Uehling noted the previously-approved water banking agreement with California and his concerns about the agreement and loss of revenue.

Adjournment

There being no further business to come before the board, the meeting adjourned at 10:22 a.m.

APPROVED:

_____ _____

Mary Beth Scow, Chair John J. Entsminger, General Manager

Copies of all original agenda items and minutes, including all attachments, are on file in the General Manager's office at the Las Vegas Valley Water District, 1001 South Valley View Boulevard, Las Vegas, Nevada.

SNWA Youth Advisory Council (YAC)

Drip Irrigation Education Project

Presenters: Angelo Robledo and Lauren Martires

Youth Advisory Council

- Group of high school students passionate about exploring, researching, and solving water issues in southern Nevada
- Our mission is to educate the youth around the Las Vegas Valley about water conservation and inspire and motivate the community to gain environmental sustainability skills and knowledge

Desert Agriculture

- With very little precipitation and harsh temperatures, desert agriculture relies heavily on irrigation
- However, problems occur when raising non-native plants depletes the desert's limited groundwater supply
- Need to use what water we have in the most efficient way

Gilcrease Orchard

Inquired about the most resourceful way local farmers water their crops.

Drip Irrigation

- An irrigation method that conserves water by allowing it to drip slowly to the roots of the plant
- Can be done through a network of valves, pipes, tubing and emitters
- Preferred method by desert farmers and growers

Research

- SNWA Drip Irrigation Class

Learned how to install a basic drip irrigation system, from the home water source to the plants.

Research

- Online research on affordable/sustainable methods
- More attainable and relatable to our audience
- Teaches youth how drip irrigation works, let's them practice the watering method and see it's value to our community

Bringing our Educational Presentation to the Public

- Short demonstrations of effective drip irrigation techniques
- Introduction of a hands on approach to drip irrigation; marketable to both home and classroom gardens
- Explanation of the benefits of drip irrigation over traditional methods in the desert
- How to build own personal drip irrigation system with both high-quality pieces of equipment, as well as with recycled household items
- Presentable at the local schools as well as at venues such as the Springs Preserve

SNWA Conservation Initiatives

Conservation Initiatives

The SNWA continues to explore opportunities to reduce water use in Southern Nevada and maximize the use of water resources.

SNWA Ordinance Review Team

In September 2015, technical representatives from SNWA Member Agencies met regularly to evaluate opportunities for additional conservation savings.

- Jennifer Ammerman, Clark County
- Brenda Pohlmann, City of Henderson
- Michael Tassi, City of Henderson
- Dennis Demera, LVVWD
- Quan Phang, City of North Las Vegas
- Sherri McMahon, City of Las Vegas
- Steve Gebeke, City of Las Vegas
- Skip Spilman, Boulder City
- Doug Bennett, SNWA
- Katie Horn, SNWA

SNWA Ordinance Review Team

The team evaluated existing ordinances and opportunities for small revisions to yield large water savings or regional uniformity.

The team focused on two issues:

- Summer Watering Schedule
- Manmade ornamental water features (fountains)

Summer Watering

SNWA's Summer Watering Schedule allows watering any day per week.

Watering Groups	Winter November - February	Spring / Fall March - April / September - October	Summer May - August
A	Monday	Monday, Wednesday, Friday	Any Day
B	Tuesday	Tuesday, Thursday, Saturday	Any Day
C	Wednesday	Monday, Wednesday, Friday	Any Day
D	Thursday	Tuesday, Thursday, Saturday	Any Day
E	Friday	Monday, Wednesday, Friday	Any Day
F	Saturday	Tuesday, Thursday, Saturday	Any Day

Summer Watering

SNWA Conservation staff evaluated the potential impacts of prohibiting Sunday sprinkler watering during Summer months.

Findings:

- Prohibiting Sunday sprinkler watering during Summer is achievable without causing permanent landscape damage.
- Sunday was the most common day skipped among customers who already skip a day.
- Lawns watered 6 days per week had comparable appearance to lawns watered every day during summer.

Estimated Water Savings

50

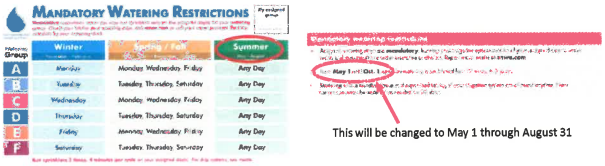
million gallons potential savings each Sunday during summer months

900

million gallons potential savings each year

Other Watering Schedule Changes

The team also recommended aligning time-of-day restrictions to the same summer months used for watering restrictions (May through August).



This will be changed to May 1 through August 31

Manmade Ornamental Water Features

The SNWA Ordinance Review Team evaluated fountain ordinances across the local jurisdictions.

Conclusions:

- Fountain ordinances were not uniform
- Agencies were willing to pursue more uniform fountain policies

Manmade Ornamental Water Features

The main goal was to establish **uniform** fountain and water feature policies in Southern Nevada.

The team reviewed components from the existing ordinances to agree upon regional standards.

Key Components of Regional Fountain Policy

- Generally, water features are prohibited
- Exemptions include swimming pools, recreational water parks, features sustaining aquatic animals prior to 2003, and interpretive features in educational exhibits.
- Features that serve other allowable uses, such as irrigation reservoirs on golf courses or a building's cooling system, may also be exempted

Key Components of Regional Fountain Policy

Jurisdictions may require proposed water features to mitigate water use:

- **Convert existing grass**: Convert 20 square feet of grass to water efficient landscape for each square foot of water surface area.
- **Support Conservation Programming:** Pay $40 into the SNWA's WaterSmart Landscape Program for each square foot of water surface area.
- **Reduce/eliminate another body of water:** Reduce or eliminate an existing, compliant body of water for a net decrease of water surface area.

Anticipated Results

- Increase uniformity among jurisdictions
- Provide clarification and consistency in addressing regional approach to ornamental water features
- Maintain economic opportunities

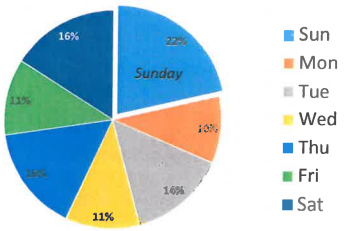
WSL Program Update

In September 2015, the Board of Directors authorized a promotional increase in the Water Smart Landscapes rebate (from $1.50 to $2.00)

SOUTHERN NEVADA WATER AUTHORITY®

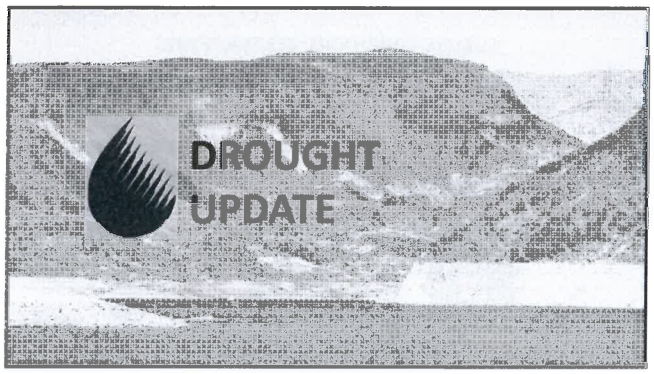
Summer Watering

Most Commonly Skipped Irrigation Day in Summer

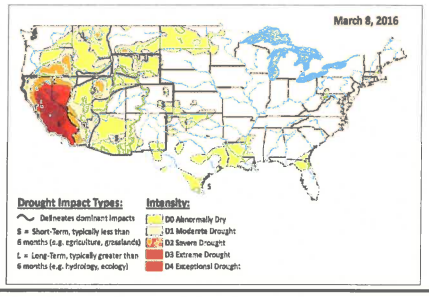


Summer Watering

- This is the first change to the Watering Restrictions since 2003.
- Watering days will go from 191 per year to 174, a 9% reduction.
- Sunday was chosen since it is not part of any group's current watering schedule and also the most commonly skipped day.
- Applies to sprinkler irrigation only. Drip irrigation requirements will not change.
- Customers will continue to be able to conduct supervised operation of sprinklers for testing and maintenance and to hand water at any time on any day.
- 2016 will be voluntary compliance, supported by an educational campaign. Mandatory compliance will begin May 2017.



CLIMATE CONDITIONS: **U.S DROUGHT MONITOR**



CLIMATE CONDITIONS: **UPPER BASIN SNOW CONDITIONS**

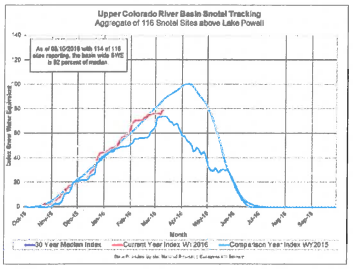
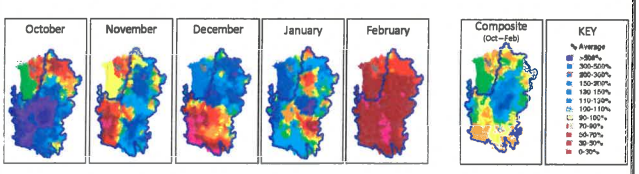
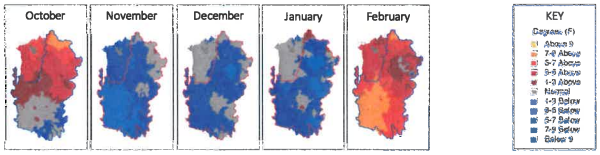


Chart created on 3/14/2016

CLIMATE CONDITIONS: **MONTHLY PRECIPITATION-WATER YEAR 2016**

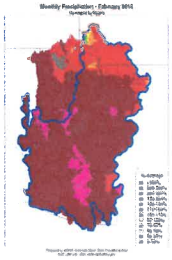


CLIMATE CONDITIONS: **MAX TEMPERATURE- WATER YEAR 2016**

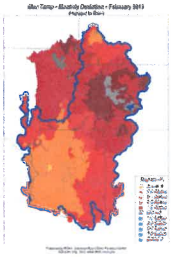


CLIMATE CONDITIONS: **FEBRUARY 2016**

PRECIPITATION



TEMPERATURE



CLIMATE CONDITIONS: **UPPER BASIN SNOW CONDITIONS**

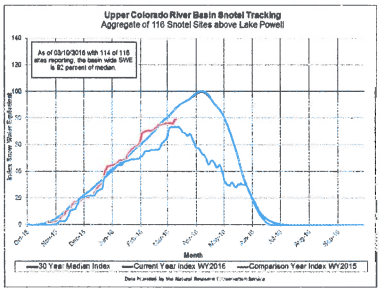
Water Supply

- Precipitation to date: 91% of average
- Snowpack to date: 90% of average

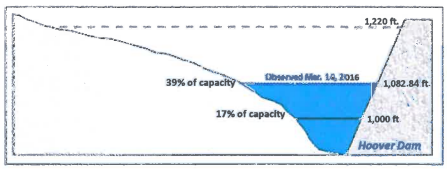
Forecasted Inflow to Lake Powell

- WY 2016: 83% of average
- Apr-Jul: 80% of average

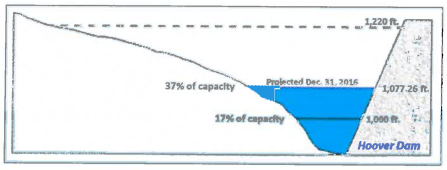
***February weather reduced forecasted inflows to Lake Powell by more than 900,000 acre-feet**



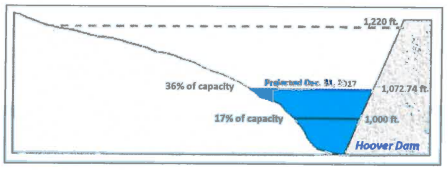
LAKE MEAD: **CURRENT ELEVATION**



LAKE MEAD: **PROJECTED ELEVATION**

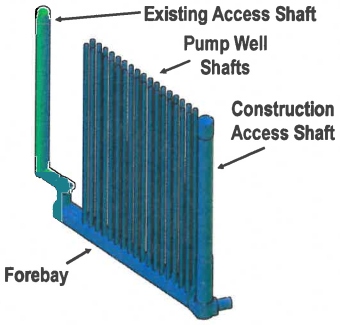


LAKE MEAD: **PROJECTED ELEVATION**

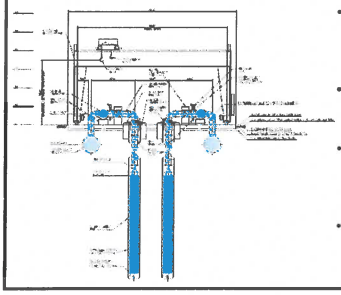


Low Lake Level Pumping Station (L3PS)

- Approved as part of IRPAC recommendations in December 2014.
- Connects to Intake No. 3
- Substitutes for Intake Pumping Stations 1 and 2 at very low lake levels.
- Will operate between lake elevations 875 and 1060.
- Added to Major Construction and Capital Plan in May 2015.



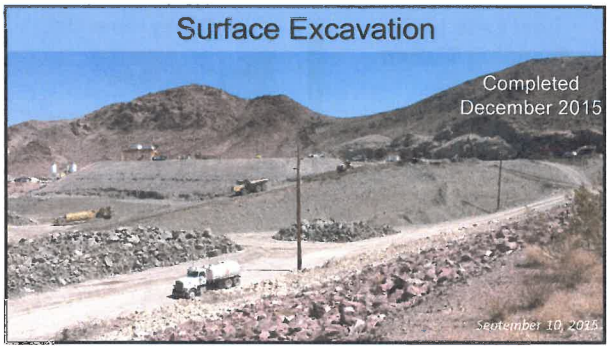
Pumping Station Characteristics



- Located at Lake Mead near the two existing intakes and the Alfred Merritt Smith Water Treatment Facility (AMSWTF).
- Facilities will be mostly underground using high flow, high pressure submersible pumps.
- Will be capable of pumping up to 600 mgd of water to the AMSWTF and 300 mgd to the River Mountains WTF
- Entails new electrical power supply lines and two large diameter discharge pipelines.

L3PS Primary Activities

- **Surface excavation for working pad and drainage**
- **Underground excavation of well shafts and forebay**
- **Procurement of pumps**
- **Procurement of valves and fittings for construction of discharge pipelines**
- **Construction of discharge pipelines**
- **Construction of above ground pumping station facilities**
- **Construction of electrical power supply facilities**
- **Installation and commissioning of pumps**

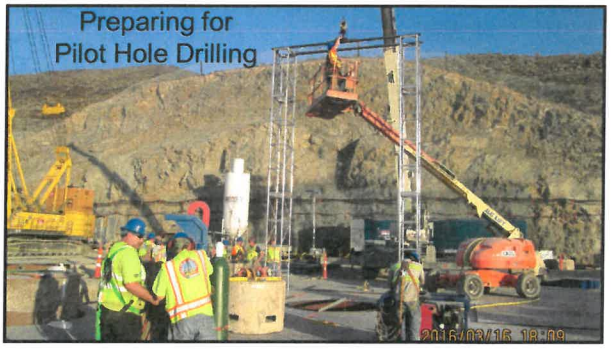

Surface Excavation
Completed
December 2015
September 10, 2015

Pre-excavation Grouting
27 miles of grout holes
5 million pounds of cement
January 5, 2016

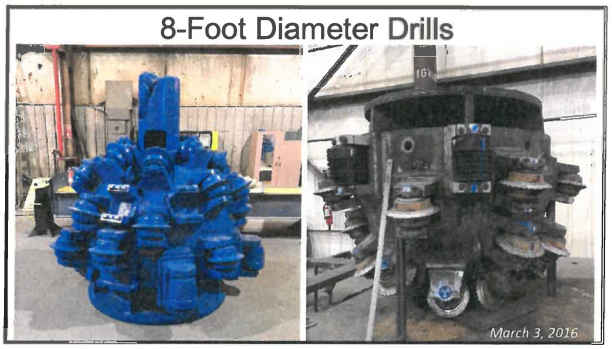
Offices and Equipment for
Underground Excavation
February 29, 2016

Starter Casing Installation
February 23, 2016

Preparing for Concrete
Encasement Around
Starter Casings
March 11, 2016


Preparing for
Pilot Hole Drilling

8-Foot Diameter Well Shaft Drill Rigs
February 29, 2016


8-Foot Diameter Drills
March 3, 2016

L3PS Completed Activities

Activity	Time Frame
Awarded surface excavation contract	May 2015
Completed design and awarded underground excavation contract	Sep 2015
Awarded purchase of 3 test pumps	Sep 2015
Completed surface excavation work	Dec 2015
Awarded purchase of large diameter valves	Jan 2016
Completed pre-excavation grouting for well shaft drilling	Feb 2016
Award purchase of 355 feet of large diameter pipe & fittings	Mar 2016

L3PS Current and Upcoming Activities

Activity	Time Frame
Complete design and begin construction of discharge aqueducts	Jul 2016
Complete design and begin construction of above ground PS	2016
Complete underground excavation of 34 well shafts and forebay	2018
Complete installation of discharge aqueducts	2019
Complete power supply facilities	2019
Complete all work and begin operations	2020

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

April 21, 2016

Subject: Award of Bid	**Director's Backup**
Petitioner: David L. Johnson, Deputy General Manager, Engineering/Operations	
Recommendations: That the Board of Directors approve the award of Bid No. 2311-16, Contract for Fluorosilicic Acid, to BHS Marketing, LLC, in an estimated amount of $546,345 for a period of one year from date of award, with an option to renew for four additional one-year periods, and authorize an increase in an amount not to exceed 5 percent for each renewal term.	

Fiscal Impact:
Funds requested for current year expenditures are available in the Authority's Operating Budget. Funds for future year expenditures will be budgeted accordingly.

Background:
This request is for a contract to provide fluorosilicic acid, used in the fluoridation of drinking water at the Alfred Merritt Smith and River Mountains Water Treatment Facilities.

BIDS RECEIVED	TOTAL BID
BHS Marketing, LLC	$546,345.00
Mosaic Global Sales, LLC	$594,000.00
Pencco, Inc.	$643,050.00
Brenntag Pacific, Inc.	$967,500.00

The included authorization to increase funding up to 5 percent annually is estimated to be sufficient to cover possible price increases and anticipated increases in demand.

This action is authorized pursuant to NRS 332.065 and Section 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:

John J. Entsminger, General Manager
JJE:DLJ:KPF:RWG:TAB:MW:jd
Attachments

AGENDA ITEM # 2

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type							
☐ Sole Proprietorship	☐ Partnership	☑ Limited Liability Company	☐ Privately Held Corporation	☐ Publically Traded Corporation	☐ Trust	☐ Non-Profit Organization	☐ Other

Business Designation Group					
☐ MBE	☐ WBE	☐ SBE	☐ PBE	☐ ESB	☑
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Emerging Small Business	None

Corporate/Business Entity Name:	BHS Marketing LLC		
(Include d.b.a., if applicable)	BHS Specialty Chemical Products		
Street Address:	1717 E Fargo Ave	**Website:**	www.bhsmarketing.com
City, State and Zip Code:	Nampa, ID 83687	**POC Name and Email:**	Laura Lanthier laura@bhsmarketing.com
Telephone No:	(208) 466-8437	**Fax No:**	(208) 466-8989
Local Street Address:	N/A	**Website:**	
City, State and Zip Code:		**Local Fax No:**	
Local Telephone No:	(877) 247-6584 Toll-Free	**Local POC Name Email:**	N/A
Number of Clark County, Nevada Residents Employed:	0		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals, either directly or indirectly, holding more than five percent (5%) ownership or financial interest in the business entity appearing before the SNWA Board of Directors.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Philip Johnson	Executive Chairman	Post Capitol
Bruce Schechinger	President	X
Michael Merlo	Vice President	X

This section is not required for publicly-traded corporations.

1. Are any individual members, partners, owners or principals, involved in the business entity, an SNWA full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☑ No (If yes, please note that SNWA employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to an SNWA full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☑ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also certify that the entity is not on the federal government's Excluded Parties List, as defined by 2 CFR § 180.945. I further understand that the SNWA will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

Signature: [signature]

Print Name: Laura Lanthier

Title: Manager, Municipal Bids & Contracts

Date: March 16, 2016

Revised 10/30/14

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF SNWA EMPLOYEE OR OFFICIAL AND JOB TITLE	RELATIONSHIP TO SNWA EMPLOYEE OR OFFICIAL	SNWA EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A			

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For SNWA Use Only:

If no Disclosure or Relationship is noted above or if the section is marked N/A, please check this box:

☒ No Disclosure

If any Disclosure of Relationship is noted above, please complete the following:

☐ Yes ☐ No Is the SNWA employee(s) noted above involved in the contracting/selection process for this particular agenda item?

☐ Yes ☐ No Is the SNWA employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Michelle White
Signature

Michelle White
Print Name
Authorized Department Representative

AGREEMENT

THIS AGREEMENT, made and entered into, by and between Southern Nevada Water Authority (Owner) and BHS Marketing, LLC (Contractor).

The Parties do mutually agree as follows:

1. Owner has awarded to Contractor Bid No. 2311-16.

2. Owner agrees to purchase and Contractor agrees to provide the specified products, supplies, services, or materials, as well as necessary equipment and labor, to properly perform and complete the contractual obligations in strict accordance with the Contract Documents and throughout the term of the contract.

3. The Contractor certifies that the Contractor has read and understands every provision contained in the Contract Documents. Contractor shall be bound and shall comply with each term, condition, and covenant set forth in the Contract Documents.

4. For providing or performing all products, supplies, services, or materials, as well as necessary equipment and labor to properly form and complete the contractual obligations, Owner will pay the Contract Price, in the manner and upon the conditions set forth in the Contract Documents.

5. Contract Documents which comprise the entire agreement between the Owner and Contractor for the performance of Work consist of the following:

   Amendments
   Addenda
   Contract General Provisions
   Contract General Conditions
   Contract Special Conditions
   Statement of Work or Specifications
   Drawings
   Bid Form

IN WITNESS WHEREOF, Contractor has caused this agreement to be executed this day of _____, 20___.

BHS Marketing, LLC

By: _____
Laura Lanthier, Manager,
Municipal Bids & Contracts

SNWA

By: _____
John J. Entsminger
General Manager

Southern Nevada Water Authority
Approved as to form:
By: _____ **Date:** 03/29/16

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

April 21, 2016

Subject: Resolution to Submit Grant Proposal	**Director's Backup**
Petitioner: Julie A. Wilcox, Deputy General Manager, Administration	
Recommendations: That the Board of Directors approve a resolution authorizing the submission of grant proposal to the Bureau of Reclamation WaterSMART: Drought Resiliency Project Grant.	

Fiscal Impact:
None by approval of the above recommendation.

Background:
The Bureau of Reclamation (BOR) recently announced funding availability for its WaterSMART: Drought Resiliency Project Grant. This funding is designed to support projects that will increase the reliability of water supply; improve water management; implement systems to facilitate the voluntary sale, transfer, or exchange of water; and provide benefits for fish, wildlife, and the environment to mitigate impacts caused by the drought.

In accordance with eligibility requirements, the Board of Directors is being asked to approve a resolution authorizing the submission of a grant proposal to the BOR. The grant proposal will seek $300,000 to support modeling related to water quality in Lake Mead and drinking water treatment processes at the Authority's water treatment facilities. Modeling these activities will help assess the performance of treatment activities under extreme drought conditions.

If the proposal is accepted by the BOR, a funding agreement will be brought back before the Board for approval at a later date.

The resolution is authorized pursuant to Section 6(o) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this resolution.

Respectfully submitted:

John J. Entsminger, General Manager
JJE:JAW:AMB:KH:jb
Attachment

AGENDA ITEM # 3

RESOLUTION IN SUPPORT OF FUNDING REQUEST FOR
WATERSMART: DROUGHT RESILIENCY PROJECT GRANT TO
THE UNITED STATES BUREAU OF RECLAMATION

WHEREAS, the U.S. Bureau of Reclamation WaterSMART: Drought Resiliency Project Grant is soliciting proposals for and may provide financial assistance to States, tribes, irrigation districts, water districts, and other organizations to implement projects that will increase the reliability of water supply; improve water management; implement systems to facilitate the voluntary sale, transfer, or exchange of water; and provide benefits for fish, wildlife, and the environment; and

WHEREAS, the WaterSMART: Drought Resiliency Project Grant specifically allows for projects that mitigate impacts caused by the drought; and

WHEREAS, the Southern Nevada Water Authority is responsible for managing the region's water resources and treatment; and

WHEREAS, the Southern Nevada Water Authority will benefit significantly from financial assistance under the WaterSMART: Drought Resiliency Project Grant to allow the Authority, in cooperation with the Desert Research Institute, to model water quality in Lake Mead at low water surface elevations. Additionally, the grant will fund the development of a model of the drinking water treatment process used at the River Mountains and Alfred Merritt Smith Water Treatment Facilities. These models will be coupled to assess the performance of the plants under extreme drought conditions.

NOW, THEREFORE, BE IT RESOLVED that the Southern Nevada Water Authority Board of Directors agrees and authorizes:

1. The submission of an application to the U.S. Bureau of Reclamation WaterSMART: Drought Resiliency Project Grant requesting $300,000 to model water quality in Lake Mead at low water surface elevations and to model drinking water treatment processes.

2. The submission of a proposal, including a funding plan that outlines the applicant's ability to provide up to $300,000 in matching funds, as specified by the WaterSMART: Drought Resiliency Project Grant.

3. The Southern Nevada Water Authority's General Manager, or his designee, to execute and file an application and proposal with the U.S. Bureau of Reclamation for funding under the WaterSMART: Drought Resiliency Project Grant, as outlined above.

Introduced and passed this 21 day of April, 2016.

Attest:

Southern Nevada Water Authority

John J. Entsminger, Secretary

Mary Beth Scow, Chair

Approved as to form:

Dana Walsh for

Gregory J. Walch, General Counsel

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

April 21, 2016

Subject: Agreements	**Director's Backup**
Petitioner: David L. Johnson, Deputy General Manager, Engineering/Operations	

Recommendations:
That the Board of Directors approve and authorize the General Manager to sign, in substantially the same form, the Water Service Agreement between Robin Prop Holdco, LLC, and the Authority; the Apex Phase I Infrastructure Design Agreement between Robin Prop Holdco, LLC, and the Authority; and the Escrow Agreement Regarding Infrastructure Development among Robin Prop Holdco, LLC, First American Title Insurance Company, and the Authority, for construction water and preliminary design of infrastructure development in the Apex area.

Fiscal Impact:
If the above recommendation is approved, Robin Prop Holdco, LLC, will deposit $250,000 with the Authority as a minimum payment for construction water service, together with a $500,000 bond to secure payment of other Robin Prop Holdco, LLC, obligations that may arise under the Water Service Agreement. In addition, Robin Prop Holdco, LLC, will place $1,500,000 in escrow to allow for monthly payments to the Authority for Phase I design services.

Background:
The 29th Special Session of the Nevada Legislature began on December 16, 2015, and adjourned on December 19, 2015 (29th Special Session). Senate Bill No. 3 of the 29th Special Session designated the Authority and the Las Vegas Valley Water District as the exclusive water service providers for the Garnet Valley Groundwater Basin in Clark County (Garnet Basin). The Apex Industrial Park is located within the Garnet Basin.

Senate Bill No. 1 of the 29th Special Session (SB 1) authorized the Governor's Office of Economic Development (GOED) to finance infrastructure projects undertaken by local governments that support qualified projects within the local government's jurisdiction. Pursuant to SB 1 and NRS 360.940, Robin Prop Holdco, LLC, (Faraday) is developing a qualified project within GOED's Tax Increment Area, which was established to provide financing for certain infrastructure projects as contemplated in SB 1.

On February 4, 2016, the Authority entered into a Water Facilities Use Agreement with NV Energy for use of its wells, located within Garnet Basin, for purposes of delivering water to developers during construction activities in the Apex area (NVE Agreement).

If approved, the Water Services Agreement (Agreement) sets forth the terms and conditions for the Authority to deliver water to Faraday, subject to the terms and limitations in the NVE Agreement, and would allow the Authority to accept security from Faraday to ensure reimbursement of costs incurred by the Authority in the provision of construction water services to Faraday.

AGENDA ITEM # 4

The Apex Phase 1 Infrastructure Design Agreement (Design Agreement) obligates Faraday to fund completion of the Authority's preliminary design of the first phase of infrastructure. The Design Agreement also requires Faraday to execute the Escrow Agreement with the Authority and to deposit security in an amount equal to the approximate cost to complete the preliminary design work. The Escrow Agreement provides a funding account for the Authority to draw monthly payments for work completed pursuant to the Design Agreement.

These actions are authorized pursuant to Section 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the agreements.

Respectfully submitted:

John J. Entsminger, General Manager
JJE:DLJ:GJW:TDF:ke
Attachments

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type							
☐ Sole Proprietorship	☐ Partnership	☒ Limited Liability Company	☐ Privately Held Corporation	☐ Publically Traded Corporation	☐ Trust	☐ Non-Profit Organization	☐ Other

Business Designation Group					
☐ MBE	☐ WBE	☐ SBE	☐ PBE	☐ ESB	☐
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Emerging Small Business	

Corporate/Business Entity Name:	Robin Prop Holdco LLC		
(Include d.b.a., if applicable)			
Street Address:	18455 S Figueroa Street	**Website:** www.faradayfuture.com	
City, State and Zip Code:	Gardena, CA 90248	**POC Name and Email:**	
Telephone No:	(424) 276-7616	**Fax No:**	
Local Street Address:	[To be determined]	**Website:** [To be determined]	
City, State and Zip Code:	[To be determined]	**Local Fax No:** [To be determined]	
Local Telephone No:	[To be determined]	**Local POC Name Email:** [To be determined]	
Number of Clark County, Nevada Residents Employed:			

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals, either directly or indirectly, holding more than five percent (5%) ownership or financial interest in the business entity appearing before the SNWA Board of Directors.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
Jia Yueting	Member / shareholder (indirect)	~94%

This section is not required for publicly-traded corporations.

1. Are any individual members, partners, owners or principals, involved in the business entity, an SNWA full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☒ No (If yes, please note that SNWA employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to an SNWA full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also certify that the entity is not on the federal government's Excluded Parties List, as defined by 2 CFR § 180.945. I further understand that the SNWA will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

David A Wisnieski
Signature

President
Title

David Wisnieski
Print Name

03/21/2016
Date

Revised 10/30/14

DISCLOSURE OF RELATIONSHIP

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF SNWA EMPLOYEE OR OFFICIAL AND JOB TITLE	RELATIONSHIP TO SNWA EMPLOYEE OR OFFICIAL	SNWA EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A	N/A	N/A	N/A

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For SNWA Use Only:

If no Disclosure or Relationship is noted above or if the section is marked N/A, please check this box:

☐ No Disclosure

If any Disclosure of Relationship is noted above, please complete the following:

☐ Yes ☐ No Is the SNWA employee(s) noted above involved in the contracting/selection process for this particular agenda item?

☐ Yes ☐ No Is the SNWA employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Tabitha Fiddyment
Signature

Tabitha Fiddyment
Print Name
Authorized Department Representative

WATER SERVICE AGREEMENT

This Water Service Agreement ("**Agreement**") is made and entered into this ___ day of _____, 2016 ("**Execution Date**"), by and between the Southern Nevada Water Authority, a political subdivision of the State of Nevada ("**SNWA**"), and Robin Prop Holdco, LLC, a Delaware limited liability company (**"Faraday"**). For convenience, SNWA and Faraday are referred to herein individually as "**Party**" and collectively as the "**Parties**."

WITNESSETH

A. **WHEREAS**, Senate Bill No. 3 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 3**") designated SNWA and the Las Vegas Valley Water District ("**LVVWD**") as the exclusive water service providers for the Garnet Valley Groundwater Basin in Clark County ("**Garnet Basin**");

B. **WHEREAS**, Faraday, an electric vehicle developer, is developing an electric vehicle plant at the Apex Industrial Park ("**Apex**"), which is located within the Garnet Basin;

C. **WHEREAS**, Faraday has requested water service from SNWA for construction activities related to its car plant, as required pursuant to SB 3;

D. **WHEREAS**, other entities (which, together with Faraday, shall be referred to herein as "**Developers**") may request that SNWA provide water service for construction related activities in Garnet Basin during the Term (as defined below) of this Agreement;

E. **WHEREAS**, NV Energy owns and operates generating facilities at the Arrow Canyon Complex ("**ACC**") including the Reid Gardner Generating Station, Chuck Lenzie Generating Station, and Silverhawk Generating Station, which is located in the vicinity of Apex;

F. **WHEREAS**, as part of its ACC operations, NV Energy owns and operates wells that it uses to provide water to its generating facilities;

G. **WHEREAS**, pursuant to that Water Facilities Use Agreement ("**NV Energy Agreement**") executed on February 4, 2016, NV Energy has agreed to allow SNWA to use NV Energy's wells at the ACC to provide water service to Developers to the extent such use does not negatively impact the generating facilities' reliability, create undue risk to plant systems and equipment, or create undue risk to the environment in the form of spills or contamination, among other terms, conditions, and limitations set forth in the NV Energy Agreement. The NV Energy Agreement is attached hereto and incorporated herein as **Exhibit "A".**

H. **WHEREAS,** SNWA Permit Nos. 85852T-85855T grant SNWA the right to temporarily divert 3,000 acre-feet of water per year originally permitted for diversion in Coyote Spring Valley (Hydrographic Area No. 210) from wells in Garnet Basin for use in Clark County, Nevada to accommodate anticipated water needs for construction activities in Garnet Basin ("**SNWA Permits**");

I. **WHEREAS,** the Parties desire that SNWA develop, construct and operate the necessary tie-ins to NV Energy's well distribution systems ("**SNWA Facilities**") such that water can be delivered to Faraday via the points of delivery shown on **Exhibit "B"** attached hereto and incorporated herein by this reference ("**Points of Delivery**");

J. **WHEREAS**, SNWA and Faraday desire to enter into this Agreement in order to outline the rights and obligations of each Party in the provision of water to accommodate Faraday's construction activities.

NOW THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

1. Term. This Agreement commences on the Effective Date and continues until February 15, 2017 ("**Term**"); provided, however, this Agreement will automatically terminate if the NV Energy Agreement is terminated for any reason.
2. Rate, Metering, and Construction Water Service.
    a. Rate. The rate SNWA will charge Faraday for construction water provided under this Agreement will be two dollars and thirty-three cents ($2.33) per one thousand gallons (1,000).
    b. Metering. SNWA shall monitor and record water metered at the Points of Delivery at least monthly and report such data to Faraday every 30 days. SNWA is responsible for providing well pumping information quarterly to the Nevada State Engineer as a condition of the SNWA Permits.
    c. Payment. Prior to commencement of service, Faraday will pay SNWA a non-refundable amount of two hundred and fifty thousand dollars ($250,000). SNWA will record water usage consistent with Paragraph 2(b) above, calculate the amount due using the rate stated in Paragraph 2(a) above, and deduct the amount due from the $250,000 non-refundable deposit. If at the end of the Term, Faraday used less than $250,000 of construction water at the rate stated in Paragraph 2(a), Faraday will not be entitled to a refund of the balance. If Faraday uses more than $250,000 of construction water, SNWA will bill for water used and Faraday will pay the invoice within thirty days (30) of the invoice date.

3. SNWA's Obligations to Faraday.

   a. Provide Water. SNWA shall provide construction water to Faraday at the Points of Delivery to the extent water is available under the SNWA Permits and the NV Energy Agreement and is not limited by the Nevada State Engineer or completely unavailable as provided for in this Agreement. If the provision of construction water at the Points of Delivery is curtailed by the Nevada State Engineer or is otherwise unavailable under the SNWA Permits or the NV Energy Agreement, SNWA will exercise commercially reasonable efforts to provide the construction water to Faraday under other permits SNWA may hold. If a new point of diversion or water source is identified and utilized, the Rate as provided for in Paragraph 2(a) above will be recalculated.

   b. Provide Equipment. SNWA shall provide Faraday with necessary water meters and back flow prevention assemblies to be installed by Faraday at the Points of Delivery.

4. NV Energy Agreement & Faraday's Obligations to SNWA.

   a. Indemnification. Based on this Agreement and the acknowledgements contained herein, Faraday agrees to indemnify, hold harmless, and defend SNWA for any cost or liability SNWA may incur under the terms of the NV Energy Agreement. Faraday's indemnification obligation shall not apply to losses, damages, claims, expenses and other liabilities arising out of, relating to, or resulting from the reckless or willful misconduct of SNWA or any of SNWA's officers, directors, employees, contractors or agents. Specifically, and without limiting the foregoing, Faraday agrees to the following:

i. If a mechanic's lien ("**Lien**") arising out of any activity undertaken pursuant to this Agreement is recorded against any property owned by NV Energy, its affiliates, or its subsidiaries at any time, Faraday shall obtain the release of (or otherwise satisfy) the Lien within ten (10) days of receipt of notice of the Lien. If Faraday fails to do so, (1) SNWA may take such steps and make such expenditures as, in its sole discretion, it deems advisable to obtain release of or otherwise satisfy the Lien(s), and (2) Faraday shall, upon demand, reimburse SNWA for all costs and expenditures incurred, including without limitation, attorneys' fees, court costs, surety premiums incurred by SNWA in obtaining such release or satisfaction.

ii. Faraday, at its sole cost, shall repair any damage to NV Energy's property resulting from the activities of SNWA (to the extent such activities were not undertaken in a grossly negligent or intentional manner), Faraday or their respective employees, contractors or subcontractors, including without limitation restoring to the extent reasonably possible the property to the condition it was in before SNWA, Faraday and their respective employees, contractors and subcontractors commenced their activities permitted by this Agreement. Faraday shall perform all repair and restoration activities on NV Energy's property to the satisfaction of NV Energy and in accordance with all applicable laws as well as applicable guidelines of the Nevada Division of Environmental Protection and the State Engineer and any other state or local agency with relevant jurisdiction. If the activities of Faraday or its employees, contractors or subcontractors cause damage to NV

Energy's property or any improvements on it and (after SNWA has received written notice of such damage from NV Energy and after SNWA has provided Faraday written notice of the same) Faraday has failed to repair the damage to NV Energy's satisfaction by the deadline specified by SNWA in the written notice, SNWA or NV Energy will undertake to have repairs made and Faraday shall, upon demand, reimburse SNWA or NV Energy, as appropriate all associated costs together with any liability arising under the NV Energy Agreement.

iii. Faraday shall not cause or permit any Hazardous Material to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined or used upon, about or beneath NV Energy's property without the prior written consent of NV Energy. "**Hazardous Material**" means any substance, whether solid, liquid or gaseous in nature (A) the presence of which requires remediation under any law relating to the protection of human health or the environment; (B) that is or becomes defined as a "hazardous waste," "hazardous substance," pollutant or contaminant under any Law, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. section 6901 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. section 1801 et seq.), the Federal Water Pollution Control Act (33 U.S.C. section 1251 et seq.), the Clean Air Act (42 U.S.C. section 7401 et seq.), the Toxic Substances Control Act (15

U.S.C. section 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. section 651 et seq.), as these laws are amended or supplemented; (C) that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of Nevada or any political subdivision thereof; (D) contains gasoline, diesel fuel or other petroleum hydrocarbons; (E) that contains polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or (F) that contains radon gas.

iv. Faraday shall reimburse SNWA for any and all costs SNWA incurs in purchasing equipment or reimbursing NV Energy for same as required by the NV Energy Agreement.

v. Faraday shall only use water provisioned by SNWA under this Agreement for the purposes, and in strict accordance with the terms and limitations, set forth in the SNWA Permits.

vi. To secure the faithful performance of its obligations hereunder, including indemnity obligations, Faraday shall, within fifteen (15) days of the Effective Date, post with SNWA a cash bond, or another surety instrument acceptable to SNWA, in its sole discretion, in the amount of $500,000.00 ("**Bond**"). The Bond shall specifically cover all damages for which Faraday is liable to SNWA under this Agreement, including all damages suffered by SNWA as a result of Faraday's failure to well and truly perform and fulfill

all the undertakings, covenants, terms, conditions, warranties and all other obligations and agreements of this Agreement. SNWA may use the Bond to discharge any Faraday obligation hereunder if, after fifteen (15) days written notice, Faraday fails to perform the obligation or otherwise provide SNWA a written assurance, satisfactory to SNWA in its sole discretion, to do so. Within thirty (30) days after the conclusion of the Term, SNWA shall return the Bond, or such portions thereof not used or retained by SNWA to discharge any unfulfilled Faraday obligations, to Faraday. If Faraday posts a surety Bond, the Bond shall be written with insurance companies admitted to do business in the State of Nevada and rated A- or better and Class V or higher of financial size category in the current issue of Best's Key Rating Guide. The Bond shall be executed by sureties included in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 by the Audit Staff Bureau of Government Financial Operations, U.S. Treasury Department. If the Bond is signed by an agent, the Bond must be accompanied by a certified copy of agent's authority to act. Only surety companies authorized to do business in, and having an agent for services of process in the State of Nevada will be acceptable. If the surety on the Bond is declared bankrupt or becomes insolvent or its right to do business is terminated in the State of Nevada or it ceases to meet the requirements of this Agreement, Faraday shall within

ten (10) days thereafter substitute another Bond and surety, both of which must be acceptable to SNWA.

b. Construction, Maintenance and Removal of Pipeline.

i. Faraday shall, at its sole cost and expense, construct and maintain the necessary pipe to transport the construction water from the Points of Delivery to the construction site (hereinafter referred to as "**Pipelines**" and shown on **Exhibit "C"** attached hereto and incorporated herein by this reference) Faraday shall ensure that the Points of Delivery are secured such that only persons authorized pursuant to this Agreement may access water under, and in full conformance with, this Agreement. Upon conclusion of the Term, Faraday shall remove the Pipelines and all other Faraday equipment associated with the Pipelines and restore and repair all real property affected by the Pipelines, including the ACC real property, to conditions existing prior to the Effective Date, to the extent reasonably possible.

ii. Faraday is solely responsible for arranging, obtaining permits, and paying expenses for the lands and rights-of-way required to accommodate the Pipelines. All such arrangements must be made in writing and approved by SNWA prior to Faraday implementing construction of the Pipelines. Faraday acknowledges that SNWA has made no representations regarding land use restrictions or permitting that may apply to construction of the Pipelines.

iii. Any construction or work performed in public rights-of-way, in addition to conforming to the Pipeline Documents (defined below), shall comply with the requirements of the permit issued by the public agency in whose right-of-way the work or construction is located. Should the permit's requirements differ or conflict with the Pipeline Documents, the more stringent or restrictive requirement shall prevail.

iv. Prior to constructing the Pipelines, Faraday shall provide to SNWA construction plans showing the path of the Pipelines and methods and materials for construction of the Pipelines, including arrangements, permits, and approvals of land use and rights-of-way for the Pipelines ("**Pipeline Documents**").

5. Acknowledgments.

a. Faraday acknowledges that SNWA's ability to provide construction water is limited by the terms, conditions, and limitations of the NV Energy Agreement and agrees SNWA shall have no obligation whatsoever to provide construction water to Faraday from any source other than the SNWA Permits and the NV Energy Agreement to the extent such terms, conditions, and limitations render water unavailable to SNWA under the NV Energy Agreement. Such terms, conditions, and limitations include, but are not limited to: SNWA's preexisting obligations to provide water to NV Energy pursuant to the Agreement to Lease Water for Power Generation Purposes between NV Energy and LVVWD, dated October 12, 2009 ("**NV Energy Water Lease**"); NV Energy's sole and exclusive right to determine the operating times, output, and any other operating conditions/requirements of NV

Energy's wells from which the construction water will be pumped for purposes of Faraday's construction activities; and SNWA's inability to exceed the maximum capacity of NV Energy's wells as determined in NV Energy's sole discretion.

b. Faraday acknowledges and agrees that NV Energy may, at its sole reasonable discretion, temporarily or permanently curtail or suspend SNWA's use of water under the NV Energy Agreement, if NV Energy is required to repair or conduct maintenance at ACC. SNWA shall not be obligated to contest any such curtailment or suspension by NV Energy but may seek or provide an alternative water supply for Faraday as provided for in Paragraph 3(a) above. SNWA shall not be required to pay for the cost penalties of work delays or cost of alternative means to supply water incurred by Faraday due to a curtailment or suspension.

c. Faraday acknowledges that SNWA's provision of tie-in facilities to NV Energy's well discharges is a convenience to Faraday, as Faraday would be required to construct a well or otherwise arrange for access to the construction water.

d. Faraday acknowledges that SNWA agreed to indemnify and hold harmless NV Energy for potential liability associated with accessing and using water under the NV Energy Agreement.

6. Limitation of Liability.

a. No Consequential or Indirect Damages. In no event shall either Party be liable under this agreement to the other Party or any third party for consequential, indirect, incidental, special, exemplary, punitive or lost profits or revenues or diminution in value, arising out of, or relating to, and/or in connection with any breach of this agreement, regardless of (A) whether such damages were foreseeable, (B) whether

or not such Party was advised of the possibility of such damages, and (C) the legal or equitable theory upon which the claim is based.

b. Indemnification and Hold Harmless. In addition to the obligations agreed to above in Paragraph 4(a), Faraday shall indemnify, defend and hold harmless, SNWA from, for and against any and all claims, losses and damages, arising out of, relating to, or resulting from: (A) The NV Energy Agreement; (B) Applications with the State Engineer to change the point of diversion, manner of use and place of use of SNWA's water permits to provide service to Faraday under this Agreement; (C) inability to provide water service to Developers, regardless if it is technical, legal, seasonal or for any other reason; (D) construction of the SNWA Facilities; (E) operations of the SNWA Facilities; and (F) execution of this Agreement. Faraday's indemnification obligation shall not apply to losses, damages, claims, expenses and other liabilities arising out of, relating to, or resulting from the reckless or willful misconduct of SNWA or any of SNWA's officers, directors, employees, contractors or agents.

7. No Interest or Estate. Faraday agrees that it does not have any interest or estate in the SNWA Permits, and shall not claim at any time any interest or estate of any kind whatsoever in the SNWA Permits by virtue of this Agreement. Faraday agrees that the water provided to Faraday by SNWA is owned by SNWA and that any wastewater or treated effluent generated by use of the SNWA Permits is also owned by SNWA and may not be used by Faraday and Faraday may not transfer assign or allow use by any other party. Further, Faraday agrees that the use of SNWA Permits under this Agreement is exclusive to Faraday and may not be used by any other party or for any other purpose.

8. No Warranty and Acknowledgement. Faraday acknowledges that the water provided by SNWA is non-potable and is for construction purposes only. SNWA makes no representation or warranty regarding the quantity or quality of any water made available under this Agreement.

9. Authority of the Nevada State Engineer. The Parties acknowledge that the Nevada State Engineer has, pursuant to both statutory and case law, broad authority to administer groundwater resources in the State of Nevada, and furthermore, that nothing contained in this Agreement obligates SNWA to provide water service to Faraday if SNWA's ability to provide such service is prohibited or diminished by any order of the Nevada State Engineer, appealable, final, or otherwise, or by any order from a court of competent jurisdiction, or any federal, state, or local governmental agency of competent jurisdiction that makes illegal or permanently restrains, enjoins or otherwise limits SNWA's ability to provide water service to Faraday. SNWA shall have no obligation to appeal or otherwise contest any such orders, and Faraday hereby releases and waives any claims or causes of action in law or equity against SNWA in the event water service is delayed, interrupted or terminated due to the occurrence of any event described herein.

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

If to Faraday:

Robin Prop Holdco, LLC
c/o Faraday Future
Attn: Legal Department
18455 South Figueroa Street
Gardena, CA 90248

If to SNWA:

General Manager
Southern Nevada Water Authority
1001 S. Valley View Blvd., MS #480
Las Vegas, Nevada 89153

With a copy to:

General Counsel
Southern Nevada Water Authority
1001 S. Valley View Blvd., MS #485
Las Vegas, Nevada 89153

Any and all notices and demands by any Party required or desired to be given to the other Party hereunder shall be in writing and shall be validly given or made only if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or if made by Federal Express or other similar delivery service keeping records of deliveries and attempted deliveries. Service by United States Mail or by Federal Express or other similar delivery service shall be deemed complete three (3) business days following deposit with the United States mail or other delivery service, or upon actual receipt, whichever is sooner.

11. Assignment and Delegation. Faraday may not delegate, transfer or assign its rights or responsibilities pursuant to this Agreement without the prior written consent of SNWA. If a Party delegates, transfers or assigns its rights or responsibilities without the prior written consent of the other Party, the delegation, transfer or assignment shall be void and not merely voidable.

12. Governing Law and Venue. This Agreement shall be governed in accordance with the laws of the State of Nevada, without reference to its choice of law provisions. Any legal action related to this Agreement will only be filed in the Clark County District Court, or if applicable, the United States District Court for the District of Nevada, Southern Division.

13. Amendment. This Agreement may be changed, modified, or amended only by mutual written agreement of the Parties.

14. No Third Party Beneficiaries. This Agreement is not intended by the Parties to create any right in or benefit to parties other than Faraday and SNWA. This Agreement does not create any third party beneficiary rights or causes of action.

15. Waiver. The failure of either Party to enforce at any time, or for any period of time, the provisions hereof shall not be construed as a waiver of such provisions or of the rights of such Party to enforce each and every such provision.

16. Counterparts. This Agreement will become effective as between the Parties upon all Parties signing this Agreement. 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, and all counterparts together shall constitute one and the same instrument.

17. Authority. Each Party warrants to the other that it, and its signatory hereunder, is duly authorized and empowered to execute this Agreement and to bind said Party to the terms hereof.

[SIGNATURE PAGE FOLLOWS]

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

ROBIN PROP HOLDCO, LLC,
A Delaware limited liability company

By: _____
Name: David Wisnieski
Title: CEO

SOUTHERN NEVADA WATER AUTHORITY

By: _____
Name: John J. Entsminger
Title: General Manager

Approved as to form:

By: Jacob Giddymeat for
Name: Gregory J. Walch
Title: General Counsel

EXHIBIT "A" – NV ENERGY AGREEMENT

EXHIBIT A

WATER FACILITIES USE AGREEMENT

THIS WATER FACILITIES USE AGREEMENT ("Agreement") dated as of February 4, 2016 (the "Effective Date"), is made by and between NEVADA POWER COMPANY, a Nevada corporation doing business as NV Energy ("NV Energy"), and SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada ("SNWA"). NV Energy and SNWA are also **each** referred to herein as a "Party" and collectively as the "Parties."

WITNESSETH

WHEREAS, Senate Bill No. 3 of the 29th Special Session of the Nevada Legislature designated SNWA and the Las Vegas Valley Water District ("LVVWD") as the exclusive water service providers for the Garnet Valley Ground Water Basin in Clark County ("Garnet Basin");

WHEREAS, Faraday Future ("Faraday"), an electric vehicle developer, is developing an electric vehicle plant at the Apex Industrial Park ("Apex"), which is located within the Garnet Basin;

WHEREAS, Faraday has requested SNWA to provide it water service for its construction activities related to its car plant, as required pursuant to SB 3;

WHEREAS, other entities (which, together with Faraday, shall be referred to herein as "Developers") may request that SNWA provide water service for construction related activities in Garnet Basin during the Term (as defined below) of this Agreement;

WHEREAS, NV Energy owns and operates generating facilities at the Arrow Canyon Complex ("ACC"), which is located in the vicinity of Apex;

WHEREAS, as part of its ACC operations, NV Energy owns water wells that it uses to provide water to its generating facilities; and

WHEREAS, SNWA desires to use NV Energy's wells at ACC to provide water service to Developers, and NV Energy will allow SNWA to use NV Energy's wells to the extent such use does not negatively impact the generating facilities' reliability, create undue risk to plant systems and equipment, or create undue risk to the environment in the form of spills or contamination.

NOW THEREFORE, in consideration of the mutual promise set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

1. **Term.** This Agreement commences on the Effective Date and continues until February 15, 2017 ("Term"); provided, however, that either Party may terminate this Agreement for any reason and without liability of any kind on or after August 15, 2016, by giving thirty (30) days written notice.

2. NV Energy Obligations.

2.1 Except as provided for herein, NV Energy shall allow SNWA to have continued access to the SNWA Facilities (as defined below) and use of its wells located at ACC, associated with NV Energy water permits #'s 79002 through 79010, but excluding 79006 which is not owned by NV Energy (the "Wells"), exclusively to provide water service for Developers' construction activities for the duration of the Term.

2.2 SNWA will have exclusive use of Wells associated with water permits #'s 79004 and 79009, and 79005 and 79010, at its Chuck Lenzie Generating Station, subject to Section 4.2 below.

3. Infrastructure.

3.1 NV Energy and SNWA will coordinate to allow SNWA to tie facilities to each Well as necessary to draw water from the Wells to provide service to Developers.

3.2 NV Energy shall, at its sole cost and expense, modify its facilities to allow such tie-in by SNWA ("NVE Connection") and SNWA shall, at its sole cost and expense, develop, construct and operate the necessary tie-in to the NVE Connection located on NV Energy property ("SNWA Facilities") and to draw water from the Wells consistent with this Agreement.

3.3 SNWA, its employees, contractors and subcontractors shall have a revocable license for access to NV Energy's property as necessary to accomplish the tie-in and repair and maintenance of the SNWA Facilities, provided, however, SNWA shall provide prior notice to NV Energy before entering NV Energy's property and shall comply with NV Energy's site safety procedures while on NV Energy's property. SNWA, its employees, contractors and subcontractors may not use NV Energy's property for any other reason except for the purposes set forth by this Agreement. SNWA does not acquire, and may not assert, any vested right or interest in or to any of NV Energy's property except as set forth otherwise in this Agreement. NV Energy may revoke the license granted by this section with or without cause upon two (2) business days written notice to SNWA as provided below. However, NV Energy may revoke the license immediately if it (in its discretion) determines that any emergency or unsafe condition exists on or might affect the property or that SNWA or one of its employees, contractors or subcontractors is not complying with one or more of the terms of this agreement. The license terminates at the end of the Term.

3.4 SNWA must keep NV Energy's property free and clear of all liens, claims, judgments, security interests, and encumbrances ("Liens") arising out of its, or its contractors or subcontractors' use of the NV Energy property. If any Lien is filed against the NV Energy property at any time, SNWA must obtain the release of (or otherwise satisfy) the Lien within ten (10) days of receipt of notice of the Lien. If SNWA fails to do so, (1) NV Energy may take such steps and make such

expenditures as, in its discretion, it deems advisable to obtain release of or otherwise satisfy the Lien(s), and (2) SNWA must, upon demand, reimburse NV Energy for all costs and expenditures incurred, including without limitation attorneys' fees, court costs, surety premiums incurred by NV Energy in obtaining the release or satisfaction.

3.5 SWNA (at its cost) must repair any damage to NV Energy's property resulting from the activities of SNWA or its employees, contractors or subcontractors, including without limitation restoring to the extent reasonably possible the property to the condition it was in before SNWA and its employees, contractors and subcontractors commenced their activities permitted by this Agreement. SNWA must perform all repair and restoration activities on NV Energy's property to the satisfaction of NV Energy and in accordance with all applicable laws as well as applicable guidelines of the Nevada Division of Environmental Protection and any other state or local agency with relevant jurisdiction. If the activities of SNWA or its employees, contractors or subcontractors cause damage to NV Energy's property or any improvements on it and (after NV Energy has provided SNWA written notice of the damage) SNWA has failed to repair the damage to NV Energy's satisfaction by the deadline specified by NV Energy in the written notice, NV Energy will undertake to have repairs made and SNWA will be responsible for all associated costs, including without limitation any consequential damages.

3.6 SNWA must not cause or permit any Hazardous Material to be brought upon, treated, kept, stored, disposed of, discharged, released, produced, manufactured, generated, refined or used upon, about or beneath NV Energy's property without the prior written consent of NV Energy. "Hazardous Material" means any substance, whether solid, liquid or gaseous in nature (A) the presence of which requires remediation under any law relating to the protection of human health or the environment; (B) that is or becomes defined as a "hazardous waste," "hazardous substance," pollutant or contaminant under any Law, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. section 9601 et seq.) and/or the Resource Conservation and Recovery Act (42 U.S.C. section 6901 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. section 1801 et seq.), the Federal Water Pollution Control Act (33 U.S.C. section 1251 et seq.), the Clean Air Act (42 U.S.C. section 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. section 2601 et seq.), and the Occupational Safety and Health Act (29 U.S.C. section 651 et seq.), as these laws are amended or supplemented; (C) that is toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic, or otherwise hazardous and is or becomes regulated by any governmental authority, agency, department, commission, board, agency or instrumentality of the United States, the State of Nevada or any political subdivision thereof; (D) contains gasoline, diesel fuel or other petroleum hydrocarbons; (E) that contains polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde foam insulation; or (F) that contains radon gas.

4. **Limitations on SNWA's Use.**

4.1 SNWA's rights described in this Agreement are subordinate to NV Energy's rights, and SNWA's rights cannot conflict or take precedence over its obligations to provide water to NV Energy pursuant to the Agreement to Lease Water for Power Generation Purposes between NV Energy and LVVWD, dated October 12, 2009 ("Water Lease").

4.2 NV Energy shall continue to have sole and exclusive right to determine the operating times, output, and any other operating conditions/requirements for all of the Wells covered in this Agreement.

4.3 SNWA shall comply with all laws, regulations and permits for or related to the Wells, its water rights, and the SNWA Facilities.

4.4 SNWA's use of the Wells cannot exceed the maximum capability of the Wells as determined in NV Energy's sole discretion.

5. **SNWA's Obligations and Responsibilities.**

5.1 SNWA is required, at its sole cost and expense, to obtain all necessary government approvals and permits to develop, install and operate the SNWA Facilities, and to obtain water rights necessary and to provide service from the Wells to Developers.

5.2 SNWA shall reimburse NV Energy for any and all costs NV Energy incurs in purchasing equipment that is necessary to repair or replace the pumps or motors for any Well that SNWA uses exclusively during the Term, save and except for costs incurred in excess of those reasonably necessary to return such pumps or motors to their condition existing as of the Effective Date.

5.3 SNWA shall maintain and repair the SNWA Facilities to ensure the SNWA Facilities do not adversely affect NV Energy's water system, the Wells, or the water quality and quantity being used at ACC.

5.4 Upon the expiration of the Term, SNWA shall, at its sole cost and expense, remove the SNWA Facilities and restore and repair the ACC real property to conditions existing prior to the Effective Date, to the extent reasonably possible.

5.5 SNWA will provide a minimum thirty (30) day advance written notice to NV Energy of the use of its Wells to serve any Developer other than Faraday. Such notice shall include the name of the Developer, designated use of the water, period of use to serve the Developer, and projected monthly pumpage from each Well.

6. **Water Rights.** SNWA shall use its permitted water rights solely for the service it provides to Developers. SNWA is responsible, at its sole cost and expense, for obtaining the State Engineer's approval for any change in the point of diversion, manner of use and place of use to allow SNWA to divert water from the Wells and provide service to Developers. In

no event shall SNWA use water designated for NV Energy pursuant to the Water Lease to provide service to Developers.

7. **Metering and Monthly Reports.** SNWA shall install a meter at the interconnection of SNWA Facilities to NV Energy facilities to measure its monthly diversion of water. SNWA shall read the meters on a monthly basis and provide NV Energy monthly reports of the amount of water that is being diverted for Developers at the Wells by the tenth (10th) day of each month.

8. **Indemnification.** SNWA shall, to the full extent authorized by law, indemnify, defend and hold harmless, on an after state and federal tax basis, NV Energy from, for and against any and all claims, losses and damages, including, but not limited to, any damages or contaminations to the Wells or other property owned or operated by NV Energy, arising out of, relating to, or resulting from SNWA's: (a) Applications with the State Engineer to change the point of diversion, manner of use and place of use of its water permits to provide service to Faraday from the Wells; (b) inability to appropriate water from the Wells or provide water service to Developers, regardless if it is technical, seasonal or for any other reason; (c) construction of the SNWA Facilities; (d) operations of the SNWA Facilities; and (e) execution of this Agreement; provided, however, that such obligation shall not include claims, losses, or damages to the extent caused by the action or inaction of NV Energy.

9. **Curtailment.** NV Energy may, at its sole reasonable discretion, curtail or suspend SNWA's use of the Wells to provide service to Developers, if NV Energy is required to repair or conduct maintenance at ACC. In the event of a curtailment or suspension, NV Energy is not required to seek an alternative water supply or source for SNWA. NV Energy shall not be required to pay for SNWA Facilities' failures, cost of work delays or cost of alternative means to supply water incurred by SNWA due to a curtailment or suspension.

10. **Notices.** Unless otherwise stated herein, all notices, demands, or requests required or permitted under this Agreement must be in writing and must be delivered or sent by overnight express mail or courier service, or certified mail, return receipt requested, addressed as follows:

SNWA:

Southern Nevada Water Authority
1001 S Valley View Blvd., M/S 485
Las Vegas, NV 89153
Attention: David Johnson, DGM, Engineering and Operations

NV Energy:

NV Energy
6226 W. Sahara Ave., M/S 253
Las Vegas, NV 89146
Attention: Ann Casey, Manager Joint Owed Plants

With a copy to:

Southern Nevada Water Authority
1001 S Valley View Blvd., M/S 485
Las Vegas, NV 89153

With a copy to:

NV Energy
6226 W. Sahara Ave., M/S 2
Las Vegas, NV 89146

Attention: General Counsel
Email: greg.walch@snwa.com

Attention: General Counsel
Facsimile No.: 702-402-5300

or to such other person at such other address as a Party may designate by like notice to the other Party. Notice received after the close of the business day will be deemed received on the next business day by 5:00 p.m., Pacific Prevailing Time.

11. **Assignment.** Neither Party may assign any of its rights or obligations under this Agreement and any attempted assignment without such consent shall be null and void.

12. **Default/Remedies.**

12.1 Event of Default. With respect to SNWA, there shall be an "Event of Default" if SNWA is in breach of any representation or warranty set forth herein or fails to perform any material obligation set forth in this Agreement and such breach or failure is not cured within sixty (60) days after written notice of the default is provided to SNWA from NV Energy.

12.2 Termination. Upon the occurrence of an Event of Default, NV Energy shall provide notice of the default to SNWA and shall specify in such notice the basis for the Event of Default. NV Energy does not waive its rights hereunder, by any failure to provide such notice. If the Event of Default is not cured within the sixty (60) day period, as described in Section 12.1, NV Energy may provide notice to SNWA that the Agreement has terminated. The termination shall be effective upon transmittal of the notice by any means specified in this Agreement to SNWA. SNWA shall remain liable for any obligations that SNWA had pursuant to the Agreement prior to the date of termination, in addition to any other surviving obligations specified herein or remedies available.

12.3 Remedies. Upon an Event of Default by SNWA, NV Energy shall have, in addition to any other remedies available at law or in equity, the right, but not the obligation, to terminate or suspend this Agreement with respect to all obligations arising after the effective date of such termination or suspension.

13. **Limitation of Liability.** Under no circumstances will either Party be liable for any indirect, incidental, special, consequential or punitive damages incurred or suffered by the other Party arising out of or in connection with this Agreement (including without limitation, lost revenue, loss of income or loss of business advantage), even if such Party or an authorized representative of such Party has been advised of the possibility of such damage. The foregoing limitation of liability shall remain in full force and effect regardless of whether either Party's remedies hereunder are determined to have failed of their essential purpose.

14. **Counterparts.** This Agreement may be executed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

15. **Governing Law; Venue.** This Agreement is governed by and must be construed in accordance with the laws of the State of Nevada, without giving effect to its conflict of law provisions. Nothing in this agreement is designed to eliminate the Public Utilities Commission of Nevada's jurisdiction over matters within its jurisdiction. In the event a court of competent jurisdiction has jurisdiction over a civil action or remedy brought under this Agreement, the Parties agree that they will first seek to initiate such action in the federal district court of Nevada with jurisdiction over Washoe County, Nevada. In the event the federal district court lacks jurisdiction over such a dispute, the parties agree the dispute will be brought in the Nevada state district court for Washoe County, Nevada in Reno, Nevada. Each Party agrees that it will not initiate an Action against the other Party in any other jurisdiction.

16. **Waiver of Jury Trial.** To the fullest extent permitted by Law, each of the Parties hereto waives any right it may have to a trial by jury in respect of litigation directly or indirectly arising out of, under or in connection with this Agreement. Each Party further waives any right to consolidate any action in which a jury trial has been waived with any other action in which jury trial cannot be or has not been waived.

17. **Amendments.** Any change, modification, or amendment to this Agreement is not enforceable unless consented to in writing by the Parties and executed with the same formality as this Agreement.

18. **No Third-Party Beneficiaries.** The provisions of this Agreement shall not impart rights enforceable by any person, firm or organization not a Party to this Agreement.

19. **Business Formation.** Nothing in this Agreement creates a partnership, joint venture or other similar business construct between the Parties.

20. **Authority; Enforceability.** The Parties warrant that each has full power to enter into this Agreement, and to carry out its respective obligations under this Agreement. Each Party has the full entity power and authority to execute and deliver this Agreement and the other transaction documents to which it will be a party in connection with the transactions contemplated hereby, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by each Party of this Agreement and the other transaction documents to which it will be a party in connection with the transactions contemplated hereby, and the performance by such Party of its obligations hereunder and thereunder, have been duly and validly authorized by all necessary entity action, and assuming due and valid authorization, execution and delivery thereof by the other Party, will be when delivered valid and binding obligations of such Party enforceable against such Party in accordance with their terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting the enforcement of creditors' rights generally and to general principles of equity).

21. **Other Agreements.** If there are or may be other agreements in effect between the Parties (collectively, the "Other Agreements"), this Agreement and the Other Agreements are and will be separate and individual obligations of the respective parties thereto. The terms of

one agreement will in no event be deemed to be the terms of any Other Agreement, nor will the terms of one agreement be used to interpret the terms of any Other Agreement. No default or breach under, or expiration or termination of this Agreement will constitute a default or breach under, or cause any expiration or termination of, any Other Agreement, and vice versa.

22. **Severability.** If any portion or provision of the Agreement is invalid, illegal, or unenforceable, or any event occurs that renders any portion or provision of the Agreement void, the other portions or provisions of the Agreement will remain valid and enforceable. Any void portion or provision will be deemed severed from the Agreement, and the balance of the Agreement will be construed and enforced as if the Agreement did not contain the particular portion or provision held to be void. The Parties further agree to amend the Agreement to replace any stricken portion or provision with a valid provision that comes as close as possible to the intent of the stricken portion or provision.

23. **Survival of Terms.** All terms and provisions of this Agreement, including any and all exhibits, addenda and amendments hereto, which by their nature are intended to survive any termination or expiration of this Agreement, shall so survive.

24. **Entire Agreement.** This Agreement contains the Parties' entire understanding within.

[Signature page follows]

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties as of the Effective Date.

NEVADA POWER COMPANY d/b/a NV ENERGY,
a Nevada corporation

By: _____
Name: Kevin C Geraghty
Title: VP, Energy Supply

Approved as to form:

By: _____
Name: Tim Clausen
Title: Senior Attorney

SOUTHERN NEVADA WATER AUTHORITY

By: _____
John J. Entsminger
General Manager

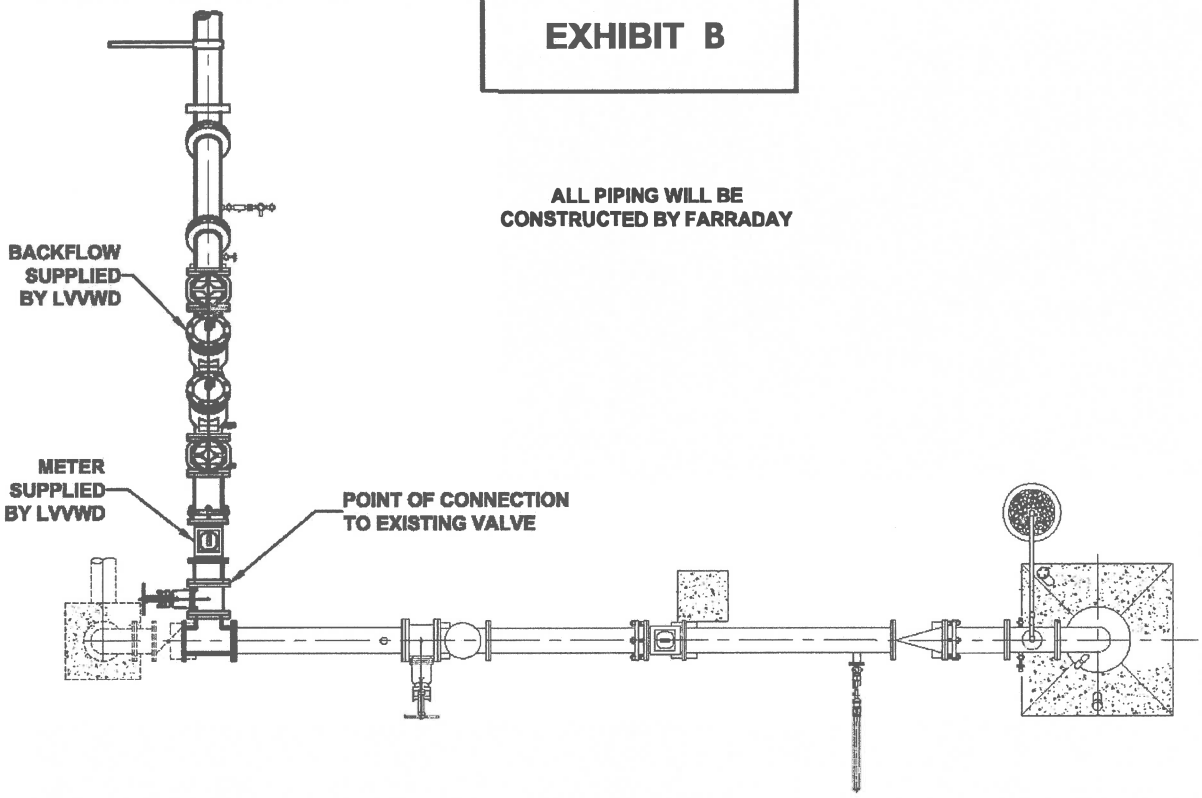
Approved as to form:

By: _____
Gregory J. Walch
General Counsel

EXHIBIT "B" – POINTS OF DELIVERY

EXHIBIT B

ALL PIPING WILL BE
CONSTRUCTED BY FARRADAY



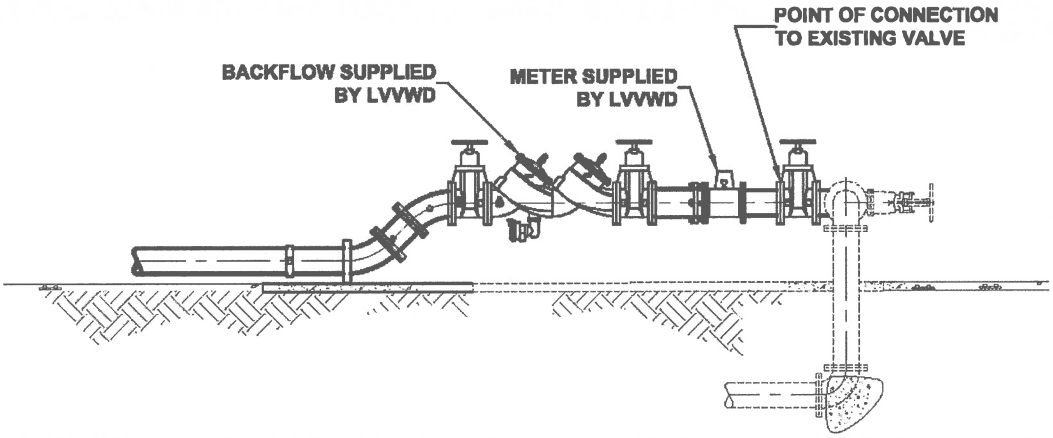
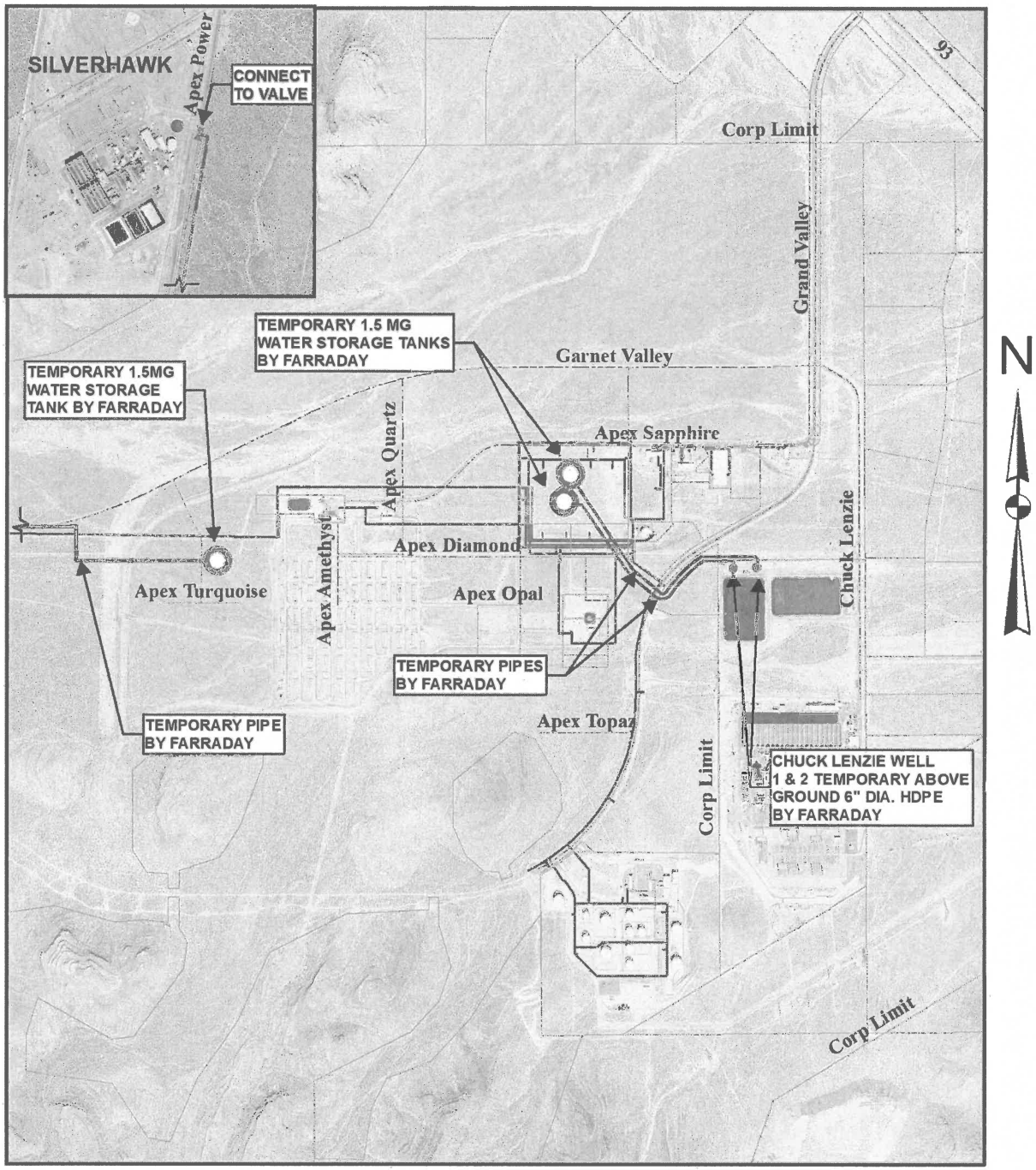


EXHIBIT "C" PIPELINES

EXHIBIT C


SILVERHAWK
Apex Power
CONNECT TO VALVE
93
Corp Limit
Grand Valley
TEMPORARY 1.5 MG WATER STORAGE TANKS BY FARRADAY
Garnet Valley
TEMPORARY 1.5MG WATER STORAGE TANK BY FARRADAY
Apex Quartz
Apex Sapphire
Apex Diamond
Apex Amethyst
Apex Turquoise
Apex Opal
Chuck Lenzie
TEMPORARY PIPES BY FARRADAY
Apex Topaz
TEMPORARY PIPE BY FARRADAY
Corp Limit
CHUCK LENZIE WELL 1 & 2 TEMPORARY ABOVE GROUND 6" DIA. HDPE BY FARRADAY
Corp Limit
N

APEX PHASE 1 INFRASTRUCTURE
DESIGN AGREEMENT

THIS APEX PHASE 1 INFRASTRUCTURE DESIGN AGREEMENT, by and between the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada, hereinafter called ("**SNWA**") and Robin Prop Holdco, LLC, a Delaware limited liability company ("**Faraday**") is made and entered into this _____ day of _____ 2016 (the "**DESIGN AGREEMENT**"). For convenience, SNWA and Faraday are referred to herein individually as "**Party**" and collectively as the "**Parties**":

RECITALS

A. **WHEREAS**, Senate Bill No. 1 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 1**") authorized the Governor's Office of Economic Development ("**GOED**") to undertake various efforts regarding finance of infrastructure projects undertaken by local governments that support qualified projects within the local government's jurisdiction;

B. **WHEREAS**, SB 1 further established that when a local government receives notice from GOED that a qualified project will be located within its jurisdiction, the local government may obtain financing for infrastructure projects related to a qualifying project ("**Qualified Project**") by submitting an economic development financing proposal to GOED;

C. **WHEREAS**, SB 1 authorizes GOED to approve an economic development financing proposal for a Qualified Project, and to enter into an economic development financing agreement with the local government, and authorizes the Nevada State Board of Finance to issue bonds, securities or other indebtedness, the proceeds of which are to be used to finance such infrastructure

projects, following GOED's approval of an economic development financing proposal for a Qualified Project;

D. **WHEREAS**, the local government, in coordination with GOED, must create and administer one or more districts or areas pursuant to chapters 271, 271A and 278C of NRS (collectively, the "**Financing Districts**"), the revenues from which are pledged for the repayment of any bonds, securities or other indebtedness issued by the State Board of Finance in connection with such infrastructure projects;

E. **WHEREAS**, SB 1 provides that the economic development financing proposal shall include provisions to ensure that GOED will enter into agreements with the local government under which GOED will administer districts or areas created to carry out the infrastructure projects identified in the proposal, and that the proceeds of any bonds, securities or other indebtedness issued in connection with the infrastructure projects are allocated to GOED for the purposes of financing the infrastructure projects;

F. **WHEREAS,** Senate Bill No. 3 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 3**") designated SNWA and the Las Vegas Valley Water District ("**District**") as the exclusive water service providers for the Garnet Valley Ground Water Basin in Clark County which was established by Nevada State Engineer Order on April 24, 1990 as Basin No. 216 ("**Garnet Basin**");

G. **WHEREAS**, Faraday, an electric vehicle developer, is developing an electric vehicle plant at the Apex Industrial Park, which is located within the Garnet Basin;

H. **WHEREAS**, pursuant to SB 1 and NRS 360.940, Faraday is developing a Qualified Project (the "**Faraday Project**") within GOED's Financing District in the Garnet Basin (as depicted in **Exhibit 1** attached hereto and incorporated herein by this reference);

I. **WHEREAS**, on January 22, 2016, the GOED Board of Directors approved Faraday's Application for Transferable Tax Credits and Tax Abatements, found that Faraday satisfied the requirements of SB 1 and NRS Chapter 704, and determined that the Faraday Project is a Qualified Project;

J. **WHEREAS,** Faraday provided to SNWA a conceptual description of the Faraday Project for SNWA's use in completing the Preliminary Plans for the Water Project (the "**Preliminary Water Design**");

K. **WHEREAS**, the Faraday Project is located in the Phase 1 Influence Area of the Financing Districts ("**Phase 1**") in the City of North Las Vegas and will require completion of certain infrastructure projects within Phase 1 ("**Phase 1 Infrastructure**");

L. **WHEREAS**, an economic development proposal cannot be completed until GOED receives a cost estimate for Phase 1 Infrastructure based upon the completion of the Preliminary Water Design;

M. **WHEREAS**, to allow for the completion of an economic development proposal SNWA is willing to complete the Preliminary Water Design subject to

Faraday's performance of certain conditions and obligations described more fully below;

N. **WHEREAS**, consistent with the Escrow Agreement Regarding Infrastructure Development ("**Escrow Agreement**," a copy of which is attached hereto as **Exhibit 2** and is incorporated herein by this reference) by and between the Parties, Faraday has agreed to reimburse SNWA's costs and expenses incurred in completing the Preliminary Water Design;

O. **WHEREAS**, because the Faraday Project is a Qualified Project, and pursuant to SB 1, upon the completion of the cost estimate for Phase 1, GOED will reimburse Faraday for the costs and expenses paid to SNWA incurred in completing the Preliminary Water Design pursuant to a separate reimbursement agreement between Faraday and GOED;

P. **WHEREAS**, in completing the Preliminary Water Design, SNWA will confer with the City of North Las Vegas in selecting a design engineer;

Q. **WHEREAS**, in completing the Preliminary Water Design, SNWA will direct the design engineer to confer with the City of North Las Vegas and the wastewater engineer, and will further direct the design engineer to confer with the City of North Las Vegas concerning aerial photography, geotechnical work, pipeline alignment, and the Preliminary Water Design submittal process;

R. **WHEREAS**, the Parties anticipate that the City of North Las Vegas will approve the Preliminary Water Design and take other action necessary in submitting the Preliminary Water Design to GOED in a final Special Improvement District application; and

S. **WHEREAS**, SNWA and Faraday desire to enter into this Design Agreement to set forth their rights and obligations with respect to the completion of the Preliminary Water Design, as well as the terms and conditions under which SNWA will be reimbursed by Faraday for completing the Preliminary Water Design.

ARTICLE I

SNWA AGREES:

1. That SNWA shall complete the Preliminary Water Design, which shall be consistent with the Apex Industrial Park Water and Wastewater Master Plan as approved by the City of North Las Vegas on December 28, 2012, or as modified by SNWA as necessary to accommodate the Faraday Project and other development contemplated for Phase 1.

2. That the Preliminary Water Design will be completed by June 28, 2016, and upon completion will be submitted to the City of North Las Vegas. SNWA may extend the completion deadline by giving written notice to Faraday; provided, however, that the completion deadline shall not be extended beyond July 31, 2016.

3. SNWA will commence work on the Preliminary Water Design only after receiving notice that Faraday has deposited funds in escrow pursuant to the Escrow Agreement.

4. That SNWA will provide Faraday with monthly cost reports by the 10th day following the end of each month, which will include any and all costs incurred, both direct and indirect, by SNWA in completion of the Preliminary Water Design including, but not limited to, time and materials, travel and research costs, retention of outside professionals,

any actual or hard costs, and a description of the work performed ("**Monthly Cost Reports**").

5. That Faraday will reimburse SNWA by executing and complying with the Escrow Agreement and submission of the Monthly Cost Reports.

ARTICLE II

FARADAY AGREES:

1. That completion of the Preliminary Water Design is necessary for GOED to issue notices and orders required prior to State of Nevada Board of Finance and local government issuances of bonds, securities or other indebtedness to finance the Phase 1 infrastructure necessary to accommodate the Faraday Project.

2. That Faraday will reimburse SNWA for all fees and costs incurred by SNWA in completing the Preliminary Water Design as set forth in the Monthly Cost Reports and as required under the Escrow Agreement's terms.

3. That no real property shall receive a water commitment from SNWA by virtue of the Preliminary Water Design. Nothing in this Design Agreement or any actions taken pursuant to this Design Agreement shall commit, or be construed or represented as committing, water service to any property. Further, nothing in this Design Agreement commits or reserves water capacity from the Phase 1 water system. This Design Agreement does not grant Faraday any property right in a water service to any of Faraday's property. Water service and water connections are governed by the Service Rules in effect at the time an application is made for water service or a water connection, and can only be granted if the application conforms to the then existing Service Rules and if SNWA has the capacity

in its water system such that the provision of water service or a water connection will not damage or reduce service to other customers of SNWA.

4. To timely execute the Escrow Agreement and deposit the Escrow Amount (defined in the Escrow Agreement as $1,500,000) prior to SNWA commencing work on the Preliminary Water Design. Faraday's execution of the Escrow Agreement and deposit of the Escrow Amount is a condition precedent to SNWA's obligations under this Design Agreement.

5. That the Preliminary Water Design is based upon plans submitted by Faraday to SNWA depicting a general location and size of the Faraday Project within Phase 1. Faraday shall promptly notify SNWA of any substantive changes to the Faraday Project's size, location, or grade, or estimated water consumption, flow rates, or pressure requirements, during construction or operation, which may require changes to the Preliminary Water Design.

6. That SNWA makes no representations or warranties with regard to the sufficiency of the Preliminary Water Design for the Faraday Project and that SNWA is relying on Faraday to provide accurate plans and data to support the Preliminary Water Design.

7. That any changes to the Preliminary Water Design causing additional costs or expenses to be incurred by SNWA will be reimbursed by Faraday consistent with this Design Agreement and the Escrow Agreement.

8. To be responsible to the extent provided by law including, but not limited to, Nevada Revised Statutes, Chapter 41, for any liability arising out of the performance of

any condition of this Design Agreement proximately caused or contributed to by any act or omission of Faraday's officers, agents and employees.

ARTICLE III

IT IS MUTUALLY AGREED:

1. That the Monthly Cost Reports shall include monthly totals and project totals. The numbers set forth therein shall be deemed accepted by Faraday unless a detailed written objection is made thereto within ten (10) days.

2. That if a dispute arises regarding any provision of this Design Agreement, the Parties shall exercise commercially reasonable efforts to agree to a mutually acceptable solution within ten (10) calendar days of any Party's issuance to the other Party of written notice of the dispute; and during the pendency of dispute resolution, SNWA shall continue to carry out its duties under Article I and Faraday shall continue to carry out its duties under Article II. If the Parties are unable to amicably resolve the dispute, then such dispute shall be resolved through binding arbitration using an arbitrator from the JAMS panel of neutrals, which arbitration shall be conducted in Clark County, Nevada and administered by and in accordance with JAMS' Comprehensive Arbitration Rules and Mediation Procedures. The dispute, and the arbitration thereof, shall be governed by the laws of the State of Nevada.

3. That by the signing of this Agreement, Faraday and SNWA affirmatively agree to settle all disputes, claims, or questions by binding arbitration.

4. That this Design Agreement is not, and shall not be construed as or deemed to be, an agreement for the benefit of any third party or parties, and no third party or parties shall have a right of action hereunder for any cause whatsoever.

5. That this Design Agreement and attached Exhibits represent the entire understanding of the Parties hereto as to the obligations hereunder.

6. That should any part of this Design Agreement be rendered void, invalid or unenforceable, by a non-appealable determination of court of competent jurisdiction, for any reason, such determination shall not render void, invalid or unenforceable the remainder of the Design Agreement.

7. That each Party warrants to the other that it, and its signatory hereunder, is duly authorized and empowered to execute this Design Agreement and to bind said Party to the terms hereof.

8. That all of the terms, conditions and provisions hereof shall inure to the benefit of and be binding upon the Parties hereto, and their respective successors and assigns; provided, however, that no assignment of this Design Agreement shall be made without written consent of the Parties to this Design Agreement.

9. That this Design Agreement, or parts hereof shall be subject to amendment as may be proposed by Faraday or SNWA, and that all such amendments to this Design Agreement must be in writing and must be executed by the proper officers of each of the Parties to this Design Agreement.

10. That this Design Agreement may be executed in any number of counterparts and when so executed each such counterpart shall be deemed to be an original hereof.

11. That the Preliminary Water Design shall be and remain the exclusive property of SNWA; provided, however, that upon request, SNWA will provide copies to Faraday.

12. That the construction, validity and effect of this Design Agreement shall be governed by the laws of the State of Nevada, without reference to its choice of law provisions.

13. That failure by any Party to enforce any provision of this Design Agreement shall not constitute a waiver by that Party, and that the Party may choose to enforce any breach of this Design Agreement at any time.

[signature page follows.]

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

ROBIN PROP HOLDCO, LLC,
A Delaware limited liability company

By: _____
Name: David Wisnieski
Title: CEO

SOUTHERN NEVADA WATER AUTHORITY

By: _____
Name: John J. Entsminger
Title: General Manager

Approved as to form:

By: _____
Name: Gregory J. Walch
Title: General Counsel

EXHIBIT 1

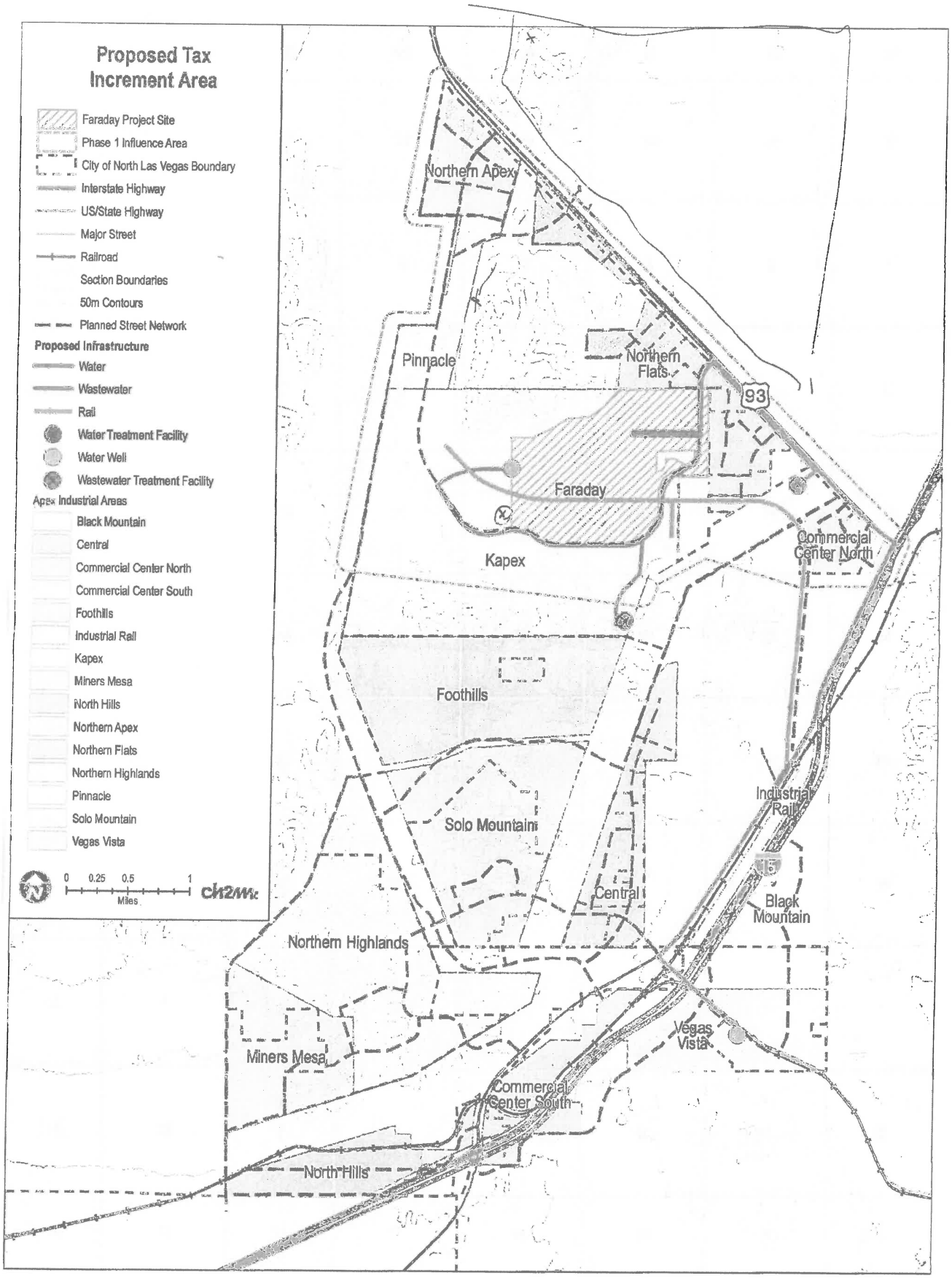

Proposed Tax Increment Area
Faraday Project Site
Phase 1 Influence Area
City of North Las Vegas Boundary
Interstate Highway
US/State Highway
Major Street
Railroad
Section Boundaries
50m Contours
Planned Street Network
Proposed Infrastructure
Water
Wastewater
Rail
Water Treatment Facility
Water Well
Wastewater Treatment Facility
Apex Industrial Areas
Black Mountain
Central
Commercial Center North
Commercial Center South
Foothills
Industrial Rail
Kapex
Miners Mesa
North Hills
Northern Apex
Northern Flats
Northern Highlands
Pinnacle
Solo Mountain
Vegas Vista
0 0.25 0.5 1
Miles
CH2M
Northern Apex
Pinnacle
Northern Flats
93
Faraday
Kapex
Commercial Center North
Foothills
Industrial Rail
Solo Mountain
Central
Black Mountain
Northern Highlands
Vegas Vista
Miners Mesa
Commercial Center South
North Hills

EXHIBIT 2

ESCROW AGREEMENT REGARDING INFRASTRUCTURE DEVELOPMENT

This Escrow Agreement Regarding Infrastructure Development ("**Agreement**") is made and entered into this ___ day of _____, 2016, by and among the Southern Nevada Water Authority, a political subdivision of the State of Nevada ("**SNWA**"), Robin Prop Holdco, LLC a Delaware limited liability company ("**Faraday**"), and First American Title Insurance Company, a California corporation ("**FATCo**"). For convenience, SNWA, Faraday, and FATCo are referred to individually as "**Party**" and collectively as the "**Parties**").

WITNESSETH

A. **WHEREAS**, Senate Bill No. 1 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 1**") authorized the Governor's Office of Economic Development ("**GOED**") to undertake various efforts regarding the financing of infrastructure projects undertaken by local governments that support qualified projects within the local government's jurisdiction;

B. **WHEREAS**, SB 1 further established that when a local government receives notice from **GOED** that a qualified project will be located within its jurisdiction, the local government may obtain financing for infrastructure projects related to a qualifying project ("**Qualified Project**") by submitting an economic development financing proposal to GOED;

C. **WHEREAS**, SB 1 authorizes GOED to approve an economic development financing proposal for a Qualified Project, and to enter into an economic development financing agreement with the local government, and authorizes the Nevada State Board of Finance to issue bonds, securities or other indebtedness, the proceeds of which are to be used to finance such infrastructure projects, following GOED's approval of an economic development financing proposal for a Qualified Project;

D. **WHEREAS**, the local government, in coordination with GOED, must create and administer one or more districts or areas pursuant to chapters 271, 271A and 278C of NRS (collectively, the "**Financing Districts**"), the revenues from which are pledged for the repayment of any bonds, securities or other indebtedness issued by the State Board of Finance in connection with such infrastructure projects;

E. **WHEREAS**, SB 1 provides that the economic development financing proposal shall include provisions to ensure that GOED will enter into agreements with the local government under which GOED will administer the Financing Districts, and that the proceeds of any bonds, securities or other indebtedness issued in connection with the infrastructure projects are allocated to GOED for the purposes of financing the infrastructure projects;

F. **WHEREAS,** Senate Bill No. 3 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 3**") designated SNWA and the Las Vegas Valley Water District ("**District**") as the exclusive water service providers for the Garnet Valley Ground Water Basin in Clark County which was established by Nevada State Engineer Order on April 24, 1990 as Basin No. 216 ("**Garnet Basin**");

G. **WHEREAS**, Faraday, an electric vehicle developer, is developing an electric vehicle plant at the Apex Industrial Park, which is located within the Garnet Basin;

H. **WHEREAS**, pursuant to SB 1 and NRS 360.940, Faraday is developing a qualified project (the "**Faraday Project**") within GOED's Financing District in the Garnet Basin (as depicted in **Exhibit 1** attached hereto);

I. **WHEREAS**, on January 22, 2016, the GOED Board of Directors approved Faraday Future's ("**Faraday**") Application for Transferable Tax Credits and Tax Abatements, found that Faraday satisfied the requirements of SB 1nd NRS Chapter 704, and determined that the Faraday Project is a Qualified Project;

J. **WHEREAS,** FARADAY provided to SNWA a conceptual description of the Faraday Project for SNWA's use in completing the Preliminary Plans for the Water Project (the "**Preliminary Water Design**");

K. **WHEREAS**, the Faraday Project is located in the Phase 1 Influence Area of the Financing Districts ("**Phase 1**") in the City of North Las Vegas and will require completion of certain infrastructure projects within Phase 1 ("**Phase 1 Infrastructure**");

L. **WHEREAS**, an economic development proposal cannot be completed until GOED receives a cost estimate for Phase 1 Infrastructure based upon the completion of the Preliminary Water Design;

M. **WHEREAS**, to allow for the completion of an economic development proposal SNWA is willing to complete the Preliminary Water Design consistent with the Apex Phase 1 Infrastructure Design Agreement ("**Design Agreement**," a copy of which is attached hereto as **Exhibit 2** and is incorporated herein by this reference), subject to Faraday's performance of conditions described more fully below;

N. **WHEREAS**, Faraday has agreed to reimburse SNWA for costs and expenses incurred in completing the Preliminary Water Design, which SNWA and Faraday estimate will cost $1,500,000.00;

O. **WHEREAS**, because the Faraday Project is a Qualified Project, and pursuant to SB 1, upon the completion of the cost estimate for Phase 1, GOED will

reimburse Faraday for the costs and expenses paid to SNWA incurred in completing the Preliminary Water Design pursuant to a separate reimbursement agreement between Faraday and GOED; and

P. **WHEREAS**, SNWA and Faraday desire to enter into this Agreement to establish an escrow account from which SNWA will be reimbursed for its efforts in completing the Preliminary Water Design under the conditions set forth below.

NOW THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

1. Work. In completing the Preliminary Water Design, SNWA shall perform the work described in the Design Agreement and comply with the terms and conditions of the Design Agreement (the "**Work**").

2. Purpose of Escrow. The Parties have agreed to establish an escrow account, as set forth in this Agreement, to provide for the prompt reimbursement to SNWA for all of SNWA's costs and expenses incurred in completing the Work.

3. Escrow Agent. SNWA and Faraday hereby appoint Michele Seibold, of First American Title Insurance Company (Nevada State Office), or her designee, 2500 Paseo Verde Parkway, Suite 120, Henderson, Nevada 89074, 702-731-4131, as Escrow Agent ("**Escrow Agent**").

4. Payment for Work. Faraday shall reimburse SNWA for all fees and costs incurred by SNWA in performing the Work to an estimated cost of $1,500,000.00. SNWA's fees and costs shall be set forth in the Monthly Cost Reports (as such phrase is defined in the Design Agreement) and will be reimbursed through periodic disbursements from an escrow account funded by Faraday.

5. Escrow Deposit(s).

   a. Within five (5) business days after the execution and delivery of this Agreement, Faraday shall deposit One Million Five Hundred Thousand and no/100 dollars ($1,500,000.00) (the "**Escrow Amount**") by wire transfer of immediately available funds, with Escrow Agent. The Escrow Amount, together with all interest, dividends, income, capital gains and other amounts earned thereon or derived therefrom pursuant to the investments made on such amount pursuant to Section 7 (collectively with the Escrow Amount, the "**Escrow Funds**") shall be made available to SNWA for the reimbursement of any amounts due to SNWA from Faraday for the Work.

b. If and to the extent that SNWA determines, based on an assessment of Monthly Cost Reports and the progress of the Work, that SNWA is reasonably likely to incur costs and expenses in excess of the Escrow Amount in completing the remainder of the Work, Faraday shall, in consultation with SNWA, promptly deposit additional amounts with Escrow Agent such that the Escrow Funds will be sufficient to fully reimburse SNWA's costs and expenses incurred in completing the Work ; provided, however, that the total amount paid by Faraday shall not exceed $2,000,000.00 for the Preliminary Water Design.

c. The Escrow Agent agrees to hold the Escrow Funds in a separate and distinct account designated as NCS-[_____], as Escrow Agent for SNWA and Faraday (the "**Escrow Account**"), subject to the terms and conditions of this Agreement. The Escrow Funds shall be held and administered as a trust fund and shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of any Party hereto. The Escrow Agent shall not distribute or release the Escrow Funds except in accordance with the terms and conditions of this Agreement.

6. Receipt. The Escrow Agent acknowledges that this Agreement shall become effective as against Escrow Agent upon Escrow Agent's receipt of the Escrow Amount. Escrow Agent agrees to promptly issue an appropriate written confirmation of its receipt of the Escrow Amount.

7. Investment of Escrow Funds. Upon SNWA's written request, the Escrow Agent shall deposit the Escrow Funds in an interest bearing account designated by SNWA. During the term of this Agreement, all interest, investment gains, dividends, and other accruals to the Escrow Funds shall be credited to the Party receiving the funds. The Parties agree to execute any customary tax reporting forms requested by Escrow Agent in connection with the investment or disbursement of the Escrow Funds.

8. Release of Escrow Funds.

a. In the course of completing the Work, SNWA shall prepare Monthly Cost Reports as required by and consistent with the Design Agreement. No later than the 10th of each month, SNWA shall submit (1) the Monthly Cost Report for the preceding month and (2) a written request for disbursement of Escrow Funds in the amount stated in the Monthly Cost Report (the "**Escrow Draw Request**") to the Escrow Agent, with concurrent notice to Faraday.

b. Should Faraday object to the amount stated in an Escrow Draw Request, Faraday must, within ten (10) business days of receiving notice of the Escrow Draw Request, provide Escrow Agent and SNWA with a detailed written notice of its objection. If such written objection is timely made,

Escrow Agent shall not release requested amount until the dispute is resolved pursuant to the alternative dispute resolution procedures agreed upon in Article III, Section 2 of the Design Agreement.

c. If Faraday does not timely object, as set forth above, the Escrow Agent shall, no later than ten (10) business days of receiving the Escrow Draw Request, release, by wire transfer to an account or accounts designated by SNWA, the amount of Escrow Funds equal to the amount specified in SNWA's Escrow Draw Request plus any interest or investment income earned on the Escrow Funds pursuant to Section 7.

9. Final Disbursement.

a. Upon completing the Work in accordance with the Design Agreement, SNWA shall prepare and submit to Faraday and Escrow Agent a final Escrow Disbursement Request and final report of all fees and costs incurred by SNWA in completing the Work (the "**Final Report**"). Escrow Agent shall release the funds consistent with Section 8, above, and confirm that SNWA has been paid all fees and costs, including interest or investment income, consistent with the Escrow Disbursement Requests and Final Report (the "**SNWA Funds**").

b. After deducting the SNWA Funds from the Escrow Funds, Escrow Agent shall then release to Faraday by wire transfer to an account or accounts designated by Faraday, the remaining balance of the Escrow Funds in the Escrow Account, if any, which disbursement shall be made no later than five (5) business days after Escrow Agent's final disbursement of the SNWA Funds to SNWA.

10. Termination. This Agreement, and the Escrow Account shall be closed, when the entire Escrow Account has been distributed in accordance with Section 9 of this Agreement.

11. Conditions to Escrow. The Escrow Agent agrees to hold the Escrow Funds in the Escrow Account and to perform in accordance with the terms and provisions of this Agreement. SNWA and Faraday agree that the Escrow Agent does not assume any responsibility for the failure of SNWA or Faraday to perform in accordance with this Agreement. The acceptance by the Escrow Agent of its responsibilities hereunder is subject to the following terms and conditions, which the Parties hereto agree shall govern and control with respect to the Escrow Agent's rights, duties, liabilities and immunities:

a. The Escrow Agent shall have only those duties under this Agreement as are provided in this Agreement. The Escrow Agent shall not be required to take any action hereunder involving any expense unless the payment of such expense is made or provided for in a manner reasonably satisfactory to it.

b. The Escrow Agent shall be protected in acting upon any written notice, consent, receipt or other paper or document furnished to as to its due execution and validity and effectiveness of its provisions, provided that the Escrow Agent in good faith believes to be genuine and what it purports to be. Should it be necessary for the Escrow Agent to act upon any instructions, directions, documents or instruments issued or signed by or on behalf of any corporation, fiduciary or individual acting on behalf of another Party hereto, which the Escrow Agent in good faith believes to be genuine.

c. The Escrow Agent shall not be liable for any error of judgment or for any act done or step taken or omitted by it in good faith in accordance with the terms and conditions of this Agreement, or for anything which it may do or refrain from doing in connection with this Agreement, except to the extent caused or contributed to by its own negligence or willful misconduct.

d. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument or document between the other Parties hereto. This Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional obligations of the Escrow Agent shall be inferred from the terms of this Agreement or any other agreement, instrument or document.

e. In the event that the Escrow Agent shall receive instructions, claims or demands from SNWA or Faraday which, in its reasonable opinion, materially conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any such potentially conflicting action until it shall be directed otherwise in writing jointly by SNWA and Faraday or by a final and non-appealable order of a court of competent jurisdiction. The Escrow Agent shall have the option, after twenty (20) days' notice to SNWA and Faraday of its intention to do so, to file an action in interpleader requiring SNWA and Faraday to answer and litigate any claims and rights among themselves.

12. Business Days. If any date on which any of the Parties are required to make an investment or a delivery pursuant to the provisions hereof is not a day on which such Party is open for business, then such Party shall make such investment or delivery on the next succeeding business day.

13. Escrow Costs. SNWA, on the one hand, and Faraday, on the other hand, shall each pay one-half of the documented fees and expenses of the Escrow Agent pursuant to this Agreement.

14. Conflict. In the event of any conflict between any other escrow instructions (including, without limitation, FATCo's standard escrow agreement terms and conditions) and this Agreement, the terms of this Agreement will govern.

15. Notices. The required notice addresses for the Parties are as follows:

If to Faraday:

Robin Prop Holdco, LLC
c/o Faraday Future
Attn: Legal Department
18455 South Figueroa Street
Gardena, CA 90248

If to SNWA:

General Manager
Southern Nevada Water Authority
1001 S. Valley View Blvd., MS #480
Las Vegas, Nevada 89153

With a required copy to:

General Counsel
Southern Nevada Water Authority
1001 S. Valley View Blvd., MS#485
Las Vegas, Nevada 89153

If to FATCo:

First American Title Insurance Company
2500 Paseo Verde Parkway, Suite 120
Henderson, Nevada 89074
Attn: Michele Seibold

Any and all notices and demands by any Party required or desired to be given to another Party hereunder shall be in writing and shall be validly given or made only if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or if made by overnight Federal Express, UPS, or other similar national delivery service keeping records of deliveries and attempted deliveries, or if made by hand delivery. Service by United States Mail shall be deemed complete three (3) calendar days following deposit with the United States mail, service made by overnight Federal Express or other similar delivery service shall be deemed complete the next business day and service made by hand delivery shall be deemed complete upon receipt.

16. Assignment and Delegation. Faraday may not delegate, transfer or assign any of its rights or responsibilities pursuant to this Agreement without the prior written consent of SNWA, which consent may be withheld in SNWA's sole and absolute discretion. If Faraday delegates, transfers or assigns its rights or

responsibilities (or attempts to take such actions) without the prior written consent of SNWA, such delegation, transfer or assignment shall be *void ab initio* and not merely voidable. The Escrow Agent may not delegate, transfer or assign any of its rights or responsibilities pursuant to this Agreement without SNWA's and Faraday's prior written consent, which consent may be withheld in SNWA's and Faraday's respective sole and absolute discretion.

17. Governing Law and Venue. This Agreement shall be governed in accordance with the laws of the State of Nevada. Venue for any legal action related to this Agreement shall be exclusive to the Eighth Judicial District Court in and for the Clark County, or if applicable, the United States District Court for the District of Nevada, Southern Division.

18. Amendment. This Agreement may be changed, modified, or amended only by mutual written agreement of the Parties.

19. Waiver. The failure of a Party to enforce at any time, or for any period of time, the provisions hereof shall not be construed as a waiver of such provisions or of the rights of such Party to enforce each and every such provision.

20. Authority. Each Party warrants to the others that it, and its signatory hereunder, is duly authorized and empowered to execute this Agreement and to bind said Party to the terms hereof.

[SIGNATURE PAGE FOLLOWS]

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

ROBIN PROP HOLDCO, LLC,
A Delaware limited liability company

By: _____
Name: David Wisnieski
Title: CEO

SOUTHERN NEVADA WATER AUTHORITY

By: _____
Name: John J. Entsminger
Title: General Manager

Approved as to form:

By: _____
Name: Gregory J. Walch
Title: General Counsel

FIRST AMERICAN TITLE INSURANCE COMPANY

_____
By:
Its:

ESCROW AGREEMENT REGARDING INFRASTRUCTURE DEVELOPMENT

This Escrow Agreement Regarding Infrastructure Development ("**Agreement**") is made and entered into this ___ day of _____, 2016, by and among the Southern Nevada Water Authority, a political subdivision of the State of Nevada ("**SNWA**"), Robin Prop Holdco, LLC a Delaware limited liability company ("**Faraday**"), and First American Title Insurance Company, a California corporation ("**FATCo**"). For convenience, SNWA, Faraday, and FATCo are referred to individually as "**Party**" and collectively as the "**Parties**").

WITNESSETH

A. **WHEREAS**, Senate Bill No. 1 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 1**") authorized the Governor's Office of Economic Development ("**GOED**") to undertake various efforts regarding the financing of infrastructure projects undertaken by local governments that support qualified projects within the local government's jurisdiction;

B. **WHEREAS**, SB 1 further established that when a local government receives notice from **GOED** that a qualified project will be located within its jurisdiction, the local government may obtain financing for infrastructure projects related to a qualifying project ("**Qualified Project**") by submitting an economic development financing proposal to GOED;

C. **WHEREAS**, SB 1 authorizes GOED to approve an economic development financing proposal for a Qualified Project, and to enter into an economic development financing agreement with the local government, and authorizes the Nevada State Board of Finance to issue bonds, securities or other indebtedness, the proceeds of which are to be used to finance such infrastructure projects, following GOED's approval of an economic development financing proposal for a Qualified Project;

D. **WHEREAS**, the local government, in coordination with GOED, must create and administer one or more districts or areas pursuant to chapters 271, 271A and 278C of NRS (collectively, the "**Financing Districts**"), the revenues from which are pledged for the repayment of any bonds, securities or other indebtedness issued by the State Board of Finance in connection with such infrastructure projects;

E. **WHEREAS**, SB 1 provides that the economic development financing proposal shall include provisions to ensure that GOED will enter into agreements with the local government under which GOED will administer the Financing Districts, and that the proceeds of any bonds, securities or other indebtedness issued in connection with the infrastructure projects are allocated to GOED for the purposes of financing the infrastructure projects;

F. **WHEREAS,** Senate Bill No. 3 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 3**") designated SNWA and the Las Vegas Valley Water District ("**District**") as the exclusive water service providers for the Garnet Valley Ground Water Basin in Clark County which was established by Nevada State Engineer Order on April 24, 1990 as Basin No. 216 ("**Garnet Basin**");

G. **WHEREAS**, Faraday, an electric vehicle developer, is developing an electric vehicle plant at the Apex Industrial Park, which is located within the Garnet Basin;

H. **WHEREAS**, pursuant to SB 1 and NRS 360.940, Faraday is developing a qualified project (the "**Faraday Project**") within GOED's Financing District in the Garnet Basin (as depicted in **Exhibit 1** attached hereto);

I. **WHEREAS**, on January 22, 2016, the GOED Board of Directors approved Faraday Future's ("**Faraday**") Application for Transferable Tax Credits and Tax Abatements, found that Faraday satisfied the requirements of SB 1nd NRS Chapter 704, and determined that the Faraday Project is a Qualified Project;

J. **WHEREAS,** FARADAY provided to SNWA a conceptual description of the Faraday Project for SNWA's use in completing the Preliminary Plans for the Water Project (the "**Preliminary Water Design**");

K. **WHEREAS**, the Faraday Project is located in the Phase 1 Influence Area of the Financing Districts ("**Phase 1**") in the City of North Las Vegas and will require completion of certain infrastructure projects within Phase 1 ("**Phase 1 Infrastructure**");

L. **WHEREAS**, an economic development proposal cannot be completed until GOED receives a cost estimate for Phase 1 Infrastructure based upon the completion of the Preliminary Water Design;

M. **WHEREAS**, to allow for the completion of an economic development proposal SNWA is willing to complete the Preliminary Water Design consistent with the Apex Phase 1 Infrastructure Design Agreement ("**Design Agreement**," a copy of which is attached hereto as **Exhibit 2** and is incorporated herein by this reference), subject to Faraday's performance of conditions described more fully below;

N. **WHEREAS**, Faraday has agreed to reimburse SNWA for costs and expenses incurred in completing the Preliminary Water Design, which SNWA and Faraday estimate will cost $1,500,000.00;

O. **WHEREAS**, because the Faraday Project is a Qualified Project, and pursuant to SB 1, upon the completion of the cost estimate for Phase 1, GOED will

reimburse Faraday for the costs and expenses paid to SNWA incurred in completing the Preliminary Water Design pursuant to a separate reimbursement agreement between Faraday and GOED; and

P. **WHEREAS**, SNWA and Faraday desire to enter into this Agreement to establish an escrow account from which SNWA will be reimbursed for its efforts in completing the Preliminary Water Design under the conditions set forth below.

NOW THEREFORE, in consideration of the mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

1. Work. In completing the Preliminary Water Design, SNWA shall perform the work described in the Design Agreement and comply with the terms and conditions of the Design Agreement (the "**Work**").

2. Purpose of Escrow. The Parties have agreed to establish an escrow account, as set forth in this Agreement, to provide for the prompt reimbursement to SNWA for all of SNWA's costs and expenses incurred in completing the Work.

3. Escrow Agent. SNWA and Faraday hereby appoint Michele Seibold, of First American Title Insurance Company (Nevada State Office), or her designee, 2500 Paseo Verde Parkway, Suite 120, Henderson, Nevada 89074, 702-731-4131, as Escrow Agent ("**Escrow Agent**").

4. Payment for Work. Faraday shall reimburse SNWA for all fees and costs incurred by SNWA in performing the Work to an estimated cost of $1,500,000.00. SNWA's fees and costs shall be set forth in the Monthly Cost Reports (as such phrase is defined in the Design Agreement) and will be reimbursed through periodic disbursements from an escrow account funded by Faraday.

5. Escrow Deposit(s).

   a. Within five (5) business days after the execution and delivery of this Agreement, Faraday shall deposit One Million Five Hundred Thousand and no/100 dollars ($1,500,000.00) (the "**Escrow Amount**") by wire transfer of immediately available funds, with Escrow Agent. The Escrow Amount, together with all interest, dividends, income, capital gains and other amounts earned thereon or derived therefrom pursuant to the investments made on such amount pursuant to Section 7 (collectively with the Escrow Amount, the "**Escrow Funds**") shall be made available to SNWA for the reimbursement of any amounts due to SNWA from Faraday for the Work.

b. If and to the extent that SNWA determines, based on an assessment of Monthly Cost Reports and the progress of the Work, that SNWA is reasonably likely to incur costs and expenses in excess of the Escrow Amount in completing the remainder of the Work, Faraday shall, in consultation with SNWA, promptly deposit additional amounts with Escrow Agent such that the Escrow Funds will be sufficient to fully reimburse SNWA's costs and expenses incurred in completing the Work ; provided, however, that the total amount paid by Faraday shall not exceed $2,000,000.00 for the Preliminary Water Design.

c. The Escrow Agent agrees to hold the Escrow Funds in a separate and distinct account designated as NCS-[_____], as Escrow Agent for SNWA and Faraday (the "**Escrow Account**"), subject to the terms and conditions of this Agreement. The Escrow Funds shall be held and administered as a trust fund and shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of any Party hereto. The Escrow Agent shall not distribute or release the Escrow Funds except in accordance with the terms and conditions of this Agreement.

6. Receipt. The Escrow Agent acknowledges that this Agreement shall become effective as against Escrow Agent upon Escrow Agent's receipt of the Escrow Amount. Escrow Agent agrees to promptly issue an appropriate written confirmation of its receipt of the Escrow Amount.

7. Investment of Escrow Funds. Upon SNWA's written request, the Escrow Agent shall deposit the Escrow Funds in an interest bearing account designated by SNWA. During the term of this Agreement, all interest, investment gains, dividends, and other accruals to the Escrow Funds shall be credited to the Party receiving the funds. The Parties agree to execute any customary tax reporting forms requested by Escrow Agent in connection with the investment or disbursement of the Escrow Funds.

8. Release of Escrow Funds.

a. In the course of completing the Work, SNWA shall prepare Monthly Cost Reports as required by and consistent with the Design Agreement. No later than the 10th of each month, SNWA shall submit (1) the Monthly Cost Report for the preceding month and (2) a written request for disbursement of Escrow Funds in the amount stated in the Monthly Cost Report (the "**Escrow Draw Request**") to the Escrow Agent, with concurrent notice to Faraday.

b. Should Faraday object to the amount stated in an Escrow Draw Request, Faraday must, within ten (10) business days of receiving notice of the Escrow Draw Request, provide Escrow Agent and SNWA with a detailed written notice of its objection. If such written objection is timely made,

Escrow Agent shall not release requested amount until the dispute is resolved pursuant to the alternative dispute resolution procedures agreed upon in Article III, Section 2 of the Design Agreement.

c. If Faraday does not timely object, as set forth above, the Escrow Agent shall, no later than ten (10) business days of receiving the Escrow Draw Request, release, by wire transfer to an account or accounts designated by SNWA, the amount of Escrow Funds equal to the amount specified in SNWA's Escrow Draw Request plus any interest or investment income earned on the Escrow Funds pursuant to Section 7.

9. Final Disbursement.

a. Upon completing the Work in accordance with the Design Agreement, SNWA shall prepare and submit to Faraday and Escrow Agent a final Escrow Disbursement Request and final report of all fees and costs incurred by SNWA in completing the Work (the "**Final Report**"). Escrow Agent shall release the funds consistent with Section 8, above, and confirm that SNWA has been paid all fees and costs, including interest or investment income, consistent with the Escrow Disbursement Requests and Final Report (the "**SNWA Funds**").

b. After deducting the SNWA Funds from the Escrow Funds, Escrow Agent shall then release to Faraday by wire transfer to an account or accounts designated by Faraday, the remaining balance of the Escrow Funds in the Escrow Account, if any, which disbursement shall be made no later than five (5) business days after Escrow Agent's final disbursement of the SNWA Funds to SNWA.

10. Termination. This Agreement, and the Escrow Account shall be closed, when the entire Escrow Account has been distributed in accordance with Section 9 of this Agreement.

11. Conditions to Escrow. The Escrow Agent agrees to hold the Escrow Funds in the Escrow Account and to perform in accordance with the terms and provisions of this Agreement. SNWA and Faraday agree that the Escrow Agent does not assume any responsibility for the failure of SNWA or Faraday to perform in accordance with this Agreement. The acceptance by the Escrow Agent of its responsibilities hereunder is subject to the following terms and conditions, which the Parties hereto agree shall govern and control with respect to the Escrow Agent's rights, duties, liabilities and immunities:

a. The Escrow Agent shall have only those duties under this Agreement as are provided in this Agreement. The Escrow Agent shall not be required to take any action hereunder involving any expense unless the payment of such expense is made or provided for in a manner reasonably satisfactory to it.

b. The Escrow Agent shall be protected in acting upon any written notice, consent, receipt or other paper or document furnished to as to its due execution and validity and effectiveness of its provisions, provided that the Escrow Agent in good faith believes to be genuine and what it purports to be. Should it be necessary for the Escrow Agent to act upon any instructions, directions, documents or instruments issued or signed by or on behalf of any corporation, fiduciary or individual acting on behalf of another Party hereto, which the Escrow Agent in good faith believes to be genuine.

c. The Escrow Agent shall not be liable for any error of judgment or for any act done or step taken or omitted by it in good faith in accordance with the terms and conditions of this Agreement, or for anything which it may do or refrain from doing in connection with this Agreement, except to the extent caused or contributed to by its own negligence or willful misconduct.

d. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument or document between the other Parties hereto. This Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional obligations of the Escrow Agent shall be inferred from the terms of this Agreement or any other agreement, instrument or document.

e. In the event that the Escrow Agent shall receive instructions, claims or demands from SNWA or Faraday which, in its reasonable opinion, materially conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any such potentially conflicting action until it shall be directed otherwise in writing jointly by SNWA and Faraday or by a final and non-appealable order of a court of competent jurisdiction. The Escrow Agent shall have the option, after twenty (20) days' notice to SNWA and Faraday of its intention to do so, to file an action in interpleader requiring SNWA and Faraday to answer and litigate any claims and rights among themselves.

12. Business Days. If any date on which any of the Parties are required to make an investment or a delivery pursuant to the provisions hereof is not a day on which such Party is open for business, then such Party shall make such investment or delivery on the next succeeding business day.

13. Escrow Costs. SNWA, on the one hand, and Faraday, on the other hand, shall each pay one-half of the documented fees and expenses of the Escrow Agent pursuant to this Agreement.

14. Conflict. In the event of any conflict between any other escrow instructions (including, without limitation, FATCo's standard escrow agreement terms and conditions) and this Agreement, the terms of this Agreement will govern.

15. Notices. The required notice addresses for the Parties are as follows:

If to Faraday:

Robin Prop Holdco, LLC
c/o Faraday Future
Attn: Legal Department
18455 South Figueroa Street
Gardena, CA 90248

If to SNWA:

General Manager
Southern Nevada Water Authority
1001 S. Valley View Blvd., MS #480
Las Vegas, Nevada 89153

With a required copy to:

General Counsel
Southern Nevada Water Authority
1001 S. Valley View Blvd., MS#485
Las Vegas, Nevada 89153

If to FATCo:

First American Title Insurance Company
2500 Paseo Verde Parkway, Suite 120
Henderson, Nevada 89074
Attn: Michele Seibold

Any and all notices and demands by any Party required or desired to be given to another Party hereunder shall be in writing and shall be validly given or made only if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested, or if made by overnight Federal Express, UPS, or other similar national delivery service keeping records of deliveries and attempted deliveries, or if made by hand delivery. Service by United States Mail shall be deemed complete three (3) calendar days following deposit with the United States mail, service made by overnight Federal Express or other similar delivery service shall be deemed complete the next business day and service made by hand delivery shall be deemed complete upon receipt.

16. Assignment and Delegation. Faraday may not delegate, transfer or assign any of its rights or responsibilities pursuant to this Agreement without the prior written consent of SNWA, which consent may be withheld in SNWA's sole and absolute discretion. If Faraday delegates, transfers or assigns its rights or

responsibilities (or attempts to take such actions) without the prior written consent of SNWA, such delegation, transfer or assignment shall be *void ab initio* and not merely voidable. The Escrow Agent may not delegate, transfer or assign any of its rights or responsibilities pursuant to this Agreement without SNWA's and Faraday's prior written consent, which consent may be withheld in SNWA's and Faraday's respective sole and absolute discretion.

17. Governing Law and Venue. This Agreement shall be governed in accordance with the laws of the State of Nevada. Venue for any legal action related to this Agreement shall be exclusive to the Eighth Judicial District Court in and for the Clark County, or if applicable, the United States District Court for the District of Nevada, Southern Division.

18. Amendment. This Agreement may be changed, modified, or amended only by mutual written agreement of the Parties.

19. Waiver. The failure of a Party to enforce at any time, or for any period of time, the provisions hereof shall not be construed as a waiver of such provisions or of the rights of such Party to enforce each and every such provision.

20. Authority. Each Party warrants to the others that it, and its signatory hereunder, is duly authorized and empowered to execute this Agreement and to bind said Party to the terms hereof.

[SIGNATURE PAGE FOLLOWS]

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

ROBIN PROP HOLDCO, LLC,
A Delaware limited liability company

By: _____
Name: David Wisnieski
Title: CEO

SOUTHERN NEVADA WATER AUTHORITY

By: _____
Name: John J. Entsminger
Title: General Manager

Approved as to form:

By: Julie Addymeat for
Name: Gregory J. Walch
Title: General Counsel

FIRST AMERICAN TITLE INSURANCE COMPANY

_____
By:
Its:

EXHIBIT 1

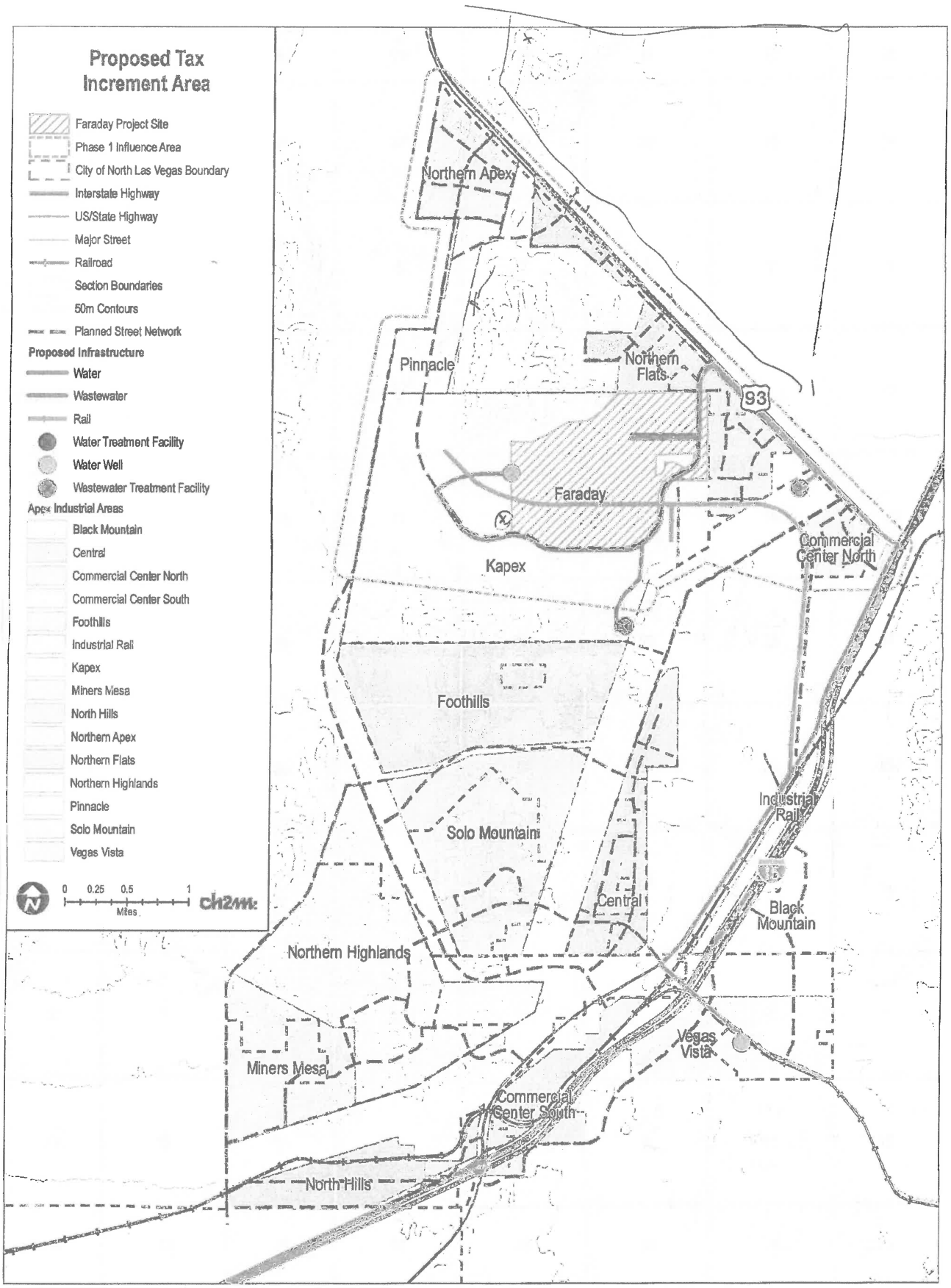

Proposed Tax Increment Area
Faraday Project Site
Phase 1 Influence Area
City of North Las Vegas Boundary
Interstate Highway
US/State Highway
Major Street
Railroad
Section Boundaries
50m Contours
Planned Street Network
Proposed Infrastructure
Water
Wastewater
Rail
Water Treatment Facility
Water Well
Wastewater Treatment Facility
Apex Industrial Areas
Black Mountain
Central
Commercial Center North
Commercial Center South
Foothills
Industrial Rail
Kapex
Miners Mesa
North Hills
Northern Apex
Northern Flats
Northern Highlands
Pinnacle
Solo Mountain
Vegas Vista
0 0.25 0.5 1
Miles
ch2m
Northern Apex
Pinnacle
Northern Flats
93
Faraday
Kapex
Commercial Center North
Foothills
Industrial Rail
Solo Mountain
Central
Black Mountain
Northern Highlands
Vegas Vista
Miners Mesa
Commercial Center South
North Hills

EXHIBIT 2

APEX PHASE 1 INFRASTRUCTURE DESIGN AGREEMENT

THIS APEX PHASE 1 INFRASTRUCTURE DESIGN AGREEMENT, by and between the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada, hereinafter called ("**SNWA**") and Robin Prop Holdco, LLC, a Delaware limited liability company ("**Faraday**") is made and entered into this _____ day of _____ 2016 (the "**DESIGN AGREEMENT**"). For convenience, SNWA and Faraday are referred to herein individually as "**Party**" and collectively as the "**Parties**":

RECITALS

A. **WHEREAS**, Senate Bill No. 1 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 1**") authorized the Governor's Office of Economic Development ("**GOED**") to undertake various efforts regarding finance of infrastructure projects undertaken by local governments that support qualified projects within the local government's jurisdiction;

B. **WHEREAS**, SB 1 further established that when a local government receives notice from GOED that a qualified project will be located within its jurisdiction, the local government may obtain financing for infrastructure projects related to a qualifying project ("**Qualified Project**") by submitting an economic development financing proposal to GOED;

C. **WHEREAS**, SB 1 authorizes GOED to approve an economic development financing proposal for a Qualified Project, and to enter into an economic development financing agreement with the local government, and authorizes the Nevada State Board of Finance to issue bonds, securities or other indebtedness, the proceeds of which are to be used to finance such infrastructure

projects, following GOED's approval of an economic development financing proposal for a Qualified Project;

D. **WHEREAS**, the local government, in coordination with GOED, must create and administer one or more districts or areas pursuant to chapters 271, 271A and 278C of NRS (collectively, the "**Financing Districts**"), the revenues from which are pledged for the repayment of any bonds, securities or other indebtedness issued by the State Board of Finance in connection with such infrastructure projects;

E. **WHEREAS**, SB 1 provides that the economic development financing proposal shall include provisions to ensure that GOED will enter into agreements with the local government under which GOED will administer districts or areas created to carry out the infrastructure projects identified in the proposal, and that the proceeds of any bonds, securities or other indebtedness issued in connection with the infrastructure projects are allocated to GOED for the purposes of financing the infrastructure projects;

F. **WHEREAS,** Senate Bill No. 3 of the 29th (2015) Special Session of the Nevada Legislature ("**SB 3**") designated SNWA and the Las Vegas Valley Water District ("**District**") as the exclusive water service providers for the Garnet Valley Ground Water Basin in Clark County which was established by Nevada State Engineer Order on April 24, 1990 as Basin No. 216 ("**Garnet Basin**");

G. **WHEREAS**, Faraday, an electric vehicle developer, is developing an electric vehicle plant at the Apex Industrial Park, which is located within the Garnet Basin;

H. **WHEREAS**, pursuant to SB 1 and NRS 360.940, Faraday is developing a Qualified Project (the "**Faraday Project**") within GOED's Financing District in the Garnet Basin (as depicted in **Exhibit 1** attached hereto and incorporated herein by this reference);

I. **WHEREAS**, on January 22, 2016, the GOED Board of Directors approved Faraday's Application for Transferable Tax Credits and Tax Abatements, found that Faraday satisfied the requirements of SB 1 and NRS Chapter 704, and determined that the Faraday Project is a Qualified Project;

J. **WHEREAS,** Faraday provided to SNWA a conceptual description of the Faraday Project for SNWA's use in completing the Preliminary Plans for the Water Project (the "**Preliminary Water Design**");

K. **WHEREAS**, the Faraday Project is located in the Phase 1 Influence Area of the Financing Districts ("**Phase 1**") in the City of North Las Vegas and will require completion of certain infrastructure projects within Phase 1 ("**Phase 1 Infrastructure**");

L. **WHEREAS**, an economic development proposal cannot be completed until GOED receives a cost estimate for Phase 1 Infrastructure based upon the completion of the Preliminary Water Design;

M. **WHEREAS**, to allow for the completion of an economic development proposal SNWA is willing to complete the Preliminary Water Design subject to

Faraday's performance of certain conditions and obligations described more fully below;

N. **WHEREAS**, consistent with the Escrow Agreement Regarding Infrastructure Development ("**Escrow Agreement**," a copy of which is attached hereto as **Exhibit 2** and is incorporated herein by this reference) by and between the Parties, Faraday has agreed to reimburse SNWA's costs and expenses incurred in completing the Preliminary Water Design;

O. **WHEREAS**, because the Faraday Project is a Qualified Project, and pursuant to SB 1, upon the completion of the cost estimate for Phase 1, GOED will reimburse Faraday for the costs and expenses paid to SNWA incurred in completing the Preliminary Water Design pursuant to a separate reimbursement agreement between Faraday and GOED;

P. **WHEREAS**, in completing the Preliminary Water Design, SNWA will confer with the City of North Las Vegas in selecting a design engineer;

Q. **WHEREAS**, in completing the Preliminary Water Design, SNWA will direct the design engineer to confer with the City of North Las Vegas and the wastewater engineer, and will further direct the design engineer to confer with the City of North Las Vegas concerning aerial photography, geotechnical work, pipeline alignment, and the Preliminary Water Design submittal process;

R. **WHEREAS**, the Parties anticipate that the City of North Las Vegas will approve the Preliminary Water Design and take other action necessary in submitting the Preliminary Water Design to GOED in a final Special Improvement District application; and

S. **WHEREAS**, SNWA and Faraday desire to enter into this Design Agreement to set forth their rights and obligations with respect to the completion of the Preliminary Water Design, as well as the terms and conditions under which SNWA will be reimbursed by Faraday for completing the Preliminary Water Design.

ARTICLE I

SNWA AGREES:

1. That SNWA shall complete the Preliminary Water Design, which shall be consistent with the Apex Industrial Park Water and Wastewater Master Plan as approved by the City of North Las Vegas on December 28, 2012, or as modified by SNWA as necessary to accommodate the Faraday Project and other development contemplated for Phase 1.

2. That the Preliminary Water Design will be completed by June 28, 2016, and upon completion will be submitted to the City of North Las Vegas. SNWA may extend the completion deadline by giving written notice to Faraday; provided, however, that the completion deadline shall not be extended beyond July 31, 2016.

3. SNWA will commence work on the Preliminary Water Design only after receiving notice that Faraday has deposited funds in escrow pursuant to the Escrow Agreement.

4. That SNWA will provide Faraday with monthly cost reports by the 10th day following the end of each month, which will include any and all costs incurred, both direct and indirect, by SNWA in completion of the Preliminary Water Design including, but not limited to, time and materials, travel and research costs, retention of outside professionals,

any actual or hard costs, and a description of the work performed ("**Monthly Cost Reports**").

5. That Faraday will reimburse SNWA by executing and complying with the Escrow Agreement and submission of the Monthly Cost Reports.

ARTICLE II

FARADAY AGREES:

1. That completion of the Preliminary Water Design is necessary for GOED to issue notices and orders required prior to State of Nevada Board of Finance and local government issuances of bonds, securities or other indebtedness to finance the Phase 1 infrastructure necessary to accommodate the Faraday Project.

2. That Faraday will reimburse SNWA for all fees and costs incurred by SNWA in completing the Preliminary Water Design as set forth in the Monthly Cost Reports and as required under the Escrow Agreement's terms.

3. That no real property shall receive a water commitment from SNWA by virtue of the Preliminary Water Design. Nothing in this Design Agreement or any actions taken pursuant to this Design Agreement shall commit, or be construed or represented as committing, water service to any property. Further, nothing in this Design Agreement commits or reserves water capacity from the Phase 1 water system. This Design Agreement does not grant Faraday any property right in a water service to any of Faraday's property. Water service and water connections are governed by the Service Rules in effect at the time an application is made for water service or a water connection, and can only be granted if the application conforms to the then existing Service Rules and if SNWA has the capacity

in its water system such that the provision of water service or a water connection will not damage or reduce service to other customers of SNWA.

4. To timely execute the Escrow Agreement and deposit the Escrow Amount (defined in the Escrow Agreement as $1,500,000) prior to SNWA commencing work on the Preliminary Water Design. Faraday's execution of the Escrow Agreement and deposit of the Escrow Amount is a condition precedent to SNWA's obligations under this Design Agreement.

5. That the Preliminary Water Design is based upon plans submitted by Faraday to SNWA depicting a general location and size of the Faraday Project within Phase 1. Faraday shall promptly notify SNWA of any substantive changes to the Faraday Project's size, location, or grade, or estimated water consumption, flow rates, or pressure requirements, during construction or operation, which may require changes to the Preliminary Water Design.

6. That SNWA makes no representations or warranties with regard to the sufficiency of the Preliminary Water Design for the Faraday Project and that SNWA is relying on Faraday to provide accurate plans and data to support the Preliminary Water Design.

7. That any changes to the Preliminary Water Design causing additional costs or expenses to be incurred by SNWA will be reimbursed by Faraday consistent with this Design Agreement and the Escrow Agreement.

8. To be responsible to the extent provided by law including, but not limited to, Nevada Revised Statutes, Chapter 41, for any liability arising out of the performance of

any condition of this Design Agreement proximately caused or contributed to by any act or omission of Faraday's officers, agents and employees.

ARTICLE III

IT IS MUTUALLY AGREED:

1. That the Monthly Cost Reports shall include monthly totals and project totals. The numbers set forth therein shall be deemed accepted by Faraday unless a detailed written objection is made thereto within ten (10) days.

2. That if a dispute arises regarding any provision of this Design Agreement, the Parties shall exercise commercially reasonable efforts to agree to a mutually acceptable solution within ten (10) calendar days of any Party's issuance to the other Party of written notice of the dispute; and during the pendency of dispute resolution, SNWA shall continue to carry out its duties under Article I and Faraday shall continue to carry out its duties under Article II. If the Parties are unable to amicably resolve the dispute, then such dispute shall be resolved through binding arbitration using an arbitrator from the JAMS panel of neutrals, which arbitration shall be conducted in Clark County, Nevada and administered by and in accordance with JAMS' Comprehensive Arbitration Rules and Mediation Procedures. The dispute, and the arbitration thereof, shall be governed by the laws of the State of Nevada.

3. That by the signing of this Agreement, Faraday and SNWA affirmatively agree to settle all disputes, claims, or questions by binding arbitration.

4. That this Design Agreement is not, and shall not be construed as or deemed to be, an agreement for the benefit of any third party or parties, and no third party or parties shall have a right of action hereunder for any cause whatsoever.

5. That this Design Agreement and attached Exhibits represent the entire understanding of the Parties hereto as to the obligations hereunder.

6. That should any part of this Design Agreement be rendered void, invalid or unenforceable, by a non-appealable determination of court of competent jurisdiction, for any reason, such determination shall not render void, invalid or unenforceable the remainder of the Design Agreement.

7. That each Party warrants to the other that it, and its signatory hereunder, is duly authorized and empowered to execute this Design Agreement and to bind said Party to the terms hereof.

8. That all of the terms, conditions and provisions hereof shall inure to the benefit of and be binding upon the Parties hereto, and their respective successors and assigns; provided, however, that no assignment of this Design Agreement shall be made without written consent of the Parties to this Design Agreement.

9. That this Design Agreement, or parts hereof shall be subject to amendment as may be proposed by Faraday or SNWA, and that all such amendments to this Design Agreement must be in writing and must be executed by the proper officers of each of the Parties to this Design Agreement.

10. That this Design Agreement may be executed in any number of counterparts and when so executed each such counterpart shall be deemed to be an original hereof.

11. That the Preliminary Water Design shall be and remain the exclusive property of SNWA; provided, however, that upon request, SNWA will provide copies to Faraday.

12. That the construction, validity and effect of this Design Agreement shall be governed by the laws of the State of Nevada, without reference to its choice of law provisions.

13. That failure by any Party to enforce any provision of this Design Agreement shall not constitute a waiver by that Party, and that the Party may choose to enforce any breach of this Design Agreement at any time.

[signature page follows.]

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

ROBIN PROP HOLDCO, LLC,
A Delaware limited liability company

By: _____
Name: David Wisnieski
Title: CEO

SOUTHERN NEVADA WATER AUTHORITY

By: _____
Name: John J. Entsminger
Title: General Manager

Approved as to form:

By: Jeff Fiddymont for
Name: Gregory J. Walch
Title: General Counsel

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

April 21, 2016

Subject: Agreement	**Director's Backup**
Petitioner: David L. Johnson, Deputy General Manager, Engineering/Operations	
Recommendations: That the Board of Directors approve and authorize the General Manager to sign an agreement between MWH Americas, Inc., and the Authority to provide professional services for the design of a potable water system to be located within Garnet Valley for an amount not to exceed $1,261,000.	

Fiscal Impact:
If the above recommendation is approved, the Authority will be reimbursed for all expenses incurred under this agreement from funds pledged by Faraday Future and secured by monies deposited into an escrow account.

Background:
On March 15, 2016, the Authority issued a Request for Statements of Qualifications (SOQ) for professional services to be provided for the design of groundwater well equipment; above-ground storage tanks; potable waterlines; electrical, instrumentation, telemetry and control systems; sodium hypochlorite disinfection systems; packaged water treatment systems; pressure reducing valves and appurtenances; and ancillary services to support the design of a potable water system in the Garnet Valley. The following firms responded to the Authority's Request for SOQ:

Black & Veatch Corporation	GCW, Inc.	MWH Americas, Inc.
Carollo Engineers, Inc.	HDR, Inc.	Poggemeyer Design Group, Inc.

A seven-member evaluation team reviewed the SOQs and ranked the firms in accordance with NRS 625.530 on the basis of competence and qualifications. Based on the results of the evaluations, MWH Americas, Inc. (MWH), was selected.

The attached agreement only authorizes performance of 30 percent design level services for the Garnet Valley Water System. Thereafter, additional funding to complete the design effort will be required. This agreement may be amended and brought to the Board of Directors for authorization of those additional design services.

At this time, staff requests that the Board approve this selection and authorize execution of the agreement, which contains the terms, conditions, and considerations negotiated with MWH.

This agreement is being entered into pursuant to NRS 332.115(1)(b) and Section 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the agreement.

Respectfully submitted:

John J. Entsminger, General Manager
JJE:DLJ:MRJ:PJJ:djt
Attachments

AGENDA ITEM # 5

DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Type							
☐ Sole Proprietorship	☐ Partnership	☐ Limited Liability Company	☒ Privately Held Corporation	☐ Publically Traded Corporation	☐ Trust	☐ Non-Profit Organization	☐ Other

Business Designation Group					
☐ MBE	☐ WBE	☐ SBE	☐ PBE	☐ ESB	☐
Minority Business Enterprise	Women-Owned Business Enterprise	Small Business Enterprise	Physically Challenged Business Enterprise	Emerging Small Business	

Corporate/Business Entity Name:	MWH Americas, Inc.	
(Include d.b.a., if applicable)		
Street Address:	370 Interlocken Blvd., Suite 300	**Website:** www.mwhglobal.com
City, State and Zip Code:	Broomfield, CO 80021	**POC Name and Email:** Marshall.Davert@mwhglobal.com
Telephone No:	303-410-4000	**Fax No: 303-410-4100**
Local Street Address:	3010 West Charleston Blvd., Suite 100	**Website:** www.mwhglobal.com
City, State and Zip Code:	Las Vegas, NV 89102	**Local Fax No: 702-878-7833**
Local Telephone No:	702-878-8010	**Local POC Name Email:** Steven.P.Weber@mwhglobal.com
Number of Clark County, Nevada Residents Employed: 35		

All entities, with the exception of publicly-traded and non-profit organizations, must list the names of individuals, either directly or indirectly, holding more than five percent (5%) ownership or financial interest in the business entity appearing before the SNWA Board of Directors.

Publicly-traded entities and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest. The disclosure requirement, as applied to land-use applications, extends to the applicant and the landowner(s).

Entities include all business associations organized under or governed by Title 7 of the Nevada Revised Statutes, including but not limited to private corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations.

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
MWH Americas, Inc. is a wholly owned		
Subsidiary of MWH Holdings, Inc., a Delaware		
Corporation, which is wholly owned by MWH		
Global, Inc. with no persons owning more than 1%		

This section is not required for publicly-traded corporations.

1. Are any individual members, partners, owners or principals, involved in the business entity, an SNWA full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☒ No (If yes, please note that SNWA employee(s), or appointed/elected official(s) may not perform any work on professional service contracts, or other contracts, which are not subject to competitive bid.)

2. Do any individual members, partners, owners or principals have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to an SNWA full-time employee(s), or appointed/elected official(s)?

   ☐ Yes ☒ No (If yes, please complete the Disclosure of Relationship form on Page 2. If no, please print N/A on Page 2.)

I certify under penalty of perjury, that all of the information provided herein is current, complete, and accurate. I also certify that the entity is not on the federal government's Excluded Parties List, as defined by 2 CFR § 180.945. I further understand that the SNWA will not take action on land-use approvals, contract approvals, land sales, leases or exchanges without the completed disclosure form.

Signature	Steven P. Weber, PhD Print Name
Vice President & Southwest Regional Manager Title	April 5, 2016 Date

Revised 10/30/14

DISCLOSURE OF RELATIONSHIP

List any disclosures below:
(Mark N/A, if not applicable.)

NAME OF BUSINESS OWNER/PRINCIPAL	NAME OF SNWA EMPLOYEE OR OFFICIAL AND JOB TITLE	RELATIONSHIP TO SNWA EMPLOYEE OR OFFICIAL	SNWA EMPLOYEE'S/OFFICIAL'S DEPARTMENT
N/A			

"Consanguinity" is a relationship by blood. "Affinity" is a relationship by marriage.

"To the second degree of consanguinity" applies to the candidate's first and second degree of blood relatives as follows:

- Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)
- Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

For SNWA Use Only:

If no Disclosure or Relationship is noted above or if the section is marked N/A, please check this box:

☒ No Disclosure

If any Disclosure of Relationship is noted above, please complete the following:

☐ Yes ☐ No Is the SNWA employee(s) noted above involved in the contracting/selection process for this particular agenda item?

☐ Yes ☐ No Is the SNWA employee(s) noted above involved in any way with the business in performance of the contract?

Notes/Comments:

Signature

Peter J. Jawch

Print Name
Authorized Department Representative

AGREEMENT TO PROVIDE PROFESSIONAL SERVICES

FOR GARNET VALLEY WATER SYSTEM

This Agreement is made and entered into this _____ day of _____, 20____ ("Effective Date"), by and between MWH AMERICAS, INC., hereinafter called "CONSULTANT," and the SOUTHERN NEVADA WATER AUTHORITY, a political subdivision of the State of Nevada, hereinafter called the "AUTHORITY." The CONSULTANT and the AUTHORITY are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties." The term "AUTHORITY" also refers to staff of the AUTHORITY acting within their designated authority and duties.

WITNESSETH:

WHEREAS, the AUTHORITY desires to obtain professional services as more specifically described herein, and

WHEREAS, the CONSULTANT is properly qualified and desires to provide the professional services required by the AUTHORITY, and

WHEREAS, the AUTHORITY, in reliance on the CONSULTANT's representations and proposals, agrees to retain the CONSULTANT, and the CONSULTANT agrees to furnish professional services to the AUTHORITY, on the terms and conditions hereinafter set forth.

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

1. SCOPE OF SERVICES:

(a) The CONSULTANT shall provide any requested services, hereinafter referred to as "Services" or "Work," as described and within the time indicated in **Exhibit A**, which is attached herewith and made a part of this Agreement.

(b) All Services performed shall be subject to the cost ceiling contained in Paragraph 4 hereof and subject to the AUTHORITY's directions respecting priorities. The CONSULTANT will furnish professional Services in the amount necessary to complete promptly and effectively the Work assigned under this Agreement. All of the Services shall be performed by the CONSULTANT or an approved subcontractor or subconsultant.

(c) In performing Services under this Agreement, the CONSULTANT shall observe and abide by the prevailing standard of care, the terms and conditions of all applicable laws, regulations, ordinances, or rules of the United States, of the State of Nevada, of any political subdivision thereof, and of any other duly constituted public authority or agency. The CONSULTANT shall be responsible for obtaining any license, permit or other approval as required by law or otherwise, arising out of the Services to be performed hereunder.

(d) The CONSULTANT has, or will secure at its own expense, the qualified personnel required to perform the Services assigned under this Agreement. Such personnel shall not be employed by the United States, the State of Nevada, Clark County, the AUTHORITY, or any other political subdivision of the State of Nevada.

2. PERIOD OF PERFORMANCE:

This Agreement shall become effective as of the Effective Date and, unless terminated in accordance with the terms of this Agreement, shall remain in effect until all Services authorized to be performed by the AUTHORITY are completed by the CONSULTANT.

3. COMPENSATION:

(a) In consideration for completion of all duties and responsibilities under this Agreement, the AUTHORITY agrees to pay the CONSULTANT, in accordance with **Exhibit A**, for Work completed to the AUTHORITY's satisfaction.

(b) The CONSULTANT shall provide itemized monthly invoices for Services performed during the previous month. Invoices are to be submitted to the AUTHORITY in accordance with the Notice provisions of this Agreement and must reference the name and Effective Date of the Agreement. A copy of any invoice received from subcontractors or subconsultants used by the CONSULTANT shall be included.

(c) The AUTHORITY shall pay invoiced amounts from the CONSULTANT based on tasks completed as set forth in **Exhibit A** within thirty (30) calendar days after the date the invoice is received and approved by the AUTHORITY.

(d) The AUTHORITY may dispute a payment or portion thereof that is due before or after the DISTRICT pays the invoice.

4. LIMITATION ON COSTS:

The total cost of Services provided under this Agreement shall not exceed one million two hundred sixty one thousand dollars ($1,261,000).

5. TRUTH-IN-NEGOTIATION CERTIFICATION:

Signing of this Agreement by CONSULTANT shall constitute a truth-in-negotiation certification by CONSULTANT that wage rates and other factual unit costs supporting the compensation of this Agreement are accurate, complete, and current at the time of execution of this Agreement. The original Agreement price and any additions thereto shall be adjusted to exclude any significant sums by which the AUTHORITY determines the Agreement price was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs. All such Agreement adjustments shall be made within one (1) year following the end of the term of this Agreement.

6. INDEPENDENT CONTRACTOR – NO JOINT VENTURE:

The relationship of the CONSULTANT to the AUTHORITY hereunder shall be that of an Independent Contractor as defined by NRS 616A.255 or Nevada state law. Nothing herein shall be construed to imply an employer and employee relationship, a joint venture, or principal and agent relationship.

7. INTELLECTUAL PROPERTY:

In consideration of the covenants, representations and warranties set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CONSULTANT hereby covenants, represents and warrants the following:

(a) All content developed on behalf of the AUTHORITY, in whole or in part, solely or jointly by CONSULTANT and all of CONSULTANT's employees, associates or subcontractors assisting in creating developments and/or other work product, whether or not copyrightable or otherwise protected, including, without limitation, advertisements and marketing material ("Work Product") arising from Services performed pursuant to, or

arising out of the AUTHORITY's engagement of CONSULTANT, or previously conceived in anticipation of work to be performed in regard to the AUTHORITY's engagement of CONSULTANT, shall be the property of the AUTHORITY.

(b) The property rights transferred by CONSULTANT shall vest in AUTHORITY upon receipt of payment for the Services by CONSULTANT. Methodologies, process know-how and other instruments of service used to prepare the Work Product shall remain the property of CONSULTANT. Any modification or reuse of the Work Product without written verification or adaptation by CONSULTANT for the specific purpose intended will be at the sole risk of AUTHORITY.

(c) CONSULTANT shall execute all documents and undertake all actions necessary to effect the clarification of ownership of all Work Product in and to the AUTHORITY.

8. INTERPRETATION:

The Parties agree that neither Party shall be deemed the drafter of this Agreement and, in the event this Agreement is ever construed by a court of law or equity, such court shall not construe this Agreement or any provision hereof against either Party as drafter of this Agreement.

9. CONFLICT OF INTEREST:

During the course of performance of this Agreement, the CONSULTANT will not contract with any client whose interest is adverse to or would require the CONSULTANT to take a position contrary to that of the Las Vegas Valley Water District and/or the Southern Nevada Water Authority.

10. PROHIBITION AGAINST COMMISSION FOR OBTAINING AGREEMENT:

The CONSULTANT warrants that no person or company has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees; nor has the CONSULTANT paid or agreed to pay any person, company, corporation, individual or firm other than a partner or bona fide employee, any fee, commission, contribution, donation, percentage, gift, or any other consideration, contingent upon or resulting from award of this Agreement. For any breach or violation of this warranty, the AUTHORITY shall have the right to terminate this Agreement without liability, or at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration and any other damages.

11. PROHIBITION AGAINST INTEREST BY GOVERNMENT EMPLOYEES:

(a) No officer, employee or member of the governing body of the AUTHORITY shall (1) participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is, directly or indirectly, interested or (2) have any interest, direct or indirect, in this Agreement or the proceeds thereof.

(b) The CONSULTANT represents that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of Services required to be performed under this Agreement. The CONSULTANT further covenants that in the performance of said Services, no person having any such interest shall be employed.

(c) No member of, delegate to or officer or employee of the legislative, executive or judicial branches of the government of the United States, of the State of

Nevada or any of its political subdivisions shall be entitled to any share or part hereof or to any benefit to arise therefrom.

12. COMPLETENESS AND ACCURACY OF CONSULTANT'S WORK:

(a) The CONSULTANT shall be responsible for the completeness and accuracy of its research, supporting data, and any final reports or other deliverables prepared or compiled pursuant to this Agreement and shall correct, at its expense, all errors or omissions therein.

(b) The cost necessary to correct those errors attributable to the CONSULTANT and any damage incurred by the AUTHORITY as a result of additional costs caused by such errors shall be chargeable to the CONSULTANT. The fact that the AUTHORITY has accepted or approved the CONSULTANT's Work shall in no way relieve the CONSULTANT of any of its responsibilities.

13. INDEMNIFICATION:

(a) For all claims based upon or arising out of the Services or Work of the CONSULTANT, CONSULTANT shall indemnify and hold harmless, without cost to the AUTHORITY, its Board of Directors and its officers, agents, and employees (the "AUTHORITY Parties"), against any and all losses, claims, costs, damages, actions, proceedings, and liability to the extent that such losses, claims, costs, damages, actions, proceedings, and liability are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the CONSULTANT or the employees of the CONSULTANT. This indemnification includes, but is not limited to, reasonable attorneys' fees and costs and claims for or by reason of any death or deaths of, or any physical injury or injuries to, any person or persons or damage to real or personal property of any kind whatsoever,

whether the person(s) or property of CONSULTANT, its agents, or subconsultants, or of third parties; harassment or discrimination or any theory of joint or dual employment by the CONSULTANT's employees, agents, subcontractors or subconsultants, arising out of the Services or Work under this Agreement; or infringement on any U.S. patent (issued as of the Effective Date) or any copyright or trademark.

If such claim(s) results in a trier of fact's adjudication of CONSULTANT as liable, CONSULTANT shall pay to AUTHORITY the reasonable attorneys' fees and costs which are determined to equate to the proportionate liability of CONSULTANT, as reimbursement for the attorneys' fees and costs incurred by the AUTHORITY in defending the claim.

(b) For all claims not based upon or arising out of the Services or Work of the CONSULTANT, CONSULTANT shall indemnify, hold harmless, and defend, without cost to the AUTHORITY Parties, against any and all losses, claims, costs, damages, actions, proceedings, and liability to the extent that such losses, claims, costs, damages, actions, proceedings, and liability are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the CONSULTANT or the employees of the CONSULTANT. This indemnification includes, but is not limited to, reasonable attorneys' fees and costs and claims for or by reason of any death or deaths of, or any physical injury or injuries to, any person or persons or damage to real or personal property of any kind whatsoever, whether the person(s) or property of CONSULTANT, its agents, or subconsultants, or of third parties; harassment or discrimination or any theory of joint or dual employment by the CONSULTANT's employees, agents, subcontractors or subconsultants, arising out of the Services or Work under this Agreement; or infringement

on any U.S. patent (issued as of the Effective Date) or any copyright or trademark. The AUTHORITY Parties may assume, at their sole option, control of the defense, appeal or settlement of any third-party claim for which CONSULTANT has indemnified the AUTHORITY Parties by giving written notice of the assumption to CONSULTANT. The AUTHORITY Parties may not settle or compromise any claim or consent to the entry of any judgment regarding claims for which CONSULTANT has indemnified the AUTHORITY Parties without the prior written consent of CONSULTANT, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) CONSULTANT's aggregate liability to the AUTHORITY for any monetary claim arising out of or in connection with a claim of professional negligence due to any error or omission shall be limited to an amount equal to three (3) times the fee paid to the CONSULTANT. The limitation of liability shall not apply to the extent of CONSULTANT's willful misconduct. This limitation of liability shall apply to all suits, claims, actions, losses, demands for indemnification, costs (including attorney fees) and damages of any nature arising from or related to this agreement and without regard to the legal theory under which such liability is imposed. In no event shall either party be liable to the other for any indirect, incidental, special or consequential damages whatsoever (including but not limited to lost profits or interruption of business) arising out of or related to the services provided under this agreement.

14. INSURANCE:

(a) General:

1. The CONSULTANT shall not commence any Work under this Agreement until the CONSULTANT obtains, at its own expense, all insurance as

required in this section; however, failure to obtain all insurance shall not relieve the CONSULTANT of the obligation to achieve the schedule milestone dates as defined herein. The types of insurance to be obtained by the CONSULTANT are Workers' Compensation, Employers' Liability, Automobile Liability, Commercial General Liability, and Professional Liability as outlined in the following portions of this section.

2. The Workers' Compensation, Employers' Liability, and Automobile Liability insurance will be maintained in force for the full period of the Agreement.

3. The Professional Liability insurance will be maintained in force for two years following the completion of the project.

4. These insurance provisions are in addition and cumulative to any other right of indemnification or contribution that the AUTHORITY may have in law, in equity, or otherwise and shall survive the completion of the project.

5. Nothing contained in these insurance requirements is to be construed as limiting the extent of the CONSULTANT's total responsibility for payment of claims arising in whole or in part from the actions of a third party when such actions might be taken as a result of the CONSULTANT's operations under this Agreement.

6. At the time of executing this Agreement and before commencement of the Work, the CONSULTANT shall have delivered to the AUTHORITY certificates of insurance and endorsements that attest to the fact that the CONSULTANT has obtained the insurance as specified in this Agreement.

(b) Other Insurance:

1. All insurance provided by the CONSULTANT shall be considered primary with respect to the AUTHORITY's insurance, and any similar insurance maintained by the AUTHORITY shall be considered excess and non-contributory.

2. The CONSULTANT's Workers' Compensation insurance shall be written with a property and casualty insurance company admitted to do business in the State of Nevada and rated A- or better and Class V or higher of financial size category in the current issue of Best's Key Rating Guide.

3. The CONSULTANT's Automobile Liability, Commercial General Liability and Professional Liability insurance shall be written with property and casualty insurance companies admitted to do business in the State of Nevada and rated A- or better and Class VIII or higher of financial size category in the current issue of Best's Key Rating Guide.

4. In the event any of the CONSULTANT's insurance companies are not admitted to write business in the State of Nevada, then the CONSULTANT will furnish evidence of insurance with insurance companies that are rated A- or better and Class IX or higher of financial size category in the current issue of Best's Key Rating Guide for each coverage written with a non-admitted carrier.

5. The Certificate of Insurance and related endorsements must be satisfactory to the AUTHORITY as to form and content and must comply with all insurance requirements as set forth herein, or the certificate and endorsements may be rejected and thereby, at the option of the AUTHORITY, render this Agreement cancelable.

6. All endorsements are to be dated; reflect the name of the insurance company, the type of insurance, and the policy number; be executed by a duly authorized representative of the insurance company; and be attached to the certificate.

7. The full legal operating names of the CONSULTANT and insurance carrier shall be properly shown where applicable.

8. The cancellation section of the certificate is to be amended to provide a 30-day written notice of cancellation and initialed by the Agent.

9. By endorsement (I.S.O. Forms CG 20 10 07 04 and CA 20 48 02 99, or equivalent), the AUTHORITY shall be included as an additional insured under the Commercial General Liability and Automobile Liability insurance policies as to bodily injury, sickness, disease, or death, personal injury, damage to or destruction of the property or persons which may arise out of or in connection with activities under the Agreement. The CONSULTANT's insurance shall be primary with respect to the additional insureds; any insurance coverage maintained by the AUTHORITY shall be in excess of the CONSULTANT's insurance and non-contributing.

10. By endorsement (I.S.O. Form CG 24 04 10 93 or its equivalent), the CONSULTANT's Commercial General Liability, Automobile Liability and Workers' Compensation Insurance carriers shall waive their transfer rights of recovery (Waiver of Subrogation) against the AUTHORITY, its members and affiliated companies, successors or assignees, including their directors, officers, and employees individually and collectively.

11. The additional insured and waiver of subrogation endorsements shall read as follows:

> *The Southern Nevada Water Authority, its members, and affiliated companies, successors, or assigns, including their directors, officers, and employees individually and collectively, when acting within the scope of their employment.*

12. If the CONSULTANT fails to procure and/or maintain insurance set forth herein, in addition to other rights or remedies, the AUTHORITY shall have the right, if the AUTHORITY so chooses, to procure and/or maintain the said insurance for and in the name of the CONSULTANT with the AUTHORITY as an Additional Insured, and the CONSULTANT shall pay the cost thereof and shall furnish all necessary information to make effective and/or maintain such insurance. In the event the CONSULTANT fails to pay the cost, the AUTHORITY hereby has the right to offset any premiums from the compensation set forth in this Agreement and directly pay for such coverage.

13. With respect to any and all insurance required under this Agreement, the deductible shall not exceed $50,000, unless otherwise agreed to by the AUTHORITY or the AUTHORITY'S Risk Management Division.

(c) <u>Workers' Compensation and Employers' Liability Insurance:</u>

1. The CONSULTANT shall procure and maintain such insurance and see that its subcontractors/subconsultants purchase and maintain such insurance as is required under the Nevada Industrial Insurance Act, Nevada Revised Statutes Chapters 616 and 617, for all of its employees working on the project to protect the AUTHORITY from any industrial insurance claims.

2. In the event any class of employees engaged in any Work on the project relative to this Agreement is not protected under the Nevada Industrial Insurance Act, then the CONSULTANT shall provide to the AUTHORITY adequate insurance coverage in a form and by an insurance carrier satisfactory to the AUTHORITY for the protection of such employees.

3. In the event the CONSULTANT is permissibly self-insured for Workers' Compensation insurance in the State of Nevada, the CONSULTANT shall deliver to the AUTHORITY a copy of the Certificate of Consent to Self-Insure issued by the State of Nevada.

4. The CONSULTANT shall procure and maintain Employers' Liability Insurance with limits as set forth in Paragraph 15 (h).

(d) Commercial General Liability Insurance:

The CONSULTANT shall procure and maintain Commercial General Liability insurance coverage. The coverage under this policy shall include, but not be limited to, commercial general liability, protective liability, blanket contractual liability, and broad-form property damage. The Commercial General Liability Insurance policy shall be written for limits as outlined under Paragraph 15 (h). The amount of coverage shall apply to bodily injury, sickness, disease or death, personal injury, damage to or destruction of the property of persons that may arise out of or in connection with the activities under this Agreement.

(e) Automobile Liability Insurance:

The CONSULTANT shall procure and maintain, at its own expense, automobile liability insurance with limits as outlined in Paragraph 15 (h), written

on a combined-single-limit basis for bodily injury and property damage including all owned, leased, hired, or non-owned motorized vehicles and apparatus and shall indicate these coverages on the certificate.

(f) Professional Liability Insurance:

The CONSULTANT shall procure and maintain Professional Liability Insurance with limits as outlined in Paragraph 15 (h). If this coverage is written on a claims-made basis, the retroactive date shall be prior to or coincident with the Effective Date and the certificate shall so state.

(g) It is the CONSULTANT's sole responsibility to ascertain that the aforementioned insurance requirements are fulfilled. In the event they are not, the CONSULTANT shall not be relieved of their duty to perform, indemnify, defend, and hold harmless the AUTHORITY Parties, nor shall the AUTHORITY Parties be liable to the CONSULTANT or any others in the event the CONSULTANT's insurance, as accepted by the AUTHORITY, fails to meet the full requirements herein.

(h) Insurance Limits:

Value of Contract	Coverage	Limits of Liability
$100,000 to $999,999	Professional Liability	$500,000/per claim $1,000,000 aggregate
	General Liability	$1,000,000/per occurrence $2,000,000/aggregate
	Automobile Liability	$1,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	$100,000

$1,000,000 to $4,999,999	Professional Liability	$1,000,000/per claim $2,000,000 aggregate
	General Liability	$1,000,000/per occurrence $2,000,000/aggregate
	Automobile Liability	$1,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	$500,000
$5,000,000 to $9,999,999	Professional Liability	$3,000,000/per claim $5,000,000 aggregate
	General Liability	$1,000,000/per occurrence $2,000,000/aggregate
	Automobile Liability	$1,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	$1,000,000
$10,000,000 to $19,999,999	Professional Liability	$5,000,000/per claim $10,000,000 aggregate
	General Liability	$2,000,000/per occurrence $4,000,000/aggregate
	Automobile Liability	$2,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	$1,000,000
$20,000,000 to $24,999,999	Professional Liability	$10,000,000/per claim $20,000,000 aggregate
	General Liability	$2,000,000/per occurrence $4,000,000/aggregate
	Automobile Liability	$2,000,000/per occurrence
	Workers' Compensation	Statutory
	Employers' Liability	$1,000,000
$25,000,000 and over	Coverage and limits to be negotiated.	

15. <u>TERMINATION:</u>

The AUTHORITY's General Manager, his/her designee and/or the CONSULTANT may terminate this Agreement on thirty (30) days prior written notice. In the case of termination by the AUTHORITY, the AUTHORITY shall pay the CONSULTANT for all Work performed to the effective date of termination and the reasonable costs of transferring all documentation of all Work to the AUTHORITY.

16. RELEASE OF INFORMATION:

The CONSULTANT shall make public information releases only as provided for and in accordance with this Agreement. Any and all other public releases of information gathered, obtained, or produced during the performance of this Agreement must be specifically approved in writing by the AUTHORITY prior to release. Such information shall include, but is not limited to, all products, intellectual property, Work Product, ideas, data, reports, background materials, and any and all other materials belonging to the AUTHORITY. Such public releases of information shall include, but are not limited to, publication in any book, newspaper, magazine, professional or academic journal, the Internet, radio, television, and presentations to professional, academic, and/or other groups or conferences.

17. USE OF MATERIALS:

(a) The AUTHORITY shall make available to the CONSULTANT such materials from its files as may be required by the CONSULTANT in connection with its performance of Services under this Agreement. Such materials shall remain the property of the AUTHORITY while in the CONSULTANT's possession.

(b) Upon termination of this Agreement, the CONSULTANT shall turn over to the AUTHORITY any property of the AUTHORITY in its possession and any calculations, notes, reports, or other materials prepared by the CONSULTANT in the course of performing this Agreement. Any proprietary software or other tools of the CONSULTANT used to execute the Work shall remain the property of the CONSULTANT.

18. RECORDS:

The CONSULTANT shall retain financial and other records related to this Agreement for six (6) years after the completion or termination of this Agreement, and shall make available to the AUTHORITY for inspection, all books, records, documents, and other evidence directly pertinent to performance under this Agreement upon reasonable notice.

19. ASSIGNMENT:

The CONSULTANT shall not assign or transfer its interest in this Agreement without the prior written consent of the AUTHORITY. If CONSULTANT assigns or transfers without prior written approval, the assignment or transfer shall be void, and not merely voidable.

20. MODIFICATION OF AGREEMENT:

This Agreement may not be changed or modified except by written instrument executed by both Parties or their designees.

21. SEVERABILITY:

If any term of this Agreement is to any extent illegal, invalid, or unenforceable, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms of this Agreement shall remain in full force and effect; and, to the extent permitted and possible, the invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term. If application of this Paragraph should materially and adversely affect the economic substance of the transactions contemplated in this Agreement, the Party adversely impacted shall be entitled to compensation for such adverse impact.

22. NON-DISCRIMINATORY EMPLOYEE PRACTICES:

(a) The CONSULTANT and any subcontractor or subconsultant working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Services provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964, Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, Title I of the Americans with Disabilities Act and all associated rules and regulations..

(b) CONSULTANT recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, national origin, or any other protected status, the AUTHORITY may declare the CONSULTANT in breach of the Agreement, terminate the Agreement, and designate the CONSULTANT as non-responsible.

23. EQUAL EMPLOYMENT OPPORTUNITY:

(a) The CONSULTANT and any subcontractor or subconsultant working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Services provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964. This requirement includes compliance with Equal Employment Opportunity Commission regulations that prohibit discrimination based upon race, color, religion, sex, or national origin. Furthermore, the CONSULTANT shall in all relevant manners comply with the Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, and Title I of the Americans with Disabilities Act.

(b) The CONSULTANT shall make all necessary documentation as required to comply with the Acts referred to above and shall make such documentation immediately available to the AUTHORITY upon the AUTHORITY's request. The CONSULTANT is solely liable for failure to comply with this provision.

24. APPLICABLE LAW:

Nevada law shall govern the interpretation of this Agreement, without reference to its choice of law provisions.

25. VENUE:

The Parties agree that venue for any dispute arising from the terms of this Agreement shall be Clark County, Nevada.

26. ATTORNEY'S FEES:

Except as otherwise set forth in this Agreement, the Parties shall bear their own attorneys' fees and costs incurred in resolving the claims, as well as on preparation of this Agreement. In the event that any Party commences an action to enforce or interpret this Agreement, or for any other remedy based on or arising from this Agreement, the prevailing party therein shall be entitled to recover its reasonable and necessary attorneys' fees and costs incurred.

27. NO THIRD PARTY RIGHTS:

This Agreement is not intended by the Parties to create any right in or benefit to parties other than the AUTHORITY and the CONSULTANT. This Agreement does not create any third party beneficiary rights or causes of action.

28. WAIVER:

The failure of either Party to enforce at any time, or for any period of time, the provisions hereof shall not be construed as a waiver of such provisions or of the rights of such Party to enforce each and every such provision.

29. CAPTIONS:

The captions contained in this Agreement are for reference only and in no way to be construed as part of this Agreement.

30. COUNTERPARTS:

This Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts, each of which, when so executed, shall be deemed an original, and all counterparts together shall constitute one and the same instrument.

31. INTEGRATION:

This Agreement contains the entire understanding between the Parties relating to the transactions contemplated by this Agreement, notwithstanding any previous negotiations or agreements, oral or written, between the Parties with respect to all or any part of the subject matter hereof. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, regarding the subject matter of this Agreement are merged in this Agreement and shall be of no further force or effect.

32. NOTICES:

Any and all notices, demands or requests required or appropriate under this Agreement (including invoices) shall be given in writing and signed by a person with authorization to bind the CONSULTANT or AUTHORITY, either by personal delivery, via a scanned document sent via

email, or by registered or certified mail, return receipt requested, addressed to the following addresses:

To CONSULTANT: MWH Americas, Inc.
3010 West Charleston Blvd. Suite 100
Las Vegas, Nevada 89102
Attention: Steven P. Weber, PhD
Steve.P.Weber@mwhglobal.com

To AUTHORITY: Southern Nevada Water Authority
Attention: Peter J. Jauch
1001 South Valley View Boulevard
Las Vegas, Nevada 89153
peter.jauch@lvvwd.com

When notice is given by mail, it shall be deemed served three (3) business days following deposit, postage prepaid in the United States mail. When notice is given by email transmission, it shall be deemed served upon receipt of confirmation of transmission if transmitted during normal business hours or, if not transmitted during normal business hours, on the next business day following the email transmission.

The Parties may designate a new contact person under this provision for notices or invoices or change the addresses or email addresses identified above by notifying the other Party in writing.

33. ELECTRONIC SIGNATURES:

Each Party agrees that the electronic signatures, whether digital or encrypted, of the Parties are intended to authenticate this writing and to have the same force and effect as manual signatures.

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

MWH AMERICAS, INC.

Steven P. Weber, PhD Date
Vice President & Southwest Regional Manager

SOUTHERN NEVADA WATER AUTHORITY

John J. Entsminger Date
General Manager

Approved as to form:

Laura Ellen Browning, Esq.
Deputy Counsel

EXHIBIT A
SCOPE OF WORK
FOR
CONCEPTUAL ENGINEERING DESIGN
OF THE GARNET VALLEY WATER SYSTEM PROJECT

INTRODUCTION

A Water Facility Master Plan was prepared by Southern Nevada Water Authority (Authority) to evaluate the alignment and facilities for the Garnet Valley Water System. This exhibit describes the CONSULTANT's Scope of Work for the Garnet Valley Water System Project (Project).

PROJECT DESCRIPTION

The Project will be located in Garnet Valley. The Project comprises development of the Authority's groundwater resources in the Garnet Valley for delivery of up to 3761 acre feet per year of water for full build out of the Apex industrial Area. The water system is anticipated to include the following system components:

- Two – 2MG above ground storage tanks or equivalent elevated storage tank (two tanks on one site)
- Three – 1000 gpm groundwater production wells with pumping equipment and associated site improvements
- Approximately 75,000 linear feet (lf) of potable water pipeline (11,000 lf of 24-inch diameter pipe; 59,000 lf of 16-inch diameter pipe; 5,000 lf of 8-inch diameter pipe)
- Disinfection facilities at each well site and the storage tank site
- Spray aeration facilities at the storage tank for mitigation of THM
- Supplemental package treatment for reasonably anticipated contaminants in the groundwater, if warranted by source water quality
- Approximately five Pressure Reducing Valves within the water transmission system
- Electrical, instrumentation, telemetry and controls for the water facilities with fiber or radio communication locally within the Garnet Valley Water System

PROJECT ASSUMPTIONS

Project Assumptions relevant to this Scope of Work include:

1. Conceptual engineering activities in this Scope of Work are intended to refine the pipeline alternative alignments due to environmental constraints. The CONSULTANT anticipates continuing to provide design and consulting services through Final Design as well as for Bid Phase and Construction Management Services under future Task Orders.
2. The Authority will perform well capacity analysis, drilling, and development of the two – 1000gpm wells. Design of this project will include equipping the wells and site development.
3. Water quality is within normal treatable ranges is an assumption provided by the Authority.

4. The Authority will be responsible for identifying, developing and securing all regulatory permits (federal, state, county, city, local, utility, railroad, etc.) required for the project. The CONSULTANT will provide permit support as indicated in this Scope of Work.
5. Site access to private parcels, federal lands and public land necessary to complete the work will be provided, by the Authority within 10 days following Notice to Proceed.
6. Mapping for conceptual design will be based on available USGS digital topographic mapping and available google earth mapping and aerial imagery, as well as data resources available from Clark County's GIS Management Office.
7. Survey grade mapping for preliminary design and detailed design is not included in this Scope of Work, and will be developed during a future phase of the Project. .
8. No subsurface, geotechnical, surveying or other field explorations will be conducted.
9. The Authority will provide biological/waters of the U.S./cultural clearance for geotechnical surveys or other field explorations when required.
10. The Authority will provide land access for field explorations, when required.
11. Development of pipeline right of way, site selection, and utility and topographic base mapping will be performed using a phased approach that provides for delivery of base mapping in a format determined by the CONSULTANT.
12. Potential schedule constraints beyond the CONSULTANT'S control and which could impact delivery of some tasks within the planned project schedule are listed as follows:
    a. Procurement of water service agreements with end users or customers
    b. Procurement of right-of-entry for field investigations
    c. Coordination with consultants working under separate contracts to the Authority.
    d. Impacts due to limits to aquifer capacity
    e. Impacts due to water quality testing results and need for additional treatment analysis.
    f. Availability and turnover of Authority data
    g. Technical memoranda will be presented at workshops, with feedback and consensus to be made during workshop. Editorial comments will be required within 5 business days to maintain project schedule.

STANDARDS

The Project shall be designed in accordance with the following locally adopted standards and procedures, unless indicated otherwise.

1. The Southern Nevada Water Authority Treatment and Transmission Facility Program Management Plan and Procedures.

2. AWWA Standards; AWWA Manual of Water Supply Practices.

3. Southern Nevada Water Authority Facility Engineering Guides, current edition

4. City of North Las Vegas Water Service District Rules and Regulations, current edition.

5. Uniform Design and Construction Standards for Water Distribution Systems, Clark County Nevada, current edition.

6. Uniform Standard Specifications for Public Works' Construction Off-site Improvements, Clark County Area, Nevada, current edition.

7. Uniform Standard Drawings for Public Works Construction Off-site Improvements, Clark County Area, Nevada, Volume I and Volume II, current editions.

8. Nevada Department of Transportation (NDOT), Standard Plans and Specifications for Road and Bridge Construction, current edition.

When the Project involves other infrastructure, the adopted standards for such shall be recognized and followed. Such standards may include:

1. Southern Nevada Water Authority Facility Engineering Guides, current edition.

2. Design and Construction Standards for Wastewater Collection Systems, Southern Nevada, current edition.

3. Hydrologic Criteria and Drainage Design Manual, Clark County Regional Flood Control District, current edition.

4. A Policy on Geometric Design of Highways and Streets, American Association of State Highways and Transportation Officials (AASHTO), current edition.

5. Access Management System and Standards, Nevada Department of Transportation (NDOT), current edition.

6. Manual on Uniform Traffic Control Devices, Federal Highway Administration, current edition.

7. Department of Justice, Code of Federal Regulations, 28 CFR Part 36, Revised as of July 1, 1994 for Americans with Disabilities (ADA) Standards for Accessible Design.

CONSULTANT acknowledges and agrees that the above list of reference materials is not comprehensive. CONSULTANT shall verify and add to the list as needed to complete the Project to industry care and standards.

The tasks and subtasks included in the CONSULTANT's Scope of Work are described below. The major task headings are:

PURPOSE

The purpose of Exhibit A is to establish the scope for the following:

1. **30% Design** - Services related to preparation of a Basis of Design Report, alignment plans and details and opinion of probable construction cost (OPCC) for the improvements.

SUBCONSULTANTS

The following subconsultants are expected to be contracted with and utilized by the CONSULTANT to work on the Project. The Authority will be notified of any changes or additions:

Geotechnical Engineer: Ninyo & Moore
Land Surveyor and Aerial Mapping: VTN
Corrosion Protection: CorrPro
Utility Investigations: Cardno TBE

TASK 1 - PROJECT MANAGEMENT

Task 1.1 - Project Management and Coordination. This task will consist of project monitoring and administration, communication and correspondence with the Authority, attendance at regularly scheduled progress meetings with Authority staff and project Technical Advisory Committee (TAC), and project quality assurance/quality control (QA/QC) activities. Notice to Proceed (NTP) is expected on April 21, 2016 and all work is anticipated to be completed by June 30, 2016. A preliminary project schedule is included in Exhibit C, task durations and deliverable dates are based on receiving NTP on April 21, 2016.

The CONSULTANT will prepare a project execution plan (PXP) for distribution to Authority and CONSULTANT project team members. The PXP will consist of the project scope, schedule, and deliverables; and list the members of the project team with addresses, telephone numbers, and email addresses. The CONSULTANT will conduct a project kick-off meeting with Authority staff. The kick-off meeting is intended to introduce key Project personnel, define areas of responsibilities and communication protocols, review the scope of work and schedule for the Project, review the timing and intent of Project deliverables, review procedures and schedules, and establish procedures for communicating potential changes in the work or schedule.

The CONSULTANT will establish internal project controls to monitor project status, budget, staffing, and schedule on an on-going basis. Budget and schedule status will be reviewed weekly. The CONSULTANT will prepare monthly status reports (1-2 pages) within five (5) working days after the close of the CONSULTANT's accounting month. The status reports will describe the work completed during the previous month, anticipated work for the following month, percent completes, estimated completion dates, and project issues requiring discussion or resolution. The CONSULTANT will prepare monthly invoices to the Authority and execute and administrate subconsultant contracts.

The CONSULTANT will perform internal QA/QC activities to obtain guidance on project methodology, review project deliverables, and perform checks of engineering calculations and OPCC. The CONSULTANT will form an internal TAC composed of 3 senior level engineers experienced in water supply system planning and design. These team members will review project deliverables and provide technical input. The TAC will meet formally at least two times during the course of the project.

The CONSULTANT will identify risks during the course of the project and will add items as necessary to the issues and decisions log. Risks will be determined in conjunction with the Authority PM.

Deliverables:

- Five (5) hardcopies and one PDF of the PXP will be provided to Authority team members.
- Monthly Invoice and Monthly Status Report.

Task 1.2 – Project Meetings. The CONSULTANT will meet with Authority staff weekly to review project status.

The CONSULTANT will convene a kick-off meeting with the Authority staff in the Authority's office. The purpose of the meeting will be to discuss coordination of efforts of the CONSULTANT and team members and Project kick-off activities, including initiation and coordination needed to implement the Project. The CONSULTANT's Project Manager will facilitate the Project Kick-off meeting. The CONSULTANT will prepare and distribute a meeting agenda and information up to two business days in advance of the meeting and prepare a meeting summary.

Deliverables:

- Project kick-off meeting agenda, materials, and summary

Project Status Meetings shall be at the Authority's office and will be attended by the CONSULTANT's Project Manager, Project Engineer and other key personnel as determined to be necessary. The CONSULTANT shall prepare an agenda for each of the progress meetings. The CONSULTANT will prepare meeting minutes (bulleted format) to document key information items and decisions made. An action item list will be generated from each meeting, as required. A total of two 2-hour project status meetings over the duration of the project are assumed for budgeting purposes. A total of six 2-hour workshop meetings over the duration of the project are assumed for budgetary purposes.

Deliverables:

- Meeting Agenda and copies for distribution at Meetings;
- Meeting Minutes.

TASK 2 – PLANNING

Task 2.1 Project Definition and Planning Criteria. The Authority and CONSULTANT will jointly establish and confirm the project study area, environmental permitting strategy, water demands, turnouts or delivery points, design flow rate, operational philosophy, site security criteria, easement and right-of-way strategy, project procurement and delivery model, risk management criteria, fatal flaw criteria and other applicable criteria to establish the fundamental scope and definition of the project. Project components are anticipated to consist of the items listed in the PROJECT DESCRIPTION section of this Scope of Services.

A 2-hour workshop will be held with the CONSULTANT and the Authority to jointly review proposed project components and establish the Project definition and planning criteria.

Following the workshop and Authority acceptance of Workshop Summary an agreed upon path forward will be in place for project components. A technical memorandum identifying project component descriptions will be developed after the workshop.

Deliverables:

- Draft and Final Workshop Agenda
- Final Workshop Summary and Comments Log
- Draft Project Components TM
- Final Project Components TM

Task 2.2 - Data Acquisition and Review. The CONSULTANT will identify pertinent documents and data that provide information required for the PROJECT development. The CONSULTANT will collect and compile available data and information from the Authority by reviewing reports prepared by OTHERS, other data and available information. Data collection will focus on available regional geology, existing infrastructure facilities relevant to the Project, utility information, hydraulic considerations, existing right-of-way and easement information.

In addition, existing information from previous site investigations or engineering evaluations for proposed development of the Project and nearby areas if determined to be applicable will be obtained, reviewed and characterized. Sources of data will include:

- Validation Study: Apex Industrial Park Water System (Draft, Spring 2015)
- Published geotechnical reports and geologic data
- Published corrosion reports and studies
- Published electrical induction studies
- Existing Data, Surveys and Published Information
- Regional and site-specific studies and evaluations
- Locally available GIS data
- Published drainage reports and studies

The CONSULTANT will prepare a TM that identifies and summarizes the information collected.

Deliverables:

- Draft Existing Data Compilation TM
- Final Existing Data Compilation TM

In addition, the Authority will provide the following:

- Digital drawings from the Verification Study
- Hydraulic network model and related hydraulic studies, reports or memoranda.

The CONSULTANT shall be entitled to reasonably rely upon the information and data provided by the Authority or obtained from generally acceptable sources within the industry without independent verification except to the extent such verification is expressly included in the Scope of Services.

The CONSULTANT will review the Validation Study: Apex Industrial Park Water System (Draft, Spring 2015), prepared by the Authority for the purpose of becoming familiar with the

alignment and facilities proposed in the report and become familiar with the body of information considered for developing the proposed alignment.

The CONSULTANT will prepare a brief Technical Memorandum (TM) summarizing the information compiled and reviewed (five hardcopies and one PDF). The data summaries will become reference for the basis of design and will assist with identifying the need for additional information. The CONSULTANT will conduct one 2-hour meeting with Authority staff to review the findings of the draft TM and to reach agreement on the available data and on additional data collection activities to be performed.

Task 2.3 - Utility and Agency Coordination. CONSULTANT will coordinate with utilities and agencies having facilities within the limits of or adjacent to the Project, this includes attendance to related meetings. The CONSULTANT will contact the utility companies and other governmental agencies early in the project to obtain information relating to the location, size and type of facilities owned by that Utility. Utilities and agencies to be contacted will consist of:

- Southern Nevada Water Authority
- Las Vegas Valley Water District (LVVWD)
- Clark County Regional Flood Control District (CCRFCD),
- Clark County Public Works (CCPW)
- City North Las Vegas's traffic, planning, and parks departments,
- Clark County Water Reclamation District (CCWRD),
- Nevada Department of Transportation (NDOT),
- Regional Transportation Commission of Southern Nevada (RTC),
- NV Energy,
- Century Link,
- Cox Communications, and
- Southwest Gas.
- Kern River Gas
- LA Department of Power and Water

The CONSULTANT will prepare a preliminary permitting analysis. Emphasis on facility and alignment will be to avoid BLM land, utilize trenchless crossings at key crossings. It is assumed that full site or environmental assessments will be conducted in subsequent phases of the project.

Deliverables:

- The CONSULTANT will record meeting minutes to document key information items or decisions made.
- Five hardcopies and one PDF of the draft preliminary environmental permitting analysis Technical Memorandum.

Task 2.4 – Site Surveying and Field Investigation Planning. Field Topographical Survey and Aerial Mapping by the CONSULTANT is not a part of this contract agreement and are deferred to a later Project design phase. The consultant will use existing mapping provide by the Authority and available USGS and Clark County maps for this phase of the project. As needed, the CONSULTANT will conduct site visits to become familiar with the Project site. The CONSULTANT will prepare scope and exhibits for survey and ROW work to be performed during the subsequent phase.

Geotechnical investigation, potholing and surveying of underground utilities, corrosion protection, and research of traffic corridors and potential utility conflicts are not a part of this contract agreement and is deferred to the Project design phase. The CONSULTANT will prepare scope and exhibits for geotechnical and subsurface investigations work to be performed during the subsequent phase.

The CONSULTANT will subcontract with the surveying and geotechnical subconsultants to perform desktop study analysis.

Task 2.5 – Pipeline Route and Facility Site Alternatives. The CONSULTANT will develop proposed facility sites and pipeline route for the Project. Up to two pipeline routes alternatives and up to one facility site alternative (for each pipeline route) will be evaluated and presented to the Authority for consideration. The CONSULTANT will meet with the Authority at a one 4-hour workshop to evaluate, rank the alternatives and recommend the preferred alternative for development of conceptual design. Documentation of the pipeline alignment will be compiled and submitted in a draft Technical Memorandum (up to three pages in length). The Authority will provide the CONSULTANT with written review comments within two business days following receipt of the draft Technical Memorandum.

Deliverables:

- Five hardcopies and one PDF of the draft Technical Memorandum.

TASK 3 – 30% DESIGN

Task 3.1 – 30% Design Criteria

The Consultant will develop conceptual design criteria for the pipelines, reservoirs, PRVs, well sites, pumping facilities, electrical, instrumentation and controls, and treatment system. Documentation of the facility criteria and conceptual layouts and will be compiled and submitted in draft Technical Memoranda (up to three pages in length).

Task 3.1.1 – Pipeline Design Criteria. The CONSULTANT will evaluate pipe materials to establish pipeline design criteria, CONSULTANT will present a summary to the Authority for concurrence. Pipe materials to be considered consist of:

1. Mortar Lined and Coated Steel (MLCP)
2. Ductile Iron (DIP)
3. Polyvinyl Chloride (PVC)

Evaluation criteria will consist of:

- Diameter (Evaluation may result in different materials for large or small diameter pipe)
- Cost
- Corrosion resistance
- Production availability
- Compatibility with existing installations and operation standards
- Compatibility with trenchless installation (if necessary)

Appurtenances to be evaluated consist of:

- Inline valves and spacing

- Access manways and spacing
- Air valves
- Blow-offs
- Vaults and manholes
- Cathodic protection (if necessary)
- Trench zone backfill
- Thrust restraint
- Fire hydrants

Authority standards or CONSULTANT standards will be used wherever possible. Recommendations made under this phase may be further refined under future design phases, but a complete reevaluation will not be done. The CONSULTANT will meet with the Authority once to evaluate, rank the alternatives and select alternatives for implementation. Documentation of the selections will be compiled and submitted in a draft Technical Memorandum (up to three pages in length).

Deliverables:

- Five hardcopies and one PDF of the draft Technical Memorandum.

Task 3.1.2 – Facility Criteria and Conceptual Layouts. The CONSULTANT will develop conceptual facility layouts for two well sites, two reservoir sites, and approximately seven PRV sites.

Task 3.1.2.1 – Well Sites. Each conceptual well site layout will consist of:

- 2.5 – 5 acre property with 10' tubular steel perimeter fence/block wall and 24' gate
- Submersible well pump rated at approximately 1000 gpm @ 1250' TDH and complying with applicable Hydraulic Institute Standards and Recommendations
- Yard piping sized for nominal 5 fps velocity
- Slant check valve with anti-slamming feature installed on system discharge pipe
- Provisions to control back pressure and air release during pump startup
- Temperature controlled building for sodium hypochlorite storage and feed equipment, electrical equipment, chlorine analyzer, and telemetry
- On-site generator for back-up power at 2 out of 3 well sites.
- Conceptual drainage schematic

In addition, one well site will be equipped with a stand-by generator sized for pump startup and operation in the event of a loss of power.

Task 3.1.2.2 – Reservoir Site. Conceptual reservoir site layout will consist of:

- Approximate 2.5 – 5 acre property with 10' tubular steel perimeter fence/block wall and 24' gate
- Two - 2 million gallon (MG) above ground welded steel or circular pre-stressed concrete tank and appropriate instrumentation and telemetry
- Chlorine analyzer system to monitor and report chlorine residual to the Authority's SCADA system
- A Trihalomethane (THM) treatment system consisting of spray aeration and a ventilation blower, designed for remote automatic operation
- Conceptual drainage schematic

Task 3.1.2.3 – PRV Sites. Each conceptual PRV site layout will consist of:

- Above grade concrete facility sized for a 16" PRV,
- Isolation valves, and
- A bypass line

Task 3.1.2.4 – Hydraulics and Operational Criteria. The system hydraulics will consist of:

- Validation of the Authority's hydraulic model including the following parameters:
  - Surge analysis
  - System shutdown scenarios
  - Storage scenarios
  - Options and strategies for system management during shutdown periods
  - System draining scenarios
  - System overflow scenarios

Task 3.1.2.5 – Electrical Concepts. In support of the preliminary design effort, CONSULTANT will develop preliminary design concepts for:

- Site level power supply and distribution, and
- System reliability and backup power requirements (on-site generator).

Preliminary design criteria development, equipment and ductbank routing and sizing, and conceptual schematics shall be developed and presented for Authority review and concurrence. Documentation of the approach will be compiled and submitted in a draft Technical Memorandum (up to three pages in length).

It is assumed that this level of development will be sufficient to allow the Authority to advance to the SID process. It is also assumed the NV Energy is designing the power supply and transmission. Project costs associated with the electrical supply will be provided to the Consultant for inclusion in the OPCC. A workshop will be held to establish this approach and ensure Authority concurrence.

Task 3.1.2.6 – Instrumentation and Control Concepts. In support of the preliminary design effort, CONSULTANT will develop preliminary design concepts for:

- System level control philosophy,
- Criteria for remote telemetry,
- Criteria for fiber optics
- System level control architecture, and
- Process flow diagrams for major mechanical and treatment systems.

Preliminary design criteria development, control philosophy, architecture, and conceptual schematics shall be developed and presented for Authority review and concurrence. Documentation of the approach will be compiled and submitted in a draft Technical Memorandum (up to three pages in length).

It is understood that the communications will be established via fiber optic ductbanks routed between facilities to a central location where remote communications to the Authority's SCADA system will be established. Exploration of radio telemetry options and feasibility shall commence during preliminary design based on desktop evaluation (e.g., line of sight evaluation, bandwidth research). If radio telemetry is selected it is anticipated that site and field

surveys will be necessary during balance of design to refine the design approach and to ensure signal integrity and system reliability. This topic shall be addressed at a Workshop to ensure that at this level of development, sufficient detail will be developed to allow the Authority to advance to the SID process. A workshop will be held to establish this approach and ensure Authority concurrence.

Deliverables:

- Five hardcopies and one PDF of the draft Technical Memoranda.

Task 3.1.2.7 – Treatment System. In support of the preliminary design effort, CONSULTANT will develop preliminary design concepts for:

- Sodium hypochlorite storage and feed systems at the wellheads,
- THM removal using spray aeration at the storage reservoirs, and
- Supplemental package treatment for reasonably anticipated contaminants in the groundwater. Up to three package systems will be considered.

Preliminary design criteria development, process sizing, and conceptual layouts shall be based on readily available information such as example existing facilities operated by the Authority or LVVWD and literature reviews of groundwater quality. Based on this review, CONSULTANT and Authority will define constituents of that concern that will require treatment. Documentation of the facility layouts and conceptual process flow diagrams will be compiled and submitted in a draft Technical Memorandum (up to three pages in length).

It is assumed that this level of development will be sufficient to allow the Authority to advance to the SID process. A workshop will be held to establish this approach and ensure Authority concurrence.

It is anticipated that during subsequent design development these preliminary design concepts will be updated and revised based on field investigation and groundwater quality analysis, bench scale evaluations of Disinfection Byproduct (DBP) formation potential and chlorine decay characteristics, finalization of DBP removal requirements, and treatment of other constituents as required.

Deliverables:

- Five hardcopies and one PDF of the draft Technical Memorandum.

Task 3.2 - Prepare 30% Design Plans. The CONSULTANT will prepare full size (36" X 24") plan drawings for the proposed facilities.

Preliminary Design List:

<u>General</u>
Cover Sheet
Vicinity Map
Drawing Index
Abbreviations and Symbols
Project Notes
Key Map
Process Flow Diagrams

Civil
Hydraulic Profile
Pipeline Plans (1"=40' H),
Miscellaneous Pipeline Details
Storage Tank Plans
Storage Tank Details
Well Facility Site Plan
Well Facility Details
PRV Plans
PRV Details

Mechanical
PRV Plans and Sections
Storage Tank Plan and Sections
Treatment Plan
Treatment Details
Miscellaneous Details

Electrical
Power Supply Details
One Line Diagrams

I&C
Control System Architecture and Details

Deliverables:

- Fifteen sets of 36- by 24-inch drawings on bond and one PDF

Task 3.3 - Opinion of Probable Cost and Schedule. Using the information developed during preliminary design, the CONSULTANT will prepare an opinion of probable construction cost to a Class 4 level. The opinion of probable construction cost will be prepared in accordance with AACE International Standards. The CONSULTANT will also prepare an overall project schedule for detailed design and construction.

CONSULTANT's opinions, recommendations and assessments are limited by a) the accuracy and completeness of information upon which it may reasonably rely, b) schedule constraints or scope limitations, c) unknown or variable site or other conditions, d) other factors beyond CONSULTANT's control. Any estimates as to construction costs are limited by a lack of control over financial and/or market conditions, including the future price of labor, materials, and prospective bidding environments and procedures. CONSULTANT does not warrant or guarantee the accuracy or completeness of its Services to the extent impacted by these limitations and Authority should limit its reliance on the Services in like manner.

The CONSULTANT will develop an opinion of engineering and construction management costs for subsequent phases of the project.

Documentation of the OPCC will be compiled and submitted in a draft Technical Memorandum.

Deliverables:

- Five hardcopies and one PDF of the draft Technical Memorandum.

Task 3.4 – Draft Basis of Design Report (BODR). The CONSULTANT will prepare a BODR that summarizes the planning efforts for the project. Comments from the Authority on the draft Technical Memoranda will be incorporated in the report sections.

Deliverables:

- Five hardcopies and one PDF of the draft Basis of Design Report.

Task 4.0 – Supplemental Services: The CONSULTANT will provide supplemental general design services, if requested and authorized by the Authority. The level of effort for this task shall be in accordance with the Authority's written authorization and the Fee Schedule.

Deliverables:

- Provide drawings, sketches, exhibits, agency coordination, technical memoranda and other technical information, as requested by the Authority to supplement the 30% design.

DESIGN CRITERIA ASSUMPTIONS

CONSULTANT's key assumptions for this phase of the project include:

- Review water facility master plan as prepared by the Authority and develop 30% design drawings and estimate of probable construction cost for the proposed improvements that meets required design criteria and operational uses proposed for the facilities. The cost estimate will be the basis for the development of a Special Improvement District (SID) to fund the balance of capital improvements needed within the Service Area.
- Participate in monthly status update meetings with Authority staff.
- Manage costs within the approved project budget; report progress monthly to include percent completion and estimated completion date.
- The proposed facilities are located in the CNLV. Site planning, land use, and improvement plan review and permitting will be required to be coordinated with CNLV staff.
- Right-of-Way requirements for the proposed facilities shall be in accordance with the Authority's Design Guidance Document No. 16, Survey and Right of Way, current edition with the following modifications:
  - Pipelines shall have a perpetual easement of at least 50 feet in width, which extends a minimum of 15 feet on each side of the pipe centerline, unless otherwise specifically approved in writing by the Authority. Also, for construction purposes, a temporary easement of sufficient width to ensure that the combined width of the permanent and temporary easements is a minimum of 100 feet and which extends a minimum of 30 feet on each side of the pipe centerline will also be required.
  - Reservoir sites shall include a 5 acre temporary site if the permanent site is less than 10 acres for construction staging.
  - Well sites shall have a minimum property dimension of 200 ft. x 200 ft.
  - Pressure Reducing Stations shall have a perpetual easement of a minimum of 20 ft. x 50 ft., with direct access from adjacent right of way or perpetual easement.
- The water temperature from wells GVWS-1 and GVWS-2 is anticipated to be above 26.5 degrees C. The consultant shall evaluate the pipeline material and pressure rating as appropriate based on water temperature.

- The design of the pipeline shall be performed in accordance with the following criteria:
  - The design pressure shall be a specific value for each pipeline and shall be equal to the sum of the maximum working pressure and the maximum surge pressure that the pipeline will experience. The design pressure value will be determined by the Engineer as a part of the design process and shall be rounded up to the nearest 25 psi (i.e., 100 psi, 125 psi, 150 psi, 175 psi, 200 psi, etc.).

- The design flow velocity through the pipeline shall be between 4 and 10 feet per second with the preferred velocity being 5 feet per second. The maximum fire flow velocity shall be 20 feet per second, or the maximum recommended velocity for the pipe lining material, whichever is less.
- Profile design and construction drawings will be required for pipe diameters 16 inches and larger. Slopes shall be shown to four decimal places. The minimum slope shall be 0.0020 except through valve vault structures (when required) where pipe shall be level. The maximum slope shall be 0.4142 except where approved by the Authority.
- For pipeline profiles, there shall be a minimum length of 200 feet of pipe between grade breaks except in extremely steep areas, where required to avoid underground obstructions, at valve structures, or other special situations as approved by the Authority.
- The minimum depth of cover shall be 60 inches for pipelines 12 inches in diameter and smaller, and 72 inches for pipelines 16 inches in diameter and larger. Every effort shall be made to ascertain future street grades over pipeline. These depths of covers are based on future street grades at high points and existing ground at low points. The pipeline profile shall show both the existing grade and future final street grade over the centerline of the pipeline.
- Elevations at the point of connections to existing pipelines are critical. All pipeline elevations on the drawings shall be specified as invert elevations.
- Where possible, horizontal and vertical angle points shall be combined into one fitting or bend.
- If change in parallel alignment is required, such as moving from one side of a street to the other, the change in alignment shall be made utilizing 22-1/2 degree bends wherever possible.
- Design drawings and specifications shall be based on the following pipe material types:
    - Mortar Lined and Coated Steel Pipe (MLCP), 6 inches inside diameter and larger. MLCP shall be in accordance with AWWA C200 and AWWA C205 with various exceptions as noted within the Authority's Master Specifications. Rubber gaskets for the sealing of joints shall conform to AWWA C111.
    - Ductile Iron Pipe (DIP), 6 inches through 36 inches inside diameter, inclusive. DIP shall be in accordance with AWWA C151 with various exceptions as noted within the Authority's Master Specifications.
    - Polyvinyl Chloride Pipe (PVC), 4 inches through 12 inches in diameter, inclusive. PVC shall be in accordance with AWWA C900 or AWWA C909 and various exceptions as noted within the Authority's Master Specifications. Rubber rings (gaskets) shall conform to ASTM F477.
    - Polyvinyl Chloride Pipe (PVC), 16 inches through 48 inches in diameter, inclusive. PVC shall be in accordance with AWWA C905. Special

approval for use of AWWA C905 pipe is required. All designs which specify the use of AWWA C905 pipe must be accompanied by detailed design calculations, particularly as it relates to transient pressures (surge). Rubber rings (gaskets) shall conform to ASTM F477.

- Valved outlets shall be provided for future connections where specified by the Authority using flanged outlets and flanged valves. The outlet pipe shall extend to curb return of intersection, or to within 2 feet of the right-of-way/easement line unless otherwise approved by the Authority.
- The stamped calculations for the pipelines shall be submitted by the Engineer for review by the Authority and shall be performed in accordance with the following:
- Internal Pressure Calculations
  - Mortar Lined and Coated Steel Pipe (MLCP)
    - The minimum thickness of the steel cylinder for internal pressure shall be designed in accordance with the following formula:

$$t = \frac{p \cdot d}{2 \cdot s / sf}$$

Where

t	=	wall thickness of steel cylinder, inches
d	=	outside diameter of steel cylinder, inches
p	=	design internal pressure = ($p_w + p_s$), psi
p_w	=	maximum working pressure (derived from hydraulic analysis), psi
p_s	=	surge pressure allowance (derived from surge analyses, or use 50 psi whichever is greater), psi
s	=	minimum yield point of steel being used for steel cylinder as specified in the applicable ASTM specifications, psi (use s = 33,000 psi)
sf	=	safety factor (use sf = 1.33 if a surge analysis was performed, otherwise use sf = 2.0). For steel specials, the safety factor is to be increased to a value of 2.0 and 3.0, respectively.

For calculated cylinder thicknesses greater than 0.1875 (3/16) inch, the steel cylinder thickness used shall be rounded to the next larger size, utilizing 0.0625 (1/16) inch increments.

- Ductile Iron Pipe (DIP)
  - The minimum net thickness of the ductile iron pipe for internal pressure shall be designed in accordance with the following formula:

Where

t	=	wall thickness of ductile iron cylinder, inches
d	=	outside diameter of pipe, inches
p	=	design pressure, [sf · (pw + ps)], psi
pw	=	maximum working pressure (derived from hydraulic analyses), psi
ps	=	surge allowance (derived from surge analysis or use 100 psi if a surge analysis is not required), psi
s	=	minimum yield point of ductile iron, psi (use s = 42,000 psi)
sf	=	safety factor (use sf = 2.0)

- Polyvinyl Chloride (PVC), 6-inch through 12-inch
  - The minimum wall thickness of the polyvinyl chloride pipe shall be designed in accordance with the following formulae:

$$s = \frac{HDB}{sf}$$

$$sf \cdot (pc + p_s) = \frac{2t \cdot HDB}{d - t}$$

$$= \frac{2 \cdot HDB}{DR - 1}$$

Where

t	=	net thickness of pipe, inches
d	=	outside diameter of pipe, inches
HDB	=	hydrostatic design basis, psi (use HDB = 4,000 psi)
pc	=	pressure class, psi
p_s	=	surge allowance (derived from surge analysis or use 35 psi for DR18 if surge analysis is not required, see AWWA M23, Table 8 for other values), psi
DR	=	dimension ratio
s	=	design stress, psi
sf	=	safety factor (use sf = 2.5)

- Polyvinyl Chloride (PVC), 16-inch through 36-inch
  - The minimum wall thickness of the polyvinyl chloride pipe shall be designed in accordance with the following formulae:

Where

$$sf \cdot (WPR + p_s) = \frac{2 \cdot t \cdot HDB}{d - t}$$

$$= \frac{2 \cdot HDB}{DR - 1}$$

t	=	net thickness of pipe, inches
d	=	outside diameter of pipe, inches
HDB	=	hydrostatic design basis, psi (use HDB = 4,000 psi)
WPR	=	working pressure rating for water temperature less than 73.4 degrees Fahrenheit, psi (see AWWA C905, if higher water temperatures anticipated)
p_s	=	surge allowance, psi (shall be a calculated value based on anticipated instantaneous flow velocity changes)

$$S = \frac{p \cdot (DR - 1)}{2}$$

DR	=	dimension ratio
sf	=	safety factor (use sf = 2.0)

Cyclic load calculations are required for AWWA C905 in accordance with the PVC pipe and shall be calculated following formulas:

$$D_L = \frac{C}{\Delta v}$$

$$C = (5.05 \times 10^{21}) \cdot S^{-4.906}$$

Where

S	=	peak hoop stress, psi
p	=	design pressure, psi
DR	=	dimension ratio
C	=	average number of cycles to failure
D_L	=	design life, years
Δv	=	number of cycles the pipe will experience per day (use Δv = 10 per day)

The minimum allowable design life is 50 years.

- A surge analysis shall be performed for all pumping station discharge pipelines. A surge analysis may be required for other pipelines as determined by the Authority.
- External Load Calculations:

The pipe shall be designed with sufficient cylinder thickness to resist external loads.

External loads shall be calculated based upon the soil prism formula:

$$We = \gamma \cdot Bc \cdot Hc$$

Where

We = earth load (pounds per foot of pipe)
γ = unit weight of soil (pounds per cubic foot)
Bc = outside diameter of pipe (feet)
Hc = height of backfill over pipe (feet)

For thrust restraint calculations, Hc is limited to a maximum of 10 feet. For transmitted point loads, utilizing the following criteria:

Traffic Loads	16,000 lb. (HS-20 loading)
Soil Density	140 lb/cu. ft. or actual backfill material density
Impact Factor	1.5
Effective Pipe Length	3 feet
Width of Trench	Pipe O.D. plus 2 feet

The pipe cross-section shall have sufficient rigidity so that the maximum deflection under external loads shall not exceed the following:

• **Pipe Material**	• **Maximum Allowable Deflection (%)**
• Mortar Lined and Coated Steel	• 2% of pipe dia.
• Ductile Iron	• 3% of pipe dia.
• Polyvinyl Chloride	• 5% of pipe dia.

The deflection shall be calculated using Spangler's Formula utilizing the following minimum criteria:

Bedding Constant – K 0.100

Deflection Lag Factor - D_L 1.25

Modulus of Soil – E' 700 psi or actual value derived from geotechnical report

- Reinforcement for Outlets

  For DIP and PVC pipe, outlet shall be accomplished using service saddles for outlets 2 inches in diameter and less, and by manufactured fittings for outlets greater than 2 inches in diameter. "Boss-Type" and welded outlets for DIP shall not be used.

  For MLCP, Engineering calculations shall be submitted for the design of reinforcement of fittings based on AWWA Manual No. 11, Chapter 13, and shall determine the type of reinforcement. A guide as to type to be used is as follows:

  If the outlet is 0.6667 (2/3) of the pipe diameter or less, use collar plates.

  If the outlet is greater than 0.6667 (2/3) but less than 0.8333 (5/6) of the pipe diameter, use wrapper plates and/or crotch plates.

  If the outlet is 0.8333 (5/6) of pipe diameter or larger, or if there is more than one outlet at the same point, use crotch plates unless a wrapper plate is acceptable according to the design calculations.

- Thrust Restraint
  - MLCP

    The thrust restraint calculations shall be in accordance with the following formulas:

    For horizontal angles:

$$L = \frac{p_t \cdot a \cdot (1 - \cos\Delta)}{\mu \cdot [We + Wp + Ww]} \cdot sf$$

    For vertical angles:

$$L = \frac{p_t \cdot a \cdot (1 - \cos\Delta)}{\mu \cdot (We + Wp + Ww)} \cdot sf$$

Where

pt	=	test pressure (110% of design pressure), psi
a	=	area of pipe based on internal diameter of steel cylinder (square inches)
Δ	=	bend angle (degrees)
μ	=	friction coefficient
We	=	earth load (pounds per foot of pipe); 10 foot maximum bury depth
Wp	=	weight of pipe (pounds per foot of pipe)
Ww	=	weight of water (pounds per foot of pipe)
sf	=	safety factor (use sf =1.25)

  - DIP

    The thrust restraint calculations shall be in accordance with AWWA M41, Section 8.4.

  - Polyvinyl Chloride (C900)

    Thrust blocks shall be used for thrust restraint on C900 PVC pipelines in accordance with the Authority's AutoCAD Standards and Design Detail Standards for Contracts.

- Polyvinyl Chloride (C905 and C909)

Where

p_t	=	test pressure (110% of design pressure), psi
a	=	area of pipe based on internal diameter of steel cylinder (square inches)
Δ	=	bend angle (degrees)
μ	=	friction coefficient
We	=	earth load (pounds per foot of pipe)
Wp	=	weight of pipe (pounds per foot of pipe)
Ww	=	weight of water (pounds per foot of pipe)
sf	=	safety factor (use sf = 1.25)

- Mortar lining and coating thickness for steel and ductile iron pipes shall be as follows:
  - For steel pipe the lining thickness shall be in accordance with the following chart.

Nominal Thickness Lining		
Pipe Diameter (Inches)	(Inches)	Tolerances (Inches)
Less than 24	0.3125 (5/16)	-0.0625 (1/16), +0.1250 (1/8)
24 through 36	0.5000 (1/2)	-0.0625 (1/16), +0.1250 (1/8)
Greater than 36	0.6250 (5/8)	-0.0625 (1/16), +0.1875 (3/16)

  - All other requirements of mortar lining materials and processes shall be as specified in AWWA C205.
    - The coating thickness for steel pipe shall be 1 inch with a tolerance of +0.25 (1/4) inch.
    - For ductile iron pipe, the lining thickness shall be twice the thicknesses specified in AWWA C104, Section 4-7, Table 1.
- All reducers shall be eccentric reducers, with the transition occurring in a manner such that a high or low point is not created, and shall have a length equal to 7 times the difference in the pipe diameters.

- On pipeline bumped heads, install a 2-inch manual air release valve in accordance with the Authority's AutoCAD Standards and Design Detail Standards for Contracts, current edition.
- Bends shall have a minimum radius of 2-1/2 times the inside diameter of the pipeline, or 10 feet, whichever is less.
- Pipe zone backfill for pipelines with a diameter greater than 24 inches shall be controlled low strength material (CLSM). Pipe zone backfill for pipelines with a diameter less than or equal to 24 inches shall be either CLSM or Type II aggregate base, compacted to 90 percent maximum density.
- The specifications for the compaction of backfill shall include "mechanical" and "flooding and jetting" methods. Flooding and jetting will be allowed in the pipe zone in all alignments and above the pipe zone in unimproved alignments, except as prohibited by the governing agency having jurisdiction or by soil characteristics, as documented by a geotechnical report. The engineer of record is responsible for providing their recommendation.
- Within the CNLV jurisdiction, fire hydrants shall be installed along any new pipeline in accordance with the Uniform Fire Code, Appendix III-B, at approximately 1,000-foot intervals, except where:
  - A closer interval is required by Agency having jurisdiction.
  - The Agency having jurisdiction waives requirements.
  - The pipeline is installed in a residential area where fire hydrants already exist.
  - The pipeline crosses a pressure zone boundary or is installed outside the operating pressure zone of the pipeline.
  - The pipeline serves as the pumping station suction header or reservoir inlet/outlet pipeline, and uncontrolled discharges from the pipeline detrimentally affect the Authority's ability to responsibly and safely operate the system.
- Blow-off assemblies shall be installed at all low points along the pipeline profile and low points created by a valve closing (pipelines 24 inches in diameter and larger). The blow-off assemblies shall be located 2 feet from the existing or future face of curb.
- If full right-of-way width is not available, a 10-foot wide easement extending to the future right-of-way line shall be provided to allow for the proper placement of the appurtenance. Blow-off assemblies located near vault structures shall be placed such that the discharge will drain away from the vault access manhole.
- Air valve assemblies shall be located at high points along the pipeline profile, at high points created by a valve closing (pipelines 24 inches in

diameter and larger), at 1/4-mile intervals on long ascending or descending runs, and at other locations as determined to be required by the design. The air valve assemblies shall be located 1-foot from the right-of-way line. If full right-of-way width is not available, a 10-foot wide easement extending to the edge of the future right-of-way shall be provided to allow for the proper placement of the appurtenance.

- Access manways shall be provided for pipelines 24 inches in diameter and larger. The spacing between access manways shall be such to limit the maximum total travel distance into and out of the pipe to 1,250 feet. The access manway shall be 24 inches in diameter.
- Access manways installed in vaults shall allow access through the side of pipe and shall be equipped with a hinge in accordance with the Authority's standards. Other access manways shall be enclosed in a precast manhole in accordance with the Authority's AutoCAD Standards and Design Detail Standards for Contracts, current edition and shall provide access through the top of the pipe. The hinge assembly is omitted for these access manways.

- Drawings for all pipeline projects shall be prepared in accordance with the Authority's AutoCAD Standards and Design Detail Standards for Contracts, current edition.
- Valves in pipelines shall be installed and located in accordance with the Authority's Design Guidance No. 2, Pipeline Isolation/Control Valve Location and Spacing, current edition.
- Reservoirs
  - The reservoirs will consist of two- 2 million gallon storage tanks being either an above-ground welded steel tank, or circular pre-stressed concrete reservoir, that will provide operational, emergency, and fire flow storage within the Garnet Valley Water System. As an alternative, based on life cycle cost benefit analysis, an elevated storage tank may be used instead of the above ground tanks. Groundwater from the proposed wells GVWS-1 and GVWS-2 will feed the proposed reservoirs.
  - A chlorine analyzing system will be designed and installed at the reservoir site to report the chlorine residual in both storage tanks to the Authority's SCADA system.
  - A Trihalomethane (THM) treatment system will be installed within the storage tanks to mitigate THM formation. The system will consist of a spray aeration removal system installed in each storage tank and air blowers installed outside of the storage tanks meeting the following criteria:
    - One ventilating blower will be installed on each storage tank. The blower will be sized once water quality parameters are known about the groundwater production wells.

- Controls will consist of Local-Off-Remote (Hand-Off-Auto) switches to allow for each spray unit and blower unit to be operated independently. Local operation will utilize starter-mounted, Start-Stop pushbuttons. Remote operation will be via remote SCADA commands sent by central Operations and executed through distributed control.

- The storage tanks will be equipped with a personnel access hatch on the roof; an external ladder and internal ladder equipped with a fall prevention system; a safety cage and locking mechanism to prohibit unauthorized use; handrails installed on the roof as required; passive air vents mounted on the rooftop that are properly screened; provide for sampling outlets on both the inlet and outlet pipelines; include a sacrificial type cathodic protection system to be installed on the proposed tank (if required) with a design life of 20 years; and basin level sensors. Provide interconnected lighting suppression/arrestors in addition to a ground loop and enhanced ground electrode wells.

- Permanent electrical power at the reservoir site is required. The Authority has made a request for power with NVEnergy. The consultant will confirm electrical capacity required for the reservoir site, and develop a preliminary coordination study for use in selecting proper equipment.

- The site will be graded to allow a minimum 20-foot wide vehicle access around each storage tank. A 10-foot tall tubular steel fence or CMU wall will be constructed around the perimeter of the tank, with a tubular steel rolling access gate for entrance/exit. The gate will be a minimum of 24-feet wide and is to be secured with a chain and padlock. The gate height will match the height of the adjacent fence/wall.

- Production Wells
  - Production wells GVWS-1 and GVWS-2 will be drilled, developed and equipped with temporary equipment under separate contract. Each well is anticipated to produce 1,000 gpm and the temporary pump and motor will be initially sized for a 1,250 foot lift.
  - The permanent well infrastructure will be designed to meet all requirements of NAC 534 and NAC 445A, with well pumping equipment based on actual well production capability as determined by test pumping in accordance with NAC 445A.6688. Due to anticipated deep setting and relatively small diameter of the wells, the permanent well pump will be a centerlift (Centrilift) submersible pump or equivalent, unless otherwise approved by the Authority.
  - The yard piping will be sized for a maximum nominal velocity of 5 feet per second and with a maximum velocity of 10 feet per second.
  - The pump will be designed to operate at a flowrate within +/- 15% of the best efficiency point under all anticipated operating head conditions as specified by the Authority.

- The pump will be designed to comply with all applicable Hydraulic Institute Standards and Recommendations, with pump selection emphasizing equipment reliability and life expectancy.
- A swing type slant check valve with anti-slamming features will be installed in the system discharge pipe. A motor operated ball valve (MOV) will be used to control the discharge to waste upon pump startup and shutdown. The design will incorporate provisions to maintain sufficient back pressure on the pump discharge to prevent motor/pump run-out while well water is discharged to waste.
- All small piping will be either copper or galvanized steel. All small drain piping will be PVC.
- All piping will be insulated to prevent freezing.
- Permanent power is being coordinated by the Authority. The design will include installation of a customer-owned transformer, primary switchgear, cable, and all site electrical equipment.
- Back-up power generation is required at one well site. Generator to be sized for site services plus well pump starting.
- The design will include preparation of an electrical coordination study utilizing ETAP software for the electrical system for protective devices, including arc flash.
- Area lighting will be provided at the sites.
- A 10-foot high tubular steel fence/block wall will designed around the perimeter of each well site. Well site size should be approximately 200 ft. x 200 ft. square. Location of the electrical gear, generator and fuel storage, communications and telemetry and disinfection facilities including temperature controlled sodium hypochlorite storage (and well head treatment) should be placed to allow for regular well maintenance and access to each well head. A 24-foot wide tubular steel rolling access gate with padlock will also be provided.

- A minimum of twenty-one (21) working days for each submittal shall be provided to the Authority for review of the documents, and twenty-one (21) working days for approvals and signatures. Following the review period, formal briefing sessions will be held by the Authority. Each submittal shall include, but not be limited to the following:
- <u>Thirty Percent (30%) Submittal</u>:
  - Fifteen (15) sets of 36- by 24-inch drawings on bond and electronic files in the appropriate format containing the preliminary design consisting of the cover, miscellaneous information, site plan(s), tank details, well details, on-site piping plans, pipeline plan alignments and miscellaneous detail sheets. The design shall adhere to the project design criteria and the format of drawings preparation as prescribed by the Authority.

- A table of contents listing all proposed construction bidding document and specification sections.
- Two copies of the opinion of probable construction cost supported by an itemized breakdown of all component costs.
- A list of problems, questions, and/or actions needed to be addressed by the Authority.
- Recommended revisions to the project schedule, if required.

ASSUMPTIONS FOR SUBSEQUENT PHASES

Design Criteria and Assumptions that are excluded from this scope and are expected to be included in subsequent phases include:

- The improvements are expected to be constructed by a Construction Manager at Risk (CMAR), solicited and selected under a separate process. The consultant will incorporate into their scope coordination and review of the proposed facility improvements by the CMAR.
- Topographical surveys of the proposed pipeline alignments, well sites, and reservoir site will be performed in accordance with the Authority's Design Guidance Document No. 16, Survey and Right of Way, current edition using State Plane Coordinates NAD 83 for horizontal control and NAVD 88 for vertical control, unless otherwise approved in writing by the CNLV Surveyor.
- A cathodic protection design evaluation/analysis report shall be performed for all pipeline alignments by a geotechnical or cathodic protection consultant where MLCP and/or DIP is used. The cathodic protection design and analysis shall be performed in accordance with the Authority's Design Guidance Document No. 15, Cathodic Protection of Pipelines (16-inch and Larger), current edition. On MLCP pipelines, test stations shall be installed at 1,000-ft intervals along the entire length of the pipeline.
- A cathodic protection design evaluation/analysis report shall be performed for all pipeline alignments by a geotechnical or cathodic protection consultant where MLCP and/or DIP is used. The cathodic protection design and analysis shall be performed in accordance with the Authority's Design Guidance Document No. 15, Cathodic Protection of Pipelines (16inch and Larger), current edition. On MLCP pipelines, test stations shall be installed at 1,000-ft maximum intervals along the entire length of the pipeline. Joint test stations shall be installed at every location where the pipeline crosses a metallic gas or fuel pipeline or any pipeline that is cathodically protected by sacrificial anodes or an impressed current.
- Geotechnical evaluations/analyses are to be performed on all pipelines to encompass at minimum:
    - Soil resistivity every 500 feet along the route of the pipeline to depths of 5 feet and 10 feet utilizing the Wenner four-pin method. Additional depths may be required depending on pipeline depths.
    - Soil borings every 1,000 feet along the route of the pipeline to the bottom of the proposed trench. Actual soil sample depths are dependent on pipe diameter and anticipated depth of cover. Chemical analysis results shall be reported in units of milligrams per kilograms. The following information shall be obtained from soil samples taken from each boring at half and full depth of the boring.
        - pH Measurement
        - Oxidation Reduction
        - Sulfate and Sulfide
        - Total Salts Concentration

- Chloride Perchlorate and Nitrate Concentration
- Moisture Content
- Groundwater Level if Encountered
- Soil Classification
- Single Point Soil Resistivity at Natural Moisture Content and Saturated
- Conditions
- Blow Count
- Modulus of Soil Reaction (E')
- Unit Weight
- Coefficient of Friction Between Pipe and Soil
- Other Information
- Stability of Trench Walls
- Identification of Potentially Expansive Soils
- Suitability of Native Material for Backfill
- Sieve Analysis
- Hazardous Soils Conditions Encountered
- Pavement Design Recommendation

FEE SCHEDULE
FOR
CONCEPTUAL ENGINEERING DESIGN
OF THE GARNET VALLEY WATER SYSTEM PROJECT

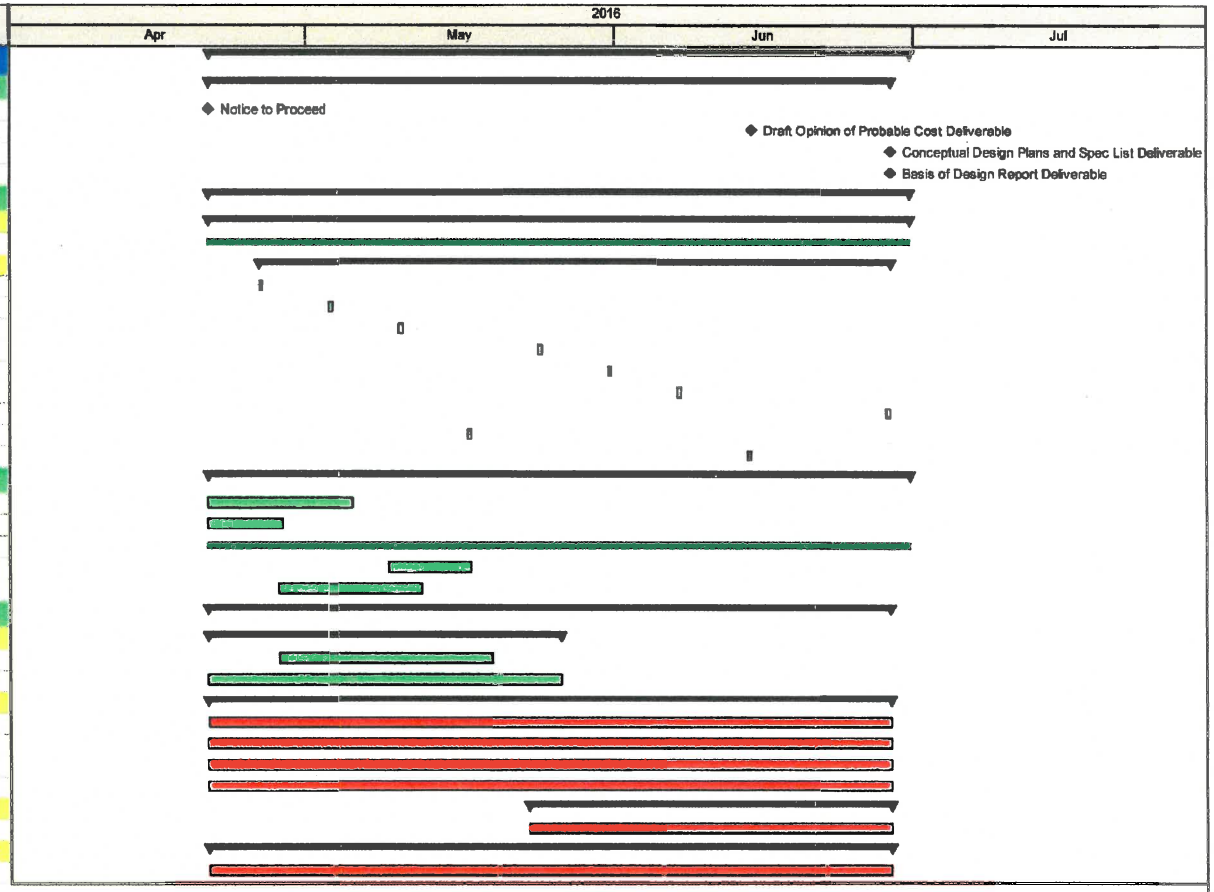
BASIC SERVICES FEE SCHEDULE

Scope of services, tasks and associated fees.

Description		Revised Fees
Task 1	Project Management	
1.1	Project Management and Coordination	$ 180,000
1.2	Project Meetings	$ 115,000
	Subtotal	*$ 295,000*
Task 2	Planning	
2.1	Project Definition and Planning Criteria	$ 54,400
2.2	Data Acquisition and Review	$ 31,600
2.3	Utility and Agency Coordination	$ 20,000
2.4	Site Surveying and Field Investigation Planning	$ 50,000
2.5	Pipeline Route and Facility Site Alternatives	$ 20,000
	Subtotal	*$ 176,000*
Task 3	30% Design	
3.1	30% Design Criteria	$ 120,000
3.2	Prepare 30% Design Plans	$ 450,000
3.3	Opinion of Probable Construction Costs	$ 50,000
3.4	Basis of Design Report	$ 70,000
	Subtotal	*$ 690,000*
	Basic Services Total	**$ 1,161,000**
Task 4	Supplemental Services	$ 100,000
	Fee Total	**$ 1,261,000**

PROJECT SCHEDULE FOR CONCEPTUAL ENGINEERING DESIGN OF THE GARNET VALLEY WATER SYSTEM PROJECT

Activity ID	Activity Name	Remaining Duration	Start	Finish
Garnet Valley Water System		50d	21-Apr-16	30-Jun-16
MTP Milestones		48d	21-Apr-16	28-Jun-16
G1	Notice to Proceed	0d	21-Apr-16	
G2	Draft Opinion of Probable Cost Deliverable	0d		14-Jun-16
G3	30% Design Plans and Spec List Deliverable	0d		28-Jun-16
G4	Basis of Design Report Deliverable	0d		28-Jun-16
Task 1 - Project Management		50d	21-Apr-16	30-Jun-16
1.1 Project Management		50d	21-Apr-16	30-Jun-16
1.01	Project Management	50d	21-Apr-16	30-Jun-16
1.2 Project Meetings		45d	26-Apr-16	28-Jun-16
1.2.01	Kick-off Meeting	1d	26-Apr-16	26-Apr-16
1.2.02	Workshop 1	1d	03-May-16	03-May-16
1.2.03	Workshop 2	1d	10-May-16	10-May-16
1.2.05	Workshop 3	1d	24-May-16	24-May-16
1.2.06	Workshop 4	1d	31-May-16	31-May-16
1.2.07	Workshop 5	1d	07-Jun-16	07-Jun-16
1.2.08	Workshop 6	1d	28-Jun-16	28-Jun-16
1.2.09	Project Status Meeting 1	1d	17-May-16	17-May-16
1.2.10	Project Status Meeting 2	1d	14-Jun-16	14-Jun-16
Task 2 - Planning		50d	21-Apr-16	30-Jun-16
2.1	Project Definition and Planning Criteria	11d	21-Apr-16	05-May-16
2.2	Data Acquisition and Review	6d	21-Apr-16	28-Apr-16
2.3	Utility and Agency Coordination	50d	21-Apr-16	30-Jun-16
2.4	Site Surveying and Field Investigation Planning	7d	09-May-16	17-May-16
2.5	Pipeline Route and Facility Site Alternatives	11d	28-Apr-16	12-May-16
Task 3 - 30% Design		48d	21-Apr-16	28-Jun-16
3.1 30% Design Criteria		26d	21-Apr-16	26-May-16
3.1.1	Pipeline Design Criteria	16d	28-Apr-16	19-May-16
3.1.2	Facility Criteria and Conceptual Layouts	26d	21-Apr-16	26-May-16
3.2 30% Design		48d	21-Apr-16	28-Jun-16
3.3.1	Pipeline Design	48d	21-Apr-16	28-Jun-16
3.3.2	Well Design	48d	21-Apr-16	28-Jun-16
3.3.3	Tank Design	48d	21-Apr-16	28-Jun-16
3.3.4	Treatment Design	48d	21-Apr-16	28-Jun-16
3.3 Opinion of Probable Construction Costs		26d	23-May-16	28-Jun-16
3.4	Opinion of Probable Construction Costs	26d	23-May-16	28-Jun-16
3.4 Basis of Design Report		48d	21-Apr-16	28-Jun-16
3.5	Basis of Design Report	48d	21-Apr-16	28-Jun-16



Project Start: 21-Apr-16
Project Finish: 30-Jun-16

Garnet Valley Water System

MWH. BUILDING A BETTER WORLD

Remaining Level of Effort
Actual Work
Remaining Work
Critical Remaining Work
Milestone
Summary

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

April 21, 2016

Subject: Budget Workshop	**Director's Backup**
Petitioner: John J. Entsminger, General Manager	
Recommendations: That the Board of Directors receive an overview and discuss the Fiscal Year 2016/2017 Tentative Budget.	

Fiscal Impact:
None by approval of the above recommendation.

Background:
The Authority conducts annual budget workshops to provide the Board of Directors the opportunity to receive an overview of the upcoming fiscal year budget. The workshop is intended to facilitate discussion regarding the Authority's budget prior to the Authority's Budget Hearing held in May.

At this time, the Board is being asked to receive an overview on the Authority's Fiscal Year 2016/2017 Tentative Budget.

This action is authorized pursuant to NRS Chapter 354 and Section 22 of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this agenda item.

Respectfully submitted:

John J. Entsminger, General Manager
JJE:GLN:MC:dc

AGENDA ITEM # 6