

A G E N D A

SOUTHERN NEVADA WATER AUTHORITY BOARD OF DIRECTORS

**REGULAR MEETING
9:00 A.M. – MARCH 17, 2022**

**BOARD CHAMBERS, SOUTHERN NEVADA WATER AUTHORITY
100 CITY PARKWAY, SEVENTH FLOOR, LAS VEGAS, NEVADA
(702) 258-3100**

Board of Directors

Marilyn Kirkpatrick, Chair
Dan Stewart, Vice Chair
James Adams
Scott Black
Cedric Crear
Jim Gibson
Justin Jones

*John J. Entsminger,
General Manager*

Date Posted: March 10, 2022

SOUTHERN NEVADA
WATER AUTHORITY



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 S. 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 S. 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 www.snwa.com for Southern Nevada Water Authority agenda postings, copies of supporting material, and approved minutes. To receive meeting information, contact Mitch Bishop at (702) 822-8317 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. Public comment can also be provided in advance of the meeting and submitted to publiccomment@snwa.com. Public comment received through March 16, 2022, will be included in the meeting’s minutes.

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 February 17, 2022.

BUSINESS AGENDA

2. *For Possible Action:* Approve and authorize the General Manager to sign an interlocal agreement among the Clark County Water Reclamation District, Clark County, the City of Las Vegas, and the Authority, establishing funding allocations for the Clark County Aerial LiDAR Project through March 31, 2023, and authorize the Authority’s contribution for an amount not to exceed \$88,980.
3. *For Possible Action:* Approve and authorize the General Manager to sign the Federal Demonstration Partnership Cost Reimbursement Subaward Agreement between the Authority and the University of Nevada, Las Vegas, for the Southern Nevada Wastewater Surveillance Program for High-Risk and Underserved Populations project and accept funds for an amount not to exceed \$908,381.
4. *For Possible Action:* Adopt the 2022 Revenue Refunding Bond Resolution, providing for the issuance of its “Southern Nevada Water Authority Water, Revenue Refunding Bonds, Series 2022,” in the maximum principal amount of \$85,000,000 to refinance certain outstanding Authority Bonds held by the Clark County municipal bond bank.

5. *For Possible Action:* Approve an increase to the Wholesale Delivery Charge of 6.8 percent, effective July 1, 2022, and authorize an increase to the ceiling for future annual adjustments from 4.5 percent to 7.0 percent.
6. *For Information Only:* Receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, conservation programs and initiatives, activities on the Colorado River, and water resource acquisition and development.

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
FEBRUARY 17, 2022
MINUTES**

CALL TO ORDER 9:03 a.m.

BOARD MEMBERS PRESENT Marilyn Kirkpatrick, Chair
Dan Stewart, Vice Chair
James Adams
Scottt Black
Cedric Crear
Jim Gibson
Justin Jones

BOARD MEMBERS ABSENT None

STAFF PRESENT John Entsminger, Dave Johnson, Kevin Bethel, and Tabitha Simmons

OTHERS PRESENT None

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

COMMENTS BY THE GENERAL PUBLIC

For full public comment, visit snwa.com/apps/snwa-agendas/index.cfm

There were no speakers.

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 January 20, 2022.**

FINAL ACTION: Director Gibson made a motion to approve the agenda for this meeting, and to approve the minutes from the regular meeting of January 20, 2022. The motion was approved.

BUSINESS AGENDA

2. ***For Possible Action:* Conduct a Public Hearing to consider and adopt increases to the Authority's Connection Charge, Commodity Charge and Infrastructure Charge.**

Chair Kirkpatrick opened the public hearing. There were no speakers; therefore, Chair Kirkpatrick closed the public hearing.

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

Public Comment

There were no speakers.

Adjournment

There being no further business to come before the Board, the meeting adjourned at 9:06 a.m.

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.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

March 17, 2022

Subject:

Agreement

Petitioner:

David L. Johnson, Deputy General Manager, Operations

Recommendations:

That the Board of Directors approve and authorize the General Manager to sign an interlocal agreement among the Clark County Water Reclamation District, Clark County, the City of Las Vegas, and the Authority, establishing funding allocations for the Clark County Aerial LiDAR Project through March 31, 2023, and authorize the Authority's contribution for an amount not to exceed \$88,980.

Fiscal Impact:

The requested \$88,980 is available in the Authority's Operating Budget.

Background:

Since 2016, high resolution light detection and ranging (LiDAR) digital elevation data has been utilized by the Authority for various engineering planning and vegetation analysis work. On September 17, 2015, and again on February 15, 2018, the Board of Directors approved interlocal agreements that partnered with other local agencies to share costs to obtain this LiDAR data. As a result, these partnerships have reduced project costs and program duplication, while providing very high-quality data for local agencies in Southern Nevada. Now, in 2022, landscape changes and increased construction have dictated the need for local agencies to update the digital elevation data for the Las Vegas Valley to assist with current vegetation studies and future infrastructure planning.

The attached interlocal agreement outlines funding allocations for the Clark County LiDAR Project, describes acquisition of LiDAR digital elevation data for various projects among the signatories, and authorizes the Authority to obligate funds to secure LiDAR digital elevation services upon ratification. If approved, the Authority will be responsible for collecting funds from the other agencies: Clark County Regional Flood Control District, \$29,659; Clark County, \$21,185; and the City of Las Vegas, \$55,083. In addition to the other agencies' combined contribution of \$105,927, the Authority will contribute an amount not to exceed \$88,980 for a combined total of \$194,907. Upon approval of this interlocal agreement and receipt of funding from the other agencies, the Authority will secure a joint funding agreement with the United States Geological Survey (USGS), who will provide additional funding for this Project. The USGS will then secure services to obtain the updated LiDAR digital elevation data.

This agreement is being entered into pursuant to NRS Chapter 277 and Section 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this agreement.

**INTERLOCAL AGREEMENT AMONG THE CLARK
COUNTY REGIONAL FLOOD CONTROL DISTRICT,
CLARK COUNTY, CITY OF LAS VEGAS, AND SOUTHERN
NEVADA WATER AUTHORITY TO ESTABLISH FUNDING
ALLOCATIONS FOR CLARK COUNTY LiDAR PROJECT**

This Interlocal Agreement (“Agreement”) is entered into by the CLARK COUNTY REGIONAL FLOOD CONTROL DISTRICT (“CCRFC”); the COUNTY OF CLARK, STATE OF NEVADA (“COUNTY”); the CITY OF LAS VEGAS (“CLV”); and the SOUTHERN NEVADA WATER AUTHORITY (“AUTHORITY”) (collectively, along with any public agency that becomes signatory to the Agreement pursuant to Section 1(b), the “PARTIES” or in the singular “PARTY”) this _____ day of _____ 2022.

WITNESSETH:

WHEREAS, Nevada Revised Statutes Chapter 277.180 provides that two or more public agencies may enter into an interlocal Agreement for the performance of any governmental service, activity, or undertaking that any of the PARTIES are authorized by law to perform; and

WHEREAS, the PARTIES maintain a Geographic Information System (“GIS”) capable of providing automated graphic display and analysis and multiple data layers of information (e.g., land records, land use and facilities); and

WHEREAS, the PARTIES, all of which have incurred considerable costs associated with the development and implementation of their respective GIS, desire to share access to their GIS resources and data sets more fully described below as part of a cooperative effort on the part of the PARTIES to provide a more cost effective and efficient operation of their GIS

for use by the public; and

WHEREAS, the AUTHORITY utilizes GIS, high-resolution aerial imagery, and Light Detection and Ranging (“LiDAR”) elevation data in conjunction with the AUTHORITY's Water Smart Landscape (“WSL”) Program to promote the conservation of water resources throughout southern Nevada; and

WHEREAS, the PARTIES have incurred significant costs associated with the acquisition of LiDAR data of the Las Vegas Valley region and work related to evaluating and performing quality checks on the data, which is used by numerous agencies to develop and improve their respective GIS resources; and

WHEREAS, a separate agreement between the PARTIES and other governmental entities currently governs the PARTIES’ storage of GIS data, and a new agreement, referred to as the Southern Nevada Geographic Information Interlocal Agreement, has been negotiated and on July 1, 2022, is expected to replace the current agreement by creating a central repository of GIS data; and

WHEREAS, representatives of the PARTIES hereto, together with representatives of other political subdivisions in Clark County, all of whom share a common interest in the development and improvement of their respective GIS, have met periodically for the purpose of exploring potential markets and marketing techniques for the sale of their respective GIS data, which may have the benefit of lowering the operational costs for each governmental entity that elects to participate with the PARTIES hereto in this Agreement; and

WHEREAS, the PARTIES desire to enter this Agreement to share the costs of acquiring LiDAR data of certain areas within the Clark County region (the “LiDAR Project”) and;

NOW, THEREFORE, in consideration of the mutual covenants and Agreements herein

contained, the PARTIES hereto agree as follows:

1. LiDAR FUNDING FEE:

(a) Within sixty (60) calendar days after receipt of an acceptable invoice from the AUTHORITY, CCRFC, the COUNTY, and CLV shall pay to the AUTHORITY their respective funding fee (“LiDAR Project Fee”), which will not exceed the amount listed for each PARTY below in Table A, LiDAR Project Fee Table:

TABLE A
LiDAR PROJECT FEE TABLE

AGENCY	Fee Total
SOUTHERN NEVADA WATER AUTHORITY	\$88,980
CLARK COUNTY REGIONAL FLOOD CONTROL DISTRICT	\$29,659
CLARK COUNTY	\$21,185
CITY OF LAS VEGAS	\$55,083

(b) Subsequent to the execution of this Agreement by the PARTIES, any public agency desiring to become part of this Agreement must receive approval from the majority of the PARTIES, and such approval will be subject to the condition that the additional public agency pay the LiDAR Project Fee as set in TABLE A LiDAR PROJECT FEE TABLE set forth in Paragraph 1(a). If a new PARTY is added to the Agreement, the LiDAR Project Fees will be adjusted on a prorated basis. The LiDAR Project Fees will be agreed to by all PARTIES as an addendum and prorated based on the date a new PARTY is added to the Agreement.

2. TERM:

(a) This Agreement will remain in force from March 1, 2022, or the date it is ratified by appropriate official action of the governing body of each PARTY, whichever is

later, through April 30, 2023.

(b) In the event that any PARTY other than the AUTHORITY wishes to withdraw from this Agreement, that PARTY is required to notify all other PARTIES of its intention to withdraw by July 31, 2022. The withdrawing PARTY will not receive a refund for the LiDAR Project.

3. SERVICES:

(a) The AUTHORITY will have the responsibility of working with the United States Geological Survey (USGS) on ensuring the LiDAR data collections are to be of useful quality. The AUTHORITY will be responsible for coordination of data deliveries and will assist with the quality assurance of the data. The AUTHORITY will accept the LiDAR data only after ensuring it meets minimum federal standards outlined through the USGS LIDAR Base Specification 1.4 in coordination with the USGS.

(b) The AUTHORITY will publish a map for all PARTIES that shows the areas for which LiDAR data will be acquired for the LiDAR Project cycle.

(c) After receiving the LiDAR data from the AUTHORITY, the CCRFC, the COUNTY, and CLV will utilize the data for their respective work. The AUTHORITY will make the LiDAR data available to the Participants of the Southern Nevada Geographic Information Interlocal Agreement and will govern the data by the terms related to that Agreement.

4. EFFECTIVE DATE:

This Agreement becomes effective when the duplicate originals are executed and dated by all PARTIES, realizing that each entity, by necessity, must approve and execute the

subject document at different places and on different dates.

5. SEVERABILITY:

Should any part of this Agreement be rendered void, invalid, or unenforceable by any court of law for any reason, such determination shall not render void, invalid, or unenforceable any other part of this Agreement.

6. GOVERNING LAW:

The laws of the State of Nevada will govern as to the interpretation, validity, and effect of this Agreement.

7. THIRD PARTY BENEFICIARIES:

This Agreement is intended only to benefit the PARTIES hereto and does not create any rights, benefits, or causes of action for any other person, entity, or member of the general public.

8. ONE-TIME AGREEMENT:

It is specifically recognized and agreed by all PARTIES hereto that this Agreement is not to be interpreted or constructed as establishing a precedent for any further agreement, covenant, or commitment on the part of any PARTY hereto and should be considered a stand-alone document.

9. COUNTERPART SIGNATURES:

This Agreement may be executed in counterparts, and all such counterparts will constitute the same contract and the signature of any PARTY to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the PARTIES hereto, regardless of whether originals are delivered thereafter.

SOUTHERN NEVADA WATER AUTHORITY

By _____
John Entsminger Date

Approved on _____, by the Board
of Directors for the Southern Nevada Water Authority.

Approved to as form:

By _____
Brent Gunson, Senior Attorney

**CLARK COUNTY REGIONAL
FLOOD CONTROL DISTRICT**

By _____
Steven C. Parrish, P.E. Date
General Manager/Chief Engineer

Approved as to legality and form:

By _____
Christopher Figgins Date
RFCD Attorney

CLARK COUNTY, NEVADA

ATTEST:

By _____
James B. Gibson Date
Chairman
Board of County Commissioners

By _____
Lynn Marie Goya Date
County Clerk

Approved as to legality and form:
Steven B. Wolfson, District Attorney

By _____
Nichole Kazimirovich Date
Deputy District Attorney

CITY OF LAS VEGAS

By _____

Date _____

Approved as to legality and form:

By _____

Date _____

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

March 17, 2022

Subject:

Subaward Agreement

Petitioner:

David L. Johnson, Deputy General Manager, Operations

Recommendations:

That the Board of Directors approve and authorize the General Manager to sign the Federal Demonstration Partnership Cost Reimbursement Subaward Agreement between the Authority and the University of Nevada, Las Vegas, for the Southern Nevada Wastewater Surveillance Program for High-Risk and Underserved Populations project and accept funds for an amount not to exceed \$908,381.

Fiscal Impact:

If the above recommendation is approved, the Authority will receive funds from the University of Nevada, Las Vegas, for the amount of \$908,381. There is no cost share or match requirement.

Background:

The Centers for Disease Control is funding the University of Nevada, Las Vegas' (UNLV) Southern Nevada Wastewater Surveillance Program for High-Risk and Underserved Populations research project (Project). During the COVID-19 pandemic, Authority scientists are working with UNLV to detect and sequence SARS-CoV-2 from sewage by monitoring up to seven facilities across Southern Nevada. Leveraging this expertise and established collaboration, the Project will identify underserved communities and sites with high viral loads and variants of concern. Virus and trace organic concentrations will be monitored over time at multiple locations within the community to evaluate temporal and spatial trends in community health conditions.

If approved, the attached Federal Demonstration Partnership Cost Reimbursement Subaward Agreement (Agreement) provides the terms and conditions to compensate the Authority's Applied Research and Development Center for its use of its highly sophisticated water quality laboratory for the Project.

This Agreement is being entered into pursuant to NRS 277.180 and Section 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the agreement.

FDP Cost Reimbursement Subaward

Federal Awarding Agency:		Other PHS [Type in Agency]	Centers for Disease Control and Prevention
Pass-Through Entity (PTE):		Subrecipient:	
		Southern Nevada Water Authority	
PTE PI:		Sub PI:	
PTE Federal Award No:		Subaward No:	
NH75OT000057			
Project Title: Southern Nevada Wastewater Surveillance Program for High-Risk and Underserved Populations			
Subaward Budget Period:		Amount Funded This Action (USD): \$	
Start:	End:	908,381.00	
09/01/2021	05/31/2023		
Estimated Period of Performance:		Incrementally Estimated Total (USD): \$	
Start:	End:	0.00	
09/01/2021	05/31/2023		
Terms and Conditions			
<p>1. PTE hereby awards a cost reimbursable subaward, (as determined by 2 CFR 200.331), to Subrecipient. The Statement of Work and budget for this Subaward are as shown in Attachment 5. In its performance of Subaward work, Subrecipient shall be an independent entity and not an employee or agent of PTE.</p> <p>2. Subrecipient shall submit invoices not more often than monthly and not less frequently than quarterly for allowable costs incurred. Upon the receipt of proper invoices, the PTE agrees to process payments in accordance with this Subaward and 2 CFR 200.305. All invoices shall be submitted using Subrecipient's standard invoice, but at a minimum shall include current and cumulative costs (including cost sharing), breakdown by major cost category, Subaward number, and certification, as required in 2 CFR 200.415(a). Invoices that do not reference PTE Subaward number shall be returned to Subrecipient. Invoices and questions concerning invoice receipt or payments shall be directed to the party's Financial Contact, shown in Attachment 3A.</p> <p>3. A final statement of cumulative costs incurred, including cost sharing, marked "FINAL" must be submitted to PTE's Financial Contact, as shown in Attachment 3A, not later than 60 days after the final Budget Period end date. The final statement of costs shall constitute Subrecipient's final financial report.</p> <p>4. All payments shall be considered provisional and are subject to adjustment within the total estimated cost in the event such adjustment is necessary as a result of an adverse audit finding against the Subrecipient.</p> <p>5. Matters concerning the technical performance of this Subaward shall be directed to the appropriate party's Principal Investigator as shown in Attachments 3A and 3B. Technical reports are required as shown in Attachment 4.</p> <p>6. Matters concerning the request or negotiation of any changes in the terms, conditions, or amounts cited in this Subaward, and any changes requiring prior approval, shall be directed to the PTE's Administrative Contact and the Subrecipient's Administrative Contact shown in Attachments 3A and 3B. Any such change made to this Subaward requires the written approval of each party's Authorized Official as shown in Attachments 3A and 3B.</p> <p>7. The PTE may issue non-substantive changes to the Budget Period(s) and Budget Unilaterally. Unilateral modification shall be considered valid 14 days after receipt unless otherwise indicated by Subrecipient when sent to Subrecipient's Authorized Official Contact, as shown in Attachment 3B.</p> <p>8. Each party shall be responsible for its negligent acts or omissions and the negligent acts or omissions of its employees, officers, or directors, to the extent allowed by law.</p> <p>9. Either party may terminate this Subaward with 30 days written notice. Notwithstanding, if the Awarding Agency terminates the Federal Award, PTE will terminate in accordance with Awarding Agency requirements. PTE notice shall be directed to the Authorized Official Contact, and Subrecipient notice shall be directed to the Authorized Official Contact as shown in Attachments 3A and 3B. PTE shall pay Subrecipient for termination costs as allowable under Uniform Guidance, 2 CFR 200, or 45 CFR Part 75 Appendix IX, as applicable</p> <p>10. By signing this Subaward, including the attachments hereto which are hereby incorporated by reference, Subrecipient certifies that it will perform the Statement of Work in accordance with the terms and conditions of this Subaward and the applicable terms of the Federal Award, including the appropriate Research Terms and Conditions ("RTCs") of the Federal Awarding Agency, as referenced in Attachment 2. The parties further agree that they intend this subaward to comply with all applicable laws, regulations, and requirements.</p>			
By an Authorized Official of the PTE:		By an Authorized Official of the Subrecipient:	
<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="display: flex; justify-content: space-between;"> Name: Lori M. Ciccone Date: <div style="border-bottom: 1px solid black; width: 100px;"></div> </div> <div style="display: flex; justify-content: space-between;"> Title: Executive Director, Sponsored Programs </div>		<div style="border-bottom: 1px solid black; width: 100%;"></div> <div style="display: flex; justify-content: space-between;"> Name: John J. Entsminger Date: <div style="border-bottom: 1px solid black; width: 100px;"></div> </div> <div style="display: flex; justify-content: space-between;"> Title: General Manager </div>	

Attachment 1

Certifications and Assurances

Subaward Number:

Certification Regarding Lobbying (2 CFR 200.450)

By signing this Subaward, the Subrecipient Authorized Official certifies, to the best of his/her knowledge and belief, that no Federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement in accordance with 2 CFR 200.450.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or intending to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Subrecipient shall complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying," to the PTE.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Debarment, Suspension, and Other Responsibility Matters (2 CFR 200.214 and 2 CFR 180)

By signing this Subaward, the Subrecipient Authorized Official certifies, to the best of his/her knowledge and belief that neither the Subrecipient nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency, in accordance with 2 CFR 200.213 and 2 CFR 180.

Audit and Access to Records

Subrecipient certifies that it will provide PTE with notice of any adverse findings which impact this Subaward. Subrecipient certifies compliance with applicable provisions of 2 CFR 200.501-200.521. If Subrecipient is not required to have a Single Audit as defined by 200.501, Awarding Agency requirements, or the Single Audit Act, then Subrecipient will provide notice of the completion of any required audits and will provide access to such audits upon request. Subrecipient will provide access to records as required by parts 2 CFR 200.337 and 200.338 as applicable.

Program for Enhancement of Contractor Employee Protections (41 U.S.C 4712)

Subrecipient is hereby notified that they are required to: inform their employees working on any federal award that they are subject to the whistleblower rights and remedies of the program; inform their employees in writing of employee whistleblower protections under 41 U.S.C §4712 in the predominant native language of the workforce; and include such requirements in any agreement made with a subcontractor or subgrantee.

The Subrecipient shall require that the language of the certifications above in this Attachment 1 be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Use of Name

Neither party shall use the other party's name, trademarks, or other logos in any publicity, advertising, or news release without the prior written approval of an authorized representative of that party. The parties agree that each party may use factual information regarding the existence and purpose of the relationship that is the subject of this Subaward for legitimate business purposes, to satisfy any reporting and funding obligations, or as required by applicable law or regulation without written permission from the other party. In any such statement, the relationship of the parties shall be accurately and appropriately described.

Prohibition on Certain Telecommunication and Video Surveillance Services or Equipment

Pursuant to 2 CFR 200.216, Subrecipient will not obligate or expend funds received under this Subaward to: (1) procure or obtain; (2) extend or renew a contract to procure or obtain; or (3) enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services (as described in Public Law 115-232, section 889) as a substantial or essential component of any system, or as a critical technology as part of any system.

Attachment 2

Federal Award Terms and Conditions

Subaward Number

Required Data Elements

The data elements required by Uniform
Guidance are incorporated as entered.

Awarding Agency Institute (If Applicable)

Centers for Disease Control and Prevention

Federal Award Issue Date FAIN Assistance Listing No.

05/28/21

NH75OT000057

93.391

Assistance Listing Program Title (ALPT)

Key Personnel Per NOA

This Subaward Is:

☐

Research & Development

☒

Subject to FFATA

General Terms and Conditions

By signing this Subaward, Subrecipient agrees to the following:

1. To abide by the conditions on activities and restrictions on expenditure of federal funds in appropriations acts that are applicable to this Subaward to the extent those restrictions are pertinent. This includes any recent legislation noted on the Federal Awarding Agency's website:

<https://www.cdc.gov/grants/federal-regulations-policies/index.html>

2. 2 CFR 200

3. The Federal Awarding Agency's grants policy guidance, including addenda in effect as of the beginning date of the period of performance or as amended found at:

<https://www.cdc.gov/grants/federal-regulations-policies/index.html>

4. Research Terms and Conditions, including any Federal Awarding Agency's Specific Requirements found at:

<https://www.cdc.gov/grants/federal-regulations-policies/index.html>

except for the following :

- a. No-cost extensions require the written approval of the PTE. Any requests for a no-cost extension shall be directed to the Administrative Contact shown in Attachment 3A, not less than 30 days prior to the desired effective date of the requested change.
- b. Any payment mechanisms and financial reporting requirements described in the applicable Federal Awarding Agency Terms and Conditions and Agency-Specific Requirements are replaced with Terms and Conditions (1) through (4) of this Subaward; and
- c. Any prior approvals are to be sought from the PTE and not the Federal Awarding Agency.
- d. Title to equipment as defined in 2 CFR 200.1 that is purchased or fabricated with research funds or Subrecipient cost sharing funds, as direct costs of the project or program, shall vest in the Subrecipient subject to the conditions specified in 2 CFR 200.313.
- e. Prior approval must be sought for a change in Subrecipient PI or change in Key Personnel (defined as listed on the NOA).

5. Treatment of program income: Additive

Special Terms and Conditions:

Data Sharing and Access:

Subrecipient agrees to comply with the Federal Awarding Agency's data sharing and/or access requirements as reflected in the NOA or the Federal Awarding Agency's standard terms and conditions as referenced in General Terms and Conditions 1-4 above.

No additional requirements

Data Rights:

Subrecipient grants to PTE the right to use data created in the performance of this Subaward solely for the purpose of and only to the extent required to meet PTE's obligations to the Federal Government under its PTE Federal Award.

Copyrights:

Subrecipient Grants to PTE an irrevocable, royalty-free, non-transferable, non-exclusive right and license to use, reproduce, make derivative works, display, and perform publicly any copyrights or copyrighted material (including any computer software and its documentation and/or databases) first developed and delivered under this Subaward solely for the purpose of and only to the extent required to meet PTE's obligations to the Federal Government under its PTE Federal Award.

Subrecipient grants to PTE the right to use any written progress reports and deliverables created under this Subaward solely for the purpose of and only to the extent required to meet PTE's obligations to the Federal Government under its Federal Award.

Promoting Objectivity in Research (COI):

Subrecipient must designate herein which entity's Financial Conflicts of Interest policy (COI) will apply: Subrecipient

If applying its own COI policy, by execution of this Subaward, Subrecipient certifies that its policy complies with the requirements of the relevant Federal Awarding Agency as identified herein: Centers for Disease Control and Prevention

Subrecipient shall report any financial conflict of interest to PTE's Administrative Representative or COI contact, as designated on Attachment 3A. Any financial conflicts of interest identified shall, when applicable, subsequently be reported to Federal Awarding Agency. Such report shall be made before expenditure of funds authorized in this Subaward and within 45 days of any subsequently identified COI.

Work Involving Human or Vertebrate Animals (Select Applicable Options)

☒ No Human or Vertebrate Animals

This section left intentionally blank.

Human Subjects Data (Select One) Not Applicable

This section left intentionally blank

This section left intentionally blank

Additional Terms

1. Subrecipient must reference Subaward No. GR14756 on all invoices to Pass Through Entity (UNLV).
2. Invoice or bills for fees or other compensation or expenses shall be submitted in detail sufficient for pre-audit and/or post audit.
3. Invoices will not be paid until required reporting has been submitted and reviewed by PI.
4. At any time UNLV may request additional documentation to support charges on the invoice or bill. Should an audit be required pursuant to the terms of this subaward, all audit rights shall be limited to UNLV's prime award's terms and conditions.
5. If applicable and cost share is committed, Subrecipient must report cost share per invoice. The information should include: source of cost share and breakdown of cost share by budget category. Back up documentation may be requested if sufficient details are not provided.

Attachment 3A
Pass-Through Entity (PTE) Contacts

Subaward Number:

PTE Information

Entity Name:

Legal Address:

4505 S. Maryland Parkway
Las Vegas, NV 89154-1055

Website:

<https://www.unlv.edu/>

PTE Contacts

Central Email:

osp@unlv.edu

Principal Investigator Name:

Email: edwin.oh@unlv.edu

Telephone Number: 702-895-0509

Administrative Contact Name: Amy Gros-Louis

Email: amy.gros-louis@unlv.edu

Telephone Number: 702-895-1153

COI Contact email (if different to above):

Financial Contact Name:

Jaime Woods

Email: jaime.woods@unlv.edu

Telephone Number: 702-895-1952

Email invoices? Yes No Invoice email (if different):

Authorized Official Name: Lori M. Ciccone

Email: osp@unlv.edu

Telephone Number: 702-895-1357

PI Address:

University of Nevada Las Vegas
4505 S. Maryland Parkway, MS 4022
Las Vegas, Nevada 89154-4022

Administrative Address:

University of Nevada, Las Vegas
4505 S. Maryland Parkway
Las Vegas, NV 89154-1055

Invoice Address:

University of Nevada, Las Vegas
4505 S. Maryland Parkway
Las Vegas, NV 89154-1055

Attachment 3B**Research Subaward Agreement
Subrecipient Contacts**

Subaward Number:

GR14756

Subrecipient Information for FFATA**reporting** Entity's UEI/DUNS Name: Southern Nevada Water Authority

EIN No.: 88-0278492 Institution Type: Special District Gov't

UEI / DUNS: 135965650 Currently registered in SAM.gov: ☒ Yes ☐ NoExempt from reporting executive compensation: ☒ Yes ☐ No (if no, complete 3Bpg2)

Parent UEI / DUNS: N/A

This section for U.S. Entities:

Zip Code [Look-up](#)

Congressional District: NV-01

Zip Code+4: 89107-4447

Place of Performance AddressRiver Mountains Water Treatment Facility
1299 Burkholder Boulevard
Henderson, NV 89015-3801**Subrecipient Contacts**

Central Email:

Website:

www.snwa.com

Principal Investigator Name: Daniel Gerrity

Email: daniel.gerrity@snwa.com

Telephone Number: 702-856-3518

Administrative Contact Name: Julie Schoolmeester

Email: julie.schoolmeester@lvvwd.com

Telephone Number: 702-539-2965

Financial Contact Name: Jennifer Fuel

Email: jennifer.fuel@snwa.com

Telephone Number: 702-856-3665

Invoice Email: jennifer.fuel@snwa.com

Authorized Official Name: John J. Entsminger

Email: john.entsminger@lvvwd.com

Telephone Number: 702-875-7080

Legal Address:SNWA
1001 South Valley View Boulevard
Las Vegas, NV 89107-4447**Administrative Address:**SNWA
1001 South Valley View Boulevard
Las Vegas, NV 89107-4447**Payment Address:**SNWA
1001 South Valley View Boulevard
Las Vegas, NV 89107-4447 (Mailing zip is 89153)

Attachment 3B-2
Highest Compensated Officers

Subaward Number:

Subrecipient:

Institution Name:

PI Name:

Highest Compensated Officers

The names and total compensation of the five most highly compensated officers of the entity(ies) must be listed if the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. See FFATA § 2(b)(1) Internal Revenue Code of 1986.

Officer 1 Name:

Officer 1 Compensation:

Officer 2 Name:

Officer 2 Compensation:

Officer 3 Name:

Officer 3 Compensation:

Officer 4 Name:

Officer 4 Compensation:

Officer 5 Name:

Officer 5 Compensation:

Attachment 4

Reporting and Prior Approval Terms

Subaward Number:

Subrecipient agrees to submit the following reports (PTE contacts are identified in Attachment 3A):

Technical Reports:

- ☐ Monthly technical/progress reports will be submitted to the PTE's within days of the end of the month.
- ☐ Quarterly technical/progress reports will be submitted within 30 days after the end of each project quarter to the PTE's .
- ☐ Annual technical / progress reports will be submitted within days prior to the end of each budget period to the PTE's . Such report shall also include a detailed budget for the next Budget Period, updated other support for key personnel, certification of appropriate education in the conduct of human subject research of any new key personnel, and annual IRB or IACUC approval, if applicable.
- ☐ A Final technical/progress report will be submitted to the PTE's within days of the end of the Project Period or after termination of this award, whichever comes first.
- ☒ Technical/progress reports on the project as may be required by PTE's in order for the PTE to satisfy its reporting obligations to the Federal Awarding Agency.

Prior Approvals:

Carryover:

Carryover is restricted for this subaward by the:

Carryover instructions and requirements are as stated by the Federal Awarding Agency guidance or as shown below.

Submit carryover requests to the .

Other Reports:

- ☒ In accordance with 37 CFR 401.14, Subrecipient agrees to notify both the Federal Awarding Agency via iEdison and PTE's within 60 days after Subrecipient's inventor discloses invention(s) in writing to Subrecipient's personnel responsible for patent matters. The Subrecipient will submit a final invention report using Federal Awarding Agency specific forms to the PTE's within 60 days of the end of the Project Period to be included as part of the PTE's final invention report to the Federal Awarding Agency.

A negative report is required:

- ☐ Property Inventory Report (only when required by Federal Awarding Agency), specific requirements below.

Additional Technical and Reporting Requirements:

Attachment 5

Statement of Work, Cost Sharing, Indirects & Budget

Statement of Work

Below Attached, pages

If award is FFATA eligible and SOW exceeds 4000 characters, include a *Subrecipient Federal Award Project Description*

Dr. Gerrity and Dr. Papp have been working with the UNLV team over the last 15 months to detect and sequence SARS-CoV-2 from sewage and we have been monitoring up to 7 facilities across Southern Nevada. Leveraging this expertise and established collaboration, we will identify underserved communities and sites with high viral loads, variants of concern and low vaccination rates. Virus and trace organic concentrations will be monitored over time at multiple locations in Southern Nevada to evaluate temporal and spatial trends in community health conditions.

Activities to include but not limited to complementing mobile or strike team vaccination sties, generating a guidance document to translate technical surveillance data into action, examining network of SARS-CoV-2 and other infectious pathogens that together may lead to worse health outcomes in underserved communities and developing and integrating real-time data collection and reporting of wastewater with increased resolution in high-risk communities.

Method of Accountability:

- Participation in regularly scheduled conference calls with other awardees and subject matter experts to share progress on activities and discuss lessons learned.
- Submission of final narrative report to describe: Stakeholder collaboration, successes, challenges, lessons learned, event and activity metrics.
- Brief monthly progress reports on basic activity metrics.

Budget Information

Indirect Information Indirect Cost Rate (IDC) Applied <input style="width: 50px; text-align: center;" type="text"/> % Rate Type: <input style="width: 150px;" type="text"/> Other (add in blank box) <input style="width: 150px;" type="text"/> no F&A	Cost Sharing <input style="width: 100px;" type="text"/> No If Yes, include Amount: \$ <input style="width: 100px;" type="text"/>
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Budget Details

Below Attached, pages

Budget Totals

Direct Costs	\$ <input style="width: 150px;" type="text"/> 908,381.00
Indirect Costs	\$ <input style="width: 150px;" type="text"/> 0.00
Total Costs	\$ <input style="width: 150px;" type="text"/> 908,381.00

All amounts are in United States Dollars

PROPOSED BUDGET SUMMARY
(Form Revised May 2019)

FUNDING SOURCES	GMU	Other Funding	Other Funding	Other Funding	Program Income	TOTAL
SECURED						
ENTER TOTAL REQUEST	\$908,381					\$908,381

EXPENSE CATEGORY

Personnel	\$469,757					\$469,757
Travel	\$12,424					\$12,424
Operating	\$334,200					\$334,200
Equipment	\$0					\$0
Contractual/Consultant	\$0					\$0
Training	\$0					\$0
Other Expenses	\$92,000					\$92,000
Indirect	\$0					\$0

TOTAL EXPENSE	\$908,381	\$0	\$0	\$0	\$0	\$908,381
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These boxes should equal 0	\$0	\$0	\$0	\$0	\$0	\$0
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Total Indirect Cost	\$0
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Total Agency Budget	\$908,381
Percent of Subrecipient Budget	100%

BUDGET NARRATIVE
(Form Revised June 2019)

Total Personnel Costs	including fringe	Total:	\$ 469,757
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List staff, positions, percent of time to be spent on the project, rate of pay, fringe rate, and total cost to this grant.

	<u>Annual Salary</u>	<u>Fringe Rate</u>	<u>% of Time</u>	<u>Months</u>	<u>Percent of Months worked Annual</u>	<u>Amount Requested</u>
<u>Daniel Gerrity - Principal Research Microbiologist</u>	\$119,652.00	40.000%	50.000%	9	75.00%	\$62,817

Dr. Gerrity will be responsible for the design and coordination of all tests at SNWA; he will review and evaluate data through both formal weekly meetings with the members of the team and informally on a daily basis as needed. Dr. Oh and Dr. Gerrity will be responsible for the distribution of data and will communicate the findings to SNHD.

	<u>Annual Salary</u>	<u>Fringe Rate</u>	<u>% of Time</u>	<u>Months</u>	<u>Percent of Months worked Annual</u>	<u>Amount Requested</u>
<u>Daniel Gerrity - Principal Research Microbiologist</u>	\$119,652.00	40.000%	50.000%	12	100.00%	\$83,756

Dr. Gerrity will be responsible for the design and coordination of all tests at SNWA; he will review and evaluate data through both formal weekly meetings with the members of the team and informally on a daily basis as needed. Dr. Oh and Dr. Gerrity will be responsible for the distribution of data and will communicate the findings to SNHD.

	<u>Annual Salary</u>	<u>Fringe Rate</u>	<u>% of Time</u>	<u>Months</u>	<u>Percent of Months worked Annual</u>	<u>Amount Requested</u>
<u>Postdoc 1</u>	\$87,942.50	40.000%	50.000%	9	75.00%	\$46,170

Postdoctoral fellow will ensure that the sample processing pipeline each week at UNLV and SNWA are matched and processed for NGS. She/he will generate sequencing libraries and analyze RNA and DNA quality to produce weekly reports for the group.

	<u>Annual Salary</u>	<u>Fringe Rate</u>	<u>% of Time</u>	<u>Months</u>	<u>Percent of Months worked Annual</u>	<u>Amount Requested</u>
<u>Postdoc 1</u>	\$87,942.50	40.000%	50.000%	12	100.00%	\$61,560

Postdoctoral fellow will ensure that the sample processing pipeline each week at UNLV and SNWA are matched and processed for NGS. She/he will generate sequencing libraries and analyze RNA and DNA quality to produce weekly reports for the group.

	<u>Annual Salary</u>	<u>Fringe Rate</u>	<u>% of Time</u>	<u>Months</u>	<u>Percent of Months worked Annual</u>	<u>Amount Requested</u>
<u>Postdoc 2</u>	\$175,880.00	40.000%	50.000%	9	75.00%	\$92,337

Postdoctoral fellow will ensure that the sample processing pipeline each week at UNLV and SNWA are matched and processed for NGS. She/he will generate sequencing libraries and analyze RNA and DNA quality to produce weekly reports for the group.

	<u>Annual Salary</u>	<u>Fringe Rate</u>	<u>% of Time</u>	<u>Months</u>	<u>Percent of Months worked Annual</u>	<u>Amount Requested</u>
<u>Postdoc 2</u>	\$175,880.00	40.000%	50.000%	12	100.00%	\$123,116

Postdoctoral fellow will ensure that the sample processing pipeline each week at UNLV and SNWA are matched and processed for NGS. She/he will generate sequencing libraries and analyze RNA and DNA quality to produce weekly reports for the group.

Total Fringe Cost	\$134,217	Total Salary Cost:	\$335,540
Total Budgeted FTE	3.00000		

Travel	Total:	\$12,424
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Identify staff who will travel, the purpose, frequency and projected costs. Utilize GSA rates for per diem and lodging (go to www.gsa.gov) and State rates for mileage (58.0 cents) as a guide unless the organization's policies specify lower rates for these expenses. Out-of-state travel or non-standard fares require special justification.

Out-of-State Travel

\$12,424

<u>Conference in Washington D.C. - Water Environment Federation's Public Health and Water Conference & Wastewater Disease Surveillance Summit</u>	<u>Cost</u>	<u># of Trips</u>	<u># of days</u>	<u># of Staff</u>	
Airfare: cost per trip (origin & designation) x # of trips x # of staff	\$500	2		4	\$4,000
Baggage fee: \$ amount per person x # of trips x # of staff	\$0	0		0	\$0
Per Diem: \$ per day per GSA rate for area x # of trips x # of staff	\$79	2	3	4	\$1,896
Lodging: \$ per day + \$ tax = total \$ x # of trips x # of nights x # of staff	\$258	2	2	4	\$4,128
Ground Transportation: \$ per r/trip x # of trips x # of staff	\$100	2	2	4	\$1,600
Mileage: (rate per mile x # of miles per r/trip) x # of trips x # of staff	\$0.000	0		0	\$0
Parking: \$ per day x # of trips x # of days x # of staff	\$50	2	2	4	\$800

Justification:

Dr. Gerrity, two postdoctoral fellows, and one graduate student will travel to attend the Water Environment Federation's Public Health and Water Conference & Wastewater Disease Surveillance Summit in March 2022 and March 2023 to disseminate the team's findings and learn new approaches for data visualization and communication, specifically in the context of how wastewater surveillance data can be used to inform public health decision making. The conference attracts wastewater and public

In-State Travel

<u>Origin & Destination</u>	<u>Cost</u>	<u># of Trips</u>	<u># of days</u>	<u># of Staff</u>	
Airfare: cost per trip (origin & designation) x # of trips x # of staff	\$0	0		0	\$0
Baggage fee: \$ amount per person x # of trips x # of staff	\$0	0		0	\$0
Per Diem: \$ per day per GSA rate for area x # of trips x # of staff	\$0	0	0	0	\$0
Lodging: \$ per day + \$ tax = total \$ x # of trips x # of nights x # of staff	\$0	0	0	0	\$0
Motor Pool: (\$ car/day + ## miles/day x \$ rate per mile) x # trips x # days	\$0.00	0	0		\$0
Mileage: (rate per mile x # of miles per r/trip) x # of trips x # of staff	\$0.000	0		0	\$0
Parking: \$ per day x # of trips x # of days x # of staff	\$0	0	0	0	\$0

Justification:

Who will travel and why

<u>Operating</u>	Total:	\$334,200
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List tangible and expendable personal property, such as office supplies, program supplies, etc. Unit cost for general items are not required. Listing of typical or anticipated program supplies should be included. If providing meals, snacks, or basic nutrition, include these costs here.

Virus Monitoring (8 samples per week x 91 weeks = 728 samples x \$150/sample)	\$109,200.00
Virus Trace Organic Monitoring (8 samples per week x 45 weeks = 360 samples x \$625/sample)	\$225,000.00

Justification:

Per sample costs are based on SNWA's recent experience with operational expenses for the analysis of wastewater when quantifying SARS-CoV-2 (\$150/sample) and a suite of trace organic compounds (\$625/sample) that are relevant to the COVID-19 pandemic and the characterization of health disparities. Virus and trace organic concentrations will be monitored over time at multiple locations in Southern Nevada to evaluate temporal and spatial trends in community health conditions. Operational expenses for SARS-CoV-2 include supplies for sample concentration (e.g., dialysis filters, centrifugal ultrafilters, and concentrating pipets), nucleic acid extraction and purification, complementary DNA synthesis, and qPCR analysis (primers, probes, and master mix). Operational expenses for trace organics include solid phase extraction cartridges, analytical columns, compressed gas cylinders, and isotopically labeled standards. These budget items will allow for reporting of SARS-CoV-2 and trace organic concentrations.

Equipment**Total:****\$0**

List Equipment purchase or lease costing \$5,000 or more, and justify these expenditures. Also list any computers or computer-related equipment to be purchased regardless of cost. All other equipment costing less than \$5,000 should be listed under Supplies.

Describe equipment \$0.00

Contractual**\$0**

Identify project workers who are not regular employees of the organization. Include costs of labor, travel, per diem, or other costs. Collaborative projects with multiple partners should expand this category to break out personnel, travel, equipment, etc., for each site. Sub-awards or mini-grants that are a component of a larger project or program may be included here, but require special justification as to the merits of the applicant serving as a "pass-through" entity, and its capacity to do so.

Name of Contractor

Total**\$0**

Method of Selection: explain, i.e. sole source or competitive bid

Period of Performance: June 30, 2014 - June 29, 2015

Scope of Work: Define scope of work

What will be the specific services/tasks that will be completed and specific deliverables. How do deliverables relate to your goals and objectives, how will deliverables achieve your objective(s).

* Sole Source Justification: Define if sole source method, not needed for competitive bid

Budget

Personnel	\$0.00
Travel	\$0.00
Total Budget	\$0.00

Method of Accountability:

Define - Describe how the progress and performance of the consultant will be monitored. Identify who is responsible for supervising the consultant's work.

Training**Total:****\$0**

List all cost associated with Training, including justification of expenditures.

Describe training \$0.00

Other**Total:****\$92,000**

Identify and justify these expenditures, which can include virtually any relevant expenditure associated with the project, such as audit costs, car insurance, client transportation, etc. Stipends or scholarships that are a component of a larger project or program may be included here, but require special justification.

Publication Costs (3 publications at \$4000/publication for open access)	\$12,000
Year 1 CIGA Program (1 student at \$40,000 per student)	\$40,000
Year 2 CIGA Program (1 student at \$40,000 per student)	\$40,000
Other Utilities: \$ per quarter	\$0

Justification:

To ensure maximum dissemination of project findings, funding is requested to cover charges associated with open access publication of up to 3 peer-reviewed journal articles. This is estimated at \$4,000 per publication based on recent publishing experience in high impact factor environmental science journals. A total of \$40,000 per year is requested for a PhD student to work on the project at SNWA through the UNLV Community Intern Graduate Assistantship (CIGA) program. This total includes tuition, fees, health insurance, and a stipend for 20 hours of work week over a calendar year. This estimate is provided by the director of the UNLV CIGA program and is consistent with typical expenses for a UNLV PhD student.

TOTAL DIRECT CHARGES	\$908,381
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Indirect Charges	Indirect Rate:	0.000%	\$0
Indirect Methodology: 0% indirect is charged			

TOTAL BUDGET	Total:	\$908,381
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Attachment 6

Notice of Award (NOA) and any additional documents

The following pages include the NOA and if applicable any additional documentation referenced throughout this Subaward.

Not incorporating the NOA or any additional documentation to this Subaward.

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

March 17, 2022

Subject:

2022 Revenue Refunding Bond Resolution

Petitioner:

E. Kevin Bethel, Chief Financial Officer

Recommendations:

That the Board of Directors adopt the 2022 Revenue Refunding Bond Resolution, providing for the issuance of its “Southern Nevada Water Authority Water, Revenue Refunding Bonds, Series 2022,” in the maximum principal amount of \$85,000,000 to refinance certain outstanding Authority Bonds held by the Clark County municipal bond bank.

Fiscal Impact:

The Authority will continue to be obligated to make debt service payments to Clark County from Authority revenues generated through customer rates and charges. Any transactions resulting from this authorization will reduce debt service cost.

Background:

The Clark County Bond Bank (Bond Bank) previously purchased and currently holds certain water revenue bonds of the Authority, including, without limitation, the Southern Nevada Water Authority, Nevada, Water Revenue Refunding Bonds, Series 2012 (2012 Bonds). The Authority now desires to refinance the Authority Bonds through the issuance of refunding bonds.

On November 2, 2021, the Las Vegas Valley Water District Board of Directors adopted a consent resolution in support of refunding the 2012 Bonds. On November 18, 2021, the Authority adopted a request resolution asking the Clark County Board of County Commissioners (BCC) to refund the 2012 Bonds for savings. On December 7, 2021, the BCC adopted a resolution making a finding that no increase in the ad valorem tax is anticipated for this refunding and adopted a Clark County Debt Management Commission (DMC) notice resolution. On January 6, 2022, the DMC made a finding that no increase in ad valorem tax is anticipated with respect to refunding the 2012 Bonds.

NRS 244A.013 to 244A.065 (the “Bond Bank Act”) permits municipal securities to be sold to the Bond Bank by private sale. After private negotiation pursuant to the Bond Bank Act, the Board has determined to sell its “Southern Nevada Water Authority, Water Revenue Bonds, Series 2022” (“Bonds”) to the Bond Bank for the refunding of the 2012 Bonds. This 2022 Revenue Refunding Bond Resolution authorizes the issuance of the Bonds, provides that the Bonds may be evidenced by a single bond, fixes the terms and conditions and covenants relating to the payment of the Bonds, secures the payment of the Bonds by a pledge of revenues derived from the Southern Nevada Water System, ratifies action previously taken toward the issuance of the Bonds, and provides other matters relating thereto.

This resolution is authorized pursuant to the Bond Bank Act and Section 6(1) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved this resolution.

JJE:EKB:RRS:mlt

Attachments: Revenue Refunding Bond Resolution

AGENDA
ITEM #

4

Summary - a resolution authorizing the issuance by the Southern Nevada Water Authority of its Water Revenue Refunding Bonds, Series 2022, and providing other matters relating thereto.

RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN NEVADA WATER AUTHORITY DESIGNATED BY THE SHORT TITLE “2022 REVENUE REFUNDING BOND RESOLUTION”; PROVIDING FOR THE ISSUANCE OF ITS WATER REVENUE REFUNDING BONDS, SERIES 2022; PROVIDING THAT THE BONDS MAY BE EVIDENCED BY A SINGLE BOND; FIXING THE TERMS AND CONDITIONS THEREOF AND COVENANTS RELATING TO THE PAYMENT OF SAID BONDS; SECURING THEIR PAYMENT BY A PLEDGE OF REVENUES DERIVED FROM THE SOUTHERN NEVADA WATER SYSTEM; RATIFYING ACTION PREVIOUSLY TAKEN TOWARD THE ISSUANCE OF SAID BONDS AND EFFECTING THE PURPOSE OF THEIR ISSUANCE; PROVIDING OTHER MATTERS RELATING THERETO; AND PROVIDING THE EFFECTIVE DATE HEREOF.

WHEREAS, the Southern Nevada Water Authority (the “Authority” or the “SNWA”), was duly organized and is operating in accordance with the provisions of an interlocal agreement dated July 25, 1991, as amended (the “SNWA Cooperative Agreement”), entered into pursuant to the provisions of Nevada Revised Statutes (“NRS”) 277.080 to 277.180, inclusive; and

WHEREAS, pursuant to Section 6(l) of the SNWA Cooperative Agreement, NRS 277.0745, NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 thereof as the Local Government Securities Law (the “Bond Act”), and all other applicable provisions of Nevada law, the Board of Directors (the “Board”) of the Authority, in Clark County, in the State of Nevada (the “County” and the “State,” respectively), has the authority to issue revenue and other bonds, notes, and other obligations and incur liabilities for the purposes of refunding the 2012 Bonds (defined herein) set forth in the Certificate of the Treasurer (defined herein) (the “Refunded Bonds” or the “Project”); and

WHEREAS, pursuant to the SNWA Cooperative Agreement and the SNWS Operating Agreement (defined herein), the Board is authorized to issue revenue bonds secured by revenues of the Water System (defined herein); and

WHEREAS, the members of the Authority have contracted with the Authority in the SNWS Operating Agreement to make payments from the revenues of the water systems of the members of the Authority, which in the aggregate are fully sufficient to pay the Bond Requirements (defined herein) of the Bonds (defined herein); and

WHEREAS, the Board has determined and does hereby declare that it is necessary and for the best interests of the Authority to complete the Project and to issue the revenue bonds of the Authority for such purpose; and

WHEREAS, the Board requested the County to issue its bonds pursuant to the provisions of NRS 244A.013 to 244A.065 (the “Bond Bank Act”) to make a loan to the Authority by purchasing bonds of the Authority (the “Municipal Securities”) in the aggregate principal amount necessary to effect the Project (the “Lending Project”); and

WHEREAS, the Municipal Securities are to be issued for the Project; and

WHEREAS, the Board of County Commissioners is expected to adopt a bond ordinance authorizing the issuance of its bonds to defray the cost of the Lending Project (the “County Bonds”); and

WHEREAS, the Authority intends to hereby authorize the issuance of Municipal Securities, such Municipal Securities to bear interest at the same rates as the issue of County Bonds for the purpose of providing funds, among other things, to purchase the Municipal Securities; and

WHEREAS, the Bond Bank Act permits Municipal Securities to be sold at private sale to the County; and

WHEREAS, after private negotiation pursuant to the Bond Bank Act, the Board has determined to sell its “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2022” (the “Bonds”) to the County upon the terms provided below if the Treasurer (defined below) determines that interest rate savings or other economies will be effected, and hereby authorizes the Treasurer to accept the offer of the County to purchase the Bonds by executing a certificate on or before the date of delivery of the Bonds, setting forth the aggregate principal amount of the Bonds (not to exceed the amount necessary to effect the Project), the principal amount of the Bonds maturing in each year and the interest rates therefor, and the installments of principal of the 2012 Bonds to be refunded (the “Certificate of the Treasurer”); and

WHEREAS, the Bonds may be evidenced by a single registered bond, and the term “Bonds” herein shall, unless the context otherwise requires, refer to such single registered bond; and

WHEREAS, the effective interest rate on the Bonds may not exceed by more than 3% the “Index of Revenue Bonds” which was most recently published in The Bond Buyer before a negotiated offer herein is accepted for the Bonds; and

WHEREAS, the Board hereby elects to have the provisions of Chapter 348 of NRS (the “Supplemental Bond Act”) apply to the Bonds; and

WHEREAS, the Board has determined and hereby declares:

A. It is necessary and for the best interests of the Authority that it issue the Bonds; and

B. Each of the limitations and other conditions to the issuance of the Bonds in the SNWA Agreements (defined herein), the Supplemental Bond Act, the Bond Act, and in any other relevant act of the State of Nevada or the United States has been met.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SOUTHERN NEVADA WATER AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER:

SECTION 1. Short Title. This Resolution shall be known and may be cited as the “2022 Revenue Refunding Bond Resolution.”

SECTION 2. Definitions. In addition to the terms defined elsewhere in this Resolution, the terms in this Section defined shall have the meanings herein specified unless the context by clear implication otherwise requires:

(1) “Bond Requirements” means the principal of, any prior redemption premiums due in connection with, and the interest on the Bonds, as such principal, premiums and interest become due at maturity or on a redemption date, or otherwise.

(2) “2012 Bonds” means the “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2012” issued by the Authority.

(3) “2016A Bonds” means the “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2016A,” issued by the Authority.

(4) “2016B Bonds” means the “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2016B,” issued by the Authority.

(5) “2017 Bonds” means the “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2017,” issued by the Authority.

(6) “2021 Bonds” means the “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2021,” issued by the Authority.

(7) “Cost of the Project” means all or any part designated by the Board for the cost of the Project (as such Project is defined in the preambles above), or interest therein, which cost, at the option of the Board, except as limited by law, may include all or any part of the incidental costs relating to the Project, including, without limitation, all other expenses necessary or desirable and appertaining to the Project, as estimated or otherwise ascertained by the Board including rebates to the United States under Section 148 of the Tax Code.

(8) “District” means the Las Vegas Valley Water District or any successor thereto.

(9) “Federal Securities” means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States.

(10) “LVVWD Bond Repayment Agreement” means, collectively, the SNWA/LVVWD Master Bond Repayment Agreement dated as of June 1, 1996, as amended by the Master Bond Repayment Amendment dated July 1, 2012 and the agreements dated as of January 15, 1995 and April 15, 1995 between the District and SNWA, both as amended by the SNWA/LVVWD Bond Repayment Agreements Amendment dated as of January 1, 1996.

(11) “LVVWD Bonds” means the: Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues) Water Bonds, Series 2012B; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues) Water Refunding Bonds, Series 2015; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues) Water Refunding Bonds, Series 2015B; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues) Water Refunding Bonds, Series 2015C; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues) Water Improvement and Refunding Bonds, Series 2016A; Las Vegas Valley Water District, Nevada,

General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2017B; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2018B; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2019A; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2019B; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2020A; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2021C; Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues), Water Improvement Bonds, Series 2022A; and Las Vegas Valley Water District, Nevada, General Obligation (Limited Tax) (Additionally Secured by SNWA Pledged Revenues), Water Refunding Bonds, Series 2022C.

(12) “Operation and maintenance expenses,” or any phrase of similar import, means all reasonable and necessary current expenses of the Authority, paid or accrued, of operating, maintaining and repairing the Water System or of any other designated facility in connection with which such term is used; and the term includes, at the option of the Authority, except as limited by law, without limitation:

A. Engineering, auditing, reporting, legal and other overhead expenses of the various departments of the Authority directly related and reasonably allocable to the administration, operation and maintenance of the Water System;

B. Fidelity bond and property and liability insurance premiums relating to the Water System, or a reasonably allocable share of a premium of any blanket bond or policy relating to the Water System;

C. Payments to pension, retirement, health and hospitalization funds, and other insurance, and to any self-insurance fund as insurance premiums not in excess of the premiums which would otherwise be required for such insurance;

D. Any general taxes, assessments, excise taxes or other charges which may be lawfully imposed on the Authority, the Water System, revenues therefrom, or the Authority's income from or operations of any properties under its control and relating to the Water System, or any privilege in connection with the Water System or their operation;

E. The reasonable charges of any depository bank relating to the Bonds and any other securities payable from the Pledged Revenues or otherwise relating to the Water System;

F. Contractual services, professional services, salaries, other administrative expenses, and costs of materials, supplies, repairs and labor, relating to the Water System or to the issuance of the Bonds or any other securities relating to the Water System, including, without limitation, the expenses and compensation of any trustee, receiver or other fiduciary;

G. The costs incurred by the Authority in the collection and any refunds of all or any part of the Pledged Revenues;

H. Any costs of utility services furnished to the Water System by the Authority or otherwise;

I. Any lawful refunds of any Pledged Revenues;

J. All other administrative, general and commercial expenses relating to the Water System; but

(1) Excluding any allowance for depreciation;

(2) Excluding any costs of extensions, enlargements, betterments and other improvements (or any combination thereof);

(3) Excluding any reserves for major capital replacements (other than normal repairs);

(4) Excluding any reserves for operation, maintenance or repair of the Water System;

(5) Excluding any allowance for the redemption of any Bond or other security evidencing a loan or other

obligation, or the payment of any interest thereon, or any prior redemption premium due in connection therewith;

(6) (a) Excluding any liabilities incurred in the acquisition or improvement of any properties comprising any project or any existing Water System (or any combination thereof) relating to the Water System, or otherwise; and

(7) Excluding any liabilities incurred by the Authority as the result of its negligence in the operation of the Water System or any other ground of legal liability not based on contract.

(13) “Parity lien obligations”, “parity securities” or “parity bonds” means obligations, bonds or securities which have a lien on the Pledged Revenues that is on a parity with the lien thereon of the Bonds, the 2021 Bonds, the 2016A Bonds, 2016B Bonds, and the 2012 Bonds, including the LVVWD Bonds and any additional obligations, bonds or securities which have a lien on the Pledged Revenues that is on a parity with the lien thereon of the Bonds.

(14) “Pledged Revenues” means all revenues from the Water System, including revenues, charges or fees for commodities and services rendered by or through the SNWA System, including, without limitation, connection fees, tap fees, flat fees, meter charges and all other charges made for services, water or other commodities furnished by the Water System however denominated, and including, without limitation, the charges designated as the “Connection Charge”, “Commodity Charge”, “Wholesale Delivery Charge”, as described in the SNWS Operating Agreement, and “Assessments” provided in Section 6.2.6 thereof, and all other amounts received, directly or indirectly, under the SNWS Operating Agreement.

(15) “Purchaser” means Clark County, Nevada, through the municipal bond bank of the County.

(16) “Paying Agent” means the Treasurer or any successor serving as paying agent for the Bonds.

(17) “Registered owner” means the person in whose name a Bond shall be registered on the records of the Authority kept for that purpose by the Registrar in accordance with the provisions of this Resolution.

(18) “Registrar” means the Treasurer or any successor serving as registrar for the Bonds.

(19) “Regular Record Date” means the fifteenth day of the calendar month next preceding each interest payment date.

(20) “Single Bond” means the single registered, negotiable water revenue refunding bond issued hereunder in lieu of serial bonds.

(21) “SNWA Agreements” means the SNWA Cooperative Agreement dated July 25, 1991, as amended, and the SNWS Operating Agreement effective as of January 1, 1996, as amended.

(22) “SNWA Parity Bonds” means the Outstanding 2021 Bonds, 2016A Bonds, 2016B Bonds, and 2012 Bonds.

(23) “SNWS Operating Agreement” means the Southern Nevada Water Authority 2012 Amended Facilities and Operating Agreement effective as of September 5, 2012, as amended.

(24) “Special Record Date” means a special date fixed by the Paying Agent to determine the names and addresses of registered owners of the Bonds for the payment of any defaulted interest on any Bonds, as further provided in Section 14 hereof.

(25) “State” means the State of Nevada.

(26) “Subordinate lien obligations,” “subordinate securities” or “subordinate bonds” means obligations, bonds or securities which have a lien on the Pledged Revenues that is subordinate to the lien thereon of the Bonds, including the Southern Nevada Water Authority, Revenue Refunding Bond, Series 2013, the Southern Nevada Water Authority, Water Revenue Bonds, Series 2009, and Contract No. SNWA-2, approved by the Board on April 19, 2001, authorizing a loan in the aggregate principal amount of not exceeding \$10,000,000, the Southern Nevada Water Authority, Revenue Bonds (Clean Renewable Energy), Series 2008, and any additional obligations, bonds or securities hereafter issued which have a lien on the Pledged Revenues that is subordinate to the lien of the Bonds.

(27) “Superior lien obligations,” “superior securities” or “superior bonds” means all of the following whether presently outstanding or issued or incurred in the future:

A. Payments to the Federal Government for the cost of the construction of the facilities allocated by the Secretary of the Interior for reimbursement pursuant to any contracts therefor;

B. Payments of compensation and expenses of SNWA and all other obligations incurred through performance by SNWA of the duties designated in sections 2 and 7 of Chapter 393, Statutes of Nevada 1995;

C. Payments of the principal, interest and any other charges related to any obligations incurred to refund any general obligations of the State issued for the acquisition, construction, improvement or equipment of the Federal facilities or the State facilities, including, but not limited to, the “Bond Obligation Agreement” dated as of December 15, 1997 between the State and SNWA;

D. Payments of the principal, interest and any other charges related to any obligations which have a lien on the Pledged Revenues superior to the lien thereon of the Bonds heretofore or hereafter incurred by SNWA for the acquisition, construction, improvement or equipment of the Federal facilities or the State facilities or other facilities designed to provide water to southern Nevada; and

E. Any obligations issued to refund all or any portion of any of the foregoing.

(28) “Treasurer” means the Treasurer of the Authority appointed pursuant to Section 61 hereof.

(29) “Water System” means, without limitation, the Southern Nevada Water System as defined in the SNWS Operating Agreement, and all additions, improvements and extensions to any part of the Water System.

SECTION 3. Sale of Bonds. The sale of the Bonds to the Purchaser on the terms and conditions provided herein is hereby approved.

SECTION 4. Ratification. All action heretofore taken by the Board and the officers of the Authority directed toward the Project and toward the issuance, sale and delivery of the Bonds is ratified, approved and confirmed.

SECTION 5. Estimated Life of Facilities. The Board, on behalf of the Authority and SNWA, has determined and does hereby declare:

A. The estimated life or estimated period of usefulness of the Project to be refinanced with the Bonds is not less than 11 years; and

B. The Bonds shall mature at such time or times not exceeding such estimated life or estimated period of usefulness.

SECTION 6. Necessity of Project and Bonds. It is necessary and in the best interests of the Board, the Authority, its officers, and the inhabitants of the County, that the Authority effect the Project and defray wholly or in part the cost thereof by the issuance of the Bonds, and it is hereby so determined and declared.

SECTION 7. Authorization of Project. The Board hereby authorizes the Project.

SECTION 8. Resolution to Constitute Contract. In consideration of the purchase and the acceptance of the Bonds by those who shall own the same from time to time, the provisions hereof shall be deemed to be and shall constitute a contract between the Authority and the registered owners from time to time of the Bonds.

SECTION 9. Bonds Equally Secured. The covenants and agreements herein set forth to be performed shall be for the equal benefit, protection, and security of the registered owners of any and all of the outstanding Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction except as otherwise expressly provided in or pursuant to this Resolution.

SECTION 10. Special Obligations. All of the Bonds, as to the Bond Requirements, shall constitute special obligations of the Authority, which hereby pledges its Pledged Revenues for their payment. The Bonds are payable solely from the Pledged Revenues, and do not constitute outstanding indebtedness of the Authority, nor exhaust its debt-incurring power under any debt limitation. None of the covenants, agreements, representations and warranties contained in this Resolution shall ever impose or be construed as imposing any liability, obligation or charge against the Authority (except the Pledged Revenues) or against the general credit of the Authority, payable out of the general fund of the Authority, or out of any funds derived from taxation.

SECTION 11. Limitations upon Security. The payment of the Bonds is not secured by an encumbrance, mortgage, or other pledge of property of the Authority and no property of the

Authority shall be liable to be forfeited or taken in payment of the Bonds, but the payment of the Bonds is secured by the Pledged Revenues hereinafter pledged for the payment of the Bonds.

SECTION 12. No Recourse Against Officers and Agents. No recourse shall be had for the payment of the Bond Requirements of the Bonds or for any claim based thereon or otherwise upon this Resolution authorizing their issuance or any other instrument relating thereto, against any individual member of the Board or any officer or other agent of the Board, the Authority, past, present or future, either directly or indirectly through the Board, the Authority or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the Bonds and as a part of the consideration of their issuance specially waived and released.

SECTION 13. Authorization of Bonds. For the purpose of providing funds to pay all or a portion of the Cost of the Project, the Authority shall issue the “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2022” in the aggregate principal amount as set forth in the Certificate of the Treasurer (not to exceed \$85,000,000). The County has requested, and the Authority has agreed, that the obligation of the Authority hereunder shall be represented in the form of a single, registered, negotiable water revenue bond, i.e., the Single Bond. The registered owner thereof shall have the right to convert said Single Bond to serial registered Bonds, at its own expense. The Single Bond shall be in the form substantially as set forth in Section 28 hereof. The serial Bonds shall be in the form substantially as set forth in Section 26 hereof.

SECTION 14. Bond Details. The Bonds shall be issued in fully registered form. The Bonds shall be dated initially as of the date of delivery thereof to the County, and except as otherwise provided in Section 19 hereof, shall be issued in denominations of \$5,000 or any integral multiple thereof (provided that no Bond may be in a denomination which exceeds the principal coming due on any maturity date, and no individual Bond will be issued with more than one maturity and interest rate). The Bonds shall be numbered from R-1 upward. The Bonds shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) from their date until their respective maturity dates (or, if redeemed prior to maturity as provided below, their redemption dates) at the respective rates set forth in a certificate to be executed by the Treasurer or his or her designee on or after the date of the sale of the County Bonds and on or before the date of closing on the Bonds (the “Certificate of the Treasurer”), payable semiannually on June 1 and December 1 of

each year, commencing December 1, 2022; provided that those Bonds which are reissued upon transfer, exchange or other replacement shall bear interest at the rates shown below from the most recent interest payment date to which interest has been paid or duly provided for, or if no interest has been paid, from the date of the Bonds. Notwithstanding the foregoing, so long as the County is the registered owner of the Bonds, interest payments on the Bonds shall be made by depositing an amount sufficient to make the payment then due by wire transfer to the County Treasurer in immediately available funds, not later than one day before each interest payment date. If the County is still the registered owner of the Bonds, such payment not later than one day before each interest payment date, shall continue to be required if an escrow or trust has been established as provided in Section 47 hereof to make such payments, unless the Chief Financial Officer of the County otherwise agrees. The Bonds shall mature on the dates and the amounts of principal as designated in the Certificate of the Treasurer (not to exceed 11 years).

The principal and redemption premium, if any, on any Bond shall be payable to the registered owner thereof as shown on the registration records kept by the Registrar, upon maturity or prior redemption thereof and upon presentation and surrender at the principal office of the Paying Agent or at such other office as shall be designated by the Paying Agent. Notwithstanding the foregoing, so long as the County is the registered owner of the Bonds, all principal payments shall be made by depositing with the County Treasurer, in immediately available funds, an amount sufficient to make the payment then due, not later than one day before each principal payment date. If the County is still the registered owner of the Bonds, such payment not later than one day before each principal payment date shall continue to be required if an escrow or trust has been established as provided in Section 47 hereof to make such payment, unless the Chief Financial Officer of the County otherwise agrees.

If any Bond shall not be paid upon such presentation and surrender at or after maturity or prior redemption, it shall continue to draw interest at the interest rate borne by the Bond until the principal thereof is paid in full, except while the County is the owner of the Bonds, it shall draw interest on the amount not paid on time at a rate per annum equal to the sum of the prime rate as quoted in The Wall Street Journal (or average thereof, if more than one prime rate is quoted), plus one percent. Except as provided herein with respect to payments while the County is the owner of the Bonds and except as provided in Section 19, payment of interest on any Bond shall be made to

the registered owner thereof by check or draft mailed by the Paying Agent on each interest payment date (or, if such interest payment date is not a business day, on the next succeeding business day) to the registered owner thereof at his or her address as shown on the registration records kept by the Registrar as of the close of business on the Regular Record Date; but any such interest not so timely paid shall cease to be payable to the registered owner thereof as shown on the registration records of the Registrar as of the close of business on the Regular Record Date and shall be payable to the registered owner thereof at his or her address as shown on the registration records of the Registrar as of the close of business on the Special Record Date. Such Special Record Date shall be fixed by the Paying Agent whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owners of the Bonds not less than ten days prior thereto by first-class mail to each such registered owner as shown on the Registrar's registration records as of a date selected by the Registrar, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. The Paying Agent may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the registered owner of such Bond and the Paying Agent. All such payments shall be made in lawful money of the United States without deduction for any service charges of the Paying Agent or Registrar.

SECTION 15. Prior Redemption or Prepayment Option.

A. Optional Redemption or Prepayment. Bonds, or portions thereof (\$5,000 or any integral multiple), or, if a Single Bond is issued as provided herein, installments of principal, maturing on or after the date set forth in the Certificate of the Treasurer shall be subject to redemption prior to their respective maturities, at the option of the Authority, on and after the date set forth in the Certificate of the Treasurer, in whole or in part at any time from any maturities selected by the Authority and by lot within a maturity (giving proportionate weight to Bonds in denominations larger than \$5,000), at a price equal to the principal amount of each Bond, or portion thereof, so redeemed, accrued interest thereon to the redemption date, and a premium, if any, as set forth in the Certificate of the Treasurer.

If a Single Bond is issued to evidence the Bonds as herein provided, installments of principal due on and after the date set forth in the Certificate of the Treasurer shall be subject to prepayment on and after the date set forth in the Certificate of the Treasurer, or in part, at

any time in amounts of \$5,000 or any multiple thereof and from any maturities as are selected by the Authority, at the same prices and terms as if such Single Bond were evidenced by the \$5,000 denomination Bonds designated above.

B. Partial Redemption. In the case of Bonds in a denomination larger than \$5,000, a portion of such Bond (\$5,000 or any integral multiple thereof) may be redeemed, in which case the Registrar shall, without charge to the owner of such Bond, authenticate and issue a replacement Bond or Bonds for the unredeemed portion thereof. In the case of a partial redemption of Bonds of a single maturity pursuant to subsection (A) hereof, the Paying Agent shall select the Bonds to be redeemed by lot at such time as directed by the Authority (but at least 30 days prior to the redemption date), and if such selection is more than 60 days before a redemption date, shall direct the Registrar to appropriately identify the Bonds so called for redemption by stamping them at the time any Bond so selected for redemption is presented to the Registrar for stamping or for transfer or exchange, or by such other method of identification as is deemed adequate by the Registrar, and any Bond or Bonds issued in exchange for, or to replace, any Bond so called for prior redemption shall likewise be stamped or otherwise identified.

SECTION 16. Notice of Redemption. Unless waived by any registered owner of a Bond to be redeemed, notice of prior redemption shall be given by the Registrar, by electronic mail if Cede & Co. or another nominee of a securities depository is the registered owner of the Bonds, and otherwise by first class, postage prepaid mail, at least 30 days but not more than 60 days prior to the redemption date to the registered owner of any Bond all or a part of which is called for prior redemption at his, her, or its address as it last appears on the registration records kept by the Registrar. If at the time of any redemption the County owns all of the then outstanding Bonds, such notice shall be given to the County Treasurer at least 75 days before the date fixed for redemption. Actual receipt of mailed notice by any owner of Bonds shall not be a condition precedent to redemption of such Bond or Bonds. Failure to give such notice to the registered owner of any Bond, or any defect therein, shall not affect the validity of the proceedings for the redemption of any other Bonds. A certificate by the Registrar that such notice has been given as herein provided shall be conclusive against all parties.

All official notices of redemption shall be dated and shall state:

A. the redemption date,

- B. the redemption prices,
- C. if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed (or, if a Single Bond evidences the Bonds, the installments of principal to be repaid),
- D. that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption (or installments of principal to be repaid), and that interest thereon shall cease to accrue from and after said date, and
- E. the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Paying Agent (accrued interest to the redemption date being payable by mail or as otherwise provided in this Resolution).

Prior to or on any redemption date, the Authority shall deposit with the Paying Agent an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Authority shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

Notwithstanding the provisions of this Section, any notice of redemption may contain a statement that the redemption is conditioned upon the receipt by the Paying Agent, on or before the date fixed for redemption, of funds sufficient to pay the redemption price of the Bonds so called for redemption, and that if such funds are not available, such redemption shall be canceled by written notice to the owners of the Bonds called for redemption in the same manner as the original redemption notice was mailed.

SECTION 17. Negotiability. Subject to the registration and payment provisions herein provided, the Bonds shall be fully negotiable within the meaning of and for the purpose of the Uniform Commercial Code - Investment Securities and each registered owner shall possess all rights enjoyed by holders of negotiable instruments under the Uniform Commercial Code - Investment Securities.

SECTION 18. Registration, Transfer and Exchange of Bonds. Except as otherwise provided in Section 19 hereof:

A. Records for the registration and transfer of the Bonds shall be kept by the Registrar. Upon the surrender of any Bond at the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the registered owner or his or her attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned. Bonds may be exchanged at the Registrar for an equal aggregate principal amount of Bonds of the same maturity of other authorized denominations, as provided in Section 14 hereof. The Registrar shall authenticate and deliver a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned. For every exchange or transfer of Bonds requested by the registered owner thereof, the Registrar may make a sufficient charge to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and may charge a sum sufficient to pay the cost of preparing and authenticating a new Bond. No such charge shall be made in the case of an exchange resulting from an optional prior redemption of a Bond.

B. The Registrar shall not be required to transfer or exchange (i) any Bond subject to redemption during a period beginning at the opening of business 15 days before the date of mailing by the Registrar of a notice of prior redemption of Bonds and ending at the close of business on the date of such mailing, or (ii) any Bond after the mailing of notice calling such Bond, or any portion thereof, for redemption as herein provided.

C. The person in whose name any Bond shall be registered on the registration records kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of payment and for all other purposes (except to the extent otherwise provided in

Section 14 hereof with respect to interest payments), and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

D. If any Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the Authority may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond or Bonds of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for redemption, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement.

E. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for transfer, exchange or replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the Board, upon request.

F. The Registrar shall maintain at his office so long as the Bonds are evidenced by a Single Bond, a registration record for the Single Bond showing the name and address of the registered owner, the amounts and dates of any principal prepayments on the Single Bond, and the dates of any transfers of the Single Bond. The Registrar shall permit at all reasonable times the transfer of ownership of the Single Bond on presentation of the Single Bond at his office together with a written request for transfer signed by the registered owner or his attorney duly authorized in writing in a form satisfactory to the Registrar. Any such transfer shall be noted on the registration record and on the registration panel on the back of the Single Bond. No transfer shall be permitted within 30 days of any principal or interest payment date nor within 75 days of any date on which the Authority is prepaying all or any portion of the principal of the Single Bond.

G. Upon written request of the registered owner of the Single Bond or his attorney duly authorized in writing, in form satisfactory to the Paying Agent, the Authority shall issue at the registered owner's expense and within 60 days from the date of such request, definitive negotiable registered bonds in the form provided by Section 26 and in the denominations of \$5,000 each or any integral multiple thereof, requested by the registered owner, in an aggregate principal

amount equal to the amount of unpaid principal of the Single Bond and of like tenor and date, and with the maturities, interest rates and terms otherwise prescribed by this Resolution for such Bonds.

SECTION 19. Use of Depository.

A. In the event the Bonds are issued as serial Bonds as provided in Section 26 hereof, the Authority may provide for the Bonds to be issued in book entry only form in which case the Bonds shall be evidenced by one Bond for each year in which the principal of the Bonds comes due, in a denomination equal to the amount of principal coming due in that year. Such Bonds shall be registered in the name of Cede & Co. as nominee for The Depository Trust Company, the depository for the Bonds. The Bonds may not thereafter be transferred or exchanged except:

(1) To any successor of The Depository Trust Company or its nominee which successor must be both a “clearing corporation” as defined in NRS 104.8102(e), and a qualified and registered “clearing agency” under Section 17A of the Securities Exchange Act of 1934, as amended;

(2) Upon the resignation of The Depository Trust Company or a successor or new depository under clause (1) or this clause (2) of this Subsection A or a determination by the Board that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions and the designation by the Board of another depository institution, acceptable to the Board which must be both a “clearing corporation” as defined in NRS 104.8102(e) and a qualified and registered “clearing agency” under Section 17A of the Securities Exchange Act of 1934, as amended, to carry out the functions of The Depository Trust Company or such successor or new depository; or

B. Upon the resignation of The Depository Trust Company or a successor depository or new depository under clause (1) or (2) of this Subsection A or a determination by the Board that The Depository Trust Company or such successor or new depository is no longer able to carry out its functions and the failure by the Board, after reasonable investigation, to locate another qualified depository institution acceptable to the Board under clause (2) to carry out the functions of The Depository Trust Company or such successor or new depository.

In the case of a transfer to a successor of The Depository Trust Company or its nominee as referred to in clause (1) of subsection A hereof or in the case of designation of a new depository pursuant to clause (2) of subsection A hereof upon receipt of the outstanding Bonds by the Registrar, together

with written instructions for transfer satisfactory to the Registrar, a single new Bond shall be issued to such successor or new depository, as the case may be, for each maturity of the Bonds then outstanding, registered in the name of such successor or new depository, as the case may be, or its nominee, as is specified in such written transfer instructions. In the case of a determination under clause (3) of subsection A hereof and the failure, after reasonable investigation to locate another depository institution for the Bonds acceptable to the Board and upon receipt of outstanding Bonds by the Registrar together with written instructions for transfer satisfactory to the Registrar, new Bonds shall be issued in the denominations of \$5,000 or any integral multiple thereof, as provided in and subject to the limitations of Section 14 hereof, registered in the names of such persons, and in such denominations as are requested in such written transfer instructions; however, the Registrar shall not be required to deliver such new Bonds within a period of less than 60 days from the date of receipt of such written transfer instructions.

C. The Authority shall be entitled to treat the registered owner of any Bond as the absolute owner thereof for all purposes of this Resolution and any applicable laws notwithstanding any notice to the contrary received by the Registrar or the Authority, and the Authority shall have no responsibility for transmitting payments to the beneficial owners of the Bonds held by The Depository Trust Company or any successor or new depository named pursuant to subsection A hereof.

D. The Authority and the Registrar shall endeavor to cooperate with The Depository Trust Company or any successor or new depository named pursuant to clause (1) or (2) of subsection A hereof in effectuating payment of the Bond Requirements of the Bonds by arranging for payment in such a manner that funds representing such payments are available to the depository on the day they are due.

SECTION 20. Execution and Authentication.

A. If facsimile signatures will be used on the Bonds, prior to the execution of any Bonds, pursuant to the act known as the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter 351, NRS, and pursuant to the Supplemental Bond Act, the Chair of the Authority (the “Chair”), the Treasurer and the Authority Secretary (the “Secretary”) shall each file with the Secretary of State of the State of Nevada his or her manual signature certified by him or her under oath.

B. The Bonds shall be approved, signed and executed in the name of and on behalf of the Authority with the manual or facsimile signature of the Chair, shall be countersigned and executed with the manual or facsimile signature of the Treasurer and shall bear a manual impression or a facsimile of an impression of the official seal of the Authority attested with the manual or facsimile signature of the Secretary.

C. No Bond shall be valid or obligatory for any purpose unless the certificate of authentication thereon, substantially in the form hereinafter provided or, in the case of a Single Bond, the registration panel, substantially in the form hereinafter provided, has been duly manually executed by the Registrar. The Registrar's certificate of authentication shall be deemed to have been duly executed by it if manually signed by an authorized officer or employee of the Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder. By authenticating any of the Bonds initially delivered pursuant to this Resolution, the Registrar shall be deemed to have assented to all of the provisions of this Resolution.

SECTION 21. Use of Predecessor's Signature. The Bonds bearing the signatures of the officers in office at the time of the execution of the Bonds shall be valid and binding obligations of the Authority, notwithstanding that before their delivery any or all of the persons who executed them shall have ceased to fill their respective offices. The Chair, the Treasurer and the Secretary, at the time of the execution of a signature certificate relating to the Bonds, may each adopt as and for his or her own facsimile signature the facsimile signature of his or her predecessor in office if such facsimile signature appears upon any of the Bonds.

SECTION 22. Recital of Authority to Issue the Bonds. The Bonds are issued in conformance with the SNWA Agreements, NRS 277.0745, the Supplemental Bond Act, the Bond Act, and all other applicable provisions of Nevada law, and the members of the Authority have contracted with the Authority in the SNWS Operating Agreement to make payments from the revenues of the water systems of the members of the Authority, which in the aggregate are fully sufficient to pay the Bond Requirements of the Bonds; and therefore, the Board is authorized to issue the Bonds.

SECTION 23. Reserved.

SECTION 24. Bond Execution. The Chair, the Treasurer and the Secretary are hereby authorized and directed to prepare and to execute the Bonds as herein provided.

SECTION 25. Registration. The Registrar shall maintain the registration records of the Authority for the Bonds, showing the name and address of the owner of each Bond authenticated and delivered, the date of authentication, the maturity of the Bond, and its interest rate, principal amount and Bond number.

SECTION 26. Serial Bond Form. Subject to the provisions of this Resolution, the serial Bonds shall be in substantially the following form with such omissions, insertions, endorsements and variations as may be required by the circumstances, be required or permitted by this Resolution, or be consistent with this Resolution and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto:

(Form of Serial Bond)

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**SOUTHERN NEVADA WATER AUTHORITY
WATER REVENUE REFUNDING BOND
SERIES 2022**

No. _____

\$ _____

Interest Rate
_____%

Maturity Date
June 1, ____

Dated As of

CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

The Southern Nevada Water Authority, a political subdivision of the State of Nevada (the "Authority" and the "State", respectively), in Clark County, Nevada, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, on the Maturity Date specified above (unless called for earlier redemption) and to pay interest thereon on June 1 and December 1 of each year, commencing on December 1, 2022, at the Interest Rate per annum specified above, until the principal sum is paid or payment has been provided for. This Bond shall bear interest from the most recent interest payment date to which interest has been paid or, if no interest has been paid, from the date of this Bond. The principal on this Bond is payable upon presentation and surrender hereof at the principal office of the Authority's paying agent (the "Paying Agent") or at such other office as may be designated by the Paying Agent, presently the Authority's Treasurer, in Las Vegas, Nevada, who is also now acting as the Authority's Registrar (the "Registrar"). Interest on this Bond will be paid on each interest payment date (or, if such date is not a business day, on the next succeeding business day) by check or draft mailed to the person in whose name this Bond is registered (the "registered owner") in the registration records of the Authority maintained by the Registrar, at the address appearing thereon, as of the close of business on the fifteenth day of the calendar month next preceding such interest payment date (the "Regular Record Date"). Any such interest not so timely paid shall cease to be payable to the person who is the registered owner as of the close of business on the Regular Record Date and shall be payable to the person who is the registered owner as of the close of business on a special record date for the payment of any defaulted interest (the "Special Record Date"). Such Special Record Date shall be fixed by the Paying Agent whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the registered owner not less than ten (10) days prior thereto. If the payment of any installment of principal of this Bond is not made when due, interest on such installment shall continue at the interest rate for such installment referred to above until such principal installment is paid in full. All such payments shall be made in lawful money of the United States without deduction for any service charges of the Paying Agent or Registrar.

This Bond may not be exchanged or transferred except in circumstances specified in the resolution of the Board of Directors of the Authority (the “Board”) authorizing the issuance of the Bonds of the series of which this Bond is one (the “Bonds”) and designated in Section 1 thereof as the “2022 Revenue Refunding Bond Resolution” (the “Resolution”) and only at the times and subject to payment of the charges specified in the Resolution.

The Authority, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of payment and for all other purposes, except to the extent otherwise provided hereinabove and in the Resolution with respect to Regular and Special Record Dates for the payment of interest.

The Bonds maturing on and after the date set forth in the Certificate of the Treasurer are subject to redemption prior to their respective maturities at the option of the Authority on and after the date set forth in the Certificate of the Treasurer in whole or in part (\$5,000 or any integral multiple thereof) at any time from such maturity or maturities selected by the Board, and by lot within a maturity (giving proportionate weight to Bonds in denominations larger than \$5,000), at a price equal to the principal amount of each Bond, or portion thereof, so redeemed and accrued interest thereon to the redemption date, plus a premium, if any, as set forth in the Certificate of the Treasurer.

Notice of redemption, unless waived, will be given by the Registrar by electronic mail if Cede & Co. or another nominee of a securities depository is the registered owner of the Bonds, and otherwise by first class, postage prepaid mail, at least 30 days but not more than 60 days prior to the redemption date to the registered owner of any Bond all or a part of which is called for prior redemption at his, her, or its address as it last appears on the registration records kept by the Registrar. Notice of redemption having been given as aforesaid, the Bonds or portions thereof so called for redemption and for which payment has been provided shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date such Bonds or portions thereof shall cease to bear interest.

This Bond must be registered in the name of the registered owner as to both principal and interest on the registration records kept by the Registrar in conformity with the provisions stated herein and endorsed hereon and subject to the terms and conditions set forth in the Resolution. No transfer of this Bond shall be valid unless made on the registration records maintained at the principal office of the Registrar by the registered owner or his or her attorney duly authorized in writing.

The Bonds are issued by the Authority upon its behalf and upon the credit thereof for the purpose of defraying the Cost of the Project as defined in the Resolution (the “Project”), all as more fully described in the Resolution, under the authority of and in full compliance with the Constitution and laws of the State and pursuant to the Resolution.

It is hereby certified, recited and warranted that all the requirements of law have been fully complied with by the proper officers of the Authority in the issuance of this Bond. This Bond is issued pursuant to the interlocal agreements described in the Resolution entered into pursuant to

the provisions of NRS Chapter 277, NRS 277.0745, NRS Chapter 348, and NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 thereof as the Local Government Securities Law.

Payment of the principal and interest on the Bonds (the “Bond Requirements”) is secured by a pledge of revenues, (herein, the “Pledged Revenues”) derived by the Authority, as more specifically provided in the Resolution.

The Bonds are equally and ratably secured by such pledge of the Pledged Revenues, and such pledge constitutes an irrevocable lien (but not necessarily an exclusive lien) upon the Pledged Revenues, subject to the superior and parity liens of any obligations issued superior to or on a parity with the Bonds. Additional securities and other obligations may be issued, incurred and made payable from Pledged Revenues having a lien thereon superior to, subordinate to or on a parity with such pledge, in each case subject to the conditions of and in accordance with the Resolution.

Reference is made to the Resolution for an additional description of the nature and extent of the security for this Bond, the accounts, funds, or revenues pledged, the nature and extent and manner of enforcement of the pledge, the rights and remedies of the registered owner of this Bond with respect thereto, the terms and conditions upon which this Bond is issued, and a statement of rights, duties, immunities, and obligations of the Authority, and other rights and remedies of the owners of this Bond.

To the extent and in the respects permitted by the Resolution, the provisions of the Resolution may be amended or otherwise modified by action of the Authority taken in the manner and subject to the conditions and exceptions prescribed in the Resolution. The pledge of Pledged Revenues under the Resolution may be discharged at or prior to the respective maturities or prior redemption of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Resolution.

No recourse shall be had for the payment of the Bond Requirements of this Bond or for any claim based thereon or otherwise in respect to the Resolution or other instrument pertaining thereto against any individual member of the Board, or any officer or other agent of the Authority, past, present, or future, either directly or indirectly through the Board, or the Authority or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

This Bond shall not be valid or obligatory for any purpose until the Registrar shall have manually signed the certificate of authentication hereon.

IN WITNESS WHEREOF, the Board of Directors of the Southern Nevada Water Authority in the County of Clark and State of Nevada, on behalf of the Southern Nevada Water Authority, has caused this Bond to be executed in its name with the manual or facsimile signature of the Chair of its Board of Directors, to be attested, signed and executed with a manual or facsimile signature of the Secretary of the Board of Directors, has caused a manual or facsimile impression of the seal of the Authority to be affixed hereon, and has caused this Bond to be countersigned with the manual or facsimile signature of the Authority Treasurer, all as of _____, 2022.

SOUTHERN NEVADA WATER AUTHORITY

By: (Manual or Facsimile Signature)

Marilyn Kirkpatrick,
Chair, Board of Directors
Southern Nevada Water Authority

Countersigned:

(MANUAL OR FACSIMILE
AUTHORITY SEAL)

(Manual or Facsimile Signature)

E. Kevin Bethel, Treasurer
Southern Nevada Water Authority

Attest:

(Manual or Facsimile Signature)

John J. Entsminger, Secretary
Southern Nevada Water Authority

(End of Form of Bond)

(Form of Registrar's Certificate of Authentication for Bonds)

Date of authentication
and registration _____

This is one of the Bonds described in the within-mentioned Resolution, and this Bond has been duly registered on the registration records kept by the undersigned as Registrar for such Bonds.

SOUTHERN NEVADA WATER AUTHORITY

By: (Manual or Facsimile Signature)
E. Kevin Bethel, Treasurer

(End of Form of Registrar's Certificate of Authentication for Bonds)

(Form of Prepayment Panel)

The following installments of principal (or portions thereof) of this Bond have been prepaid by the Authority, in accordance with the terms of the Resolution authorizing the issuance of this Bond.

<u>Date of Prepayment</u>	<u>Principal</u>	<u>Signature of Authorized Representative of DTC</u>

(End of Form of Prepayment Panel)

(Form of Assignment for Serial Bond)

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the record kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Date Guaranteed:

Name of Transferee:

Address of Transferee:

Social Security or other tax
identification number of
Transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

(End of Form of Assignment)

SECTION 27. Use of Single Bond. Notwithstanding the foregoing provision, the Bonds shall be initially evidenced by a single registered Bond, numbered R-1, which Single Bond shall be manually signed and executed in the name of and on behalf of the Authority by the Chair, countersigned and manually subscribed by the Treasurer, with the seal of the Authority affixed thereto and attested and manually signed by the Secretary. The principal installments, interest and any prior redemption premiums on the Single Bond shall be paid by check, draft or warrant made to the order of the registered owner of the Single Bond and mailed to the address of the registered owner shown on the Bond registration records of the Paying Agent on or before such payment date, or if such payment date is not a business day, on or before the next succeeding business day. Notwithstanding the foregoing, so long as the County is the registered owner, such payment shall be made by depositing by wire transfer to the County Treasurer, in immediately available funds, an amount sufficient to make the payment then due, not later than one day before each payment date. If the County is still the registered owner of the Bonds, such payment not later than one day before each payment date shall continue to be required if an escrow or trust has been established as provided in Section 47 hereof to make such payment, unless the Chief Financial Officer of the County otherwise agrees.

The final installment of principal on the Single Bond shall be made only upon surrender of the Single Bond at the office of the Paying Agent. The Single Bond shall mature in installments of principal, bear interest and be subject to prepayments of installments of principal, substantially as provided in Sections 14 through 25 hereof. If a portion of principal of the Single Bond is called for prior redemption, no payment of the principal or redemption price of or interest on the Single Bond, due on or after the date fixed for redemption shall be made unless the Single Bond is presented to the Paying Agent and notation of the installments of principal so called for prior redemption is made on such Single Bond. The Single Bond must be registered in the name of its owner and may be assigned by the registered owner in the manner and with the effect set forth in the provisions for registration contained in the form thereof hereinafter set forth. The Authority shall pay to the County such amounts as are necessary to pay the Authority's share of the County's cost of paying the County Bonds which are issued to fund the Bonds, including without limitation the Authority's share of paying agent fees.

SECTION 28. Form of Single Bond. The Single Bond shall be in substantially the following form, said form to be completed with necessary or appropriate variations, insertions, omissions, or endorsements consistent with the provisions of this Resolution:

(Form of Single Bond)

TRANSFER OF THIS BOND OTHER THAN BY REGISTRATION IS NOT EFFECTIVE

**SOUTHERN NEVADA WATER AUTHORITY
WATER REVENUE REFUNDING BOND
SERIES 2022**

No. R-1

\$ _____

The Southern Nevada Water Authority (the "Authority"), a political subdivision of the State of Nevada (the "State"), in Clark County, Nevada, for value received hereby acknowledges itself to be indebted and promises to pay to Clark County, Nevada, c/o the County Treasurer, Clark County Bond Bank, or registered assigns, the original principal sum of

_____ DOLLARS AND 00/100

in installments of principal in the amounts and years as provided in the resolution authorizing the issuance of the Bonds adopted by the Board of Directors of the Authority (the "Board") and designated in section 1 thereof as the "2022 Revenue Refunding Bond Resolution" (the "Resolution") in lawful money of the United States of America, together with interest on the unpaid installments of principal from the date of delivery of this Bond appearing below until payment of such installments of principal shall have been discharged as provided in the Resolution, at the interest rates designated in the Resolution and the Certificate of the Treasurer for such installments appearing in the Resolution, said interest being payable on June 1 and December 1 of each year commencing on December 1, 2022, and said installments of principal bearing interest at the rates, and being payable on June 1 of the years and in amounts as designated in the Resolution and the Certificate of the Treasurer.

The principal of, interest on and any prior redemption premiums due in connection with this Bond (the "Bond Requirements") are payable by check, draft or warrant made to the order of the registered owner hereof and mailed by the Treasurer of the Authority or any successor thereto as paying agent for this Bond (the "Paying Agent") to the address shown for the registered owner on the registration records of the Treasurer of the Authority or any successor thereto as registrar for the Bond (the "Registrar"). Notwithstanding the foregoing, so long as the County is the registered owner, such payment shall be made by depositing with the County Treasurer, not later than one day before each payment date, an amount sufficient to make the payment then due. If the County is still the registered owner of the Bonds, such payment not more than one day before such payment date shall continue to be required if an escrow or trust has been established as provided in Section 47 of the Resolution to make such payment, unless the Chief Financial Officer of the County otherwise agrees. If any payment date is not a business day, payment may be made on or before the next succeeding business day. If payment of any installment of principal of this Bond is not made when due, interest on such installment shall continue at the interest rate per annum equal to the sum of the prime rate as quoted in The Wall Street Journal (or average thereof, if more than one prime rate is quoted) plus one percent, until such principal installment is paid in full. The final installment of

principal on this Bond is payable only on presentation and surrender of this Bond at the office of the Paying Agent.

This single bond is one of a duly authorized issue of bonds of the Authority (the “Bond”) to defray, in part the Cost of the Project, as defined in the Resolution (the “Project”), as more fully described in the Resolution, under the authority of and in full compliance with the constitution and laws of the State, and pursuant to the Resolution.

This Bond is issued pursuant to the interlocal agreements described in the Resolution entered into pursuant to the provisions of NRS Chapter 277, NRS 277.0745, NRS Chapter 348, and NRS 350.500 through 350.720, and all laws amendatory thereof, designated in NRS 350.500 thereof as the Local Government Securities Law.

Installments of principal of the Bonds maturing on or before the date set forth in the Certificate of the Treasurer are subject to payment prior to their due dates, at the option of the Authority on and after the date set forth in the Certificate of the Treasurer, in whole or in part, at any time in amounts of \$5,000 or any multiple thereof from any maturities selected by the Authority, at a price equal to the principal amount prepaid, accrued interest to the prepayment date, and a premium, if any, as set forth in the Certificate of the Treasurer.

Prepayment shall be made on not less than 30 days’ prior mailed notice in the manner and upon the conditions provided in the Resolution; provided, however, if Clark County, Nevada is the owner hereof, not less than 75 days prior mailed notice of any prepayment shall be given. If a prepayment is made on the Bond as specified in the Resolution, interest shall cease to accrue on the amount prepaid from and after the date fixed for prepayment. If a portion of the principal of the Bond is called for prepayment, no payment of the principal of, interest on or prior redemption premium due in connection with the Bond due on and after the prepayment date shall be made unless this Bond is presented to the Paying Agent and notation of the installments of principal so called for prepayment panel appended hereto.

It is hereby certified and recited that all of the requirements of law have been fully complied with by the proper officers of the Authority in the issuance of this Bond. Payment of the principal of and interest on this Bond (the “Bond Requirements”) is secured by a pledge of the revenues (herein called the “Pledged Revenues”) derived by the Authority, as more specifically provided in the Resolution.

The Bonds are equally and ratably secured by such pledge of the Pledged Revenues, and such pledge constitutes an irrevocable lien (but not necessarily an exclusive lien) upon the Pledged Revenues, subject to the superior and parity liens of any obligations issued superior to or on a parity with the Bonds. Additional securities and other obligations may be issued, incurred and made payable from Pledged Revenues having a lien thereon superior to, subordinate to or on a parity with such pledge, in each case subject to the conditions of and in accordance with the Resolution.

Reference is made to the Resolution for an additional description of the nature and extent of the security for the Bonds, the accounts, funds, or revenues pledged, the nature and extent

and manner of enforcement of the pledge, the rights and remedies of the registered owners of the Bonds with respect thereto, the terms and conditions upon which the Bonds are issued, and a statement of rights, duties, immunities, and obligations of the Authority, and other rights and remedies of the owners of the Bonds.

To the extent and in the respects permitted by the Resolution, the provisions of the Resolution may be amended or otherwise modified by action of the Authority taken in the manner and subject to the conditions and exceptions prescribed in the Resolution. The pledge of Pledged Revenues under the Resolution may be discharged at or prior to the respective maturities or prior redemption of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Resolution.

This Bond shall not be entitled to any benefits under the Resolution, or be valid or obligatory for any purpose until the registration panel appended hereto shall have been manually signed on behalf of the Registrar.

This Bond is fully transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at said office of the Registrar, but only in the manner, subject to the limitations and upon payment of the charges, if any, provided in the Resolution, and upon surrender of this Bond together with a duly executed written instrument of transfer satisfactory to the Registrar. Any such transfer shall be noted in the registration records of the Authority maintained by the Registrar and noted on the registration panel appended hereto. The Registrar shall not be required to register the transfer of this Bond during the seventy-five days next preceding any date fixed for the prepayment of principal installments or during the thirty days next preceding any date for the payment of principal of or interest on this Bond.

On written request of the registered owner hereof or his attorney duly authorized in writing in a form satisfactory to the Registrar, the Authority shall issue, at the registered owner's expense and within 60 days from the date of such request, negotiable, registered bonds in the denomination of \$5,000 each or any multiple thereof in an aggregate principal amount equal to the amount of unpaid principal of this Bond, such Bonds maturing at the same times as, and bearing interest at the same interest rates, and otherwise containing such terms, limitations and conditions prescribed in and being in the form provided in the Resolution.

No transfer of this Bond shall be valid unless made on the registration records maintained at the principal office of the Registrar by the registered owner or his or her attorney duly authorized in writing.

No recourse shall be had for the payment of the Bond Requirements of this Bond or for any claim based thereon or otherwise in respect to the Resolution, against any individual member of the Board, or any officer or other agent of the Authority or, past, present or future, either directly or indirectly through the Board, the Authority, or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this Bond and as a part of the consideration of its issuance specially waived and released.

IN WITNESS WHEREOF, the Board of Directors of the Southern Nevada Water Authority, Clark County, Nevada, on behalf of the Southern Nevada Water Authority, has caused this Bond to be executed in its name by the manual or facsimile signature of the Chair of the Board and by the manual or facsimile signature of its Authority Treasurer, and attested by the manual or facsimile signature of its Board Secretary and has caused the seal of the Authority to be reproduced hereon, all as of _____, 2022, i.e., the date of delivery of the Bond.

SOUTHERN NEVADA WATER AUTHORITY
CLARK COUNTY, NEVADA

By (Manual or Facsimile Signature)
Marilyn Kirkpatrick, Chair, Board of Directors
Southern Nevada Water Authority

Countersigned:

(SEAL)

Attest:

By (Manual or Facsimile Signature)
E. Kevin Bethel, Treasurer
Southern Nevada Water Authority

 (Manual or Facsimile Signature)
John J. Entsminger, Secretary
Southern Nevada Water Authority

(End of Form of Single Bond)

(Form of Registration Panel for Single Bond)

MANDATORY REGISTRATION FOR PAYMENT
AS TO PRINCIPAL AND INTEREST

The within single bond is registered in the office of the Authority Treasurer, as Registrar in the name of the last owner listed below, and the principal amount of the bond and interest thereon shall be payable only to such owner, all in accordance with the within-mentioned Resolution.

<u>Date of Registration</u>	<u>Name of Owner</u>	<u>Address of Owner</u>	<u>Signature of Registrar</u>
_____	Clark County, Nevada, c/o County Treasurer, Clark County Bond Bank	County Treasurer, 500 South Grand Central Parkway, Las Vegas, Nevada 89106	_____
_____	_____	_____	_____
_____	_____	_____	_____

(End of Form of Registration Panel)

(Form of Principal Prepayment Panel on Single Bond)

PREPAYMENT PANEL

The following installments of principal (or portions thereof) of this Single Bond have been prepaid by the Southern Nevada Water Authority, Clark County, Nevada, in accordance with the terms of the within-mentioned Resolution.

<u>Date of Prepayment</u>	<u>Due Date of Installments (or portions thereof)</u>	<u>Principal Amount Prepaid</u>	<u>Signature of Paying Agent</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(End of Form of Principal Prepayment Panel)

(Form of Assignment for Single Bond)

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and hereby irrevocably constitutes and appoints _____ attorney, to transfer the same on the record kept for registration of the within Bond, with full power of substitution in the premises.

Dated: _____

Date Guaranteed:

Name of Transferee:

Address of Transferee:

Social Security or other tax
identification number of
Transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

(End of Form of Assignment)

SECTION 29. Delivery of the Single Bond; Deposit of Proceeds. When the Single Bond has been duly executed, the Treasurer shall deliver it to the County upon receipt of evidence that the prepayment panel on the Refunded Bonds reflects the principal amounts of any of the 2012 Bonds being refunded, as stated in the Certificate of the Treasurer, plus payment to the Authority of the amount of the costs of issuance agreed upon by the Treasurer. The Treasurer shall register the Single Bond in the name of the County on the Bond registration records of the Registrar and make notation of such registration on the registration panel appended to the Single Bond. The Treasurer shall cause the proceeds of the Bonds to be deposited into the Costs of Issuance Account, hereinafter created. Moneys in the Costs of Issuance Account shall be used solely to defray wholly or in part the Cost of the Project, which the Board hereby determines are necessary and desirable and appertain to the Project. After the Project is complete and after all expenses have been paid or adequate provision therefor is made, any unexpended balance of Bond proceeds (or, unless otherwise required by law, any other moneys) remaining in the Costs of Issuance Account shall be deposited into the Bond Fund hereinafter created to be used to pay the principal of and interest on the Bonds.

SECTION 30. Permitted Investments; Use of Investment Gain. Monies deposited in any fund or account created by this Resolution may be invested in any investments permitted under State law, as amended. Any gain from any investment and any reinvestment of any moneys accounted for in a fund pursuant to this Resolution, shall be deposited promptly upon the receipt of such gain at any time or from time to time into the Bond Fund, the Costs of Issuance Account, the Rebate Account (hereafter created) or the Authority's general fund as directed by the Board or the Treasurer.

SECTION 31. Prevention of Bond Default. The Treasurer shall use any Bond proceeds credited to the Costs of Issuance Account, without further order or warrant, to pay the Bond Requirements of the Bonds as the same become due whenever and to the extent moneys otherwise available therefor are insufficient for that purpose, unless such Bond proceeds shall be needed to defray obligations accrued and to accrue under any contracts then existing and relating to the Project. The Treasurer shall promptly notify the Board of any such use.

SECTION 32. Purchaser Not Responsible. The validity of the Bonds shall not be dependent on nor be affected by the validity or regularity of any proceedings relating to the Project, or any part thereof, or to the proper completion of the Project. The Purchaser of the Bonds, any

associate thereof, and any subsequent registered owner of any Bond shall in no manner be responsible for the application or disposal by the Authority or by any of their officers, agents and employees of the proceeds derived from the sale of the Bonds or of any other moneys herein designated.

SECTION 33. Creation of SNWA Funds. There are hereby created or continued separate accounts to be held by the Treasurer of the Authority designated respectively as the:

- (1) “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2022, Costs of Issuance Account” (the “Costs of Issuance Account”);
- (2) “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2022, Bond Fund” (the “Bond Fund”);
- (3) “Southern Nevada Water Authority, Operation and Maintenance Fund” (the “O & M Fund”);
- (4) “Southern Nevada Water Authority, Water Revenue Refunding Bonds, Series 2022 Rebate Account (the “Rebate Account”); and
- (5) “Southern Nevada Water Authority, Water Revenue Fund” (the “Revenue Fund”).

SECTION 34. Pledge of Revenues. Subject only to the right of the Authority to cause amounts to be withdrawn to pay the Cost of the Project as provided herein, the Pledged Revenues and all moneys and securities paid or to be paid to or held or to be held in any fund or account under this Resolution, excluding, however, those funds held in the Rebate Account, are hereby pledged to secure the payment of the Bond Requirements of the Bonds; and this pledge shall be valid and binding from and after the date of the first delivery of any Bonds, and the moneys, as received by the Authority and hereby pledged, shall immediately be subject to the lien of this pledge without any physical delivery thereof, any filing, or further act, and the lien of this pledge and the obligation to perform the contractual provisions hereby made shall have priority over any or all other obligations and liabilities of the Authority, except for the superior lien obligations; and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Authority (except as herein otherwise provided) irrespective of whether such parties have notice thereof. The lien of this pledge for the Bonds, the parity bonds and any parity bonds hereafter authorized shall be equally and ratably secured by the pledge of the Pledged

Revenues hereunder, and the Bonds, the parity bonds and any parity bonds hereafter issued are not entitled to any priority one over the other in the application of Pledged Revenues.

SECTION 35. Revenue Fund. All Pledged Revenues received by the Authority from the sale or distribution of water, connection charges or otherwise derived from the Water System, shall be paid into the Revenue Fund, and no disbursements shall be made from the Revenue Fund except as provided in this Resolution.

SECTION 36. Operation and Maintenance Fund. First, payments shall be made, as necessary, from the Revenue Fund to the O & M Fund. The necessary and reasonable costs of the operation and maintenance expenses of the Water System shall be paid from the revenues prior to the payment of principal and interest on the superior lien obligations and the sums for other funds as provided in this Resolution. Moneys required for said operation and maintenance expenses shall from time to time be set aside from the Revenue Fund and transferred to the O & M Fund. The maintenance and operation expenses of the Authority shall be paid from the O & M Fund.

SECTION 37. Superior Lien Obligations. Second, payments shall be made, as required, from the Revenue Fund for the superior lien obligations, including any reserves therefor, together with any amounts required to be paid to the United States in compliance with Section 148(f) of the Tax Code for the superior lien obligations.

SECTION 38. Bond Fund. Third, and concurrently with the transfers to the bond funds created with respect to the parity bonds and any parity lien obligations outstanding and hereafter issued, the following transfers shall be made to the Bond Fund:

A. Monthly, commencing on the fifteenth day of the month immediately succeeding the delivery of any of the Bonds, an amount in equal monthly installments necessary together with any other moneys from time to time available therefor from whatever source to pay the next maturing installment of interest on the Bonds, and monthly thereafter, commencing on each interest payment date, one-sixth of the amount necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of interest on the Bonds then outstanding; and

B. Monthly, commencing on the fifteenth day of the month immediately succeeding the delivery of any of the Bonds, an amount in equal monthly installments necessary, together with any other moneys from time to time available therefor from whatever source to pay the

next maturing installment of principal of the Bonds then outstanding, and monthly thereafter, commencing on each principal payment date, one-twelfth of the amount necessary, together with any other moneys from time to time available therefor from whatever source, to pay the next maturing installment of principal of the Bonds then outstanding.

The moneys credited to the Bond Fund shall be used to pay the Bond Requirements of the Bonds as such Bond Requirements become due.

SECTION 39. Rebate Account. Fourth, and concurrently with transfers to the rebate accounts created with respect to the parity lien obligations and any parity lien obligations hereafter issued there shall be credited to the Rebate Account and any rebate account created for the parity lien obligations, such amounts as are required to be deposited in each and to the Rebate Account such amounts as are required to be deposited therein to meet the Authority's obligations under Covenant 10 contained in Section 46, hereof, in accordance with Section 148(f) of the Tax Code. Such deposits shall be made at such times as are required by Section 148(f) of the Tax Code and amounts in the Rebate Account shall be used for the purpose of making the payments to the United States required by Section 148(f) of the Tax Code. Any amounts in the Rebate Account in excess of those required to be on deposit therein may be withdrawn therefrom and deposited into the Revenue Fund.

SECTION 40. Termination of Deposits; Defraying Delinquencies.

A. No payment need be made into the Bond Fund if the amounts in the Bond Fund equal a sum at least equal to the entire amount of the outstanding Bonds as to all Bond Requirements to their respective maturities both accrued and not accrued, in which case moneys in such fund in an amount, except for any interest or other gain to accrue from any investment of moneys in Federal Securities from the time of any such investment to the time or respective times the proceeds of any such investment or deposit shall be needed for such payment, at least equal to such Bond Requirements, shall be used, together with any such gain from such investments, solely to pay such Bond Requirements as the same become due.

B. If at any time the Authority shall for any reason fail to pay into the Bond Fund or the Rebate Account the full amount above stipulated from the Pledged Revenues, then an amount shall be paid first into the Bond Fund and second into the Rebate Account at such time equal to the difference between that paid from the Pledged Revenues and the full amount so stipulated, from the first Pledged Revenues available therefor. If securities (other than the Bonds)

are outstanding, the payment of which are secured by a lien on the Pledged Revenues which lien is on a parity with the lien hereon of the Bonds, and if the proceedings authorizing issuance of those securities require the replacement of moneys in a bond fund, reserve fund or rebate account therefor, then the moneys replaced in such bond fund, reserve fund or rebate account shall be replaced on a pro rata basis related to the principal amount of the then outstanding Bonds and the then outstanding other parity securities, as moneys become available therefor, first into all of such bond and reserve funds and second into all such rebate accounts.

SECTION 41. Use of Remaining Revenues. After the payments hereinabove required to be made, any remaining Pledged Revenues in the Revenue Fund may be used for the payment of any other securities payable from the Pledged Revenues, for any one or any combination of lawful purposes relating to the Water System, or otherwise, as the Authority may from time to time determine, including, without limitation, the payment of any bond requirements of any bonds or other securities relating to the Water System, including, any subordinate lien obligations.

SECTION 42. Lien of the Bonds. The SNWA's obligation to make payments of debt service on the Bonds is a special obligation of the SNWA, payable from and secured solely by a lien on the Pledged Revenues. The lien of the Bonds on Pledged Revenues is a lien (but not necessarily exclusive lien) subject only to and after the prior liens on the Pledged Revenues to pay the obligations described in clauses (a), (b), (c), (d) of subsection 1 of Section 3 of Chapter 393, Statutes of Nevada, 1995 (the "Transfer Act"). The lien of the Bonds and the SNWA Parity Bonds on the Pledged Revenues is on a parity with the lien on Pledged Revenues which has been granted to the Las Vegas Valley Water District ("LVVWD") pursuant to the LVVWD Bond Repayment Agreement to secure the payment of LVVWD Bonds heretofore issued and issued in the future for the benefit of SNWA.

SECTION 43. Issuance of Superior Lien Obligations or Parity Lien Obligations. This Resolution does not limit the SNWA's ability to incur additional obligations with a lien on Pledged Revenues that is superior to the lien thereon of the Bonds and the SNWA Parity Bonds if the additional obligations are described in clauses (a), (b) or (c) of subsection 1 of Section 3 of the Transfer Act, nor does this Resolution limit the SNWA's ability to issue or incur additional parity obligations pursuant to the LVVWD Master Bond Repayment Agreement. In addition, nothing herein prevents the incurrence by the SNWA of other additional obligations which have a lien on

Pledged Revenues that is superior to or on a parity with the lien thereon of the Bonds and the SNWA Parity Bonds, subject to the following:

A. If the County is then the owner of all of the then outstanding Bonds and the SNWA Parity Bonds, the written consent of the County to the issuance of such obligations is obtained; or

B. If the County is not then the owner of all of the then outstanding Bonds and the SNWA Parity Bonds:

(1) At the time of the adoption of the resolution authorizing the incurrence of the other additional obligations, the SNWA shall not be in default in making any payments required to be made with respect to the Bonds and the SNWA Parity Bonds; and

(2) Either:

(a) The Pledged Revenues (subject to adjustment as hereinafter provided) derived in the fiscal year immediately preceding the date of incurrence of the additional obligations shall have been at least sufficient to pay an amount equal to the combined maximum annual principal and interest requirements of the outstanding Bonds and any other outstanding superior lien obligations and parity lien obligations, and the obligations proposed to be incurred; or

(b) The Pledged Revenues (subject to adjustment as hereinafter provided) projected by the SNWA's General Manager or an independent accountant or consulting engineer to be derived in the later of (i) the fiscal year immediately following the fiscal year in which the additional obligations are issued or (ii) the first fiscal year in which no interest has been capitalized for the payment of the additional obligations, will be sufficient to pay at least an amount equal to the principal and interest requirements (to be paid during that fiscal year) of the Bonds, any other outstanding parity lien

obligations and superior lien obligations and the obligations proposed to be incurred.

(3) In any determination of whether or not other additional obligations may be incurred in accordance with the foregoing earnings test, the respective annual principal (or redemption price) and interest requirements shall be reduced to the extent such requirements are scheduled to be paid with moneys held in trust or in escrow for that purpose by any trust bank within or without the State, including the known minimum yield from any investment in Federal Securities.

(4) A written certification or written opinion based upon estimates, as provided above, that the Pledged Revenues when adjusted as above provided are sufficient to pay the amounts as provided above, shall be conclusively presumed to be accurate in determining the right of the SNWA to authorize and incur such other additional obligations.

C. In connection with the authorization of any such other additional obligations the Board may on behalf of the SNWA adopt any additional covenants or agreements with the holders of such additional obligations; provided, however, that no such covenant or agreement may be in material conflict with the covenants and agreements of the SNWA herein. Any finding of the Board to the effect that the foregoing requirements are met shall, if made in good faith, conclusively establish that the requirements of this Subsection C have been met.

D. The SNWA may also incur other additional obligations that have a lien on Pledged Revenues that is superior to or on a parity with the lien thereon of the Bonds and the SNWA Parity Bonds without complying with the requirements of Subsections A or B hereof for the purpose of refunding any outstanding obligations that are secured by a lien on Pledged Revenues if:

(1) The refunding obligations do not increase for any fiscal year the aggregate principal and interest requirements evidenced by the refunding obligations and by the outstanding obligations not refunded on and before the last maturity date or last redemption date, if any, whichever is later, of the bonds; and

(2) The lien of any refunding obligations on the Pledged Revenues is not raised to a higher priority than the lien thereon of the obligations thereby refunded.

SECTION 44. Subordinate Obligations Permitted. Nothing herein prevents the Authority from issuing additional bonds or other additional securities payable from the Pledged Revenues having a lien thereon subordinate, inferior and junior to the lien thereon of the Bonds and the SNWA Parity Bonds.

SECTION 45. Issuance of Refunding Securities. At any time after the Bonds, or any part thereof, are issued and remain outstanding, if the Authority shall find it desirable to refund any outstanding Bonds or other outstanding parity or superior securities, such Bonds or other securities, or any part thereof, may be refunded if one or more of the tests described in Section 43 herein are met.

SECTION 46. Protective Covenants. The Authority hereby particularly covenants and agrees with the registered owners of the Bonds and makes provisions which shall be a part of its contract with such registered owners to the effect and with the purposes set forth in the following provisions of this Section:

Covenant 1. Completion of Project. Simultaneously with the delivery of the Bonds, the Authority shall deposit Bond proceeds in the Costs of Issuance Account as provided in Section 29 herein, and proceed to complete the Project with all due diligence.

Covenant 2. Enforcement of SNWA Agreements. The Authority shall enforce the terms of the SNWA Agreements, and shall not consent to an amendment of those agreements which would reduce or delay the receipt of Pledged Revenues by the Authority.

Covenant 3. Operation of Water Facilities. The Authority shall at all times operate the Water System in a sound and economical manner and shall maintain, preserve and keep the same, with appurtenances and every part and parcel thereof, properly or cause the same to be so maintained, preserved and kept, in good repair, working order and condition, and will from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation of the Water System may be properly and advantageously conducted.

Covenant 4. Sale or Encumbrances. The works and properties of the Authority shall not be sold or leased or otherwise disposed of as a whole, or substantially as a whole,

unless such sale, lease or other disposition be so arranged as to provide for a continuance of payments into the Bond Fund at least sufficient in amount to provide the sums required for such Bond Fund under the terms of this Resolution.

Covenant 5. Insurance. To the extent the Authority determines it is economically feasible to do so, the Authority shall at all times self-insure or maintain with responsible insurers all such insurance or other appropriate protection as is customarily maintained with respect to works and properties of like character against loss of or damage to such works or properties and against public or other liability to the extent reasonably necessary to protect the interest of the Authority and the registered owners of the Bonds. In determining the adequacy of its insurance, the Authority may take into account any federal programs that would be available to the Authority in the event of a loss. If any useful part of the works and properties of the Authority shall be damaged or destroyed, the Authority shall repair or replace the damaged works or properties so as to restore the same to use if necessary in order to produce revenues sufficient to comply with the Covenant 8, Rates and Charges, below. The proceeds of any insurance policies covering any such loss or damage shall be payable to the Authority, and shall be applied to the Authority's reasonable and necessary reconstruction costs and, to the extent not so applied, shall be paid into the Revenue Fund and used in the same manner as other moneys in said fund.

Covenant 6. Records and Accounts. The Authority will keep proper books of record and account, in accordance with sound accounting practice, in which complete and correct entries shall be made of its works and properties and the revenues received therefrom; which, together with all other books, papers and properties of the Authority shall at all times be subject to the reasonable inspection of the registered owner or owners of not less than ten percent (10%) in principal amount of the Bonds then outstanding or their representatives duly authorized in writing. The Authority will cause its books and accounts to be audited annually by an independent certified public accountant and will make available for inspection by the registered owners of such Bonds, at the office of the Authority Treasurer in Las Vegas, Nevada, a copy of the report of such accountant, and will also upon payment of a reasonable charge furnish a copy thereof upon request to the registered owner of any Bond.

Covenant 7. No Free Service. No water or other service from the works or properties of the Authority may be furnished or rendered by the Authority to any city, town, county,

public corporation or political subdivision of the State free, nor shall any such service be rendered at lower rates than those charged other persons for similar services; provided, however, service to Nellis Air Force Base may be rendered at lower rates than those charged other persons for similar service; and provided further, however, water may be furnished for fire protection purposes to such cities, towns, counties, public corporations or political subdivisions at lower rates, but no such rate or rates shall be less than the cost of the service, including reasonable overhead. Buildings or other property of the Authority shall not be furnished free or at any rate or charge less than the reasonable rental thereof and shall not be sold at less than the reasonable value thereof, as determined by the Authority.

Covenant 8. Rates and Charges. The Board shall from time to time fix and collect from all users thereof, rates and charges for the connection, service, facilities and water of the Authority which will be sufficient, after making allowances for contingencies and error in the estimates, together with any funds of the Authority available to make the payments listed in A through C below which are not otherwise encumbered, to pay the following items of cost and expense in the following order:

- A. The operation and maintenance expenses of the Water System;
- B. All payments due on all superior lien obligations of the Authority and any reserves therefor, as the same fall due, and the payments required to be made into any sinking fund for superior lien obligations including any obligations hereafter issued on a parity with such superior lien obligations; and
- C. The principal of and interest on all other parity lien obligations of the Authority and any reserves therefor, as the same fall due, and the payments required to be made into any sinking fund for parity lien obligations including the Bonds and any obligations hereafter issued on a parity with such parity lien obligations.

In calculating the amount due on any obligation for the purposes of the foregoing covenant, the Authority may take into account the expected net payments (positive or negative) on any interest rate exchange agreement entered into as a hedge with respect to a particular obligation and any expected refundings, including rollovers of commercial paper. In the case of obligations that bear interest at a variable interest rate, the Treasurer shall estimate the rate of interest on the obligations for purposes of this covenant.

Covenant 9. Tax Covenant. The Authority covenants for the benefit of the registered owners of the County Bonds that it will not take any action or omit to take any action with respect to the County Bonds, the proceeds thereof, any other funds of the Authority or any facilities refinanced with the proceeds of the County Bonds if such action or omission (i) would cause the interest on the County Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the County Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the County Bonds until the date on which all obligations of the Authority in fulfilling the above covenant under the Tax Code have been met.

Covenant 10. Inclusion of Chief Financial Officer of County on Distribution Lists. The Authority shall include the Chief Financial Officer of the County on the distribution list (i) for any series of superior securities and parity securities hereafter issued and, (ii) to the extent not otherwise included in clause (i), for any series of securities or other obligations hereafter issued that the Authority is obligated to repay pursuant to the LVVWD Bond Repayment Agreement. For purposes of this covenant, “distribution list” shall mean the electronic mail group consisting of Authority staff, financial advisors, and legal counsel involved in reviewing documents related to the issuance of the types of securities described in this covenant. Including the Chief Financial Officer of the County on any such distribution list shall not obligate the County to review any documents distributed by the Authority to the County in connection with the issuance of any such securities nor imply that the County has approved or endorsed the issuance of any such securities.

SECTION 47. Defeasance. When all Bond Requirements of any Bond have been duly paid, the pledge, the lien and all obligations hereunder as to that Bond shall thereby be discharged and the Bond shall no longer be deemed to be outstanding within the meaning of this Resolution. There shall be deemed to be such due payment when the Authority has placed in escrow or in trust with a trust bank located within or without the State, an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount may be initially invested wholly or in part) to meet all Bond Requirements of the Bond, as the same become due to the final maturity of the Bond, or upon any redemption date as of which the Authority shall have exercised or shall have obligated itself to exercise its prior redemption option. The

Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the Authority and the bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure availability as needed to meet the schedule. For the purpose of this section "Federal Securities" shall include only Federal Securities which are not callable for redemption prior to their maturities except at the option of the owner thereof. When such defeasance is accomplished the Paying Agent shall mail written notice of the defeasance to the registered owners of the Bond at the addresses last shown on the registration records for the Bond maintained by the Registrar.

SECTION 48. Remedies for Enforcement. In addition to all other remedies provided by law or in equity, any registered owner of a Bond of the Authority, including a trustee for such registered owners, shall have the right, subject to any contractual limitation binding upon such registered owners or trustee, and subject to the prior or superior rights of others:

A. By mandamus or other suit, action or proceedings, at law or in equity, to enforce his or her right against the Authority and the Board, including the right to require the Authority and the Board to fix and collect rates and charges adequate to carry out any agreement as to, or pledge of, the revenues produced by such rates or charges, and to require the Authority and the Board to carry out any other covenants and agreements with the registered owners of the Bonds and to perform its and their duties pursuant to law.

B. By action or suit in equity to enjoin any acts or things which may be unlawful or a violation of the rights of the registered owners of the Bonds.

C. By action or suit in equity to require the Authority to act as if it were the trustee of an express trust for the registered owners of the Bonds.

D. By suit, action or proceeding in court exercising equitable jurisdiction to obtain the appointment of a receiver of the enterprise in which the Authority is engaged or any part or parts thereof, who may enter and take possession of such utility or any part or parts thereof, including all property, land, property rights, easements and other adjuncts of the utility, and such receiver may operate and maintain the same, and collect and receive all revenues thereafter arising therefrom in the same manner as the Authority itself might do, and shall deposit all such moneys in a

separate account or accounts and apply the same in accordance with the obligations of the Authority as the court shall direct,

provided, however, no registered owner of a Bond of the Authority, including a trustee for such registered owners, shall have the right to accelerate the principal of or interest on a Bond before its due date.

SECTION 49. Consents of Bondholders. No consent or notice to the registered owners of the Bonds is required for an amendment which cures any ambiguity, formal defect or omission herein, or which is not materially adverse to the Bondholders' interests, both as determined by the Authority, which determination is conclusive absent fraud or gross abuse of discretion. The consents of the registered owners of the Bonds provided for in the remainder of this Section and Sections 50 to 57 inclusive hereof shall relate solely to the amendment, waiver or modification of covenants and provisions specified herein except as provided in Section 56 hereof and in the first sentence of this section. Any act relating to the amendment, waiver or modification of any of the said covenants or provisions consented to by the registered owners of the Bonds owning at least fifty-one percent (51%) in aggregate principal amount of outstanding Bonds, exclusive of Bonds, if any, owned by the Authority, shall be binding upon the registered owners of all of the Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after such consent relating to such specified matters has been given, no registered owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the Board or any officer of the Authority from taking any action pursuant thereto.

SECTION 50. Calling Bondholders' Meeting. If the Board shall desire to obtain any consent described in Section 49 hereof it shall duly adopt a resolution calling a meeting of the registered owners of the Bonds for the purpose of considering the action, the consent to which is desired.

SECTION 51. Notice of Meeting. Notice specifying the purpose, place, date and hour of such meeting shall be mailed by registered mail to each registered owner of the Bonds, such mailing to be not less than 60 days and not more than 90 days prior to the date fixed for the meeting. Such notice shall set forth the nature of the proposed action, consent to which is desired. The place,

date and hour of holding such meeting and the date of mailing such notice shall be determined by the Board, in its discretion. The actual receipt by any registered owner of notice of any such meeting shall not be a condition precedent to the holding of such meeting and failure to receive such notice shall not affect the validity of the proceedings thereat. A certificate by the Secretary, approved by resolution of the Board, that the meeting has been called and that notice thereof has been given as herein provided shall be conclusive as against all parties and it shall not be open to any registered owner to show that he or she failed to receive notice of such meeting.

SECTION 52. Voting Qualifications. The person in whose name a Bond is registered shall be conclusively deemed the owner thereof for the purpose of voting.

SECTION 53. Issuer-Owned Bonds. The Board covenants that it will present at the meeting a certificate, signed and verified by the Registrar and by the Treasurer, stating the maturities of all Bonds owned by, or held for account of, the Authority, directly or indirectly. No person shall be permitted at the meeting to vote or consent with respect to any Bond appearing upon such a certificate, or any Bond which it shall be established at or prior to the meeting is owned by the Authority, directly or indirectly, and no such Bond (in this Resolution referred to as a “issuer-owned Bond”) shall be counted in determining whether a quorum is present at the meeting.

SECTION 54. Quorum and Procedure. A representation of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then outstanding (exclusive of issuer-owned Bonds) shall be necessary to constitute a quorum at any meeting of the registered owners, but less than a quorum may adjourn the meeting, from time to time, and the meeting may be held as so adjourned without further notice, whether such adjournment shall have been had by a quorum or by less than a quorum. The Board shall, by an instrument in writing, appoint a temporary Chair of the meeting, and the meeting shall be organized by the election of a permanent Chair and a secretary. At any meeting each registered owner shall be entitled to one vote for every \$5,000 principal amount of Bonds with respect to which he or she shall be entitled to vote as aforesaid, and such vote may be given in person or by proxy duly appointed by an instrument in writing presented at the meeting. The Board, by its duly authorized representative, may attend any meeting of the registered owners, but shall not be required to do so.

SECTION 55. Vote Required. At any such meeting held as aforesaid there shall be submitted for the consideration and action of the registered owners a statement of proposed action,

consent to which is desired, and if such action shall be consented and approved by registered owners holding at least fifty-one percent (51%) in aggregate amount of the Bonds then outstanding (exclusive of issuer-owned Bonds) the Chair and the secretary of the meeting shall so certify in writing to the Board, and such certificate shall constitute complete evidence of consent of the registered owners under the provisions of this Resolution. A certificate signed and verified by the Chair and the secretary of any such meeting shall be conclusive evidence and the only competent evidence of matters stated in such certificate relating to proceedings taken at such meeting.

SECTION 56. Amendments Prohibited. Notwithstanding any provision to the contrary contained herein, no amendment to this Resolution shall permit, without the consent of the registered owners of all Bonds adversely affected thereby:

- A. A change in the maturity or in the terms of redemption of the principal or any installment thereof of any outstanding Bond or any installment of interest thereon; or
- B. A reduction in the principal amount of any Bond, redemption premium, if any, or the rate of interest thereon; or
- C. reduction of the principal amount or percentages or otherwise affecting the description of Bonds the consent of the registered owners of which is required for any modification or amendment; or
- D. The establishment of priorities as between Bonds issued and outstanding under the provisions of this Resolution; or
- E. The modification of or otherwise materially and prejudicially affecting the rights or privileges of the registered owners of less than all of the Bonds then outstanding.

SECTION 57. Consent of All Owners. Notwithstanding anything contained in the foregoing provisions hereof, the terms and the provisions of this Resolution or of any instrument amendatory hereof or supplemental hereto and the rights and the obligations of the Authority and of the registered owners of the Bonds hereunder may be modified or amended in any respect upon the adoption by the Authority and upon the filing with the Secretary of an instrument to that effect and with the consent of the registered owners of all the then outstanding Bonds.

SECTION 58. Replacement of Registrar or Paying Agent. If the Registrar or Paying Agent initially appointed hereunder shall resign, or if the Board shall reasonably determine that the Registrar or Paying Agent has become incapable of performing its duties hereunder, the Board may,

upon notice mailed to each registered owner of the Bonds at his or her address last shown on the registration records, appoint a successor Registrar or Paying Agent, or both. No resignation or dismissal of the Registrar or Paying Agent may take effect until a successor is appointed. It shall not be required that the same person or institution serve as both Registrar and Paying Agent hereunder, but the Authority shall have the right to have the same person or institution serve as both Registrar and Paying Agent.

Any successor corporation or association into which the Registrar or Paying Agent may be converted or merged, or with which they may be consolidated, or to which they may sell or transfer their corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer, to which they are a party, shall be and become the successor Registrar or Paying Agent under this Resolution, without the execution or filing of any instrument or any further act, deed, or conveyance on the part of any of the parties hereto, anything in this ordinance to the contrary notwithstanding.

SECTION 59. Delegated Powers. The officers of the Authority are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation:

- A. The printing of the Bonds;
- B. The execution of such certificates as may be reasonably required by the Purchaser, relating, inter alia,
 - (1) the signing of the Bonds,
 - (2) the tenure and identity the officials of the Authority,
 - (3) the exemption of interest on the Bonds from federal income taxation,
 - (4) the delivery of the Bonds and the receipt of the Bond purchase price, and
 - (5) if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity of the Bonds;
- C. The completion and execution of the Certificate of the Treasurer;

D. The assembly and dissemination of financial and other information concerning the Authority and the Bonds.

SECTION 60. Continuing Disclosure Undertaking. The Authority covenants for the benefit of the holders and beneficial owners of the Bonds and the County Bonds to comply with the provisions of the final Continuing Disclosure Certificate in substantially the form now on file with the Treasurer, which is hereby authorized to be executed by the Treasurer and delivered in connection with the delivery of the Bonds.

SECTION 62. Resolution Irrepealable. After any of the Bonds are issued, this Resolution shall constitute an irrevocable contract between the Authority and the registered owners of the Bonds and shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements, shall be fully paid, canceled and discharged, as herein provided.

SECTION 63. Repealer. All resolutions, bylaws and orders, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution, bylaw or order, or part hereof, heretofore repealed.

SECTION 64. Severability. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 65. Effective Date. This Resolution shall be effective upon its adoption.

INTRODUCED, ADOPTED AND APPROVED with the approval of each board member appointed by an SNWS purveyor member (as defined in the SNWS Operating Agreement) on this March 17, 2022.

[AUTHORITY SEAL]

Attest:

John J. Entsminger, Secretary
Southern Nevada Water Authority

Marilyn Kirkpatrick, Chair
Southern Nevada Water Authority

STATE OF NEVADA)
)
COUNTY OF CLARK) ss.
)
SOUTHERN NEVADA)
WATER AUTHORITY)

I, the duly chosen and qualified Secretary of the Southern Nevada Water Authority (the “Authority”), do hereby certify:

1. The foregoing pages constitute a true, correct, complete and compared copy of a resolution adopted by the Board of Directors of the Authority (the “Board”) on March 17, 2022.

2. The original of the resolution has been approved and authenticated by the signatures of the Chair of the Authority and the Board and myself as Secretary of the Authority and the Board, and sealed with the seal of the Authority, and has been recorded in the minute book of the Board kept for that purpose in my office which record has been duly signed by such officers and properly sealed.

3. All of the members of the Board present at the meeting voted on the passage of the resolution as follows:

Those Voting Aye:

James Adams
Scott Black
Cedric Crear
James B. Gibson
Justin Jones
Marilyn K. Kirkpatrick
Dan H. Stewart

Those Voting Nay:

Those Abstaining:

Those Absent :

4. All members of the Board were given due and proper notice of the meeting.

5. Public notice of the meeting was given, and the meeting was held and conducted, in full compliance with the provisions of NRS 241.020. A copy of the notice of the meeting was:

- (a) Given to each member of the Board;
- (b) Posted on the Authority's website and at the principal office of the Board;
- (c) Posted on the official website of the State not later than 9 a.m. of the third working day before the meeting was held; and
- (d) Given to each person, if any, who has requested notice of the meetings of the Board by: (i) by mail delivered to the postal service no later than 9:00 a.m. at least three working days before the March 17, 2022 meeting; or (ii) by electronic mail sent not later than 9:00 a.m. at least three working days before the March 17, 2022 meeting.

6. A copy of the notice so given of the meeting of the Board held on March 17, 2022 is attached hereto as Exhibit A.

7. Upon request, the governing body provides, at no charge, at least one copy of the agenda for its public meetings, any proposed ordinance or regulation which will be discussed at the public meeting, and any other supporting materials provided to the members of the governing body for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

IN WITNESS WHEREOF, I have hereunto set my hand on behalf of the Southern Nevada Water Authority in Clark County, Nevada, this March 17, 2022.

John J. Entsminger, Secretary
Southern Nevada Water Authority

Exhibit A

(Attach Copy of Notice of Meeting)

**SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM**

March 17, 2022

Subject:

Wholesale Delivery Charge

Petitioner:

E. Kevin Bethel, Chief Financial Officer

Recommendations:

That the Board of Directors approve an increase to the Wholesale Delivery Charge of 6.8 percent, effective July 1, 2022, and authorize an increase to the ceiling for future annual adjustments from 4.5 percent to 7.0 percent.

Fiscal Impact:

If the above recommendation is approved, the Authority anticipates generating approximately \$3.4 million in additional Wholesale Delivery Charge revenue in Fiscal Year 2022-23.

Background:

Authority purveyor members that receive potable and/or non-potable water through the Southern Nevada Water System (System) pay a Wholesale Delivery Charge (Charge) to fund the operations and maintenance of the System. The annual budgets of purveyor members are adjusted to reflect increases in the Charge.

On May 31, 2018, the Board of Directors approved an increase in the Charge, and authorized annual inflation adjustments beginning July 1, 2020, at a rate equal to the change in the Consumer Price Index, All Items, All Urban Consumers (CPI-U), Pacific Cities, West Size Class A, but limited future inflationary increases to between 1.5 – 4.5 percent. Also, the Charge would not be adjusted for inflation if, at the time the Authority submitted its tentative budget for any succeeding fiscal year, the Authority projected the Charge sub-fund balance would exceed \$20 million by June 30 of the then-current fiscal year.

In September 2021, the CPI-U increase was 6.8 percent, which exceeds the ceiling set by the Board in 2018. In December 2021, the Integrated Resources Planning Advisory Committee (IRPAC 2020) reconvened to discuss and recommend a funding strategy to ensure the Authority's charges maintain pace with current and future inflation. Among other recommendations, IRPAC recommended adjusting the current year index component of the rate adjustment to the actual index experienced associated with the Authority's Infrastructure and Commodity Charges, including limiting annual inflation adjustments to those charges to a range between 1.5 percent - 7.0 percent. The Board adopted these recommendations on February 17, 2022.

At this time, the Board is being asked to increase the Charge by 6.8 percent, or 2.3 percent above the previously determined ceiling, yet consistent with actual September 2021 inflation, effective July 1, 2022, and to raise the ceiling for future annual adjustments from 4.5 percent to 7.0 percent in alignment with IRPAC recommendations for other indexed rate adjustments. This action will adjust the rate per acre-foot for potable water from \$337 to \$360 and for non-potable water from \$255 to \$272.

This action is authorized pursuant to Section 6(c) of the SNWA 1995 Amended Cooperative Agreement and Section 7.5 of the 2019 Amended Facilities and Operations Agreement. The office of the General Counsel has reviewed and approved this item.

JJE:EKB:MC:KH:mlt
Attachments: None

AGENDA
ITEM #

5

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

March 17, 2022

Subject:

Update on Water Resources

Petitioner:

Colby N. Pellegrino, Deputy General Manager, Resources

Recommendations:

That the Board of Directors receive an update from staff on water resources including, but not limited to, drought conditions in the Colorado River Basin, conservation programs and initiatives, activities on the Colorado River, and water resource acquisition and development.

Fiscal Impact:

None by approval of the above recommendation.

Background:

Since 2000, the Colorado River Basin has been experiencing severe drought conditions, affecting 90 percent of Southern Nevada's water supplies. Persistent drought has led the Authority to launch initiatives and investments in new infrastructure, conservation programming, water resource development, and water banking to provide reliable and safe water supplies for the community.

To keep the Board of Directors apprised of related activities, this agenda item provides for an update from staff on the drought and preparedness activities, conservation programs and initiatives, activities on the Colorado River, and water resource acquisition and development.

The office of the General Counsel has reviewed and approved this agenda item.