



A G E N D A

SOUTHERN NEVADA WATER AUTHORITY BOARD OF DIRECTORS

**REGULAR MEETING
9:00 A.M. – AUGUST 20, 2026**

**BOARD CHAMBERS, SOUTHERN NEVADA WATER AUTHORITY
100 N. CITY PARKWAY, SEVENTH FLOOR, LAS VEGAS, NEVADA**

Board of Directors

Marilyn Kirkpatrick, Chair
Dan Stewart, Vice Chair
Scott Black
Olivia Diaz
Jim Gibson
Justin Jones
Steve Walton

*John J. Entsminger,
General Manager*

Date Posted: August 13, 2026

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) 822-8317 least 24 hours prior to the meeting.

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

Southern Nevada Water Authority
100 N. 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 the Agenda Coordinator at (702) 822-8317, 1001 S. Valley View Blvd., Las Vegas, NV 89153, 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 August 19, 2026, 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 July 16, 2026.

BUSINESS AGENDA

2. *For Possible Action:* Approve and authorize the General Manager to sign, in substantially the same form as attached hereto, an amendment to the Non-Exclusive Access and License Agreement between the State of Nevada, acting through the Nevada Division of State Lands, for and on behalf of the Nevada Army National Guard, and the Authority for use of real property necessary to construct, operate, and maintain Authority water facilities within Garnet Valley, and authorize payment in a total amount not to exceed \$257,560 for the term of the agreement.
3. *For Possible Action:* Approve and authorize the General Manager to sign an agreement between Hazen and Sawyer and the Authority to provide professional engineering services for miscellaneous civil, electrical, mechanical, and control systems projects for a total amount not to exceed \$6,000,000.
4. *For Possible Action:* Approve and authorize the General Manager to sign an agreement between Jacobs Engineering Group Inc., and the Authority to provide professional engineering services for miscellaneous civil, electrical, mechanical, and control systems projects for a total amount not to exceed \$6,000,000.
5. *For Possible Action:* Approve and authorize the General Manager to execute, in substantially the same form as attached hereto, a Second Amended and Restated Water Operation and Management Agreement between Muddy Valley Irrigation Company and the Authority; authorize the General Manager, or his designee, to approve leasing of irrigation company shares; execute ministerial documents to effectuate the transactions; and pay the associated administrative costs of the irrigation company for an amount not to exceed \$3,950,000 for the first year with three percent annual increases thereafter.

6. *For Possible Action:* Approve and authorize the General Manager to negotiate and execute extensions or amendments for operation and management agreements with water-rights holders on the Virgin and Muddy rivers (excluding the Muddy Valley Irrigation Company); authorize the General Manager, or his designee, to approve the lease of shares (excluding Muddy Valley Irrigation Company shareholders); execute ministerial documents to effectuate the transactions; and pay the associated administrative costs of the irrigation companies for an amount not to exceed \$5,210,000, representing a maximum increase of 50 percent of non-lease costs currently paid, 20 percent for leases of 10 years or less, and 40 percent for leases of at least 30 years, all subject to three percent annual increases.
7. *For Possible Action:* Ratify the System Conservation Implementation Agreement between the Bureau of Reclamation and the Authority, which was executed on August 11, 2026, and through which the Authority will create up to 50,000 acre-feet of System Conservation Water in exchange for \$16,250,000 in federal funding and authorize the General Manager to approve future modifications if such modifications do not fiscally impact the Authority.
8. *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 acquisitions 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
JULY 16, 2026
MINUTES**

CALL TO ORDER 9:04 a.m.

BOARD MEMBERS PRESENT Marilyn Kirkpatrick, Chair
Dan Stewart, Vice Chair
Scott Black
Olivia Diaz
Jim Gibson
Justin Jones
Steve Walton

BOARD MEMBERS ABSENT None

STAFF PRESENT John Entsminger, Colby Pellegrino, Andy Belanger, Paul Johnson and
Greg Walch

OTHERS PRESENT None

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

Item 6 was removed from the agenda.

COMMENTS BY THE GENERAL PUBLIC

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

Laura McSwain asked if item 6 would be brought back at a future meeting. John Entsminger, General Manager, said that the Authority needed to further discuss the item with the Bureau of Reclamation before possibly bringing an item back to the Board for consideration.

Diane Henry spoke concerning item 6. She objected to a proposed water agreement with the Bureau of Reclamation, saying that it would require Nevada water users to conserve an additional 50,000 to 100,000 acre-feet of water annually. She said that details were not available, making it difficult to fully evaluate the proposal. She said that Nevada had already achieved significant conservation and any additional conservation measures would place increasing burdens on the community.

Ed Uehling spoke concerning item 6. He said that he pays \$3,000 per acre-foot of water at his home. He said that his tenants pay \$6,000 per acre-foot where they live. He disagreed with the Authority entering into an agreement with the Bureau of Reclamation to sell a portion of Nevada's unused Colorado River allocation for \$300 per acre-foot.

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 meeting of May 21, 2026.***

Mr. Entsminger requested that item 6 be removed from the agenda.

FINAL ACTION: Director Jones made a motion to approve the agenda for this meeting with the removal of item 6, and to approve the minutes from the meeting of May 21, 2026. The motion was approved.

2. ***For Possible Action: Appoint a Chair and Vice Chair to preside over the Board of Directors for Fiscal Year 2026/27.***

FINAL ACTION: Director Gibson made a motion to reappoint Marilyn Kirkpatrick as Chair and Dan Stewart as Vice Chair. The motion was approved.

3. ***For Possible Action: Appoint three directors to serve as commissioners of the Colorado River Commission of Nevada for two-year terms.***

FINAL ACTION: Director Gibson made a motion to reappoint Marilyn Kirkpatrick, Dan Stewart, and Steve Walton. The motion was approved.

BUSINESS AGENDA

4. ***For Possible Action:*** Receive a presentation from the Authority’s Youth Conservation Council and direct staff accordingly.

Nevina Minnalez and Sarah Chen gave a presentation. A copy of their presentation is attached to these minutes.

Following the presentation, Chair Kirkpatrick thanked the members of the Youth Conservation Council for their efforts and asked all those YCC members present to stand and be recognized.

Director Jones thanked the YCC for their dedication and said that their school principals were extremely proud of the work that they were doing.

Director Gibson asked how much time the YCC members spent each week participating in the program. Ms. Minnalez said that the group met every Thursday for one hour, but there were opportunities to participate in council leadership and to help prepare for the Springs Preserve’s Earth Day event, so she spent on average about 2 to 3 hours a week with YCC.

Other Board members also commended the YCC members for their hard work and dedication, recognizing that some council members have participated for as long as three years. They said that they would like to be of assistance in helping recruit students for the YCC by having information in their newsletters and approaching schools directly.

NO ACTION REQUIRED

5. ***For Possible Action:*** Ratify the General Manager’s execution of an interlocal agreement with the Nevada Department of Wildlife for delivery of Colorado River water from the Alfred Merritt Smith Water Treatment Facility to a fish hatchery located in the Lake Mead National Recreation Area.

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

6. ***For Possible Action:*** Approve a system conservation implementation agreement between the Bureau of Reclamation and the Authority through which the Authority will create up to 50,000 acre-feet of System Conservation Water in exchange for \$16,250,000 in federal funding and authorize the General Manager to approve future modifications if such modifications do not fiscally impact the Authority.

REMOVED FROM THE AGENDA

7. ***For Possible Action:*** Approve a cooperative funding agreement, in substantially the same form as attached hereto, between California’s Six Agency Committee, the Central Arizona Water Conservation District, Colorado Water Conservation Board, Utah Division of Water Resources, Wyoming Water Development Office, New Mexico Interstate Stream Commission, and the Authority to establish programmatic funding for Colorado River Basin precipitation enhancement activities for an amount not to exceed a total of \$6,375,000 over the 10-year term of the agreement.

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

Items 8 and 9 were taken in one motion.

8. ***For Possible Action:*** Approve and authorize the General Manager to sign, in substantially the same form as attached hereto, an agreement among Lhoist North America of Arizona, Inc., the Las Vegas Valley Water District, and the Authority providing for the assignment of a portion of Lhoist North America of Arizona, Inc.’s Colorado River water rights to the Authority and establishing the framework for permanent water service to Lhoist North America of Arizona, Inc., within the Black Mountain Industrial Complex.
9. ***For Possible Action:*** Approve and authorize the General Manager to sign, in substantially the same form as attached hereto, an agreement among Pioneer Americas LLC, a Delaware limited liability company, d/b/a Olin Chlor Alkali Products and Vinyls, the Las Vegas Valley Water District, and the Authority addressing the assignment of a portion of Olin Chlor Alkali Products and Vinyls’ Colorado River water rights to the Authority and the framework for permanent water service to Olin Corporation within the Black Mountain Industrial Complex.

Greg Walch, General Counsel, said that in 2022, Lake Mead water levels fell so low that existing infrastructure could no longer divert water for certain industrial users. In response, the Authority and the Las Vegas Valley Water District provided emergency water service through the City of Henderson to keep the companies operating. To create a long-term solution, the companies have agreed to dedicate a portion of their Colorado River water rights to the Authority. In return, the Authority will provide water to the companies delivered by the City of Henderson.

Before the agreements can be finalized, they must receive a recommendation from Nevada's Colorado River Commission and approval from the Bureau of Reclamation to transfer the contract rights.

Vice Chair Stewart asked for clarification regarding how the water rights that would be retained by the companies would be conditioned. Mr. Walch said that the companies historically used larger amounts of water but have since implemented conservation measures to reduce their demands. Any water rights they no longer need will be subject to contractual restrictions if transferred to a third party. These restrictions would limit future uses to those approved by the Authority or its member agencies and prohibit less efficient uses, such as evaporative cooling.

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

10. ***For Possible Action:* Approve and authorize the General Manager to sign an agreement between Spring Valley Associates, LLC and the Authority for professional staffing services at the Authority's Northern Resources properties, for an amount not to exceed \$1,400,000 annually, for a three-year term with an option to renew for another three-year term.**

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

11. ***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.**

Colby Pellegrino, Deputy General Manager – Resources, gave a presentation. A copy of her presentation is attached to these minutes.

Vice Chair Stewart asked with the deadline for removing non-functional grass approaching, what was going to happen to those properties that have not complied with the law. Mr. Entsminger said that staff would need to get a recommendation from the Board before moving forward with any compliance measures.

NO ACTION REQUIRED

Public Comment

Laura McSwain commented regarding AB 356 and the removal of non-functional grass. She provided a copy of her comments, which are attached to these minutes.

Tera Anderson spoke concerning item 6, the proposed agreement with the Bureau of Reclamation that was removed from the agenda. She said that the Board should pursue conservation solutions that do not require Nevada to surrender control over its water resources. She said that water was a finite and valuable Nevada asset and that relinquishing control of approximately 50,000 acre-feet was unnecessary to achieve conservation goals. She expressed concern about expanding federal involvement in Nevada water management, citing the state's long-standing tensions with the federal government over land and resource issues. She said that Nevada has demonstrated strong stewardship of its water resources compared to other Colorado River Basin states and that the state should preserve its authority and decision-making power rather than transfer additional control to federal agencies.

Adjournment

There being no further business to come before the Board, the meeting adjourned at 10:04 a.m.

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



1

ABOUT

What is the Youth Conservation Council?

- Created in 1999 by the SNWA Board of Directors
- Program for Southern NV high school students focused on water resource education and environmental stewardship
- Introduces students to careers and expertise in STEM
- Explores water management, conservation, sustainability, and community outreach
- Develops leadership, teamwork, and community-building skills through hands-on projects and volunteer activities
- Culminates with students planning and hosting the annual Earth Day Celebration at Springs Preserve

South City Conservation - Family Engagement Booth
San Vegas Wash Tour
River Mountains Water Treatment Facility

2

PROGRAM IMPACT

Molasky Corporate Center - students learn about public affairs

The 3-tiered approach to educating our community!

Expert Speakers	Field Trip Experiences	Culminating Project
- Colorado River - Public Affairs - Climate Change - Conservation	- Hoover Dam - LV Wash - RMWTF - Republic Services - Molasky Center	- Earth Day Celebration - Community Event!

Hoover Dam Field Trip

3

EXPERT SPEAKERS

River Mountains Water Treatment Facility Channel speaks about Water Treatment

Student Quotes

"It reminded me how much I love community and education; how impactful it feels to share what we care about with others." - Emma B.

"I joined YCC because I would be able to learn more about the actual inner-workings of how water is managed and cleaned as well as meeting with actual professionals who could explain their own roles in the whole process." - Sarah C.

Hoover Water Filtration Plant in Boulder City - Original speakers spoke to YCC students

4

FIELD TRIPS

Science Field Trip
Hoover Dam Hard Hat Tour
Students learn about tracking species populations at the LV Wash
River Mountains Water Treatment Facility Field Trip

Student Quote

"YCC has changed my perspective on Nevada and has shown me all the amazing things we do for our people to ensure we not only preserve the land but also keep finding new ways to better our communities."
 -Abigail S.

5

CULMINATING EXPERIENCE

Earth Day Celebration - Community Event

Conservation Efforts
Resource Management
Water Resources
Community Engagement

Students work on the Water Conservation Booth

6



(Recycling Service Recycling House Field Trip)

Hopes for the Youth Conservation Council

- Increase visibility through student-led, technology driven outreach
- Diversify field trip experiences for returning members
- Enhance member engagement through experiential learning and year-round activities
- Offer flexible engagement opportunities



(Students work on a poster for the Water Treatment Plant)

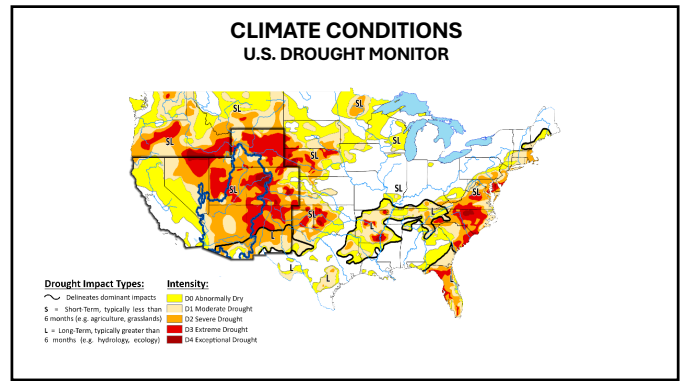
THE FUTURE OF YCC

THANK YOU!

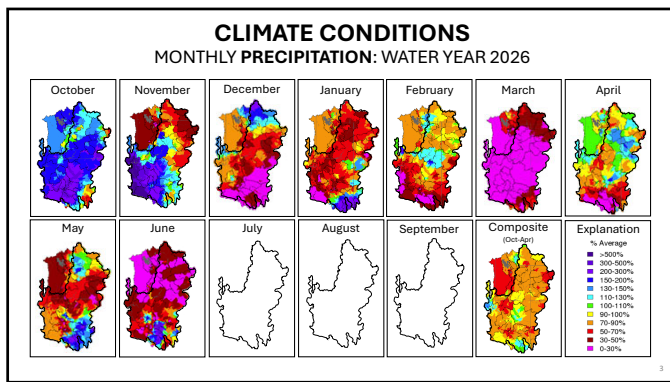




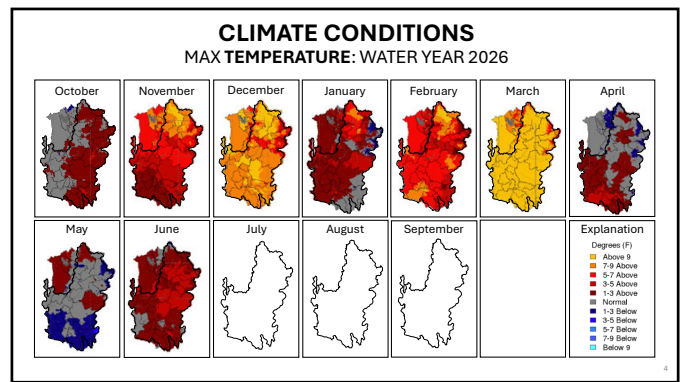
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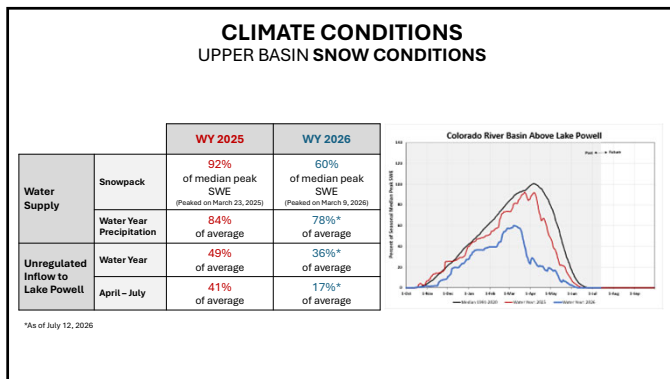
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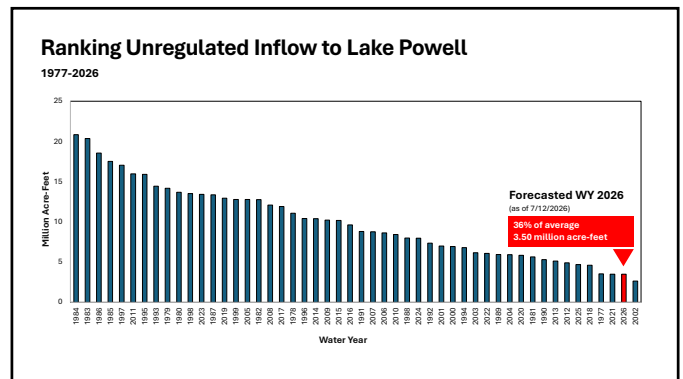
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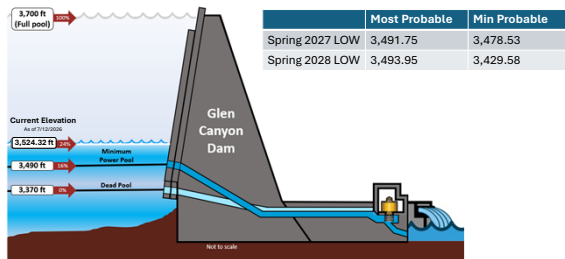


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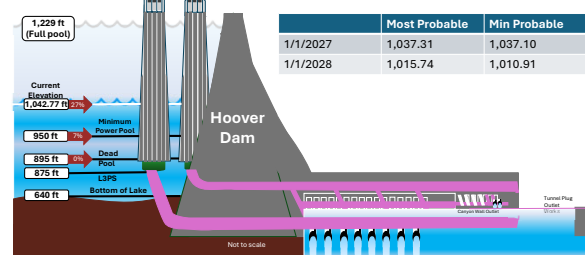


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Lake Powell Key Elevations

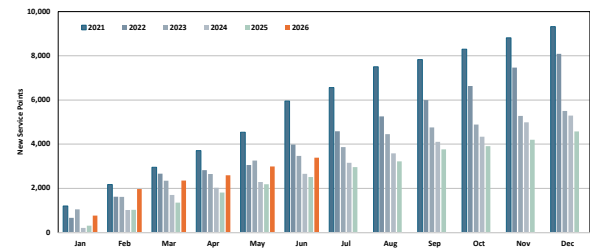


Lake Mead Key Elevations



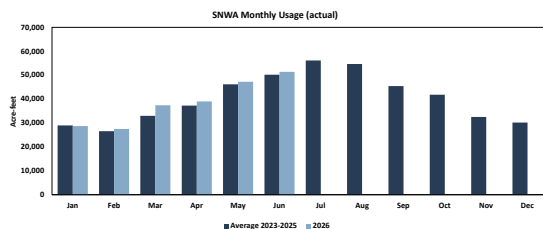
WATER USE UPDATE

NEW SERVICE POINTS (LVVWD)



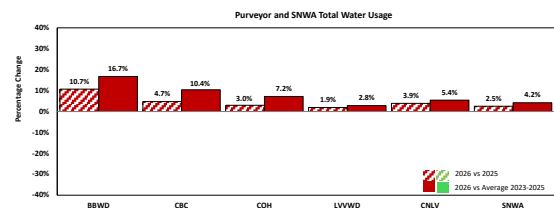
SNWA WATER USE

June 2026 SNWA water use was higher than 2025 and the 3-year average.

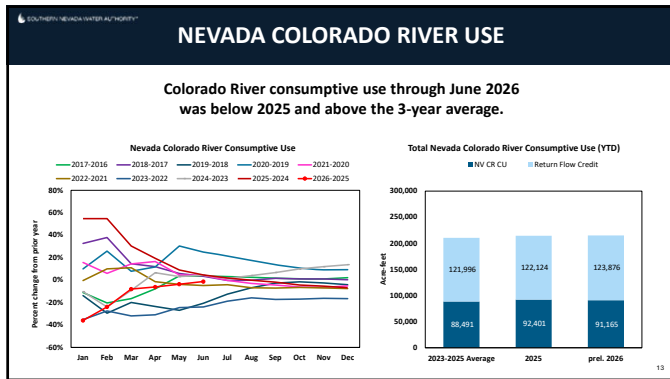


SNWA WATER USE

January-June 2026 SNWA water use was higher than 2025 and the 3-year average.



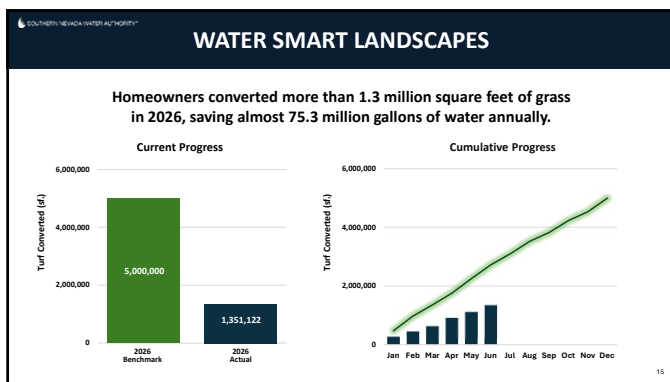
* The change in Henderson and SNWA water usage would have been lower without the addition of service to Black Mountain Industrial Complex, which was previously served by Basic Water Company.



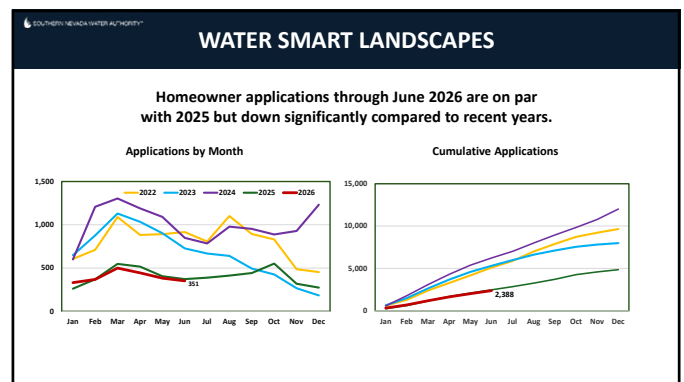
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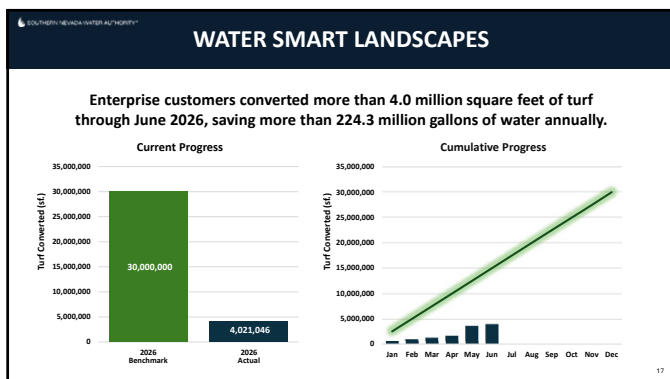
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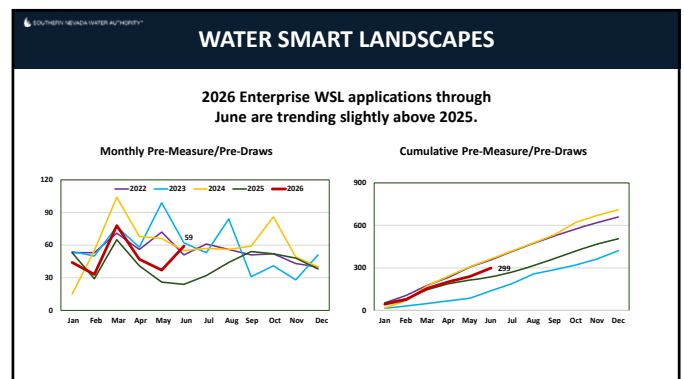
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17



18

TREE PROGRAMS

The SNWA offers a tree incentive for WSL participants and is partnering with local nonprofits to create shade in our community.

SNWA Tree Enhancement Program

- WSL participants installed approximately 10,780 new trees since program launch, creating nearly 4.7 million sf. of new tree canopy at maturity (2,606 trees installed to date in 2026).

Nonprofit Partnership

- ImpactNV installed approximately 1,660 trees in high-heat low-income areas.
- Nevada Plants hosted two tree give away events and is gearing up to plant approximately 270 trees at CSN campuses.



19

CONVERSION HIGHLIGHTS

Top Enrollments for June

Water Smart Landscapes (WSL):

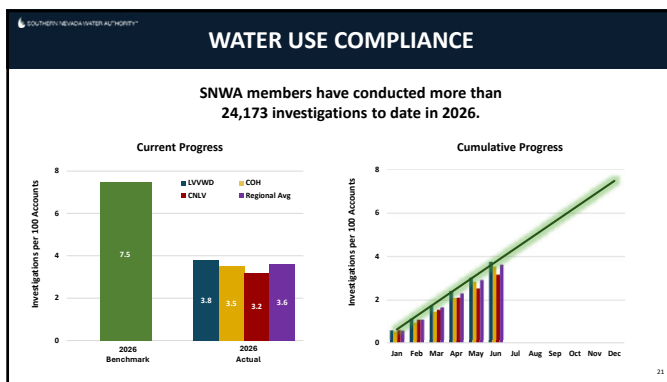
- Lake LV Sports Club & Golf School, 69,910 sf. converted.
- Montgo Bay Apartments, 38,308 sf. converted.
- Southern Highlands Community Assn., 35,269 sf. converted.

Water Efficient Technologies (WET):

- Big League Dreams, alternative sporting surface saves ~ 25.0 million gallons annually.
- City of Las Vegas Cragin Park, alternative sporting surface saves ~10.8 million gallons annually.
- War House Gym, evaporative cooling retrofit saves ~648,000 gallons annually.



20



21



22



July 16, 2026

SNWA Meeting – Second Public Comment

Chair and Board,

Members of this Board have created the impression that your hands are tied regarding the removal of "useless grass" because the Legislature passed AB 356. I have heard it said at various meetings, and the media repeated it again just last week.

However, that isn't what the law says.

AB 356 specifically directs this Board to define functional and nonfunctional turf, develop a removal plan, and approve waivers and extensions. The law doesn't even require grass to be removed. It simply prohibits irrigating certain turf with Colorado River water after January 1, 2027. SNWA has also confirmed that replacing irrigation isn't even required.

The Legislature also created the (NTRAC) Nonfunctional Turf Removal Advisory Committee for a reason.

Not as a one-time exercise.

Its job was to discuss issues, make recommendations, and document differing opinions for this Board's consideration.

A review of the NTRAC meeting minutes and final report reflects that the members selected arguably lacked expertise in several of the scientific disciplines essential to evaluating a program intended to save water while protecting the quality-of-life concerns repeatedly raised during legislative hearings.

The answer to urban heat, mature tree loss, artificial turf injuries, neighborhood impacts, and legitimate questions about implementation is **not** to simply promote free tree giveaways and tell residents to wait for another legislative session.

The answer is to reconvene the advisory committee the Legislation created and examine these issues publicly before this Board.

SNWA sponsored this legislation, so it is disingenuous to suggest this was simply a legislative act. SNWA developed the definitions. The NTRAC committee essentially blessed the definitions SNWA put before it. Those are your definitions. That is your implementation. And the consequences are your responsibility to address – not Carson City

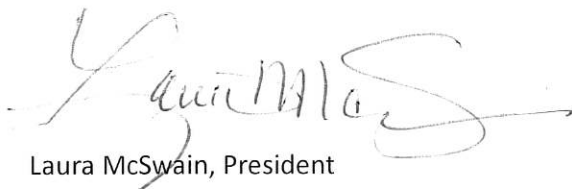
When government leaves its citizens with litigation as their only remedy, it has failed one of its most fundamental responsibilities.

Do better than that.

Reconvene NTRAC. Restructure it to include the expertise that was missing. Examine the unintended consequences. Protect both water resources **and** the quality of life this community deserves.

I respectfully challenge you to place that item on your next agenda and restore the balance between water conservation and the quality-of-life protections the Legislature intended.

WATER FAIRNESS COALITION, INC

A handwritten signature in dark ink, appearing to read 'Laura McSwain', with a stylized flourish at the end.

Laura McSwain, President

Attachment: Chapter 364, AB356

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

August 20, 2026

Subject:

Amendment

Petitioner:

Doa J. Ross, Deputy General Manager, Engineering and Operations

Recommendations:

That the Board of Directors approve and authorize the General Manager to sign, in substantially the same form as attached hereto, an amendment to the Non-Exclusive Access and License Agreement between the State of Nevada, acting through the Nevada Division of State Lands, for and on behalf of the Nevada Army National Guard, and the Authority for use of real property necessary to construct, operate, and maintain Authority water facilities within Garnet Valley, and authorize payment in a total amount not to exceed \$257,560 for the term of the agreement.

Fiscal Impact:

The initial payment of \$128,780 has already occurred. The second payment of \$128,780 is available in the Authority's Capital Budget.

Background:

On November 19, 2020, the Board of Directors approved the SNWA Amended Major Construction and Capital Plan. On the same date, the Board approved the Interlocal Infrastructure Agreement (Interlocal) between the City of North Las Vegas and the Authority regarding the Garnet Valley Water System and Garnet Valley Wastewater System Project (Project). In order to fulfill obligations outlined in the Interlocal, the Authority acquired access to real property necessary to construct the Project.

On February 19, 2026, the Board approved a Non-Exclusive Access and License Agreement (Agreement) between the State of Nevada, acting through the Nevada Division of State Lands, for and on behalf of the Nevada Army National Guard (State), and the Authority for use of real property necessary to construct, operate, and maintain Authority water facilities within Garnet Valley as generally shown on Attachment A. The Agreement allowed the Authority access to 11.69 acres within four parcels of land generally located within an area ideal for the Project's pipeline route. The Board also authorized a fair market value payment in an annual amount not to exceed \$128,780 throughout the 30-year term of the Agreement.

If approved, the attached License Amendment #1 updates the terms and conditions of the Agreement to allow a total payment of \$257,560, paid in two installments, for the entire 30-year term. The first installment of \$128,780 has already been issued, which creates a remaining balance of \$128,780, due by March 1, 2027. No further payments would be due to the State.

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

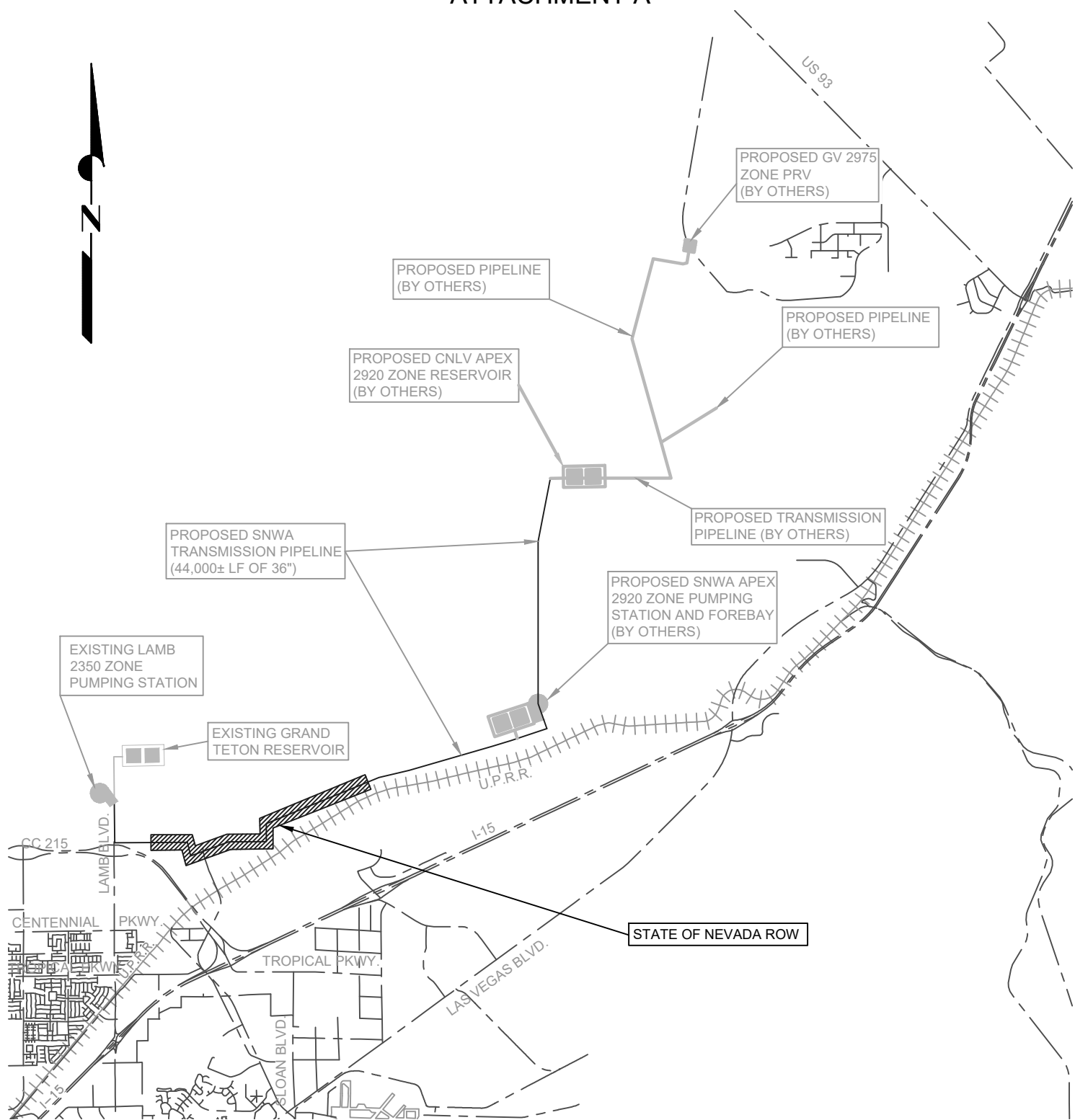
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Attachments: Attachment A, Amendment, Agreement

AGENDA
ITEM #

2

ATTACHMENT A



SOUTHERN NEVADA WATER AUTHORITY
GENERAL LOCATION MAP

GARNET VALLEY WATER TRANSMISSION SYSTEM
STATE OF NEVADA RIGHTS OF WAY

DRAWN BY
MEN

DATE
01/06/2026

SCALE
NONE

PROJECT NO.
3531S



NG-24, EF
Interest: 16782-1
Project: 8535
Contract: 5760
County: Clark
APN: 123-21-000-001, 123-22-101-001,
123-15-000-001, and 123-21-000-002
Location: S21, S22, S15, T19S, R62E

Recording Requested by and Return to:
NEVADA DIVISION OF STATE LANDS
901 SOUTH STEWART STREET, SUITE 5003
CARSON CITY, NEVADA 89701-5246

LICENSE AMENDMENT #1
SOUTHERN NEVADA WATER AUTHORITY
GARNET VALLEY WATER TRANSMISSION PIPELINE
NORTH LAS VEGAS READINESS CENTER (FLOYD EDSALL)

THIS FIRST AMENDMENT to the LICENSE, made and entered into this ____ day of _____, 202__, by and between the STATE OF NEVADA, acting through the NEVADA DIVISION OF STATE LANDS and the State Land Registrar, for and on behalf of the NEVADA ARMY NATIONAL GUARD (“LICENSOR”), and SOUTHERN NEVADA WATER AUTHORITY (“LICENSEE”).

WHEREAS, on March 17, 2026, LICENSEE was issued a Non-Exclusive Access and License Agreement (“License”) for the occupancy of State of Nevada Recreation & Public Purpose (R&PP) Act Patent lands for the installation and maintenance of the Garnet Valley Water Transmission System, a pipeline with support facilities to supply up to 20 million gallons per day to serve customers within the Apex area of Southern Nevada; and

WHEREAS, the License is associated with that certain property situated and lying within Clark County, further described as Assessor's parcel numbers 123-21-000-001, 123-22-101-001, 123-15-000-001, and 123-21-000-002, commonly referred to as the Nevada Army National Guard North Las Vegas Readiness Center (Floyd Edsall), located within Sections 21, 22 and 15, Township 19S, Range 62E Mount Diablo and Base Meridian; and

WHEREAS, pursuant to NRS 322.060, the License must be for such term and consideration as the Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources, as ex officio State Land Registrar, may determine reasonable based on the fair market value of the land; and

WHEREAS, an amendment is required to revise the consideration for the License;

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, LICENSOR and LICENSEE agree as follows:

1. **CONSIDERATION and LATE PAYMENT FEE**: Section 5 Consideration and Section 6 Late Payment Fee in the License are hereby amended in their entirety to read as follows, "For and in consideration of the Project and under Contract 5760, LICENSEE hereby agrees to pay a use fee in the amount of TWO HUNDRED FIFTY-SEVEN THOUSAND FIVE HUNDRED SIXTY AND NO/100 DOLLARS (\$257,560.00). The use fee may be paid in two installments. LICENSOR has received the first installment. The second installment must be paid on or before March 1, 2027. Any payment made after this due date shall be subject to a late payment fee in the amount of SIX THOUSAND FOUR HUNDRED FORTY AND NO/100 DOLLARS (\$6,440.00), which is the equivalent to five percent (5%) of the amount due. If fees,

including late fees, become more than SIXTY (60) days in arrears, the License may be terminated by LICENSOR.

Fees are payable to the STATE OF NEVADA, DIVISION OF STATE LANDS, and are to be paid by electronic funds transfer to:

**DIVISION OF STATE LANDS
901 SOUTH STEWART STREET, SUITE 5003
CARSON CITY, NEVADA 89701**

The LICENSOR recognizes that any revenue generated from the LICENSEE's use of the Property as authorized by this License shall be used to benefit the R&PP Patent area."

All other terms and conditions of the License remain in full force and effect, with no other changes, modifications, or amendments thereto.

{BALANCE OF PAGE INTENTIONALLY LEFT BLANK}

FINAL DRAFT

IN WITNESS WHEREOF, the parties hereto have executed this License Amendment
#1 as of the day and year first above written.

LICENSOR:
STATE OF NEVADA
Division of State Lands

By: _____
CHARLES DONOHUE
Administrator and State Land Registrar

APPROVED as to Form:
AARON D. FORD
Attorney General

By: _____
DAKOTA R. PETERSON
Deputy Attorney General

Date: _____

FINAL DRAFT

APPROVED:
STATE OF NEVADA
NEVADA ARMY NATIONAL GUARD

By: _____ Date: _____
D. RODGER WATERS
Adjutant General

LICENSEE:
SOUTHERN NEVADA WATER AUTHORITY

By _____
JOHN J. ENTSMINGER
General Manager

STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on _____, 2026, by
John J. Entsminger, as General Manager of the Southern Nevada Water Authority.

NOTARY PUBLIC



NG-24, ES
Interest: 16782
Project: 7871
Contract: 5760
County: Clark
APNs: 123-21-000-001, 123-22-101-001,
123-15-000-001, and 123-21-000-002
Location: S21, S22, S15, T19S, R62E

Recording Requested by and Return To:
DIVISION OF STATE LANDS
901 SOUTH STEWART STREET, SUITE 5003
CARSON CITY, NEVADA 89701-5246

Inst #: 20260330-0000910

Fees: \$42.00

03/30/2026 09:29:36 AM

Receipt #: 6165007

Requestor:

SOUTHERN NEVADA WATER AUT

Recorded By: TAH Pgs: 24

Debbie Conway

CLARK COUNTY RECORDER

Src: FRONT COUNTER

Ofc: MAIN OFFICE

NON-EXCLUSIVE ACCESS AND LICENSE AGREEMENT
SOUTHERN NEVADA WATER AUTHORITY
GARNET VALLEY WATER TRANSMISSION PIPELINE
NORTH LAS VEGAS READINESS CENTER (FLOYD EDSALL)

This Non-Exclusive Access and License Agreement ("License") is made and entered into this 17th day of March, 2026, by and between the STATE OF NEVADA, acting through the NEVADA DIVISION OF STATE LANDS, for and on behalf of the NEVADA ARMY NATIONAL GUARD ("LICENSOR"), and SOUTHERN NEVADA WATER AUTHORITY ("LICENSEE"):

WHEREAS, the United States Department of the Interior, Bureau of Land Management ("BLM") is the holder of a reversionary interest in Assessor's Parcel Number(s) 123-21-000-001, 123-22-101-001, 123-15-000-001, and 123-21-000-002 and has issued the LICENSOR Recreation & Public ("R&PP") Patents serialized as N-43395, further described in **Exhibit A** ("the Property"); and

WHEREAS, LICENSOR represents and warrants it has the right to occupy and use the Property, including the right to improve and manage the Property and construct and permit third party uses in accordance with the R&PP Patent; and

WHEREAS, LICENSEE has made application to and wishes to obtain from the LICENSOR a License for the installation of the Garnet Valley Water Transmission System, a pipeline with support facilities to supply up to 20 million gallons per day to serve customers within the Apex area; and

WHEREAS, by Resolution of Relinquishment of a Portion of State Highway Right-of-Way dated July 27, 1999, the Nevada Department of Transportation relinquished a public road known as Range Road (Military Road) to the County of Clark of the State of Nevada, through, across, and over which LICENSEE desires to access the Garnet Valley Water Transmission System; and

WHEREAS, LICENSEE's access will also be achieved through LICENSEE's construction of a non-public road within the Garnet Valley Water Transmission System corridor, as more particularly described below; and

WHEREAS, NRS 322.100 gives the State Land Registrar the authority to issue a permit, license, or other authorization for any lawful use of state land administered by the Division of State Lands; and

NOW THEREFORE, for and in consideration of the mutual covenants contained herein and other good and valuable consideration, LICENSOR does hereby grant to LICENSEE a License to enter upon the Property to access and use a 40-foot-wide portion of the Property described in the legal description attached hereto as **EXHIBIT B** ("Licensed Area") for the limited

purpose of supplying water, including the construction, reconstruction, inspection, maintenance, and repair of the Garnet Valley Water Transmission System, which includes a 36" pipeline and associated water delivery facilities; and to remove bushes, undergrowth or other obstructions interfering with the location, construction and maintenance of these facilities; and for the construction, operation and use of a non-public access roadway measuring up to 34-feet wide running alongside the pipeline ("Authorized Use") in the Licensed Area. The Authorized Use in the Licensed Area is hereinafter referred to as "the Project."

IN FURTHER CONSIDERATION for the granting of this License, LICENSEE, and/or its agent(s) and contractor(s), understands and agrees to the following specific conditions:

1. **PURPOSE:** The LICENSEE may access and use the Licensed Area solely for the Project. The Project shall be executed in accordance with the Southern Nevada Water Authority (SNWA) Garnet Valley Water System Amended Plan of Development (POD) dated August 30, 2023 as supplemented by SNWA Memorandum dated December 23, 2025, both of which are retained on file at the Nevada Division of State Lands and incorporated herein and by reference made a part hereof.

2. **JURISDICTION OF BLM:** All rights granted hereunder are subject to the limitations of the R&PP Patents. Should LICENSEE's Project serve customers other than the State of Nevada, LICENSEE must first obtain BLM's authorization through a POD Amendment or as otherwise required by BLM. This License is granted subject to any and all existing rights, including those held by BLM as the holder of a reversionary interest to the Property.

3. **JURISDICTION OF STATE:** The License for the Project extends only to the area described in **EXHIBIT B** and shall not be construed to authorize access across private lands nor

lands owned by the United States or other public agency. If LICENSEE needs to utilize other portions of the Property not granted to it through this License, a permit, license, easement or other authorization to do so is required.

4. LIMITED INTEREST: LICENSEE understands and agrees that the Authorized Use granted herein is a privilege and that nothing in this License shall be construed to confer, vest in, grant or convey to LICENSEE any title, real property interest or estate in the land, including any fee, leasehold or easement interest. This License does not grant any property rights to or control over the Property to the LICENSEE.

5. CONSIDERATION: For and in consideration of the Project and under Contract 5760, LICENSEE hereby agrees to pay a use fee in the amount of ONE HUNDRED TWENTY EIGHT THOUSAND SEVEN HUNDRED EIGHTY AND NO/100 DOLLARS (\$128,780.00) per year to the LICENSOR for the Project (NRS 321.100(1)(b)). Said fees are to be paid in advance commencing on the execution date of this License and on or before March 1st every year thereafter for the entire duration of said License. This is payable to the STATE OF NEVADA, DIVISION OF STATE LANDS, and is to be paid by electronic funds transfer to:

**DIVISION OF STATE LANDS
901 SOUTH STEWART STREET, SUITE 5003
CARSON CITY, NEVADA 89701**

The LICENSOR recognizes that any revenue generated from the LICENSEE's use of the Property as authorized by this License shall be used to benefit the R&PP Patent area.

The LICENSOR reserves the right to reevaluate, reassess and adjust the use fee for the Project every five (5) years. Should LICENSEE dispute a proposed use fee increase, the dispute may be resolved by an appraisal of the fair market value of the use and other actions as required

by law. The parties may by mutual agreement select an independent licensed appraiser to determine the fair market value of the use. The LICENSEE shall pay for the appraisal and any associated costs.

6. **LATE PAYMENT FEE:** The annual use fee shall be paid in advance to LICENSOR and shall be due on or before the due date provided herein. Any payment made after this due date shall be subject to a late payment fee in the amount of SIX THOUSAND FOUR HUNDRED FORTY AND NO/100 DOLLARS (\$6,440.00), or the equivalent of five percent (5%) of the annual amount due, whichever is greater. If fees, including late fees, become more than SIXTY (60) days in arrears, the License may be terminated by LICENSOR.

7. **TERM AND DISCONTINUATION:** This License shall have an initial term of THIRTY (30) years commencing on the date this License is fully executed by both the LICENSOR and the LICENSEE and may be terminated at any time at the will of the LICENSOR upon THIRTY (30) days written notice to LICENSEE. LICENSEE may extend the initial term of this License for up to ONE (1) additional term of TEN (10) years. The LICENSEE must notify the LICENSOR of their intent to renew this License for an additional term at least THIRTY (30) days prior to the expiration of the previous term. If at any time the LICENSEE should discontinue the Authorized Use for a period of ONE (1) year the License shall automatically terminate. Should BLM exercise its reversionary interest in the R&PP Patent, this License shall automatically terminate. Upon termination, the land will be returned to as near as its original condition as possible. The LICENSEE, understands and agrees that at the termination of this License, the Project will be removed by LICENSEE, and the land restored to its pre-project condition at LICENSEE's sole cost and expense.

8. **PERMITS:** This License is subject to the acquisition of all local, regional, state and federal permits and approvals as required by law. LICENSEE agrees to obtain and adhere to the conditions of the necessary permits.

9. **INDEMNIFICATION:** LICENSEE, and its agent(s) or contractor(s) agree to indemnify, defend and hold harmless the State of Nevada and its agents from and against any and all liability for personal injuries, claims, actions, damages, expenses, or for loss of life or property resulting from, or in any way connected with the conditions or use of the premises covered herein, including any hazard, deficiency, defect, or other matter, known or unknown, or connected with the installation and maintenance of the Project. This indemnification does not preclude the State of Nevada's right to participate in its defense of a matter subject to this indemnification.

10. **LIMITED LIABILITY:** LICENSOR will not waive, and intends to assert, all available immunities and statutory limitations in all cases, including, without limitation, the provisions of Nevada Revised Statutes Chapter 41.

11. **INSURANCE; CONTRACTORS AND SUB-CONTRACTORS:** This provision is applicable to all Non-Governmental Entities engaged to work on the premises granted by this License and does not apply to any LICENSEE considered a Public Entity. LICENSEE agrees to carry and to require their contractors and sub-contractors to carry their own General Liability Insurance Policy issued by an insurance company authorized to do business in the State of Nevada and which is currently rated by A. M. Best as A-VII or better. The insurance policy is to be kept in full force and effect during the term of this License. Such insurance policy shall be at the minimum, in the amount of \$1,000,000 per occurrence for bodily injury and property damage and shall via an endorsement, name the *State of Nevada, its officers, employees and agents as*

additional insureds for all liability arising from the use of state land. Each liability insurance policy shall also provide for a waiver of subrogation as to all additional insureds. LICENSEE agrees to provide and to require their contractors and sub-contractors to provide to the State of Nevada the Accord 25 Certificate of Insurance as proof of the insurance and an Additional Insured Endorsement, signed by an authorized insurance company representative, to evidence the endorsement of the State as additional insured. **The Certificate of Insurance and Additional Insured Endorsement shall be provided by each contractor and sub-contractor prior to their entry upon state property and be sent to:**

**Juanita Harrowa, Supervisory Land Agent
Nevada Division of State Lands
901 South Stewart Street, Suite 5003
Carson City, Nevada 89701**

12. PLANS AND PHOTOGRAPHS: The Project and related activities must be completed in accordance with the approved application and plans on file in the office of the Division of State Lands. The Division of State Lands must be notified if any alterations to the approved plans which would substantially affect the land are made or proposed prior to commencement of or during any work on the Project and related activities. The Division of State Lands reserves the right to prohibit said alterations. Within THIRTY (30) days of completion of the Project, LICENSEE agrees to provide LICENSOR with a set of before and after construction photographs of the Project to be taken from established points agreed to by LICENSOR.

13. INSPECTION: LICENSOR retains the right to inspect the Project at any time. LICENSEE agrees to notify LICENSOR at least **TWO (2)** business days prior to the

commencement and termination of any activities on the property to allow interested agencies the opportunity to inspect the Project.

14. NATIONAL GUARD COORDINATION: LICENSEE recognizes the Property is assigned to the Nevada National Guard (Guard) for the management and operation of the Floyd Edsall Training Center, the Guard's main headquarters in Southern Nevada for realistic tactical training and military readiness. LICENSEE shall exercise diligence in overseeing its agent(s) and contractor(s) to ensure the Authorized Use occurs solely within the Licensed Area and public access routes. To the extent reasonably feasible, LICENSEE shall minimize or avoid traffic and/or user conflicts on public access routes, including Range Road, through advanced coordination with the Nevada National Guard Provost Marshal whose contact information is provided in condition 21. Notices.

15. EXISTING EASEMENTS: LICENSEE, and/or its agent(s) or contractor(s) understands and agrees to require contractors to use caution when constructing and placing the Project and supporting equipment because of the possibility of additional utility laterals not known, and to be responsible for damage caused to any other utilities located upon R&PP Patent land. The legally required offsets from any existing gas, electric, water and/or communication lines shall be maintained at all times.

16. HISTORIC DISCOVERIES: If prehistoric or historic remains or artifacts are discovered during any work performed within the project area or during the term of this License, work will be temporarily halted and the State Historic Preservation Office at (775) 684-3448 as well as the Division of State Lands at (775) 684-2720 shall be notified. Work will remain halted until GRANTEE receives written authorization from GRANTOR to resume. As applicable,

LICENSEE will heed to the responsibilities required under Section 106 of the National Historic Preservation Act of 1966, as amended.

17. DAMAGE TO STATE LAND: LICENSEE, and/or its agent(s) or contractor(s) understands and agrees to pay for and be responsible for all direct or indirect damages to the real property, improvements, and personal property of LICENSOR caused by LICENSEE during any construction, re-location, installation, use, operation, inspection, future maintenance, repairs, reconstruction and removal of the Project, and further agrees to return the land to its pre-project condition upon completion of the work.

18. MAINTENANCE: LICENSEE shall be responsible for all maintenance of the Project and understands and agrees that the Project must be maintained in good repair at all times.

19. ENVIRONMENTAL CONDITIONS: LICENSEE, and/or its agent(s) or contractor(s) understands and agrees to implement and maintain the Project in accordance with the Nevada Division of Environmental Protection's Best Management Practices guidelines.

20. WARRANTIES: LICENSOR makes no warranty as to the condition of or the adequacy of the property for the proposed uses of LICENSEE.

21. NOTICES: All notices under this License shall be in writing and must be delivered: (i) in person, (ii) by depositing it in the United States mail certified mail, return receipt requested, (iii) by email followed by a hard copy deposited in the United States mail, or (iv) by other nationally recognized private delivery service (such as UPS or FedEx) with documented proof of delivery to LICENSOR or to LICENSEE at their respective addresses set forth below, or to such other address as may hereafter be designated in writing by either party. Notices delivered in person

shall be deemed delivered upon receipt, and notices sent by certified mail, return receipt requested.
shall be deemed delivered two (2) business days after deposit in the mail.

LICENSOR'S ADDRESS:

Division of State Lands
901 South Stewart Street, Suite 5003
Carson City, Nevada 89701
Email: statelands@lands.nv.gov

And

Nevada National Guard Provost Marshal
2460 Fairview Drive
Carson City, Nevada 89701
(775) 887-7895

LICENSEE'S ADDRESS:

Southern Nevada Water Authority
Attn: Land Acquisition Mgmt (M/S 95)
P.O. Box 99956
Las Vegas, Nevada 89193-9956
Email: rowteam@snwa.com

22. FURTHER AUTHORIZATIONS: Further authorization from the Division of State Lands is required prior to commencement of any future work or activities at locations other than those described in **EXHIBIT B**.

23. COMPLIANCE TO CONDITIONS: Failure to concur with or comply with any of the conditions contained herein will cause this License to become invalid and shall require the termination and, if applicable, removal of the Project, and restoration of the Property to pre-Project condition including the replanting and establishment of salvaged Cacti and Yucca. LICENSEE agrees to provide a copy of this License to its contractors prior to entering and beginning any work on the property described herein.

24. WAIVER: The failure of LICENSOR to insist upon strict performance of any of the covenants and agreements to this License or to exercise any option herein conferred in anyone or more instance, shall not be construed to be a waiver or relinquishment of any such covenants and agreements.

25. SURVIVAL: This License and all of its terms shall bind and benefit the parties and their respective successors and assigns, subject to the restrictions herein. The rights and obligations of each LICENSEE under this License shall be joint and several, unless otherwise agreed to in writing by the LICENSOR.

26. ENTIRE AGREEMENT: This License and conditions incorporated herein contain all of the agreements between the parties with respect to the matters contained herein. No prior agreement, understanding or verbal statement made by any party is a part hereof. No provisions of the License may be amended or modified in any manner whatsoever unless incorporated in writing and executed by both parties. When executed by the LICENSOR and LICENSEE, this License shall be binding upon LICENSOR and LICENSEE.

27. AMENDMENT OR MODIFICATION: This License may be amended or modified at any time with the mutual consent of the parties hereto, which amendment or modification must be in writing, executed and dated by the parties hereto. Such amendment or modification of this License may require coordination with the BLM.

28. SEVERABILITY: If any term or provision of this License, or its application to any person or circumstance, is found by a court to be invalid or unenforceable, the remaining provisions shall remain in full force and effect. The invalidity or unenforceability of any one part shall not affect the validity or enforceability of the rest, which shall be applied to the fullest extent permitted by law.

29. GOVERNING LAW: This License shall be governed by, construed, and enforced in accordance with the laws of the State of Nevada.

30. ATTORNEYS' FEES AND VENUE: In the event any action is filed in relation to this License, the non-prevailing party shall pay to the prevailing party, in addition to all sums either party may be called on to pay, a reasonable sum for the prevailing party's attorneys not to exceed ONE HUNDRED FIFTY AND NO/100 DOLLARS (\$150.00) per billable hour. Any action brought to resolve a dispute arising from this License must be brought either in State District Court where the property affected by the License is located or State District Court in Carson City, Nevada.

31. NON-TRANSFERABILITY: This License is personal to the LICENSEE. It may not be transferred or assigned. In the event of transfer of the assets or improvements authorized by this License to another entity or person, a new License for the occupancy and use of State Lands is required which will be consistent with the then applicable State laws, regulations and requirements.

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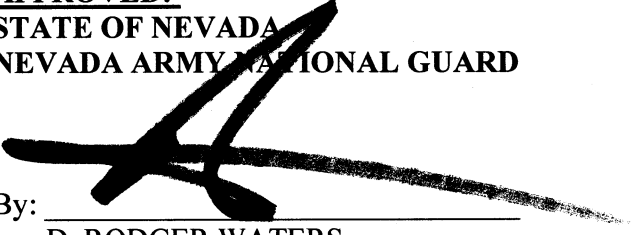
LICENSOR:
STATE OF NEVADA
Division of State Lands

 J. HARROWA
Notary Public, State of Nevada
Appointment No. 93-3931-2
My Appt. Expires Jun 5, 2029

Date: 3/17/2026

APPROVED:

**STATE OF NEVADA
NEVADA ARMY NATIONAL GUARD**

By: 

**D. RODGER WATERS
Adjutant General**

Date: 14 MAR 2026

LICENSEE:

SOUTHERN NEVADA WATER AUTHORITY

By John J. Entsminger
JOHN J. ENTSMINGER
General Manager

STATE OF Nevada
COUNTY OF CLARK

This instrument was acknowledged before me on February 19, 2026, by John J. Entsminger, as General Manager of the Southern Nevada Water Authority.

Shelley K. McGinn
NOTARY PUBLIC

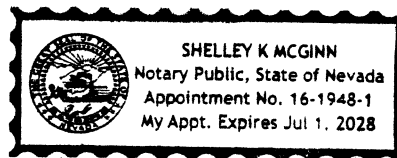


**EXHIBIT A
PROPERTY
(STATE OF NEVADA R&PP PATENT AREA)**

Mount Diablo Meridian, Nevada
T.19S., R.62 E.,
Sec. 15, All.

Containing 640 acres, more or less.

and

Mount Diablo Meridian, Nevada
T.19S., R.62 E.,
Sec. 22, N1/2, E1/2SW1/4.

Containing 400 acres, more or less.

and

Mount Diablo Meridian, Nevada
T.19S., R.62 E.,
Sec. 21, N1/2, SW1/4, N1/2SE1/4, SW1/4SE1/4.

Containing 600 acres, more or less.

EXHIBIT B
LICENSED AREA

GRANTOR: STATE OF NEVADA

APN: 123-15-000-001; 123-21-000-001; 123-22-101-001

EXHIBIT "A"

DESCRIPTION

A PORTION OF LAND DESCRIBED IN THAT CERTAIN PATENT DEED RECORDED AUGUST 14, 2008, IN BOOK 20080814 AS INSTRUMENT NUMBER 01344 AND THAT CERTAIN PATENT DEED RECORDED FEBRUARY 18, 2009 IN BOOK 20090218 AS INSTRUMENT NUMBER 04691, ON FILE AT THE CLARK COUNTY, NEVADA RECORDER'S OFFICE, LYING WITHIN SECTION 15, THE NORTH HALF (N 1/2) OF SECTION 21, AND A PORTION OF UNPATENTED LAND LYING WITHIN THE NORTHWEST QUARTER (NW 1/4) OF SECTION 22, TOWNSHIP 19 SOUTH, RANGE 62 EAST, M.D.M., CITY OF NORTH LAS VEGAS, CLARK COUNTY, NEVADA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 21; THENCE ALONG THE WEST LINE THEREOF, SOUTH 00°12'50" WEST, 35.01 FEET TO THE **POINT OF BEGINNING**; THENCE DEPARTING SAID WEST LINE, NORTH 89°00'50" EAST, 1024.94 FEET; THENCE SOUTH 23°30'18" EAST, 845.62 FEET; THENCE NORTH 66°29'43" EAST, 2039.82 FEET; THENCE NORTH 89°00'19" EAST, 2311.20 FEET; THENCE NORTH 00°46'23" WEST, 825.68 FEET; THENCE NORTH 66°29'43" EAST, 4689.29 FEET; THENCE NORTH 73°12'40" EAST, 981.99 FEET TO THE EAST LINE OF SAID SECTION 15; THENCE ALONG SAID EAST LINE, SOUTH 00°16'53" EAST, 41.72 FEET; THENCE DEPARTING SAID EAST LINE, SOUTH 73°12'40" WEST, 967.79 FEET; THENCE SOUTH 66°29'43" WEST, 4660.34 FEET; THENCE SOUTH 00°46'23" EAST, 838.91 FEET; THENCE SOUTH 89°00'19" WEST, 2343.08 FEET; THENCE SOUTH 66°29'43" WEST, 2071.86 FEET; THENCE NORTH 23°30'18" WEST, 858.91 FEET; THENCE SOUTH 89°00'50" WEST, 999.06 FEET TO THE WEST LINE OF SAID SECTION 21; THENCE ALONG SAID WEST LINE, NORTH 00°12'50" EAST, 40.01 FEET TO THE **POINT OF BEGINNING**.

CONTAINS 11.69 ACRES, MORE OR LESS.

GRANTOR: STATE OF NEVADA

APN: 123-15-000-001; 123-21-000-001; 123-22-101-001

BASIS OF BEARINGS

NORTH 00°12'50" EAST, BEING THE BEARING OF THE WEST LINE OF THE NORTHWEST QUARTER (NW 1/4) OF SECTION 21, TOWNSHIP 19 SOUTH, RANGE 62 EAST, M.D.M., AS SHOWN IN FILE 230, PAGE 57 OF SURVEYS ON FILE AT THE CLARK COUNTY, NEVADA RECORDERS OFFICE.

END OF DESCRIPTION

(SEE EXHIBIT "B" ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF)

PAUL BURN, PLS
PROFESSIONAL LAND SURVEYOR
NEVADA LICENSE NO. 11174

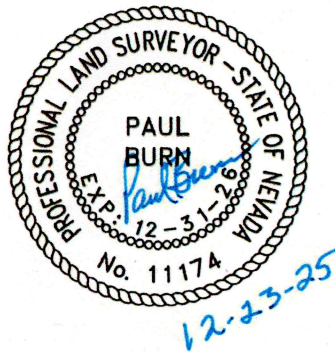


EXHIBIT "B" TO ACCOMPANY DESCRIPTION

GRANTOR: STATE OF NEVADA
APN: 123-15-000-001; 123-21-000-001;
123-22-101-001

RANGE ROAD

N-034341
N-095039

35.01'
S00°12'50"W

N89°00'50"E 1024.94'

USA
(NELLIS AIR FORCE BASE)
APN: 123-16-000-001
MILITARY LAND WITHDRAWAL
EXECUTIVE ORDER NO. 8954
(NOT A PART)

STATE OF NEVADA
APN: 123-21-000-001
OR: 20080814:01344

TOWNSHIP 19 SOUTH, RANGE 62 EAST

POINT OF BEGINNING
40.01'
S89°00'50"W 999.06'

POINT OF COMMENCEMENT
USA

APN: 123-20-000-002
(NOT A PART)

BASIS OF BEARINGS
N00°12'50"E 2728.54'
2653.03'

ACCESS ROAD
AND POWER LINE
NEV-045137

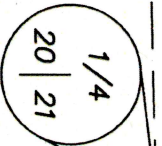
STATE OF NEVADA
APN: 123-21-000-001
OR: 20080814:01344

AREA = 11.69 ACRES±
N23°30'18"W 858.91'
S23°30'18"E 845.62'

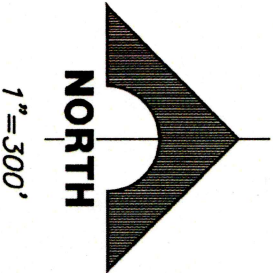


N66°29'43"E 2071.86'
S66°29'43"W 2039.82'

MATCH LINE - SEE PAGE 2



PAGE 1 OF 5



GCV
ENGINEERS & SURVEYORS
1555 S. RAINBOW BLVD.
LAS VEGAS, NV 89146
T: 702.804.2000
F: 702.804.2299
gcwengineering.com

EXHIBIT "B" TO ACCOMPANY DESCRIPTION

GRANTOR: STATE OF NEVADA
APN: 123-15-000-001; 123-21-000-001;
123-22-101-001

1/4
16
21

TOWNSHIP 19 SOUTH,
RANGE 62 EAST

USA
(NELLIS AIR FORCE BASE)
APN: 123-16-000-001
MILITARY LAND WITHDRAWAL
EXECUTIVE ORDER NO. 8954
(NOT A PART)

35.00'

N89°00'19"E 2311.20'
S89°00'19"W 2343.08'

STATE OF NEVADA
APN: 123-21-000-001
OR: 20080814: 01344

MATCH LINE - SEE PAGE 1

STATE OF NEVADA
APN: 123-21-000-001
OR: 20080814: 01344

N66°29'43"E 2039.82'
S66°29'43"W 2071.86'
AREA = 11.69 ACRES±

MATCH LINE - SEE PAGE 3



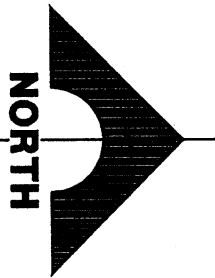
1"=300'

PAGE 2 OF 5

GCv
ENGINEERS & SURVEYORS
1555 S. RAINBOW BLVD.
LAS VEGAS, NV 89146
T: 702.804.2000
F: 702.804.2299
gowengineering.com

EXHIBIT "B" TO ACCOMPANY DESCRIPTION

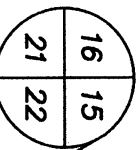
GRANTOR: STATE OF NEVADA
APN: 123-15-000-001; 123-21-000-001;
123-22-101-001



1"=300'

USA
(NELLIS AIR FORCE BASE)
APN: 123-16-000-001
MILITARY LAND WITHDRAWAL
EXECUTIVE ORDER NO. 8954
(NOT A PART)

TOWNSHIP 19 SOUTH,
RANGE 62 EAST



N89°00'19"E 2311.20'-
S89°00'19"W 2343.08'

STATE OF NEVADA
APN: 123-21-000-001
OR: 20080814:01344

PAGE 3 OF 5

MATCH LINE - SEE PAGE 4

N66°29'43"E 4689.29'
S66°29'43"W 4660.34'
AREA = 11.69 ACRES±

N00°46'23"W 825.68'
S00°46'23"E 838.91'

STATE OF NEVADA
APN: 123-15-000-001
OR: 20090218:04691

STATE OF NEVADA
APN: 123-22-101-001

ENGINEERS \ SURVEYORS

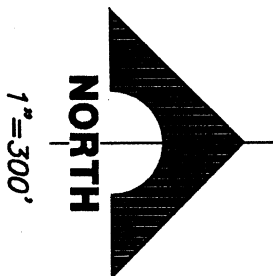
GCIV

1555 S. RAINBOW BLVD.
LAS VEGAS, NV 89146
T: 702.804.2000
F: 702.804.2299
gcwengineering.com

EXHIBIT "B" TO ACCOMPANY DESCRIPTION

TOWNSHIP 19 SOUTH, RANGE 62 EAST

C 1/4
SEC. 15



STATE OF NEVADA
APN: 123-15-000-001
OR: 20090218:04691

STATE OF NEVADA
APN: 123-15-000-001
OR: 20090218:04691

MATCH LINE - SEE PAGE 5

MATCH LINE - SEE PAGE 3

Diagram illustrating a triangular plot of land with the following dimensions:

- Top side: 4689.29'
- Bottom side: 4660.34'
- Left side: 566'29.43"

AREA = 11.69 ACRES

PAGE 4 OF 5

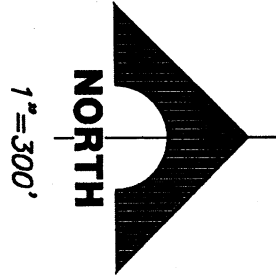
GCVT
ENGINEERS & SURVEYORS

1555 S. RAINBOW BLVD
LAS VEGAS, NV 89146
T: 702.804.2000
F: 702.804.2299
gvengineering.com

EXHIBIT "B" TO ACCOMPANY DESCRIPTION

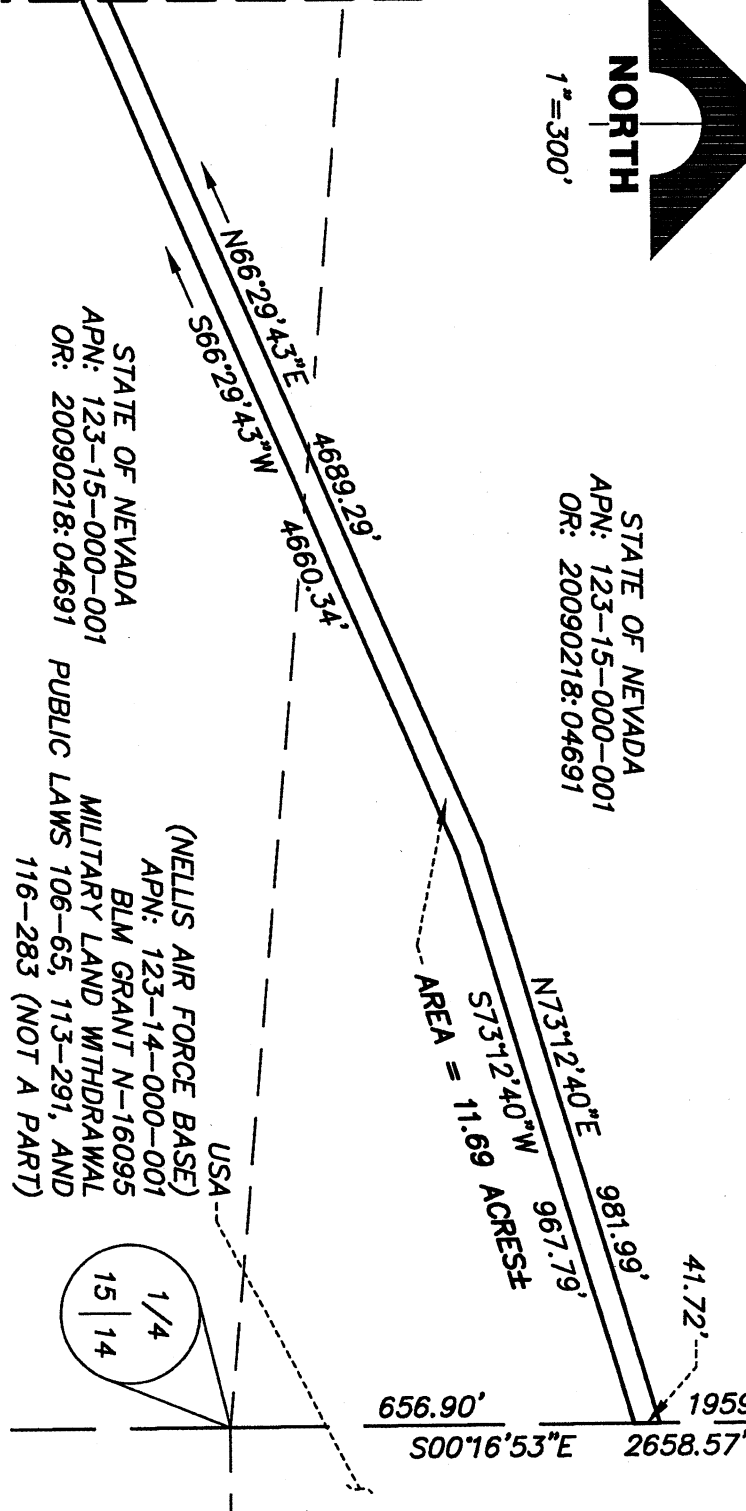
GRANTOR: STATE OF NEVADA
APN: 123-15-000-001; 123-21-000-001;
123-22-101-001

TOWNSHIP 19 SOUTH, RANGE 62 EAST



STATE OF NEVADA
APN: 123-15-000-001
OR: 20090218: 04691

MATCH LINE - SEE PAGE 4



STATE OF NEVADA
APN: 123-15-000-001
OR: 20090218: 04691

(NELLIS AIR FORCE BASE)
APN: 123-14-000-001
BLM GRANT N-16095
MILITARY LAND WITHDRAWAL
PUBLIC LAWS 106-65, 113-291, AND
116-283 (NOT A PART)

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM
August 20, 2026

Subject:
Agreement

Petitioner:
Andy Belanger, Deputy General Manager, Administration

Recommendations:
That the Board of Directors approve and authorize the General Manager to sign an agreement between Hazen and Sawyer and the Authority to provide professional engineering services for miscellaneous civil, electrical, mechanical, and control systems projects for a total amount not to exceed \$6,000,000.

Fiscal Impact:

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

Background:

On February 25, 2026, a Statement of Qualifications (SOQ) solicitation was advertised in BonFire for miscellaneous engineering services. Seven firms responded to the SOQ solicitation, which were evaluated by the Authority and selection was made in accordance with NRS 625.530 on the basis of competence and qualifications as well as other evaluation criteria listed in the SOQ. Based on these evaluations, the Authority has selected Hazen and Sawyer as one of two firms recommended to receive an award under this SOQ.

If approved, this Agreement to Provide Professional Services (Agreement) includes the terms and conditions necessary for performing miscellaneous civil, electrical, mechanical, and controls systems engineering and design support services for a total amount not to exceed \$6,000,000 over the duration of the Agreement. As projects are identified, the Authority will negotiate each scope of work directly with Hazen and Sawyer.

This Agreement is being entered into pursuant to NRS 332.115.1(b) and Section 6(i) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the Agreement.



Las Vegas Valley Water District
Southern Nevada Water Authority
Springs Preserve™

LVVWD/SNWA/SSEA DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Information

Business Entity Type: Privately Held Corporation
Business Designation Group:
Number of Clark County Residents Employed: 7
Corporate/Business Entity Name: Hazen and Sawyer, D.P.C.
Doing Business As:
Street Address: 2470 Saint Rose Parkway, Suite 204
City, State, and Zip Code: Henderson, Nevada 89074
Website: <https://www.hazenandsawyer.com/>
Contact Name: Ben Stanford
Contact Email: bstanford@hazenandsawyer.com
Telephone No: (720) 262-4458
Fax No:

BUSINESS ENTITY OWNERSHIP LIST

All entities, with the exception of *publicly-traded corporations* and *non-profit organizations*, must list the names of individuals, either directly or indirectly, holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board of Directors. *(If no parties own more than five percent (5%), then a statement relaying that information should be included in lieu of listing the parties).*

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

Publicly-traded corporations and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest.

No Ownership More than Five Percent (5%) Statement (if applicable):

100% employee-owned Design Profession Corporation with no one employee owning more than 5% of the company.

Listed Disclosures Below *(additional supplemental information may be attached, if necessary):*

Additional Supplemental Information to be Attached? **No**
Number of Board members/Officers?
Number of Owners?

Names, Titles and Percentage Owned:

Full Name	Title	% Owned (Not required for Publicly Traded Corporations/Non-profit organizations)
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DISCLOSURE OF RELATIONSHIPS

Disclosure of Relationship/Ownership

Business Owner/Principal/Employee relationships to any Employee and/or Official of LVVWD, SNWA or SSEA must be listed whether that relationship is by blood "Consanguinity" or by marriage "Affinity". "Degree of consanguinity", first or second, of blood relatives is as follows:

Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)

Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

- A. Do any business/corporate entity members, partners, owner, principals, or employees have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a LVVWD, SNWA, or SSEA full-time employee(s) and/or appointed/elected official(s)? **Yes**
- B. Are any LVVWD, SNWA, or SSEA employee(s) and/or appointed/elected official(s) an individual member, partner, owner or principal involved in the business entity? **No**

Disclosure of Employee Relationship/Ownership/Involvement: (List any disclosures below)

Category A/B	Business Owner/Principal Name	LVVWD/SNWA/SSEA Employee/Official and Job Title	Business Owner/Official Relationship to LVVWD/SNWA/SSEA Employee/Official	LVVWD/SNWA/SSEA Employee's/Official's Department
A	Charlie Kajkowski	Michael Kajkowski	Father	3472 - Facility Improvement Team
A	Charlie Kajkowski	David Wadsworth	Father-in-Law	3723 - Spatial Technology Admin & Dev
A	Addison Ross	Doa Ross	Daughter	3000 - Engineering

Business Entity Authorized Signature:

By providing an electronic signature in the indicated area below, *the signatory acknowledged and agreed to sign documents and contracts electronically and to receive by electronic delivery documents, contracts, notices, communications, and legally-required disclosures. Signatory also certified, under penalty of perjury, that all of the information provided herein is current, complete, and accurate and that signatory is authorized to sign. Signatory also understands that the LVVWD/SNWA/SSEA Board of Directors will not take action on any item without the completed disclosure form.*

Signer Name: Jim Struve
Signer Title: Vice President
Signer Email: jstruve@hazenandsawyer.com
Signed Date: 7/29/2026
E-signed Acknowledgement: Yes

LVVWD/SNWA/SSEA Review

This section to be completed and signed by the LVVWD/SNWA/SSEA Authorized **Department** Representative.

N **No** Disclosure or Relationship is noted above or the section is not applicable.

Y Disclosure or Relationship **IS** noted above (complete the following):

N – Is the LVVWD/SNWA/SSEA representative listed above involved in the contracting/selection process for this item?

N – Is the LVVWD/SNWA/SSEA representative listed above involved in any way with the business in performance of the contract?

Additional Comments or Notes:

Two of the CONSULTANT's employees have a relationship with any employee or official of the AUTHORITY by first or second blood relatives or by marriage, which disclosure is more fully discussed in Exhibit B of the Agreement.

By signing below, I confirm that I have reviewed this disclosure form and that it is complete and correct to the best of my knowledge.

Noel, Allison

Signature

Noel, Allison

Contract Administrator

Print Name/Title

7/29/2026

Date

AGREEMENT TO PROVIDE PROFESSIONAL SERVICES

This Agreement is made and entered into by and between Hazen and Sawyer, hereinafter called "CONSULTANT," and the Southern Nevada Water Authority, a political subdivision of the State of Nevada, hereinafter called the "AUTHORITY." The CONSULTANT and the AUTHORITY are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties." The term "AUTHORITY" also refers to staff of the AUTHORITY acting within their designated authority and duties. The "Effective Date" is the date of last signature on this Agreement.

WITNESSETH:

WHEREAS, the AUTHORITY desires to obtain professional engineering services described herein and in AUTHORITY's Request for Statement of Qualifications (RFQ) No. 014425, Miscellaneous Professional Engineering Services, and

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

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

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

1) SCOPE OF WORK:

- a) The CONSULTANT shall provide any requested services, hereinafter referred to as "Work," as described and within the time indicated in Exhibit A, which is attached herewith and made a part of this Agreement. Except as otherwise provided in this Agreement, if any provision contained in this Agreement conflicts with any provision in any of the attached Exhibits, the provision contained in this Agreement shall govern and control.
- b) The CONSULTANT acknowledges that the miscellaneous engineering services requested by AUTHORITY are performed on an as-needed basis, and the AUTHORITY makes no representation or guarantee of any work being assigned to CONSULTANT pursuant to this Agreement.
- c) All Work performed shall be subject to the cost ceiling contained in "Limitation on Costs" hereof and subject to the AUTHORITY's directions respecting priorities. The CONSULTANT will furnish all professional services in the amount necessary to complete, promptly and effectively, the Work assigned under this Agreement.
- d) All of the Work shall be performed by the CONSULTANT or a subcontractor, subconsultant, or supplier ("Subcontractor") approved by the AUTHORITY. The CONSULTANT shall submit to the AUTHORITY all information necessary for the AUTHORITY to review and approve the Subcontractor. The AUTHORITY reserves the right to reject any proposed Subcontractor at its sole discretion.
- e) During performance of the Work under this Agreement, the CONSULTANT shall notify the AUTHORITY of any Work deemed to be outside of the Scope of Work within seven (7) calendar days. The CONSULTANT shall not perform any Work outside of the Scope of Work without:
 - i) For single project-based Scope of Work, an executed written amendment to this Agreement; and
 - ii) For a task order-based Scope of Work, an executed written amendment to the task order at issue.

Should the CONSULTANT proceed with any Work outside the Scope of Work without an executed written amendment, the CONSULTANT shall not be entitled to any additional payment for such Work.

- f) In performing the Work under this Agreement, the CONSULTANT shall observe and abide by the terms and conditions of all applicable laws, regulations, ordinances, or rules of the United States, of the State of Nevada, of any political subdivision thereof, and of any other duly constituted public authority or agency. The CONSULTANT shall be responsible for obtaining any license, permit or other approval as required by law or otherwise, arising out of the Work to be performed hereunder.
- g) The CONSULTANT has, or will secure at its own expense, the qualified personnel required to perform the Work assigned under this Agreement. Such personnel shall not be employed by the United States; the State of Nevada; Clark County, Nevada; Las Vegas Valley Water District, Southern Nevada Water Authority, or any other political subdivision of the State of Nevada.

2) PERIOD OF PERFORMANCE:

- a) This Agreement shall become effective as of the Effective Date and shall remain in effect for seven (7) years, unless terminated in accordance with the terms of this Agreement. During this period, the CONSULTANT agrees to provide the Work as required by the AUTHORITY within the scope of this Agreement. In the event that Work, pursuant to a written work order issued under this agreement, continues to be performed after the expiration of the Agreement, the terms and conditions contain in this Agreement shall govern the performance of such Work.
- b) This Agreement may not extend more than seven (7) years from the Effective Date.

3) COMPENSATION:

- a) In consideration for completion of all duties and responsibilities under this Agreement, the AUTHORITY agrees to pay the CONSULTANT, in accordance with Exhibit A, for Work completed to the AUTHORITY's satisfaction.
- b) AUTHORITY approved Travel expenses will be reimbursed as set forth in Exhibit C, which is attached herewith and made a part of this Agreement.
- c) The CONSULTANT shall provide itemized monthly invoices for Work performed during the previous month and shall be in strict accordance with the requirements set forth in the Rates and Fee section of Exhibit A. Invoices are to be submitted to the AUTHORITY in accordance with the Notice provisions of this Agreement and must reference the name and Effective Date of the Agreement. A copy of any invoice received from subcontractors used by the CONSULTANT shall be included.
- d) The AUTHORITY shall pay invoiced amounts from the CONSULTANT based on the fees set forth in Exhibit A within thirty (30) calendar days after the date the invoice is received and approved by the AUTHORITY.
- e) The AUTHORITY may dispute a payment or portion thereof that is due before or after the AUTHORITY pays the invoice.

4) LIMITATION ON COSTS:

The total cost of Work provided under this Agreement shall not exceed \$6,000.000.

5) RESPONSIBILITIES OF CONSULTANT:

- a) The CONSULTANT shall appoint a Manager who will manage the performance of the Work. All of the Work specified by this Agreement shall be performed by the Manager, or by the CONSULTANT's associates and employees under the personal supervision of the Manager.

Should the Manager, or any employee of the CONSULTANT be unable to complete his or her responsibility for any reason, the CONSULTANT must obtain written approval by the AUTHORITY prior to replacing him or her with another equally qualified person. If the CONSULTANT fails to make a required replacement within thirty (30) calendar days, the AUTHORITY may terminate this Agreement.

- b) The CONSULTANT agrees that its officers and employees will cooperate with the AUTHORITY in the performance of Work under this Agreement and will be available for consultation with the AUTHORITY at such reasonable times with advance notice as to not conflict with their other responsibilities.
- c) The CONSULTANT shall perform the Work with the care and skill ordinarily exercised by members of the same profession currently practicing in the same locality on projects of similar size, scope and complexity at that time of the Work is performed ("Standard of Care"). The CONSULTANT shall be responsible subject to this section for the professional quality, technical accuracy, timely completion, and coordination of all Work furnished by the CONSULTANT, its subcontractors and their principals, officers, employees and agents under this Agreement.
- d) It shall be the duty of the CONSULTANT to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. The CONSULTANT will not produce a work product which violates or infringes on any copyright or patent rights. The CONSULTANT shall, without additional compensation, correct or revise any errors or omissions in its work products that fail to meet the Standard of Care.
 - i) Permitted or required approval by the AUTHORITY of any products or Work furnished by the CONSULTANT shall not in any way relieve the CONSULTANT of responsibility for the professional and technical accuracy and adequacy of its work.
 - ii) The AUTHORITY's review, approval, acceptance, or payment for any of the CONSULTANT's Work herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and the CONSULTANT shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to the AUTHORITY caused by the CONSULTANT's performance or failures to perform under this Agreement.
- e) All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by the CONSULTANT for the AUTHORITY relating to the Work and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by the CONSULTANT to parties other than the AUTHORITY shall become the property of the AUTHORITY and shall be delivered to the AUTHORITY's representative upon completion or termination of this Agreement, whichever comes first. The CONSULTANT shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by the AUTHORITY. The AUTHORITY shall have the right to reproduce all documentation supplied pursuant to this Agreement.
- f) All of the CONSULTANT's employee(s) that will enter the Alfred Merritt Smith Water Treatment Facility (AMSWTF) must attend an AMSWTF safety orientation. This orientation will be provided by the AUTHORITY upon the first entrance of the employee to AMSWTF and involves training which includes site hazards, emergency response/action plan, and facility safety rules. The CONSULTANT shall be responsible for providing all other training required by OSHA to its employees and any subconsultant(s).
- g) The rights and remedies of the AUTHORITY provided for under this paragraph are in addition to any other rights and remedies provided by law or under other paragraphs of this Agreement.

6) RESPONSIBILITIES OF AUTHORITY:

- a) The AUTHORITY agrees that its officers and employees will cooperate with the CONSULTANT in the performance of the Work and will be available for consultation with the CONSULTANT at such reasonable times with advance notice as to not conflict with other responsibilities.
- b) The Work performed by the CONSULTANT under this Agreement shall be subject to review for compliance with the terms of this Agreement by the AUTHORITY's representative, Sean Vallesteros, telephone number (702) 567-2061 or their designee. The AUTHORITY's representative may delegate any or all of his/her responsibilities under this Agreement to appropriate staff members.
- c) The AUTHORITY shall assist the CONSULTANT in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the Work.
- d) The CONSULTANT will not be responsible for accuracy of information or data supplied by the AUTHORITY or other sources to the extent such information or data would be relied upon by a reasonably prudent CONSULTANT.

7) TRUTH-IN-NEGOTIATION CERTIFICATION:

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

8) INDEPENDENT CONTRACTOR – NO JOINT VENTURE:

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

9) INTELLECTUAL PROPERTY ACKNOWLEDGMENT:

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

- a) All content developed on behalf of the AUTHORITY, in whole or in part, solely or jointly by the CONSULTANT and all of the CONSULTANT's employees, associates or subcontractors assisting in creating developments and/or other work product, whether or not copyrightable or otherwise protected, including, without limitation, advertisements and marketing material ("Work Product") arising from the Work performed pursuant to, or arising out of the AUTHORITY's engagement of the CONSULTANT, or previously conceived in anticipation of work to be performed in regard to the AUTHORITY's engagement of the CONSULTANT, shall be deemed "work made for hire" as defined in the copyright laws of the United States of America (17 U.S.C. §101 et seq.) and the AUTHORITY shall own all right, title, and interest, including, without limitation, all copyrights and other intellectual property right, title, and interest ("Right") in and to the Work Product.
- b) To the extent that the CONSULTANT is deemed to have or retain any Right or otherwise possess any Right in and to any Work Product, the CONSULTANT hereby assigns, transfers, and conveys, all such Right to the AUTHORITY.

- c) The CONSULTANT shall execute all documents and undertake all actions necessary to clarify that the AUTHORITY maintains the ownership of all of the Work Product and to allow the AUTHORITY to apply for registrations of the Work Product, as well as maintain any registrations gained, including, without limitation, the Intellectual Property Assignment set forth in "Intellectual Property Assignment".
- d) The CONSULTANT hereby waives and releases any claim of infringement of any Right of the CONSULTANT (whether based in any intellectual property Right, other proprietary interest whatsoever, or fiduciary theory) in, to or respecting any Work Product (including, without limitation, any claim based on any of the CONSULTANT's rights in any Work Product which may be construed as "works of visual art" as defined in the Visual Arts Rights Act of 1990, 17 U.S.C. § 106A) and shall never challenge nor dispute the AUTHORITY's Right in and to the Work Product.

10) INTELLECTUAL PROPERTY ASSIGNMENT:

In consideration of the covenants, representations and warranties set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the CONSULTANT hereby sells, conveys, transfers and assigns to the AUTHORITY all of the CONSULTANT's right, title, license and interest (including, without limitation, all intellectual property right, title, license and interest) in and to any and all Work Product designed, developed, or created by the CONSULTANT or otherwise arising out of the CONSULTANT's Work and related content by and for the benefit of the AUTHORITY (including, without limitation, patent applications, issued patents, prototypes for the purpose of same, and other associated derivatives) including, without limitation, all marks, all goodwill associated with such patents, trade secrets, and copyrights in and to, relating to, associated with and/or arising from the Work, the right to applications, issuance, continuations, and divisionals of such patents and the right to applications, registrations, renewals, reissues, and extensions of such marks and copyrights, and the right to sue and recover for any past and/or continuing infringements or contract breaches, said rights, titles, licenses and interests to be held and enjoyed by the AUTHORITY, for the AUTHORITY's own use and benefit and for the use and benefit of the AUTHORITY's successors, assigns or other legal representatives, as fully and entirely as the same would have been held and enjoyed by the CONSULTANT if this sale, conveyance, transfer and assignment had not been made.

11) INTERPRETATION:

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

12) CONFLICT OF INTEREST:

During the course of performance of this Agreement, the CONSULTANT will not knowingly contract with any client whose interest is directly adverse to that of the Las Vegas Valley Water District and/or the Southern Nevada Water Authority with respect to the specific subject matter of this Agreement.

13) PROHIBITION AGAINST COMMISSION FOR OBTAINING AGREEMENT:

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

discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration and any other damages.

14) PROHIBITION AGAINST INTEREST BY GOVERNMENT EMPLOYEES:

- a) No officer, employee, or member of the governing body of the AUTHORITY shall (1) participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is, directly or indirectly, interested; or (2) have any interest, direct or indirect, in this Agreement or the proceeds thereof.
- b) The CONSULTANT represents that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the Work required to be performed under this Agreement. The CONSULTANT further covenants that in the performance of said Work, no person having any such interest shall be employed.
- c) No member of, delegate to, or officer or employee of the legislative, executive or judicial branches of the government of the United States, of the State of Nevada or any of its political subdivisions shall be entitled to any share or part hereof or to any benefit to arise therefrom.

15) COMPLETENESS AND ACCURACY OF CONSULTANT'S WORK:

- a) The CONSULTANT shall be responsible for the completeness and accuracy of its research, supporting data, and any final reports or other deliverables prepared or compiled pursuant to this Agreement and shall correct, at its expense, all errors or omissions therein subject to the limitation of liability.
- b) The cost necessary to correct those errors attributable to the CONSULTANT and any damage incurred by the AUTHORITY as a result of additional costs caused by such errors shall be chargeable to the CONSULTANT. The fact that the AUTHORITY has accepted or approved the CONSULTANT's Work shall in no way relieve the CONSULTANT of any of its responsibilities.

16) INDEMNIFICATION:

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

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

- b) For all claims not based upon or arising out of the Work of the CONSULTANT, the CONSULTANT shall indemnify, hold harmless, and defend, without cost to the AUTHORITY Parties, against any and all losses, claims, costs, damages, actions, proceedings, and liability to the extent that such losses, claims, costs, damages, actions, proceedings, and liability are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the CONSULTANT or the employees of the CONSULTANT. This indemnification includes, but is not

limited to, reasonable attorneys' fees and costs and claims for or by reason of any death or deaths of, or any physical injury or injuries to, any person or persons or damage to real or personal property of any kind whatsoever, whether the person(s) or property of the CONSULTANT, its agents, or of third parties; harassment or discrimination or any theory of joint or dual employment by the CONSULTANT's employees, agents, subcontractors, arising out of the Work under this Agreement; or infringement on any U.S. patent (issued as of the Effective Date) or any copyright or trademark. The AUTHORITY Parties may assume, at their sole option, control of the defense, appeal or settlement of any third-party claim for which the CONSULTANT has indemnified the AUTHORITY Parties by giving written notice of the assumption to the CONSULTANT. The AUTHORITY Parties may not settle or compromise any claim or consent to the entry of any judgment regarding claims for which the CONSULTANT has indemnified the AUTHORITY Parties without the prior written consent of the CONSULTANT, which consent shall not be unreasonably withheld, conditioned or delayed. The indemnification provided by the CONSULTANT to the AUTHORITY Parties applies to all insurance policies of the CONSULTANT, whether primary, excess or umbrella coverage is provided to the CONSULTANT.

- c) CONSULTANT's total liability under this Agreement shall not exceed the compensation received by CONSULTANT by AUTHORITY for the services giving rise to the claim.
- d) Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the AUTHORITY nor the CONSULTANT, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental or consequential damages arising out of or connected in any way to the project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of profit, loss of business, loss of income, loss of reputation and any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty. Both the AUTHORITY and the CONSULTANT shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with other subcontractors, suppliers, and subconsultant involved in performing work under this Agreement.
- e) Notwithstanding the foregoing limitation of liability and waiver of consequential damages the limitation and waiver shall not apply to:
 - i) Any third-party claims against the AUTHORITY for bodily injury or damage to tangible property;
 - ii) Reasonable costs or losses incurred by the AUTHORITY to avoid other direct losses due to the CONSULTANT's breach;
 - iii) Property damage;
 - iv) Personal injury or death;
 - v) Reasonable fees and costs of any attorneys, experts, court/arbitration, internal staff, or other personnel costs that the AUTHORITY expends in addressing the CONSULTANT's breach;
 - vi) Fines, levies, or other damages assessed against the AUTHORITY by any governmental or regulatory agency related to the CONSULTANT's breach;
 - vii) Fraud;
 - viii) Intentional, willful, or reckless misconduct or breach; and
 - ix) Material breach of confidentiality or data privacy and security obligations.
 - x) Reserved.

17) SCHEDULE FOR PERFORMANCE OF WORK:

- a) Time is of the essence in this Agreement.
- b) CONSULTANT shall provide for each written work order issued by AUTHORITY pursuant to this Agreement, a baseline schedule for performance of the applicable Work. At each submittal milestone included in the CONSULTANT's schedule for the applicable written work order, as approved by AUTHORITY, CONSULTANT shall provide a sealed and signed letter by an individual at the CONSULTANT in a supervisory capacity over the project manager affirming that:
 - i) An internal quality control review was performed prior to the submittal of the documents to the AUTHORITY; and
 - ii) All previous agency received comments have either been addressed or requests for variances have been submitted to the agency and copied to the AUTHORITY.
- c) If the CONSULTANT's performance of the Work is delayed or if the CONSULTANT's sequence of tasks is changed, the CONSULTANT shall notify the AUTHORITY's representative in writing of the reasons for the delay and prepare a revised schedule for performance of the Work. The revised schedule is subject to the AUTHORITY's written approval.

18) INSURANCE:

- a) General:
 - i) The CONSULTANT shall not commence Work under this Agreement until it has obtained all insurance required under this Agreement with insurance companies reasonably acceptable to the AUTHORITY, nor shall the CONSULTANT allow any subcontractor to commence Work until all similar insurance required of the subcontractor has been so obtained. The CONSULTANT shall continue to pay all premiums due for the insurance required under this Agreement during the applicable policy periods and shall notify the AUTHORITY of any changes to their insurance coverage.
 - ii) The AUTHORITY shall be named as an additional insured, under the CONSULTANT's commercial general liability, automobile liability, excess and/or umbrella liability policies. In the event of a loss arising out of or related to the performance of the Work by the CONSULTANT or its subcontractor(s) hereunder, all insurance required under this Agreement shall be primary (pay first) with respect to any other insurance which may be available to the AUTHORITY, regardless of how the "other insurance" provisions may read. The CONSULTANT agrees to waive its rights of subrogation against the AUTHORITY, and the CONSULTANT's insurers shall also waive their rights to recover, as evidenced by an endorsement. The additional insured and waiver of subrogation language shall read as follows:

The Southern Nevada Water Authority, its members and affiliated companies, successors or assigns, including their directors, officers and employees individually and collectively when acting in the scope of the employment. Also, all owners of the property where the Work will be performed.
 - iii) The AUTHORITY shall also be named as an additional insured under the subcontractor's insurance policies. Any deviation from the required insurance requirements will need to be approved by the AUTHORITY in writing. Nothing contained in this Paragraph is to be construed as limiting the extent of the CONSULTANT's or subcontractor's liability for claims arising out of this Agreement. The CONSULTANT and subcontractor shall be responsible for insuring all of their own personal property, tools and equipment.
 - iv) If the CONSULTANT fails to procure and maintain the insurance as required herein, in addition to other rights or remedies, the AUTHORITY shall have the right, if the AUTHORITY

so chooses, to procure and maintain the required insurance in the name of the CONSULTANT with the AUTHORITY as an additional named insured. The CONSULTANT shall pay the cost thereof and shall furnish all necessary information to maintain the procured insurance. In the event the CONSULTANT fails to pay the cost, the AUTHORITY has the right to set-off any sums from the compensation due to the CONSULTANT set forth in this Agreement and directly pay for such coverage.

- v) With respect to all insurance required under this Agreement, the deductible shall not exceed \$50,000 without the prior written approval of the Risk Manager of the AUTHORITY.

b) Evidence of Insurance:

- i) The CONSULTANT's insurance shall be written with a property and casualty insurance company with an AM Best Financial Strength Rating of A- or higher and an AM Best Financial Size Category of Class VIII or higher.
- ii) Within ten (10) Business Days after the Effective Date, the CONSULTANT shall deliver to the AUTHORITY a certificate of insurance documenting the required insurance coverage. Upon request of the AUTHORITY, the CONSULTANT agrees to provide a copy of all insurance policies required under this Agreement. For the purposes of this Agreement, the term Business Day shall mean Monday through Thursday, excluding legal holidays recognized under NRS 236.015.
- iii) Renewal certificates shall be provided to the AUTHORITY not later than fifteen (15) calendar days prior to the expiration of policy coverage.
- iv) All insurance policies shall require the insurer to provide a minimum of thirty (30) calendar days' prior notice to the AUTHORITY for any material change in coverage, cancellation, or non-renewal, including, without limitation, for non-payment of premium.

c) Insurance Coverages:

- i) Commercial General Liability Insurance: the CONSULTANT shall maintain commercial general liability insurance, contractual liability, protective liability from independent contractors, property damage liability, bodily injury liability, and personal injury liability with limits of \$1,000,000 per occurrence, and \$2,000,000 annual aggregate. The limit may be satisfied by a combination of primary and excess/umbrella insurance.
- ii) Business Automobile Insurance: the CONSULTANT shall maintain business auto insurance for any owned, non-owned, hired, or rented vehicle with a limit of \$1,000,000 combined single limit for bodily injury and property damage liability. The limit may be satisfied by a combination of primary and excess/umbrella insurance.
- iii) Workers' Compensation & Employers Liability Insurance: the CONSULTANT shall maintain statutory workers' compensation insurance in accordance with the laws of the state where such compensation is payable. In addition, the insurance the CONSULTANT maintains shall comply with Nevada Industrial Insurance Act, NRS Chapters 616 and 617, for all of its employees performing the Work pursuant to this Agreement.

The CONSULTANT shall maintain employers' liability insurance with limits of \$1,000,000 per accident and \$1,000,000 for each employee for injury by disease. The CONSULTANT shall maintain insurance for benefits payable under the U.S. Longshore and Harbor Workers Act and the Jones Act, for exposures that may exist.

In the event the CONSULTANT is permissibly self-insured for workers' compensation insurance in the State of Nevada, the CONSULTANT shall deliver to the AUTHORITY a copy of the Certificate of Consent to self-insure issued by the State of Nevada.

- iv) Professional Liability Insurance: the CONSULTANT shall maintain professional liability insurance applicable to the CONSULTANT's Work as set forth in this Agreement, with limits of not less than \$1,000,000 for each occurrence and \$1,000,000 policy aggregate. This coverage should be maintained for a period of not less than two (2) years after completion of the CONSULTANT's Work as set forth in this Agreement.
- v) Cyber and Technology Liability Insurance: the CONSULTANT shall maintain Cyber and Technology liability insurance providing coverage for technology and professional services; privacy and cyber security; and privacy regulatory defense, awards and fines with limits of \$1,000,000 per occurrence and \$1,000,000 annual aggregate.

19) TERMINATION:

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

20) REVIEWS:

- a) The CONSULTANT shall submit draft reports and other materials for review by the AUTHORITY prior to the submission of a final report on materials. Due dates will be negotiated, but in every instance, earlier submittal is encouraged.
- b) The AUTHORITY will review the submittals and any pertinent attachments and mark all required changes. All reviews will be completed within ten (10) Business Days after receipt of the submission package, and the package will be returned to the CONSULTANT. Corrections and changes to the submission will be made by the CONSULTANT and resubmitted to the AUTHORITY for approval within ten (10) Business Days after receipt. The final approval will be submitted to the CONSULTANT within five (5) Business Days after receipt of the corrected document and any attachments. Alternate review schedules may be negotiated by mutual agreement of the Parties.

21) CONFIDENTIALITY AND RELEASE OF INFORMATION:

Through the terms of this Agreement, the CONSULTANT may furnish the AUTHORITY with information that the CONSULTANT has independently determined to be confidential under Nevada law and that the CONSULTANT will label "Confidential Information". "Confidential Information" means confidential and proprietary information of the CONSULTANT that is disclosed to the AUTHORITY which, in the case of written information, is marked "confidential" and which, in the case of information disclosed orally, is identified at the time of the disclosure as confidential and will be summarized and confirmed in writing as such by the CONSULTANT to the AUTHORITY within thirty (30) calendar days of the disclosure. Confidential Information shall not include information that: (a) is now or subsequently becomes generally available to the public through no fault or breach of the AUTHORITY; (b) the AUTHORITY can demonstrate to have had rightfully in its possession prior to disclosure by the CONSULTANT; (c) is independently developed by the AUTHORITY without the use of any Confidential Information; or (d) the AUTHORITY rightfully obtains from a third party who has the right to transfer or disclose it.

The AUTHORITY and the CONSULTANT recognize the AUTHORITY's duties under the Nevada Public Records Act and do not, by this Agreement, intend to alter the AUTHORITY's duties thereunder or to require the AUTHORITY to do, or refrain from doing, anything contrary to the Nevada Public Records Act. The AUTHORITY's Office of General Counsel shall be permitted to make an independent determination as to whether any document or record marked "confidential" is confidential or is a public record, pursuant to the Nevada Public Records Act. If the AUTHORITY's Office of General Counsel determines that any document or record supplied by the CONSULTANT

and marked "confidential" is determined to be a public record the AUTHORITY may disclose that document or record to the extent required by the Nevada Public Records Act with prior notice to the CONSULTANT. Upon receipt of any request for Confidential Information, this Agreement, or any part thereof, the AUTHORITY will promptly forward the request to the CONSULTANT and work with the CONSULTANT in good faith to coordinate a response to the request and strive to prevent the disclosure of information considered confidential by the Nevada Public Records Act.

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

22) USE OF MATERIALS:

- a) The AUTHORITY shall make available to the CONSULTANT such materials from its files as may be required by the CONSULTANT in connection with its performance of Work under this Agreement. Such materials shall remain the property of the AUTHORITY while in the CONSULTANT's possession.
- b) Upon termination of this Agreement, the CONSULTANT shall turn over to the AUTHORITY any property of the AUTHORITY in its possession and any calculations, notes, reports, or other materials prepared by the CONSULTANT in the course of performing this Agreement. Any proprietary software or other tools of the CONSULTANT used to execute the Work shall remain the property of the CONSULTANT.

23) PROJECT MANAGEMENT INFORMATION SYSTEM TERMS OF USE:

- a) The AUTHORITY uses various project management information systems ("PMIS"). The AUTHORITY will notify the CONSULTANT what PMIS the AUTHORITY will be using for the management of this Agreement.
- b) Due to the sensitive nature of information contained within the PMIS, the AUTHORITY requires that the CONSULTANT agree to the PMIS terms of use. By entering into this Agreement, the CONSULTANT agrees to be bound by and to bind its employees to the following terms of use ("Terms of Use").
 - i) Access to PMIS provided by the AUTHORITY is for authorized users and organizations only. To protect this software from unauthorized use and to ensure that the software functions properly, activities on PMIS and use of this application, related data, and/or related services (collectively "PMIS Services") are monitored and recorded and subject to audit.
 - ii) The CONSULTANT and its employees will abide by the typical use of protected applications/software, including but not limited to:
 - (1) Authorized users cannot give out their login information to another party.
 - (2) Authorized users shall notify the AUTHORITY within two (2) Business Days of any changes in their employment to allow for an appropriate adjustment in their access privileges.

- (3) Access to PMIS will be revoked upon completion of the Work, termination of the Agreement, or the individual user's separation from performing duties associated with the Work, whichever comes first.
 - (4) These PMIS Services are provided for the convenience of contractors and engineering firms. The AUTHORITY is not responsible for any issues created by a malfunction of these PMIS Services.
 - (5) The CONSULTANT agrees to use PMIS for work related content. The use of PMIS as a document management system to store unrelated documents or files is expressly prohibited.
 - (6) The CONSULTANT agrees not to remove or modify any copyright or other intellectual property notices that appear in PMIS or associated PMIS Services.
- iii) The CONSULTANT agrees not to use the PMIS Services in any way that is unlawful, or harms the AUTHORITY, its service providers, suppliers or any other user. The CONSULTANT agrees not to use the PMIS Services in any way that breaches any other policy or notice on the PMIS Services. The AUTHORITY's failure to act with respect to a breach by the CONSULTANT or others does not waive its right to act with respect to subsequent or similar breaches.
 - iv) NO WARRANTY. The AUTHORITY provides the PMIS Services "As Is," "With All Faults" and "As Available," and the entire risk as to satisfactory quality, performance, accuracy, and effort is with the CONSULTANT, to the maximum extent permitted by applicable law. The AUTHORITY and its suppliers make no representations, warranties or conditions, express or implied. The AUTHORITY and its suppliers expressly disclaim any and all warranties or conditions, express, statutory and implied, including without limitation (1) warranties or conditions of merchantability, fitness for a particular purpose, workmanlike effort, accuracy, title, no encumbrances, no liens and non-infringement; (2) warranties or conditions course of dealing or usage of trade; and (3) warranties or conditions of uninterrupted or error-free access or use.
 - v) LIABILITY LIMITATION; EXCLUSIVE REMEDY. In addition to applicable Nevada laws regarding sovereign immunity, in no event will the AUTHORITY or any supplier be liable for any damages including, without limitation, any indirect, consequential, special, incidental, or punitive damages arising out of, based on, or resulting from these Terms of Use or the CONSULTANT's use of the PMIS Services, even if such party has been advised of the possibility of such damages. The exclusion of damages under this paragraph is independent of the user's exclusive remedy and survives in the event such remedy fails of its essential purpose or is otherwise deemed unenforceable. These limitations and exclusions apply without regard to whether the damages arise from (1) breach of contract; (2) breach of warranty; (3) negligence; or (4) any other cause of action, to the extent such exclusion and limitations are not prohibited by applicable law. If the CONSULTANT has any dispute or claim against the AUTHORITY or its suppliers with respect to these Terms of Use or the PMIS Services, then the CONSULTANT's sole and exclusive remedy is to discontinue using the PMIS Services.
 - vi) The AUTHORITY reserves the right to change the Terms of Use and will provide notice of any change to the CONSULTANT. Continued use of the PMIS Services after the effective date of such changes will constitute acceptance of and agreement to any such changes. The AUTHORITY may change, suspend, or discontinue the PMIS Services associated with PMIS at any time without notice to all or selected users. The AUTHORITY may assign these Terms of Use, in whole or in part, at any time with or without notice to the CONSULTANT. The

CONSULTANT may not assign these Terms of Use, or assign, transfer or sublicense its rights, if any, in the PMIS Services.

- vii) These Terms of Use are governed by the laws of the State of Nevada, without giving effect to its conflict of laws provisions. The CONSULTANT agrees to submit to exclusive jurisdiction and venue in the state and federal courts sitting in Clark County, Nevada, for any and all disputes, claims and actions arising from or in connection with the Services and/or these Terms of Use.
- viii) If any part of these Terms of Use is determined to be invalid or unenforceable, then the invalid or unenforceable provision will be replaced with a valid, enforceable provision that most closely matches the intent of the original provision and the remainder of these Terms of Use will continue in effect.
- ix) Except as expressly stated herein, these Terms of Use constitute the entire agreement between the AUTHORITY and the CONSULTANT with respect to the PMIS Services and supersede all prior or contemporaneous communications of any kind between the AUTHORITY and the CONSULTANT with respect to the PMIS Services.
- x) The PMIS Services are subject to the intellectual property rights of the AUTHORITY and to the Nevada public records law.

24) DATA PRIVACY AND SECURITY:

- a) During the course of this Agreement, the CONSULTANT will create, receive, or have access to the Authority's Facility Information and the Facility Information of the Southern Nevada Water Authority's members ("Authority Members"). The Authority Members include Big Bend Water District, City of Boulder City, City of Henderson, City of Las Vegas, City of North Las Vegas, Clark County Reclamation District, and the Las Vegas Valley Water District. Facility Information means drawings, maps, plans, or records that reveal the Authority's or the Authority Members' critical infrastructure of primary buildings, facilities and other structures used for storing, transporting, or transmitting water or electricity, other forms of energy, fiber optic cables, or vertical assets used for the transmission or receipt of data or communications used by the Authority and the Authority Members. Facility Information is deemed to be Confidential Information of the Authority and the Authority Members.
- b) The CONSULTANT shall:
 - i) Keep and maintain all Facility Information in strict confidence, using such degree of care as is appropriate to avoid unauthorized access, use, or disclosure, including, at a minimum, strong password protection and encryption for data at rest and in transit on any network;
 - ii) Ensure that all Facility Information is stored only in data center(s) that are subject to United States federal jurisdiction;
 - iii) Not create, collect, receive, access, or use Facility Information in violation of law;
 - iv) Use and disclose Facility Information solely and exclusively for the purposes of providing Work under this Agreement;
 - v) Not use, sell, rent, transfer, distribute, or otherwise disclose or make available Facility Information for their own purposes or for the benefit of anyone other than the AUTHORITY without the AUTHORITY's prior written consent;
 - vi) Not, directly or indirectly, disclose Facility Information to any person other than its Authorized Persons, without the AUTHORITY's prior written consent. Authorized Persons means the CONSULTANT's employees, contractors, subcontractors, consultants, subconsultants, agents, or auditors who have a need to know or otherwise access Facility Information to

enable the CONSULTANT to perform its obligations under this Agreement, and who are bound in writing by confidentiality and other obligations sufficient to protect Facility Information in accordance with the terms and conditions of this Agreement; and

- vii) Prior to disclosure of Facility Information to any Authorized Persons, ensure that those Authorized Persons are contractually bound to comply with all provisions of this Data Privacy and Security Paragraph. The CONSULTANT acknowledges that it will be liable to the AUTHORITY for any and all damages the AUTHORITY incurs from the CONSULTANT's failure to ensure that its Authorized Persons are contractually bound to comply with all provisions of this Data Privacy and Security Paragraph.
- c) CONSULTANT ACKNOWLEDGES THAT THE UNLAWFUL DISCLOSURE OF SUCH RECORDS MAY SUBJECT THE CONSULTANT TO CRIMINAL LIABILITY PURSUANT TO NRS 239C.210(3).
- d) Security Breach means any act or omission that compromises either the security, confidentiality, or integrity of Facility Information or the physical, technical, administrative, or organizational safeguards put in place by the CONSULTANT or by the AUTHORITY to the extent that the CONSULTANT has access to the AUTHORITY's systems, that relate to the protection of the security, confidentiality, or integrity of Facility Information. Without limiting the foregoing, a compromise shall include any unauthorized access to or disclosure or acquisition of Facility Information.
- e) The CONSULTANT shall:
 - i) Notify the AUTHORITY of any Security Breach as soon as practicable, but no later than twenty-four (24) hours after the CONSULTANT becomes aware of it, by telephone at the following number: 702-258-3889 and by email to databreachnotice@lvvwd.com, with a copy by email to the AUTHORITY's contacts listed in the Notices Paragraph below;
 - ii) At its own expense, coordinate and fully cooperate with the AUTHORITY in the AUTHORITY's handling of the matter;
 - iii) Use its best efforts to immediately contain and remedy any Security Breach and prevent any further Security Breach;
 - iv) Maintain and preserve all documents, records, and other data related to any Security Breach; and
 - v) Reimburse the AUTHORITY for all actual costs incurred by the AUTHORITY in responding to and mitigating damages caused by any Security Breach.
- f) The CONSULTANT acknowledges that any breach of its covenants or obligations set forth in this Data Privacy and Security Paragraph may cause the AUTHORITY irreparable harm for which monetary damages would not be adequate compensation and agrees that, in the event of such breach or threatened breach, the AUTHORITY is entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance, and any other relief that may be available from any court, in addition to any other remedy to which the AUTHORITY may be entitled at law or in equity. Such remedies shall not be deemed to be exclusive but shall be in addition to all other remedies available at law or in equity, subject to any express exclusions or limitations in this Agreement to the contrary.
- g) The CONSULTANT has completed and provided to the AUTHORITY the Business Partner Security Checklist providing accurate information on its security program including appropriate policies and procedures. The CONSULTANT agrees to maintain a comparable or better information security program to that disclosed in the Business Partner Security Checklist

throughout the course of this Agreement that is reviewed for new risk assessments at least annually.

- h) The CONSULTANT shall implement the administrative, physical and technical safeguards disclosed in the Business Partner Security Checklist to protect Facility Information from unauthorized access, acquisition or disclosure, destruction, alteration, accidental loss, misuse or damage that are no less rigorous than the current version of the CIS Controls as published by the Center for Internet Security, Inc., or its successor organization, or corresponding standards adopted by the National Institute of Standards and Technology of the United States Department of Commerce, and shall ensure that all such safeguards, including the manner in which Facility Information is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws, as well as the terms and conditions of this Agreement.
- i) The CONSULTANT shall return, destroy, or otherwise appropriately disposition any written or digital data and copies thereof upon the termination or completion of this Agreement, or as otherwise provided by law.

25) RECORDS:

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

26) ASSIGNMENT:

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

27) SEVERABILITY:

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

28) NON-DISCRIMINATORY EMPLOYEE PRACTICES:

- a) The CONSULTANT and any subcontractor working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Work provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964, Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, Title I of the Americans with Disabilities Act and all associated rules and regulations.
- b) The CONSULTANT recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, national origin, or any other protected status, the AUTHORITY may declare the CONSULTANT in breach of the Agreement, terminate the Agreement, and designate CONSULTANT as non-responsible.

29) EQUAL EMPLOYMENT OPPORTUNITY:

- a) The CONSULTANT and any subcontractor working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Work provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964. This requirement includes compliance with Equal Employment Opportunity Commission regulations that prohibit discrimination based upon race, color, religion, sex, or national origin. Furthermore, the CONSULTANT shall in all relevant manners comply with the Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, and Title I of the Americans with Disabilities Act.
- b) The CONSULTANT shall make all necessary documentation as required to comply with the Acts referred to above and shall make such documentation immediately available to the AUTHORITY upon the AUTHORITY's request. The CONSULTANT is solely liable for failure to comply with this provision.

30) APPLICABLE LAW:

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

31) VENUE:

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

32) ATTORNEY'S FEES:

In the event that any Party commences an action to enforce or interpret this Agreement, or for any other remedy based on or arising from this Agreement, the prevailing Party therein shall be entitled to recover its reasonable and necessary attorneys' fees and costs incurred.

33) NO THIRD-PARTY RIGHTS:

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

34) WAIVER:

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

35) CAPTIONS:

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

36) COUNTERPARTS:

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

37) INTEGRATION:

This Agreement contains the entire understanding between the Parties relating to the transactions contemplated by this Agreement, notwithstanding any previous negotiations or agreements, oral or written, between the Parties with respect to all or any part of the subject matter hereof. All prior or contemporaneous agreements, understandings, representations and statements, oral or written,

regarding the subject matter of this Agreement are merged in this Agreement and shall be of no further force or effect.

38) NOTICES:

Any and all notices, demands or requests required or appropriate under this Agreement (including invoices) shall be given in writing and signed by a person with authorization to bind the CONSULTANT or the AUTHORITY, either by personal delivery, via a scanned document sent via email, or by registered or certified mail, return receipt requested, addressed to the following addresses:

To CONSULTANT: Hazen and Sawyer
Attention: Ben Stafford
2470 Saint Rose Parkway, Suite 204
Henderson, Nevada 89074
bstanford@hazenandsawyer.com

With Copy to: Hazen and Sawyer
(Excluding Invoices) Attention: Chief Legal Officer
498 Seventh Ave, 11th Floor
New York, New York 10018

To AUTHORITY: Southern Nevada Water Authority
Attention: Sean Vallesteros
1001 South Valley View Boulevard
Las Vegas, Nevada 89153
sean.vallesteros@lvvwd.com

With copy to: Southern Nevada Water Authority
(excluding invoices) Attention: General Counsel
1001 South Valley View Boulevard, MS 475.
Las Vegas, Nevada 89153
generalcounsel@lvvwd.com

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

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

39) AMENDMENT:

This Agreement may only be amended or modified in a writing stating specifically that it amends this Agreement and is signed by an authorized representative of each Party.

40) AUDITS:

The performance of this Agreement by the CONSULTANT is subject to review by the AUTHORITY to ensure contract compliance at the discretion of the AUTHORITY. The CONSULTANT agrees to provide the AUTHORITY any and all information requested that relates to the performance of this Agreement. All requests for information will be in writing to the CONSULTANT. Time is of the essence during the audit process. Failure to provide the information requested within the timeline

provided in the written information request may be considered a material breach of contract and be cause for suspension and/or termination of the Agreement.

41) SURVIVAL:

Subject to the limitations and other provisions of this Agreement, the obligations contained in the Paragraph entitled "Audits" of this Agreement will survive the expiration or earlier termination of this Agreement for a period of twelve (12) months after such expiration or termination; and, the Paragraphs entitled "Intellectual Property Acknowledgment", "Intellectual Property Assignment", "Indemnification", "Confidentiality and Release of Information", "Data Privacy and Security", "Applicable Law", "Venue", and "Attorney's Fees" of this Agreement, as well as any other provision that, in order to give proper effect to its intent, should survive such expiration or termination, will survive the expiration or earlier termination of this Agreement indefinitely.

42) FORCE MAJEURE:

- a) A Force Majeure Event is defined as an act beyond the affected Party's reasonable control, including: (1) acts of God; (2) flood, fire, earthquake, or explosion; (3) war (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, with a direct impact on this Agreement; (4) if site access is necessary to perform the Work under this Agreement, site restrictions for elevated security risks; and (5) industry-wide strikes with a direct impact on this Agreement. The CONSULTANT's economic hardship and changes in market conditions are not considered Force Majeure Events.
- b) Both the AUTHORITY and the CONSULTANT have evaluated the effects of COVID-19 on this Agreement. The AUTHORITY and the CONSULTANT expressly agree that COVID-19 and what is known about COVID-19 as of the execution of this Agreement are not considered Force Majeure Events.
- c) Where the CONSULTANT is prevented from completing any part of the Work under the Agreement due to a Force Majeure Event, the AUTHORITY and the CONSULTANT shall agree to an extension of time in an amount equal to the time lost due to such delay, the agreed extension shall be the CONSULTANT's sole and exclusive remedy for such delay, and the CONSULTANT shall not be entitled to an increase in the sums due under this Agreement. The CONSULTANT shall provide a revised schedule for performance in accordance with "Schedule for Performance of Work".
- d) The Party suffering a Force Majeure Event shall give notice within five (5) calendar days of the Force Majeure Event to the other Party, stating the period of time the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized.

43) COMPANIES THAT BOYCOTT ISRAEL:

The CONSULTANT certifies that it is not engaged in, and agrees for the duration of the Agreement and any renewal terms, not to engage in, a boycott of Israel. Boycott of Israel means, refusing to deal or conduct business with, abstaining from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel; or a person or entity doing business in Israel or in territories controlled by Israel, if such an action is taken in a manner that discriminates on the basis of nationality, national origin or religion. It does not include an action which is based on a bona fide business or economic reason; is taken pursuant to a boycott against a public entity of Israel if the boycott is applied in a non-discriminatory manner; or is taken in compliance with or adherence to calls for a boycott of Israel if that action is authorized in 50 U.S.C. § 4607 or any other federal or state law.

44) DISCLOSURE OF NO EMPLOYEE/OFFICIAL RELATIONSHIP AND NO EMPLOYEE/OFFICIAL OWNERSHIP/INVOLVEMENT:

The CONSULTANT affirms that:

- a) No individuals holding more than five (5) percent ownership or financial interest in the CONSULTANT and none of the CONSULTANT's principals have a relationship with any employee or official of the AUTHORITY by first or second blood relatives or by marriage. Two of the CONSULTANT's employees have a relationship with any employee or official of the AUTHORITY by first or second blood relatives or by marriage, which disclosure is more fully discussed in Exhibit B. First or second blood relative or marriage relationships include spouse, registered domestic partners, children, parents, in-laws (first degree), brothers/sisters, half-brothers/half-sisters, grandchildren, and grandparents (second degree).
- b) No employee or official of the AUTHORITY has any ownership or financial interest in the CONSULTANT exceeding five (5) percent.
- c) No employee or official of the AUTHORITY has any involvement with the negotiation of this Agreement on behalf of the CONSULTANT or involvement in the day-to-day activities of the CONSULTANT.

45) ELECTRONIC SIGNATURES:

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

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed the day and year last entered below.

Hazen and Sawyer

Southern Nevada Water Authority

Signature

Signature

Print Name

Print Name

Title

Title

Date

Date

EXHIBIT A
SCOPE OF WORK

CONSULTANT shall provide, but not limited to, professional engineering consulting services to support Infrastructure Management, Maintenance Engineering Division, with multidiscipline engineering projects on an as needed basis as directed by AUTHORITY. AUTHORITY will issue written work orders that will describe all pertinent requirements of the scope of work. AUTHORITY to approve CONSULTANT's scope of work estimate, in accordance with the rates and fees in effect under this Agreement, and any other requirements applicable to authorize the Services to be performed by CONSULTANT.

RATES AND FEES

CONSULTANT will be compensated for the successful and timely completion and acceptance of all Work performed, in accordance with fee schedule set forth below. All rates are inclusive of all costs, including overhead, profit, and all other direct and indirect expenses associated with the Work authorized by AUTHORITY.

AUTHORITY shall not be responsible for reimbursement of additional services or expenses associated with overhead, such as preparing invoices, administrative services, or other like Services.

All AUTHORITY authorized Services will be for actual time only, prorated to the nearest 15-minute increment, no minimum billing times for labor or travel times will be permitted.

AUTHORITY authorized travel expenses will be reimbursed strictly in accordance with Exhibit C, Travel Reimbursement Policy.

AUTHORITY authorized reimbursable expenses, which include reprographic, printing, and other similar incidental costs, shall be reimbursed at actual cost plus 10%.

AUTHORITY authorized reimbursable expense for CONSULTANT's subconsultant shall be reimbursed at CONSULTANT'S actual cost, no markup permitted.

Any AUTHORITY approved Work which required CONSULTANT to engage subconsultant(s) shall be reimbursed at CONSULTANT'S actual cost only, with no markup permitted.

Staff Classification:	Hourly Rate
Vice President/Assoc. VP	\$425
Senior Associate	\$350
Associate	\$300
Construction Manager	\$250
Senior Principal Engineer, Senior Principal Scientist	\$250
Cost Estimator	\$230
Principal Engineer, Principal Scientist	\$210
Senior Principal CAD/BIM Designer	\$210
Engineer, Scientist	\$190
Assistant Engineer I and II	\$180
Principal CAD/BIM Designer	\$180
Field Coordinator	\$170
Senior GIS Analyst, Senior Digital Solutions Developer	\$170
GIS Analyst, Business Analyst, Digital Solutions Developer	\$150
CAD/BIM Designer	\$150
Technician	\$100

Rates and Fees Adjustment Request: The rates and fees shall remain firm for term of the Agreement, unless a rate and fee adjustment is approved by AUTHORITY. CONSULTANT may request a pricing adjustment by submitting the appropriate supporting documentation to justify increases in labor rates, and if approved by AUTHORITY, such adjustment shall take effect in January of the applicable calendar year. Rate and fee increases shall not be retroactive. AUTHORITY shall be given 45 calendar days advanced notification. A price adjustment can only occur if CONSULTANT has been notified in writing of AUTHORITY's approval of the new rates and fees. Only one written adjustment request will be allowed during each calendar year of the agreement. No rate and fee adjustment will be permitted that exceeds the United States Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for Urban Consumers - All U.S. Cities for the prior year or three (3) percent of the current rates, whichever is less. All written price adjustment requests shall be sent to AUTHORITY's designated contact as specified in the Notices section of the Agreement. The AUTHORITY approved fee schedule will be incorporated into this Agreement.

EXHIBIT B

Disclosure of Relationship/Ownership/Involvement and Remedy

Disclosure of Relationship:

An individual(s) holding more than five percent ownership or financial interest in the CONSULTANT, one or more of the CONSULTANT's principals, or one or more of the CONSULTANT's employees have a relationship with any employee or official of the AUTHORITY by first or second blood relatives or by marriage. First or second blood relative or marriage relationships include spouse, registered domestic partners, children, parents, in-laws (first degree), brothers/sisters, half-brothers/half-sisters, grandchildren, and grandparents (second degree).

Name of Business Owner/Principal/Employee	LVVWD/SNWA/SSEA Employee/Official Name and Job Title	Business Owner/Principal Relationship to LVVWD/SNWA/SSEA Employee/Official	LVVWD/SNWA/SSEA Employee's/Official's Department
Charlie Kajkowski	Michael Kajkowski, Electrical Engineer	Father	Engineering
Charlie Kajkowski	David Wadsworth	Father-in-Law	Infrastructure Management
Addison Ross	Doa Ross, DGM of Engineering/Operations	Daughter	Engineering

Disclosure of Ownership/Involvement:

An employee(s) or official(s) of the AUTHORITY has an ownership or financial interest in the CONSULTANT exceeding five percent, has involvement with the negotiation of the Agreement, or has involvement in the day-to-day activities of the CONSULTANT.

LVVWD/SNWA/SSEA Employee's/Official's Name	LVVWD/SNWA/SSEA Employee's/Official's Job Title and Department	LVVWD/SNWA/SSEA Employee's/Official's Ownership/Financial Interest	LVVWD/SNWA/SSEA Employee's/Official's Involvement in the Negotiation of the Agreement or Day-to-Day Activities
None			

Remedy:

Describe the efforts taken to screen or wall off the employee(s) or official(s) of the AUTHORITY from the negotiation of and performance under the Agreement. Or, if no remedy is needed, please describe the reasons why.

Charlie Kajkowski is working for Hazen on a part-time basis working only on non-LVVWD and non-SNWA projects. Addison Ross was a summer intern with Hazen, working on private sector client work, not SNWA or LVVWD related projects. Neither District employee Michael Kajkowski nor David Wadsworth have any involvement in the contracting process or the approval of payment related to the contract.

MICHAEL KAJKOWSKI

Michael Kajkowski
Michael Kajkowski (Jul 21, 2026 14:50:41 PDT)

Electrical Engineer - P.E.

Date Jul 21, 2026

DAVID WADSWORTH

David P Wadsworth
David P Wadsworth (Jul 27, 2026 07:45:37 PDT)

Geospatial Analyst

Date Jul 27, 2026

NICHOLAS POPKOWSKI

Nicholas S Popkowski
Nicholas S Popkowski (Jul 21, 2026 14:53:21 PDT)

Direct supervisor of Michael Kajkowski

Date Jul 21, 2026

JAKE MATTHYS

John Matthys
John Matthys (Jul 27, 2026 07:48:13 PDT)

Direct supervisor of David Wadsworth

Date Jul 27, 2026

DOA J. ROSS

Doa J. Ross
Doa J. Ross (Jul 21, 2026 14:57:24 PDT)

Deputy General Manager of Engineering and Operations

Date Jul 21, 2026

SOUTHERN NEVADA WATER AUTHORITY

John J. Entsminger
John J. Entsminger (Jul 21, 2026 15:01:39 PDT)

John J. Entsminger, General Manager
Direct supervisor of Doa J. Ross

Date Jul 21, 2026

HAZEN AND SAWYER

Print Name:

Print Title:

Date _____

EXHIBIT C
TRAVEL EXPENSE REIMBURSEMENT POLICY

The CONSULTANT will bill all such expenses to the AUTHORITY at cost without markup. The CONSULTANT will provide receipts, bills, or other documentation to support expenses billed to the AUTHORITY that are not covered under a per diem. At no time will the AUTHORITY reimburse the CONSULTANT for any travel time charges. The AUTHORITY reserves the right to approve all travel plans and expected costs prior to trips.

The AUTHORITY shall reimburse the CONSULTANT according to the following expense reimbursement policy utilizing the U. S. General Services Administration travel rates (<http://www.gsa.gov/portal/content/104877>) for the time of travel "GSA Travel Rates".

1. AIR TRAVEL:

- a) Lowest Fare Routing: Air travel should be in economy (coach) class and booked and expensed at the lowest available airfare.
- b) Flight Changes: Any changes to flight reservations which result in an additional cost must be pre-approved by the AUTHORITY.
- c) Additional Fees: The AUTHORITY will not reimburse for convenience charges to include, but not limited to, charges for early boarding, assigned seating, or seat upgrades.

2. LODGING:

- a) Hotel Selection: the CONSULTANT shall invoice the AUTHORITY using the GSA Lodging Rate. Higher rates must be pre-approved by the AUTHORITY. If the CONSULTANT submitted rate is above the GSA Lodging Rate without pre-approval, the AUTHORITY reserves the right to reimbursement at the GSA rate, plus associated taxes calculated at the GSA rate only.
- b) Additional Fees: If additional fees are charged in association with lodging (e.g. Resort Fees) the AUTHORITY reserves the right to limit reimbursement up to \$30 plus tax.

3. GROUND TRANSPORTATION:

- a) Car Rentals: cars are to be rented when other means of transportation are unavailable, more costly, or impractical. The use of a rented car should be justifiable as a business need and not as a matter of personal convenience. Mileage will not be reimbursed for rentals. Insurance, GPS units, and other accessories offered by rental agencies will not be reimbursed.
- b) Taxi, Ride Sharing Services, and Other Local Transportation: the cost of ground transportation to and from places of business, hotels, or airports in direct connection with AUTHORITY business is reimbursable.
- c) Mileage: the CONSULTANT shall invoice the AUTHORITY for mileage using the IRS Standard Mileage Rate when personal vehicles are used in connection with business activities and must be preapproved by the AUTHORITY.

4. MEALS AND INCIDENTALS:

Per Diem: A per diem allowance will be paid for each day of travel. Per diem is to cover all meals and other incidental charges and does not require submission of receipts. The CONSULTANT shall invoice the AUTHORITY using the GSA Travel Rate per diem.

Incidental Expense: The following incidental expenses, when directly related to company business, are reimbursable and are not part of per diem expense:

- a) Parking/tolls in connection with operation of personal or rented vehicle. Self-parking charges are preferred; valet parking charges will be reimbursed only if there are no other parking options.
- b) Long-distance telephone calls from hotel related to AUTHORITY business are reimbursable.
- c) Internet connection fees if required for AUTHORITY business are reimbursable.

5. TIPS:

- a) Tips of any nature are not reimbursable.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

August 20, 2026

Subject:

Agreement

Petitioner:

Doa J. Ross, Deputy General Manager, Engineering and Operations

Recommendations:

That the Board of Directors approve and authorize the General Manager to sign an agreement between Jacobs Engineering Group Inc., and the Authority to provide professional engineering services for miscellaneous civil, electrical, mechanical, and control systems projects for a total amount not to exceed \$6,000,000.

Fiscal Impact:

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

Background:

On February 25, 2026, a Statement of Qualifications (SOQ) solicitation was advertised in BonFire for miscellaneous engineering services. Seven firms responded to the SOQ solicitation, which were evaluated by the Authority and selection was made in accordance with NRS 625.530 on the basis of competence and qualifications as well as other evaluation criteria listed in the SOQ. Based on these evaluations, the Authority has selected Jacobs Engineering Group Inc. (Jacobs), as one of two firms recommended to receive an award under this SOQ.

If approved, this Agreement to Provide Professional Services (Agreement) includes the terms and conditions necessary for performing miscellaneous civil, electrical, mechanical, and controls systems engineering and design support services for a total amount not to exceed \$6,000,000 over the duration of the Agreement. As projects are identified, the Authority will negotiate each scope of work directly with Jacobs.

This agreement is being entered into pursuant to NRS 332.115.1(b) and Section 6(i) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the Agreement.



Las Vegas Valley Water District
Southern Nevada Water Authority
Springs Preserve™

LVVWD/SNWA/SSEA DISCLOSURE OF OWNERSHIP/PRINCIPALS

Business Entity Information

Business Entity Type: Publicly Traded Corporation
Business Designation Group:
Number of Clark County Residents Employed: 105
Corporate/Business Entity Name: Jacobs Engineering Group Inc.
Doing Business As:
Street Address: 1999 Bryan Street, Suite 3500
City, State, and Zip Code: Dallas, TX 75201
Website:
Contact Name: Kyle Foss
Contact Email: Kyle.Foss@Jacobs.com
Telephone No: (720) 286-6024
Fax No:

Nevada Local Business Information (if applicable)

Local Street Address: 1301 NORTH GREEN VALLEY PARKWAY, Suite 200
89074
Local Website:
Local Contact Name: Kyle Foss
Local Contact Email: Kyle.Foss@Jacobs.com
Telephone No: (720) 286-6024
Fax No:

BUSINESS ENTITY OWNERSHIP LIST

All entities, with the exception of *publicly-traded corporations* and *non-profit organizations*, must list the names of individuals, either directly or indirectly, holding more than five percent (5%) ownership or financial interest in the business entity appearing before the Board of Directors. *(If no parties own more than five percent (5%), then a statement relaying that information should be included in lieu of listing the parties).*

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

Publicly-traded corporations and non-profit organizations shall list all Corporate Officers and Directors in lieu of disclosing the names of individuals with ownership or financial interest.

No Ownership More than Five Percent (5%) Statement (if applicable):

Listed Disclosures Below *(additional supplemental information may be attached, if necessary):*

Additional Supplemental Information to be Attached?	Yes
Number of Board members/Officers?	46
Number of Owners?	

Names, Titles and Percentage Owned:

Full Name

Title

% Owned
(Not required for Publicly Traded
Corporations/Non-profit organizations)

DISCLOSURE OF RELATIONSHIPS

Disclosure of Relationship/Ownership

Business Owner/Principal/Employee relationships to any Employee and/or Official of LVVWD, SNWA or SSEA must be listed whether that relationship is by blood "Consanguinity" or by marriage "Affinity". "Degree of consanguinity", first or second, of *blood* relatives is as follows:

Spouse – Registered Domestic Partners – Children – Parents – In-laws (first degree)

Brothers/Sisters – Half-Brothers/Half-Sisters – Grandchildren – Grandparents – In-laws (second degree)

- A. Do any business/corporate entity members, partners, owners, principals, or employees have a spouse, registered domestic partner, child, parent, in-law or brother/sister, half-brother/half-sister, grandchild, grandparent, related to a LVVWD, SNWA, or SSEA full-time employee(s) and/or appointed/elected official(s)? **No**
- B. Are any LVVWD, SNWA, or SSEA employee(s) and/or appointed/elected official(s) an individual member, partner, owner or principal involved in the business entity? **No**

Disclosure of Employee Relationship/Ownership/Involvement: (List any disclosures below)

Category A/B	Business Owner/Principal Name	LVVWD/SNWA/SSEA Employee/Official and Job Title	Business Owner/Official Relationship to LVVWD/SNWA/SSEA Employee/Official	LVVWD/SNWA/SSEA Employee's/Official's Department
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Business Entity Authorized Signature:

By providing an electronic signature in the indicated area below, *the signatory acknowledged and agreed to sign documents and contracts electronically and to receive by electronic delivery documents, contracts, notices, communications, and legally-required disclosures. Signatory also certified, under penalty of perjury, that all of the information provided herein is current, complete, and accurate and that signatory is authorized to sign. Signatory also understands that the LVVWD/SNWA/SSEA Board of Directors will not take action on any item without the completed disclosure form.*

Signer Name: Kate Patterson Kyle Foss
Signer Title: Account Strategist Client Account Manager
Signer Email: Kate.Patterson@jacobs.com Kyle.Foss@Jacobs.com
Signed Date: 7/28/2026
E-signed Acknowledgement: Yes

LVVWD/SNWA/SSEA Review

This section to be completed and signed by the LVVWD/SNWA/SSEA Authorized **Department** Representative.

N **No** Disclosure or Relationship is noted above or the section is not applicable.

I Disclosure or Relationship **IS** noted above (complete the following):

- Is the LVVWD/SNWA/SSEA representative listed above involved in the contracting/selection process for this item?
- Is the LVVWD/SNWA/SSEA representative listed above involved in any way with the business in performance of the contract?

Additional Comments or Notes:

By signing below, I confirm that I have reviewed this disclosure form and that it is complete and correct to the best of my knowledge.

Noel, Allison
Signature

Noel, Allison
Contract Administrator
Print Name/Title

7/28/2026
Date

Appointments

Board Directors

Name	QuickRef	Position	Appointed
Miller, Shannon	MILLER-S	Director	10/02/2024
Nathamuni, Venkatesh	NATHAMUN-V	Director	10/02/2024
Pragada, Robert V.	PRAGADA-RV	Chair of the Board	01/30/2023
		Director	08/29/2022

Officers

Name	QuickRef	Position	Appointed
Adkisson, Jason	ADKISSON-J	Assistant Secretary	11/19/2020
Albery, Robert S.	ALBERY-R	Assistant Secretary	02/16/2026
Allen, William "Billy" B.	ALLEN-WB_001	Executive Vice President and Chief Accounting Officer	10/13/2016
Ashman, David	ASHMAN-D	Director of Operations, South Florida & Puerto Rico	10/24/2023
Banerjee, Ayan	BANERJEE-A	EVP, Financial Planning & Analysis, and Treasury	06/13/2023
Battikhi, Amer Anwar	BATTIKHI-A	Executive Vice President & GM, Digital & Data	04/28/2022
Bloom, Katie	BLOOM-K	Designated person responsible for practice of Environmental	01/18/2018
Bunderson, Michael	BUNDERSO-M	Senior Vice President, Tax	05/29/2018
Carpenter, Michelle	CARPENTE-M	Assistant Secretary	02/16/2026
Caruso, Joanne E.	CARUSO-J	Chief Administrative Officer	01/18/2018
		Chief Legal Officer	11/07/2018
		Executive Vice President	11/07/2018
Delisle, Tina	DELISLE-T	Senior Manager Payroll	02/01/2021
Feghali, Imad	FEGHALI-I	Executive Vice President, Global Program Management	10/25/2023
Griswold, Steven	GRISWOLD-S	Vice President	10/06/2025
Hansen, Taggart	HANSEN-T	Chief Compliance Officer	09/23/2021
		Exec Vice President & Deputy General Counsel	05/05/2020
Helsing, Jason	HELSING-J	Senior Director Tax	06/01/2021
Hendon, Brian Lee	HENDON-BL	Designated person responsible for practice of Architecture i	01/18/2018

Henry, Chasity	HENRY-C	General Counsel	02/16/2026
		Executive Vice President	02/16/2026
		Secretary	02/16/2026
Hicks, Rich	HICKS-R	Manager, Ohio Engineering Operations	05/09/2018
Hill, Patrick	HILL-P	EVP and President, People & Places Solutions	08/01/2021
Hsu, Chin Chang (Mike)	HSU-M	Treasurer	09/28/2023
Jones, Doug	JONES-D	Executive Vice President, Human Resources - Total Rewards	06/12/2023
Jones, Keith B.	JONES-KB	Manager, Ohio Land Surveying Operations	05/09/2018
Kerr, Susannah	KERR-S	EVP, Global Director, National Security and Defense	02/16/2026
Laity, Michael	LAITY-M	Senior Director Tax	02/21/2020
Lanctot, Amy	LANCTOT-A	Assistant Secretary	02/16/2026
Lawson, Keith	LAWSON-K	Executive Vice President & GM, P&PS APME & Europe	09/23/2021
Lazaro, Alberto	LAZARO-A	Vice President, Sales	01/03/2022
Lopez-Dubois, Miguel	LOPEZDUB-M	Manager, California Engineering Operations	01/18/2018
Miller, Shannon	MILLER-S	President, Strategy, Growth & Digital	09/26/2022
		Executive Vice President	09/26/2022
Nathamuni, Venkatesh	NATHAMUN-V	Chief Financial Officer	10/02/2024
Nein, Brett	NEIN-B	Vice President, Florida Landscape Architecture Operations	06/01/2018
Parent, Mark J.	PARENT-MJ	Designated Person Responsible Structural Engineering in AK	02/27/2020
Patterson, Ellen	PATTERSO-E	Vice President	09/15/2025
Pragada, Robert V.	PRAGADA-RV	Chief Executive Officer	01/30/2023
Refinski, Elizabeth A.	REFINSK-EA	Assistant Secretary	03/26/2009
Ruby, Richard	RUBY-R	Senior Vice President, Real Estate	05/01/2025
Scarlat, Cristian	SCARLAT-C	Manager, California Engineering Operations	01/18/2018
Scher, Brian	SCHER-B	Assistant Secretary	03/26/2009
Sever, Jeffrey David	SEVER-JD	Designated person responsible for practice of Mechanical Eng	06/28/2018

Sommer, Sean	SOMMER-S	Executive Vice President & GM, Advanced Facilities	01/06/2026
Stejskal, David	STEJSKAL-D	Director of Operations, Southeast & North Florida	10/24/2023
Tobler, Nick	TOBLER-N	International Director Tax	07/08/2024
Warnock, William Kirkpatrick	WARNOCK-WK	Manager, California Engineering Operations	01/18/2018
White, Louise	WHITE-L	Executive Vice President, Marketing, Communications & Brand	06/12/2023
Willis, Aaron	WILLIS-A	Manager, California Land Surveying Operations	01/18/2018
Young, Scott E.	YOUNG-SE	Managing Agent of Oklahoma Engineering Ops	03/15/2021

AGREEMENT TO PROVIDE PROFESSIONAL SERVICES

This Agreement is made and entered into by and between Jacobs Engineering Group Inc., hereinafter called "CONSULTANT," and the Southern Nevada Water Authority, a political subdivision of the State of Nevada, hereinafter called the "AUTHORITY." The CONSULTANT and the AUTHORITY are sometimes hereinafter referred to individually as "Party" and collectively as the "Parties." The term "AUTHORITY" also refers to staff of the AUTHORITY acting within their designated authority and duties. The "Effective Date" is the date of last signature on this Agreement.

WITNESSETH:

WHEREAS, the AUTHORITY desires to obtain professional engineering services described herein and in AUTHORITY's Request for Statement of Qualifications (RFQ) No. 014425, Miscellaneous Professional Engineering Services, and

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

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

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

1) SCOPE OF WORK:

- a) The CONSULTANT shall provide any requested services, hereinafter referred to as "Work," as generally described and within the time indicated in each work order as noted in Exhibit A, which is attached herewith and made a part of this Agreement. Except as otherwise provided in this Agreement, if any provision contained in this Agreement conflicts with any provision in any of the attached Exhibits, the provision contained in this Agreement shall govern and control.
- b) The CONSULTANT acknowledges that the miscellaneous engineering services requested by AUTHORITY are performed on an as-needed basis, and the AUTHORITY makes no representation or guarantee of any work being assigned to CONSULTANT pursuant to this Agreement.
- c) All Work performed shall be subject to the cost ceiling contained in "Limitation on Costs" hereof and subject to the AUTHORITY's directions respecting priorities. The CONSULTANT will furnish all professional services in the amount necessary to complete, promptly and effectively, the Work assigned under this Agreement.
- d) All of the Work shall be performed by the CONSULTANT or a subcontractor, subconsultant, or supplier ("Subcontractor") approved by the AUTHORITY. The CONSULTANT shall submit to the AUTHORITY all information necessary for the AUTHORITY to review and approve the Subcontractor. The AUTHORITY reserves the right to reject any proposed Subcontractor at its sole discretion.
- e) During performance of the Work under this Agreement, the CONSULTANT shall notify the AUTHORITY of any Work deemed to be outside of the Scope of Work within seven (7) calendar days. The CONSULTANT shall not perform any Work outside of the Scope of Work without:
 - i) For single project-based Scope of Work, an executed written amendment to this Agreement; and
 - ii) For a task order-based Scope of Work, an executed written amendment to the task order at issue.

Should the CONSULTANT proceed with any Work outside the Scope of Work without an executed written amendment, the CONSULTANT shall not be entitled to any additional payment for such Work.

- f) In performing the Work under this Agreement, the CONSULTANT shall observe and abide by the terms and conditions of all applicable laws, regulations, ordinances, or rules of the United States, of the State of Nevada, of any political subdivision thereof, and of any other duly constituted public authority or agency. The CONSULTANT shall be responsible for obtaining any license, permit or other approval as required by law or otherwise, arising out of the Work to be performed hereunder.
- g) The CONSULTANT has, or will secure at its own expense, the qualified personnel required to perform the Work assigned under this Agreement. Such personnel shall not be employed by the United States; the State of Nevada; Clark County, Nevada; Las Vegas Valley Water District, Southern Nevada Water Authority, or any other political subdivision of the State of Nevada.

2) PERIOD OF PERFORMANCE:

- a) This Agreement shall become effective as of the Effective Date and shall remain in effect for seven (7) years, unless terminated in accordance with the terms of this Agreement. During this period, the CONSULTANT agrees to provide the Work as required by the AUTHORITY within the scope of this Agreement. In the event that Work, pursuant to a written work order issued under this Agreement, continues to be performed after the expiration of the Agreement, the terms and conditions contain in this Agreement shall govern the performance of such Work.
- b) This Agreement may not extend more than seven (7) years from the Effective Date.

3) COMPENSATION:

- a) In consideration for completion of all duties and responsibilities under this Agreement, the AUTHORITY agrees to pay the CONSULTANT, in accordance with Exhibit A, for Work completed to the AUTHORITY's satisfaction based on the requirements referenced herein.
- b) AUTHORITY approved travel expenses will be reimbursed as set forth in Exhibit B, which is attached herewith and made a part of this Agreement.
- c) The CONSULTANT shall provide itemized monthly invoices for Work performed during the previous month and shall be in strict accordance with the requirements set forth in the Rates and Fees section of Exhibit A. Invoices are to be submitted to the AUTHORITY in accordance with the Notice provisions of this Agreement and must reference the name and Effective Date of the Agreement. A copy of any invoice received from subcontractors used by the CONSULTANT shall be included.
- d) The AUTHORITY shall pay invoiced amounts from the CONSULTANT based on the fees set forth in Exhibit A within thirty (30) calendar days after the date the invoice is received and approved by the AUTHORITY.
- e) The AUTHORITY may dispute a payment or portion thereof that is due before or after the AUTHORITY pays the invoice.

4) LIMITATION ON COSTS:

The total cost of Work provided under this Agreement shall not exceed \$6,000,000.

5) RESPONSIBILITIES OF CONSULTANT:

- a) The CONSULTANT shall appoint a Manager who will manage the performance of the Work. All of the Work specified by this Agreement shall be performed by the Manager, or by the CONSULTANT's associates and employees under the personal supervision of the Manager. Should the Manager, or any employee of the CONSULTANT be unable to complete his or her responsibility for any reason, the CONSULTANT must obtain written approval by the AUTHORITY

prior to replacing him or her with another equally qualified person. If the CONSULTANT fails to make a required replacement within thirty (30) calendar days, the AUTHORITY may terminate this Agreement.

- b) The CONSULTANT agrees that its officers and employees will cooperate with the AUTHORITY in the performance of Work under this Agreement and will be available for consultation with the AUTHORITY at such reasonable times with advance notice as to not conflict with their other responsibilities.
 - c) The CONSULTANT shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all Work furnished by the CONSULTANT, its subcontractors and their principals, officers, employees and agents under this Agreement. In performing the Work, the CONSULTANT shall follow practices consistent with generally accepted professional and technical standards.
 - d) It shall be the duty of the CONSULTANT to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. The CONSULTANT will not produce a work product which violates or infringes on any copyright or patent rights. The CONSULTANT shall, without additional compensation, correct or revise any errors or omissions in its work products.
 - i) Permitted or required approval by the AUTHORITY of any products or Work furnished by the CONSULTANT shall not in any way relieve the CONSULTANT of responsibility for the professional and technical accuracy and adequacy of its work.
 - ii) The AUTHORITY's review, approval, acceptance, or payment for any of the CONSULTANT's Work herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and the CONSULTANT shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to the AUTHORITY caused by the CONSULTANT's performance or failures to perform under this Agreement.
 - e) All materials, information, and documents, whether finished, unfinished, drafted, developed, prepared, completed, or acquired by the CONSULTANT for the AUTHORITY relating to the Work and not otherwise used or useful in connection with services previously rendered, or services to be rendered, by the CONSULTANT to parties other than the AUTHORITY shall become the property of the AUTHORITY and shall be delivered to the AUTHORITY's representative upon completion or termination of this Agreement, whichever comes first. The CONSULTANT shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by the AUTHORITY. The AUTHORITY shall have the right to reproduce all documentation supplied pursuant to this Agreement.
 - f) All of the CONSULTANT's employee(s) that will enter the Alfred Merritt Smith Water Treatment Facility (AMSWTF) must attend an AMSWTF safety orientation. This orientation will be provided by the AUTHORITY upon the first entrance of the employee to AMSWTF and involves training which includes site hazards, emergency response/action plan, and facility safety rules. The CONSULTANT shall be responsible for providing all other training required by OSHA to its employees and any subconsultant(s).
 - g) The rights and remedies of the AUTHORITY provided for under this paragraph are in addition to any other rights and remedies provided by law or under other paragraphs of this Agreement.
- 6) RESPONSIBILITIES OF AUTHORITY:
- a) The AUTHORITY agrees that its officers and employees will cooperate with the CONSULTANT in the performance of the Work and will be available for consultation with the CONSULTANT at such reasonable times with advance notice as to not conflict with other responsibilities.

- b) The Work performed by the CONSULTANT under this Agreement shall be subject to review for compliance with the terms of this Agreement by the AUTHORITY's representative, Sean Vallesteros, telephone number (702) 567-2061 or their designee. The AUTHORITY's representative may delegate any or all of his/her responsibilities under this Agreement to appropriate staff members.
- c) The AUTHORITY shall assist the CONSULTANT in obtaining data on documents from public officers or agencies, and from private citizens and/or business firms, whenever such material is necessary for the completion of the Work.
- d) The CONSULTANT will not be responsible for accuracy of information or data supplied by the AUTHORITY or other sources to the extent such information or data would be relied upon by a reasonably prudent CONSULTANT.

7) TRUTH-IN-NEGOTIATION CERTIFICATION:

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

8) INDEPENDENT CONTRACTOR – NO JOINT VENTURE:

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

9) INTELLECTUAL PROPERTY ACKNOWLEDGMENT:

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

- a) All content developed on behalf of the AUTHORITY, in whole or in part, solely or jointly by the CONSULTANT and all of the CONSULTANT's employees, associates or subcontractors assisting in creating developments and/or other work product, whether or not copyrightable or otherwise protected, including, without limitation, advertisements and marketing material ("Work Product") arising from the Work performed pursuant to, or arising out of the AUTHORITY's engagement of the CONSULTANT, or previously conceived in anticipation of work to be performed in regard to the AUTHORITY's engagement of the CONSULTANT, shall be deemed "work made for hire" as defined in the copyright laws of the United States of America (17 U.S.C. §101 et seq.) and the AUTHORITY shall own all right, title, and interest, including, without limitation, all copyrights and other intellectual property right, title, and interest ("Right") in and to the Work Product.
- b) To the extent that the CONSULTANT is deemed to have or retain any Right or otherwise possess any Right in and to any Work Product, the CONSULTANT hereby assigns, transfers, and conveys, all such Right to the AUTHORITY.
- c) The CONSULTANT shall execute all documents and undertake all actions necessary to clarify that the AUTHORITY maintains the ownership of all of the Work Product and to allow the AUTHORITY to apply for registrations of the Work Product, as well as maintain any registrations gained, including, without limitation, the Intellectual Property Assignment set forth in "Intellectual Property Assignment".

- d) The CONSULTANT hereby waives and releases any claim of infringement of any Right of the CONSULTANT (whether based in any intellectual property Right, other proprietary interest whatsoever, or fiduciary theory) in, to or respecting any Work Product (including, without limitation, any claim based on any of the CONSULTANT's rights in any Work Product which may be construed as "works of visual art" as defined in the Visual Arts Rights Act of 1990, 17 U.S.C. § 106A) and shall never challenge nor dispute the AUTHORITY's Right in and to the Work Product.

10) INTELLECTUAL PROPERTY ASSIGNMENT:

In consideration of the covenants and, representations set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the CONSULTANT hereby sells, conveys, transfers and assigns to the AUTHORITY all of the CONSULTANT's right, title, license and interest (including, without limitation, all intellectual property right, title, license and interest) in and to any and all Work Product designed, developed, or created by the CONSULTANT or otherwise arising out of the CONSULTANT's Work and related content by and for the benefit of the AUTHORITY (including, without limitation, patent applications, issued patents, prototypes for the purpose of same, and other associated derivatives) including, without limitation, all marks, all goodwill associated with such patents, trade secrets, and copyrights in and to, relating to, associated with and/or arising from the Work, the right to applications, issuance, continuations, and divisionals of such patents and the right to applications, registrations, renewals, reissues, and extensions of such marks and copyrights, and the right to sue and recover for any past and/or continuing infringements or contract breaches, said rights, titles, licenses and interests to be held and enjoyed by the AUTHORITY, for the AUTHORITY's own use and benefit and for the use and benefit of the AUTHORITY's successors, assigns or other legal representatives, as fully and entirely as the same would have been held and enjoyed by the CONSULTANT if this sale, conveyance, transfer and assignment had not been made.

11) INTERPRETATION:

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

12) CONFLICT OF INTEREST:

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

13) PROHIBITION AGAINST COMMISSION FOR OBTAINING AGREEMENT:

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

14) PROHIBITION AGAINST INTEREST BY GOVERNMENT EMPLOYEES:

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

- b) The CONSULTANT represents that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the Work required to be performed under this Agreement. The CONSULTANT further covenants that in the performance of said Work, no person having any such interest shall be employed.
- c) No member of, delegate to, or officer or employee of the legislative, executive or judicial branches of the government of the United States, of the State of Nevada or any of its political subdivisions shall be entitled to any share or part hereof or to any benefit to arise therefrom.

15) COMPLETENESS AND ACCURACY OF CONSULTANT'S WORK:

- a) The CONSULTANT shall be responsible for the completeness and accuracy of its research, supporting data, and any final reports or other deliverables prepared or compiled pursuant to this Agreement and shall correct, at its expense, all errors or omissions therein.
- b) The cost necessary to correct those errors attributable to the CONSULTANT and any damage incurred by the AUTHORITY as a result of additional costs caused by such errors shall be chargeable to the CONSULTANT. The fact that the AUTHORITY has accepted or approved the CONSULTANT's Work shall in no way relieve the CONSULTANT of any of its responsibilities.

16) INDEMNIFICATION:

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

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

- b) For all claims not based upon or arising out of the Work of the CONSULTANT, the CONSULTANT shall indemnify, hold harmless, and defend, without cost to the AUTHORITY Parties, against any and all losses, claims, costs, damages, actions, proceedings, and liability to the extent that such losses, claims, costs, damages, actions, proceedings, and liability are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the CONSULTANT or the employees of the CONSULTANT. This indemnification includes, but is not limited to, reasonable attorneys' fees and costs and claims for or by reason of any death or deaths of, or any physical injury or injuries to, any person or persons or damage to real or personal property of any kind whatsoever, whether the person(s) or property of the CONSULTANT, its agents, or of third parties; harassment or discrimination or any theory of joint or dual employment by the CONSULTANT's employees, agents, subcontractors, arising out of the Work under this Agreement; or infringement on any U.S. patent (issued as of the Effective Date) or any copyright or trademark. The AUTHORITY Parties may assume, at their sole option, control of the defense, appeal or settlement of any third-party claim for which the CONSULTANT has indemnified the AUTHORITY Parties by giving written notice of the assumption to the CONSULTANT. The AUTHORITY Parties may not settle or

compromise any claim or consent to the entry of any judgment regarding claims for which the CONSULTANT has indemnified the AUTHORITY Parties without the prior written consent of the CONSULTANT, which consent shall not be unreasonably withheld, conditioned or delayed. The indemnification provided by the CONSULTANT to the AUTHORITY Parties applies to all insurance policies of the CONSULTANT, whether primary, excess or umbrella coverage is provided to the CONSULTANT.

17) SCHEDULE FOR PERFORMANCE OF WORK:

- a) Time is of the essence in this Agreement.
- b) CONSULTANT shall provide for each written work order issued by AUTHORITY pursuant to this Agreement, a baseline schedule for performance of the applicable Work. At each submittal milestone included in the CONSULTANT's schedule for the applicable written work order, as approved by AUTHORITY, CONSULTANT shall provide a sealed and signed letter by an individual at the CONSULTANT in a supervisory capacity over the project manager affirming that:
 - i) An internal quality control review was performed prior to the submittal of the documents to the AUTHORITY; and
 - ii) All previous agency received comments have either been addressed or requests for variances have been submitted to the agency and copied to the AUTHORITY.
- c) If the CONSULTANT's performance of the Work is delayed or if the CONSULTANT's sequence of tasks is changed, the CONSULTANT shall notify the AUTHORITY's representative in writing of the reasons for the delay and prepare a revised schedule for performance of the Work. The revised schedule is subject to the AUTHORITY's written approval.

18) INSURANCE:

- a) General:
 - i) The CONSULTANT shall not commence Work under this Agreement until it has obtained all insurance required under this Agreement with insurance companies reasonably acceptable to the AUTHORITY, nor shall the CONSULTANT allow any subcontractor to commence Work until all similar insurance required of the subcontractor has been so obtained. The CONSULTANT shall continue to pay all premiums due for the insurance required under this Agreement during the applicable policy periods and shall notify the AUTHORITY of any changes to their insurance coverage.
 - ii) The AUTHORITY shall be named as an additional insured, under the CONSULTANT's commercial general liability, automobile liability, excess and/or umbrella liability policies. In the event of a loss arising out of or related to the performance of the Work by the CONSULTANT or its subcontractor(s) hereunder, of those policies required above in this Section 18 ii, all insurance required under this Agreement shall be primary (pay first) with respect to any other insurance which may be available to the AUTHORITY, regardless of how the "other insurance" provisions may read. Under the same named policies above, the CONSULTANT agrees to waive its rights of subrogation against the AUTHORITY, and the CONSULTANT's insurers shall also waive their rights to recover, as evidenced by an endorsement. The additional insured and waiver of subrogation language shall read as follows:

The Southern Nevada Water Authority, its members and affiliated companies, successors or assigns, including their directors, officers and employees individually and collectively when CONSULTANT is performing its Work in accord with this Agreement, waiver of subrogation is hereby granted in favor of the Southern Nevada Water Authority, its members and affiliated companies, successors or assigns, including their directors, officers, and employees individually and collectively with respect to those policies referenced in Section 18 ii.

- iii) The AUTHORITY shall also be named as an additional insured under the subcontractor's insurance policies. Any deviation from the required insurance requirements will need to be approved by the AUTHORITY in writing. Nothing contained in this Paragraph is to be construed as limiting the extent of the CONSULTANT's or subcontractor's liability for claims arising out of this Agreement. The CONSULTANT and subcontractor shall be responsible for insuring all of their own personal property, tools and equipment.
 - iv) If the CONSULTANT fails to procure and maintain the insurance as required herein, in addition to other rights or remedies, the AUTHORITY shall have the right, if the AUTHORITY so chooses, to procure and maintain the required insurance in the name of the CONSULTANT with the AUTHORITY as an additional named insured. The CONSULTANT shall pay the cost thereof and shall furnish all necessary information to maintain the procured insurance. In the event the CONSULTANT fails to pay the cost, the AUTHORITY has the right to set-off any sums from the compensation due to the CONSULTANT set forth in this Agreement and directly pay for such coverage.
 - v) With respect to all insurance required under this Agreement, the deductible shall not exceed \$50,000 without the prior written approval of the Risk Manager of the AUTHORITY.
- b) Evidence of Insurance:
- i) The CONSULTANT's insurance shall be written with a property and casualty insurance company with an AM Best Financial Strength Rating of A- or higher and an AM Best Financial Size Category of Class VIII or higher.
 - ii) Within ten (10) Business Days after the Effective Date, the CONSULTANT shall deliver to the AUTHORITY a certificate of insurance documenting the required insurance coverage. Upon request of the AUTHORITY, the CONSULTANT agrees to provide a copy of all insurance policies required under this Agreement. For the purposes of this Agreement, the term Business Day shall mean Monday through Thursday, excluding legal holidays recognized under NRS 236.015.
 - iii) Renewal certificates shall be provided to the AUTHORITY not later than fifteen (15) calendar days prior to the expiration of policy coverage.
 - iv) All insurance policies shall require the insurer to provide a minimum of thirty (30) calendar days' prior notice to the AUTHORITY for any material change in coverage, cancellation, or non-renewal, including, without limitation, for non-payment of premium.
- c) Insurance Coverages:
- i) Commercial General Liability Insurance: the CONSULTANT shall maintain commercial general liability insurance, contractual liability, protective liability from independent contractors, property damage liability, bodily injury liability, and personal injury liability with limits of \$1,000,000 per occurrence, and \$2,000,000 annual aggregate. The limit may be satisfied by a combination of primary and excess/umbrella insurance.
 - ii) Business Automobile Insurance: the CONSULTANT shall maintain business auto insurance for any owned, non-owned, hired, or rented vehicle with a limit of \$1,000,000 combined single limit for bodily injury and property damage liability. The limit may be satisfied by a combination of primary and excess/umbrella insurance.
 - iii) Workers' Compensation & Employers Liability Insurance: the CONSULTANT shall maintain statutory workers' compensation insurance in accordance with the laws of the state where such compensation is payable. In addition, the insurance the CONSULTANT maintains shall comply with Nevada Industrial Insurance Act, NRS Chapters 616 and 617, for all of its employees performing the Work pursuant to this Agreement.

The CONSULTANT shall maintain employers' liability insurance with limits of \$1,000,000 per accident and \$1,000,000 for each employee for injury by disease. The CONSULTANT shall maintain insurance for benefits payable under the U.S. Longshore and Harbor Workers Act and the Jones Act, for exposures that may exist.

In the event the CONSULTANT is permissibly self-insured for workers' compensation insurance in the State of Nevada, the CONSULTANT shall deliver to the AUTHORITY a copy of the Certificate of Consent to self-insure issued by the State of Nevada.

- iv) Professional Liability Insurance: the CONSULTANT shall maintain professional liability insurance applicable to the CONSULTANT's Work as set forth in this Agreement, with limits of not less than \$1,000,000 per claim and \$1,000,000 policy aggregate. -
- v) Cyber and Technology Liability Insurance: the CONSULTANT shall maintain Cyber and Technology liability insurance providing coverage for technology and professional services; privacy and cyber security; and privacy regulatory defense, awards and fines with limits of \$1,000,000 per claim and \$1,000,000 annual aggregate.
- vi) Extended Reporting Period. For all claims-made insurance policies, CONSULTANT shall maintain such coverage for a period of no less than two (2) years following expiration of termination of this Agreement.

19) TERMINATION:

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

20) REVIEWS:

- a) The CONSULTANT shall submit draft reports and other materials for review by the AUTHORITY prior to the submission of a final report on materials. Due dates will be negotiated, but in every instance, earlier submittal is encouraged.
- b) The AUTHORITY will review the submittals and any pertinent attachments and mark all required changes. All reviews will be completed within ten (10) Business Days after receipt of the submission package, and the package will be returned to the CONSULTANT. Corrections and changes to the submission will be made by the CONSULTANT and resubmitted to the AUTHORITY for approval within ten (10) Business Days after receipt. The final approval will be submitted to the CONSULTANT within five (5) Business Days after receipt of the corrected document and any attachments. Alternate review schedules may be negotiated by mutual agreement of the Parties.

21) CONFIDENTIALITY AND RELEASE OF INFORMATION:

Through the terms of this Agreement, the CONSULTANT may furnish the AUTHORITY with information that the CONSULTANT has independently determined to be confidential under Nevada law and that the CONSULTANT will label "Confidential Information". "Confidential Information" means confidential and proprietary information of the CONSULTANT that is disclosed to the AUTHORITY which, in the case of written information, is marked "confidential" and which, in the case of information disclosed orally, is identified at the time of the disclosure as confidential and will be summarized and confirmed in writing as such by the CONSULTANT to the AUTHORITY within thirty (30) calendar days of the disclosure. Confidential Information shall not include information that: (a) is now or subsequently becomes generally available to the public through no fault or breach of the AUTHORITY; (b) the AUTHORITY can demonstrate to have had rightfully in its possession prior to disclosure by the CONSULTANT; (c) is independently developed by the AUTHORITY without the use of any Confidential

Information; or (d) the AUTHORITY rightfully obtains from a third party who has the right to transfer or disclose it.

The AUTHORITY and the CONSULTANT recognize the AUTHORITY's duties under the Nevada Public Records Act and do not, by this Agreement, intend to alter the AUTHORITY's duties thereunder or to require the AUTHORITY to do, or refrain from doing, anything contrary to the Nevada Public Records Act. The AUTHORITY's Office of General Counsel shall be permitted to make an independent determination as to whether any document or record marked "confidential" is confidential or is a public record, pursuant to the Nevada Public Records Act. If the AUTHORITY's Office of General Counsel determines that any document or record supplied by the CONSULTANT and marked "confidential" is determined to be a public record the AUTHORITY may disclose that document or record to the extent required by the Nevada Public Records Act with prior notice to the CONSULTANT. Upon receipt of any request for Confidential Information, this Agreement, or any part thereof, the AUTHORITY will promptly forward the request to the CONSULTANT and work with the CONSULTANT in good faith to coordinate a response to the request and strive to prevent the disclosure of information considered confidential by the Nevada Public Records Act.

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

22) USE OF MATERIALS:

- a) The AUTHORITY shall make available to the CONSULTANT such materials from its files as may be required by the CONSULTANT in connection with its performance of Work under this Agreement. Such materials shall remain the property of the AUTHORITY while in the CONSULTANT's possession.
- b) Upon termination of this Agreement, the CONSULTANT shall turn over to the AUTHORITY any property of the AUTHORITY in its possession and any calculations, notes, reports, or other materials prepared by the CONSULTANT in the course of performing this Agreement. Any proprietary software or other tools of the CONSULTANT used to execute the Work shall remain the property of the CONSULTANT.

23) PROJECT MANAGEMENT INFORMATION SYSTEM TERMS OF USE:

- a) The AUTHORITY uses various project management information systems ("PMIS"). The AUTHORITY will notify the CONSULTANT what PMIS the AUTHORITY will be using for the management of this Agreement.
- b) Due to the sensitive nature of information contained within the PMIS, the AUTHORITY requires that the CONSULTANT agree to the PMIS terms of use. By entering into this Agreement, the CONSULTANT agrees to be bound by and to bind its employees to the following terms of use ("Terms of Use").
 - i) Access to PMIS provided by the AUTHORITY is for authorized users and organizations only. To protect this software from unauthorized use and to ensure that the software functions properly, activities on PMIS and use of this application, related data, and/or related services (collectively "PMIS Services") are monitored and recorded and subject to audit.

- ii) The CONSULTANT and its employees will abide by the typical use of protected applications/software, including but not limited to:
 - (1) Authorized users cannot give out their login information to another party.
 - (2) Authorized users shall notify the AUTHORITY within two (2) Business Days of any changes in their employment to allow for an appropriate adjustment in their access privileges.
 - (3) Access to PMIS will be revoked upon completion of the Work, termination of the Agreement, or the individual user's separation from performing duties associated with the Work, whichever comes first.
 - (4) These PMIS Services are provided for the convenience of contractors and engineering firms. The AUTHORITY is not responsible for any issues created by a malfunction of these PMIS Services.
 - (5) The CONSULTANT agrees to use PMIS for work related content. The use of PMIS as a document management system to store unrelated documents or files is expressly prohibited.
 - (6) The CONSULTANT agrees not to remove or modify any copyright or other intellectual property notices that appear in PMIS or associated PMIS Services.
- iii) The CONSULTANT agrees not to use the PMIS Services in any way that is unlawful, or harms the AUTHORITY, its service providers, suppliers or any other user. The CONSULTANT agrees not to use the PMIS Services in any way that breaches any other policy or notice on the PMIS Services. The AUTHORITY's failure to act with respect to a breach by the CONSULTANT or others does not waive its right to act with respect to subsequent or similar breaches.
- iv) NO WARRANTY. The AUTHORITY provides the PMIS Services "As Is," "With All Faults" and "As Available," and the entire risk as to satisfactory quality, performance, accuracy, and effort is with the CONSULTANT, to the maximum extent permitted by applicable law. The AUTHORITY and its suppliers make no representations, warranties or conditions, express or implied. The AUTHORITY and its suppliers expressly disclaim any and all warranties or conditions, express, statutory and implied, including without limitation (1) warranties or conditions of merchantability, fitness for a particular purpose, workmanlike effort, accuracy, title, no encumbrances, no liens and non-infringement; (2) warranties or conditions course of dealing or usage of trade; and (3) warranties or conditions of uninterrupted or error-free access or use.
- v) LIABILITY LIMITATION; EXCLUSIVE REMEDY. In addition to applicable Nevada laws regarding sovereign immunity, in no event will the AUTHORITY or any supplier be liable for any damages including, without limitation, any indirect, consequential, special, incidental, or punitive damages arising out of, based on, or resulting from these Terms of Use or the CONSULTANT's use of the PMIS Services, even if such party has been advised of the possibility of such damages. The exclusion of damages under this paragraph is independent of the user's exclusive remedy and survives in the event such remedy fails of its essential purpose or is otherwise deemed unenforceable. These limitations and exclusions apply without regard to whether the damages arise from (1) breach of contract; (2) breach of warranty; (3) negligence; or (4) any other cause of action, to the extent such exclusion and limitations are not prohibited by applicable law. If the CONSULTANT has any dispute or claim against the AUTHORITY or its suppliers with respect to these Terms of Use or the PMIS Services, then the CONSULTANT's sole and exclusive remedy is to discontinue using the PMIS Services.
- vi) The AUTHORITY reserves the right to change the Terms of Use and will provide notice of any change to the CONSULTANT. Continued use of the PMIS Services after the effective date of such changes will constitute acceptance of and agreement to any such changes. The

AUTHORITY may change, suspend, or discontinue the PMIS Services associated with PMIS at any time without notice to all or selected users. The AUTHORITY may assign these Terms of Use, in whole or in part, at any time with or without notice to the CONSULTANT. The CONSULTANT may not assign these Terms of Use, or assign, transfer or sublicense its rights, if any, in the PMIS Services.

- vii) These Terms of Use are governed by the laws of the State of Nevada, without giving effect to its conflict of laws provisions. The CONSULTANT agrees to submit to exclusive jurisdiction and venue in the state and federal courts sitting in Clark County, Nevada, for any and all disputes, claims and actions arising from or in connection with the Services and/or these Terms of Use.
- viii) If any part of these Terms of Use is determined to be invalid or unenforceable, then the invalid or unenforceable provision will be replaced with a valid, enforceable provision that most closely matches the intent of the original provision and the remainder of these Terms of Use will continue in effect.
- ix) Except as expressly stated herein, these Terms of Use constitute the entire agreement between the AUTHORITY and the CONSULTANT with respect to the PMIS Services and supersede all prior or contemporaneous communications of any kind between the AUTHORITY and the CONSULTANT with respect to the PMIS Services.
- x) The PMIS Services are subject to the intellectual property rights of the AUTHORITY and to the Nevada public records law.

24) DATA PRIVACY AND SECURITY:

- a) During the course of this Agreement, the CONSULTANT will create, receive, or have access to the Authority's Facility Information and the Facility Information of the Southern Nevada Water Authority's members ("Authority Members"). The Authority Members include Big Bend Water District, City of Boulder City, City of Henderson, City of Las Vegas, City of North Las Vegas, Clark County Reclamation District, and the Las Vegas Valley Water District. Facility Information means drawings, maps, plans, or records that reveal the Authority's or the Authority Members' critical infrastructure of primary buildings, facilities and other structures used for storing, transporting, or transmitting water or electricity, other forms of energy, fiber optic cables, or vertical assets used for the transmission or receipt of data or communications used by the Authority and the Authority Members. Facility Information is deemed to be Confidential Information of the Authority and the Authority Members.
- b) The CONSULTANT shall:
 - i) Keep and maintain all Facility Information in strict confidence, using such degree of care as is appropriate to avoid unauthorized access, use, or disclosure, including, at a minimum, strong password protection and encryption for data at rest and in transit on any network;
 - ii) Ensure that all Facility Information is stored only in data center(s) that are subject to United States federal jurisdiction;
 - iii) Not create, collect, receive, access, or use Facility Information in violation of law;
 - iv) Use and disclose Facility Information solely and exclusively for the purposes of providing Work under this Agreement;
 - v) Not use, sell, rent, transfer, distribute, or otherwise disclose or make available Facility Information for their own purposes or for the benefit of anyone other than the AUTHORITY without the AUTHORITY's prior written consent;
 - vi) Not, directly or indirectly, disclose Facility Information to any person other than its Authorized Persons, without the AUTHORITY's prior written consent. Authorized Persons means the

CONSULTANT's employees, contractors, subcontractors, consultants, subconsultants, agents, or auditors who have a need to know or otherwise access Facility Information to enable the CONSULTANT to perform its obligations under this Agreement, and who are bound in writing by confidentiality and other obligations sufficient to protect Facility Information in accordance with the terms and conditions of this Agreement; and

- vii) Prior to disclosure of Facility Information to any Authorized Persons, ensure that those Authorized Persons are contractually bound to comply with all provisions of this Data Privacy and Security Paragraph. The CONSULTANT acknowledges that it will be liable to the AUTHORITY for any and all damages the AUTHORITY incurs from the CONSULTANT's failure to ensure that its Authorized Persons are contractually bound to comply with all provisions of this Data Privacy and Security Paragraph.
- c) CONSULTANT ACKNOWLEDGES THAT THE UNLAWFUL DISCLOSURE OF SUCH RECORDS MAY SUBJECT THE CONSULTANT TO CRIMINAL LIABILITY PURSUANT TO NRS 239C.210(3).
- d) Security Breach means any act or omission that compromises either the security, confidentiality, or integrity of Facility Information or the physical, technical, administrative, or organizational safeguards put in place by the CONSULTANT or by the AUTHORITY to the extent that the CONSULTANT has access to the AUTHORITY's systems, that relate to the protection of the security, confidentiality, or integrity of Facility Information. Without limiting the foregoing, a compromise shall include any unauthorized access to or disclosure or acquisition of Facility Information.
- e) The CONSULTANT shall:
 - i) Notify the AUTHORITY of any Security Breach as soon as practicable, but no later than twenty-four (24) hours after the CONSULTANT becomes aware of it, by telephone at the following number: 702-258-3889 and by email to databreachnotice@lvvwd.com, with a copy by email to the AUTHORITY's contacts listed in the Notices Paragraph below;
 - ii) At its own expense, coordinate and fully cooperate with the AUTHORITY in the AUTHORITY's handling of the matter;
 - iii) Use its best efforts to immediately contain and remedy any Security Breach and prevent any further Security Breach;
 - iv) Maintain and preserve all documents, records, and other data related to any Security Breach; and
 - v) Reimburse the AUTHORITY for all actual costs incurred by the AUTHORITY in responding to and mitigating damages caused by any Security Breach.
- f) The CONSULTANT acknowledges that any breach of its covenants or obligations set forth in this Data Privacy and Security Paragraph may cause the AUTHORITY irreparable harm for which monetary damages would not be adequate compensation and agrees that, in the event of such breach or threatened breach, the AUTHORITY is entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance, and any other relief that may be available from any court, in addition to any other remedy to which the AUTHORITY may be entitled at law or in equity. Such remedies shall not be deemed to be exclusive but shall be in addition to all other remedies available at law or in equity, subject to any express exclusions or limitations in this Agreement to the contrary.
- g) The CONSULTANT has completed and provided to the AUTHORITY the Business Partner Security Checklist providing accurate information on its security program including appropriate policies and procedures. The CONSULTANT agrees to maintain a comparable or better information security

program to that disclosed in the Business Partner Security Checklist throughout the course of this Agreement that is reviewed for new risk assessments at least annually.

- h) The CONSULTANT shall implement the administrative, physical and technical safeguards disclosed in the Business Partner Security Checklist to protect Facility Information from unauthorized access, acquisition or disclosure, destruction, alteration, accidental loss, misuse or damage that are no less rigorous than the current version of the CIS Controls as published by the Center for Internet Security, Inc., or its successor organization, or corresponding standards adopted by the National Institute of Standards and Technology of the United States Department of Commerce, and shall ensure that all such safeguards, including the manner in which Facility Information is collected, accessed, used, stored, processed, disposed of and disclosed, comply with applicable data protection and privacy laws, as well as the terms and conditions of this Agreement.
- i) The CONSULTANT shall return, destroy, or otherwise appropriately disposition any written or digital data and copies thereof upon the termination or completion of this Agreement, or as otherwise provided by law.

25) RECORDS:

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

26) ASSIGNMENT:

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

27) SEVERABILITY:

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

28) NON-DISCRIMINATORY EMPLOYEE PRACTICES:

- a) The CONSULTANT and any subcontractor working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Work provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964, Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, Title I of the Americans with Disabilities Act and all associated rules and regulations.
- b) The CONSULTANT recognizes that if they or their subcontractors are found guilty by an appropriate authority of refusing to hire or do business with an individual or company due to reasons of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, national origin, or any other protected status, the AUTHORITY may declare the CONSULTANT in breach of the Agreement, terminate the Agreement, and designate CONSULTANT as non-responsible.

29) EQUAL EMPLOYMENT OPPORTUNITY:

- a) The CONSULTANT and any subcontractor working under the authority of the CONSULTANT, who is responsible for the selection, referral, hiring, or assignment of workers for the Work provided pursuant to this Agreement, is required to comply with all applicable provisions of Title VII of the Civil Rights Act of 1964. This requirement includes compliance with Equal Employment Opportunity Commission regulations that prohibit discrimination based upon race, color, religion, sex, or national origin. Furthermore, the CONSULTANT shall in all relevant manners comply with the Age Discrimination in Employment Act, the Civil Rights Act of 1991, the Equal Pay Act, and Title I of the Americans with Disabilities Act.
- b) The CONSULTANT shall make all necessary documentation as required to comply with the Acts referred to above and shall make such documentation immediately available to the AUTHORITY upon the AUTHORITY's request. The CONSULTANT is solely liable for failure to comply with this provision.

30) APPLICABLE LAW:

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

31) VENUE:

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

32) ATTORNEY'S FEES:

In the event that any Party commences an action to enforce or interpret this Agreement, or for any other remedy based on or arising from this Agreement, the prevailing Party therein shall be entitled to recover its reasonable and necessary attorneys' fees and costs incurred.

33) NO THIRD-PARTY RIGHTS:

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

34) WAIVER:

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

35) CAPTIONS:

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

36) COUNTERPARTS:

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

37) INTEGRATION:

This Agreement contains the entire understanding between the Parties relating to the transactions contemplated by this Agreement, notwithstanding any previous negotiations or agreements, oral or written, between the Parties with respect to all or any part of the subject matter hereof. All prior or contemporaneous agreements, understandings, representations and statements, oral or written,

entitled "Intellectual Property Acknowledgment", "Intellectual Property Assignment", "Indemnification", "Confidentiality and Release of Information", "Data Privacy and Security", "Applicable Law", "Venue", and "Attorney's Fees" of this Agreement, as well as any other provision that, in order to give proper effect to its intent, should survive such expiration or termination, will survive the expiration or earlier termination of this Agreement indefinitely.

42) FORCE MAJEURE:

- a) A Force Majeure Event is defined as an act beyond the affected Party's reasonable control, including: (1) acts of God; (2) flood, fire, earthquake, or explosion; (3) war (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest, with a direct impact on this Agreement; (4) if site access is necessary to perform the Work under this Agreement, site restrictions for elevated security risks; and (5) industry-wide strikes with a direct impact on this Agreement. The CONSULTANT's economic hardship and changes in market conditions are not considered Force Majeure Events.
- b) Both the AUTHORITY and the CONSULTANT have evaluated the effects of COVID-19 on this Agreement. The AUTHORITY and the CONSULTANT expressly agree that COVID-19 and what is known about COVID-19 as of the execution of this Agreement are not considered Force Majeure Events.
- c) Where the CONSULTANT is prevented from completing any part of the Work under the Agreement due to a Force Majeure Event, the AUTHORITY and the CONSULTANT shall agree to an extension of time in an amount equal to the time lost due to such delay, the agreed extension shall be the CONSULTANT's sole and exclusive remedy for such delay, and the CONSULTANT shall not be entitled to an increase in the sums due under this Agreement. The CONSULTANT shall provide a revised schedule for performance in accordance with "Schedule for Performance of Work".
- d) The Party suffering a Force Majeure Event shall give notice within five (5) calendar days of the Force Majeure Event to the other Party, stating the period of time the occurrence is expected to continue and shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized.

43) COMPANIES THAT BOYCOTT ISRAEL:

The CONSULTANT certifies that it is not engaged in, and agrees for the duration of the Agreement and any renewal terms, not to engage in, a boycott of Israel. Boycott of Israel means, refusing to deal or conduct business with, abstaining from dealing or conducting business with, terminating business or business activities with or performing any other action that is intended to limit commercial relations with Israel; or a person or entity doing business in Israel or in territories controlled by Israel, if such an action is taken in a manner that discriminates on the basis of nationality, national origin or religion. It does not include an action which is based on a bona fide business or economic reason; is taken pursuant to a boycott against a public entity of Israel if the boycott is applied in a non-discriminatory manner; or is taken in compliance with or adherence to calls for a boycott of Israel if that action is authorized in 50 U.S.C. § 4607 or any other federal or state law.

44) DISCLOSURE OF NO EMPLOYEE/OFFICIAL RELATIONSHIP AND NO EMPLOYEE/OFFICIAL OWNERSHIP/INVOLVEMENT:

The CONSULTANT affirms that:

- a) No individuals holding more than five (5) percent ownership or financial interest in the CONSULTANT, none of the CONSULTANT's principals, and none of the CONSULTANT's employees have a relationship with any employee or official of the AUTHORITY by first or second blood relatives or by marriage. First or second blood relative or marriage relationships include spouse, registered domestic partners, children, parents, in-laws (first degree), brothers/sisters, half-brothers/half-sisters, grandchildren, and grandparents (second degree).

- b) No employee or official of the AUTHORITY has any ownership or financial interest in the CONSULTANT exceeding five (5) percent.
- c) No employee or official of the AUTHORITY has any involvement with the negotiation of this Agreement on behalf of the CONSULTANT or involvement in the day-to-day activities of the CONSULTANT.

45) ELECTRONIC SIGNATURES:

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

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed the day and year last entered below.

Jacobs Engineering Group Inc.

Southern Nevada Water Authority

Signature

Signature

Print Name

Print Name

Title

Title

Date

Date

EXHIBIT A
SCOPE OF WORK

CONSULTANT shall provide, but not limited to, professional engineering consulting services to support Infrastructure Management, Maintenance Engineering Division, with multidiscipline engineering projects on an as needed basis as directed by AUTHORITY. AUTHORITY will issue written work orders that will describe all pertinent requirements of the scope of work. AUTHORITY to approve CONSULTANT's scope of work estimate, in accordance with the rates and fees in effect under this Agreement, and any other requirements applicable to authorize the Services to be performed by CONSULTANT.

RATES AND FEES

CONSULTANT will be compensated for the successful and timely completion and acceptance of all Work performed, in accordance with fee schedule set forth below. All rates are inclusive of all costs, including overhead, profit, and all other direct and indirect expenses associated with the Work authorized by AUTHORITY.

AUTHORITY shall not be responsible for reimbursement of additional services or expenses associated with overhead, such as preparing invoices, administrative services, or other like Services.

All AUTHORITY authorized Services will be for actual time only, prorated to the nearest 15-minute increment, no minimum billing times for labor or travel times will be permitted.

AUTHORITY authorized travel expenses will be reimbursed strictly in accordance with Exhibit B, Travel Reimbursement Policy.

AUTHORITY authorized reimbursable expenses, which include reprographic, printing, and other similar incidental costs, shall be reimbursed at actual cost plus 10%.

AUTHORITY authorized reimbursable expense for CONSULTANT's subconsultant shall be reimbursed at CONSULTANT'S actual cost, no markup permitted.

Any AUTHORITY approved Work which required CONSULTANT to engage subconsultant(s) shall be reimbursed at CONSULTANT'S actual cost only, with no markup permitted.

Staff Classification:	Hourly Rate
Principal in Charge	\$325
Principal Professional 2	\$285
Principal Professional 1	\$255
Sr. Professional 2	\$235
Sr. Professional 1	\$215
Project Professional 2	\$195
Project Professional 1	\$175
Staff Professional 2	\$160
Staff Professional 1	\$145
Engineering Technician	\$165
Technician	\$120

Rates and Fees Adjustment Request: The rates and fees shall remain firm for term of the Agreement, unless a rate and fee adjustment is approved by AUTHORITY. CONSULTANT may request a pricing adjustment by submitting the appropriate supporting documentation to justify increases in labor rates, and if approved by AUTHORITY, such adjustment shall take effect in January of the applicable calendar year. Rate and fee increases shall not be retroactive. AUTHORITY shall be given 45 calendar days advanced notification. A price adjustment can only occur if CONSULTANT has been notified in writing of AUTHORITY's approval of the new rates and fees. Only one written adjustment request will be allowed during each calendar year of the agreement. No rate and fee adjustment will be permitted that exceeds the United States Department of Labor, Bureau of Labor Statistics, and Consumer Price Index for Urban Consumers - All U.S. Cities for the prior year or three (3) percent of the current rates, whichever is less. All written price adjustment requests shall be sent to AUTHORITY's designated contact as specified in the Notices section of the Agreement. The AUTHORITY approved fee schedule will be incorporated into this Agreement.

EXHIBIT B
TRAVEL EXPENSE REIMBURSEMENT POLICY

The CONSULTANT will bill all such expenses to the AUTHORITY at cost without markup. The CONSULTANT will provide receipts, bills, or other documentation to support expenses billed to the AUTHORITY that are not covered under a per diem. At no time will the AUTHORITY reimburse the CONSULTANT for any travel time charges. The AUTHORITY reserves the right to approve all travel plans and expected costs prior to trips.

The AUTHORITY shall reimburse the CONSULTANT according to the following expense reimbursement policy utilizing the U. S. General Services Administration travel rates (<http://www.gsa.gov/portal/content/104877>) for the time of travel "GSA Travel Rates".

1. AIR TRAVEL:

- a) Lowest Fare Routing: Air travel should be in economy (coach) class and booked and expensed at the lowest available airfare.
- b) Flight Changes: Any changes to flight reservations which result in an additional cost must be pre-approved by the AUTHORITY.
- c) Additional Fees: The AUTHORITY will not reimburse for convenience charges to include, but not limited to, charges for early boarding, assigned seating, or seat upgrades.

2. LODGING:

- a) Hotel Selection: the CONSULTANT shall invoice the AUTHORITY using the GSA Lodging Rate. Higher rates must be pre-approved by the AUTHORITY. If the CONSULTANT submitted rate is above the GSA Lodging Rate without pre-approval, the AUTHORITY reserves the right to reimbursement at the GSA rate, plus associated taxes calculated at the GSA rate only.
- b) Additional Fees: If additional fees are charged in association with lodging (e.g. Resort Fees) the AUTHORITY reserves the right to limit reimbursement up to \$30 plus tax.

3. GROUND TRANSPORTATION:

- a) Car Rentals: cars are to be rented when other means of transportation are unavailable, more costly, or impractical. The use of a rented car should be justifiable as a business need and not as a matter of personal convenience. Mileage will not be reimbursed for rentals. Insurance, GPS units, and other accessories offered by rental agencies will not be reimbursed.
- b) Taxi, Ride Sharing Services, and Other Local Transportation: the cost of ground transportation to and from places of business, hotels, or airports in direct connection with AUTHORITY business is reimbursable.
- c) Mileage: the CONSULTANT shall invoice the AUTHORITY for mileage using the IRS Standard Mileage Rate when personal vehicles are used in connection with business activities and must be preapproved by the AUTHORITY.

4. MEALS AND INCIDENTALS:

Per Diem: A per diem allowance will be paid for each day of travel. Per diem is to cover all meals and other incidental charges and does not require submission of receipts. The CONSULTANT shall invoice the AUTHORITY using the GSA Travel Rate per diem.

Incidental Expense: The following incidental expenses, when directly related to company business, are reimbursable and are not part of per diem expense:

- a) Parking/tolls in connection with operation of personal or rented vehicle. Self-parking charges are preferred; valet parking charges will be reimbursed only if there are no other parking options.
- b) Long-distance telephone calls from hotel related to AUTHORITY business are reimbursable.
- c) Internet connection fees if required for AUTHORITY business are reimbursable.

5. TIPS:

- a) Tips of any nature are not reimbursable.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

August 20, 2026

Subject:

Agreements

Petitioner:

Colby N. Pellegrino, Deputy General Manager, Resources

Recommendations:

That the Board of Directors approve and authorize the General Manager to execute, in substantially the same form as attached hereto, a Second Amended and Restated Water Operation and Management Agreement between Muddy Valley Irrigation Company and the Authority; authorize the General Manager, or his designee, to approve leasing of irrigation company shares; execute ministerial documents to effectuate the transactions; and pay the associated administrative costs of the irrigation company for an amount not to exceed \$3,950,000 for the first year with three percent annual increases thereafter.

Fiscal Impact:

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

Background:

In 2007, the Secretary of the Interior issued a Record of Decision for the Colorado Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead (Guidelines). The Guidelines allow the Authority to create and divert Intentionally Created Surplus (ICS) by conveying pre-1929 Muddy River and Virgin River water rights to Lake Mead.

Since 2008, the Board of Directors has approved and authorized several agreements with water rights holders on the Muddy River. These agreements, including operations and management agreements and leases of shares from shareholders in irrigation companies, have allowed the Authority to develop ICS by purchasing and leasing associated water rights and conveying them to Lake Mead. Most recently, in 2016, the Board approved an Amended and Restated Water Operations and Management Agreement (Amended Agreement), which provides the Muddy Valley Irrigation Company (MVIC) with an operations and maintenance budget for costs associated with the accounting and conveyancing of the Authority's water rights to Lake Mead. The Amended Agreement also allowed willing shareholders to sell or lease their shares to the Authority. Accordingly, the Authority executed 10-year water leases with willing shareholders, effective October 1, 2016. The leases expire on September 30, 2026, while the Amended Agreement terminates on December 31, 2026.

If approved, the Authority will execute a Second Amended Agreement with MVIC, with a 15-year term that expires September 30, 2041. The Second Amended Agreement provides MVIC with an annual payment of \$1,750,000 for, among other things, the operation, maintenance, and management of ditch systems to account for and convey the Authority's Muddy River water rights to Lake Mead and the lease of 3,000 acre-feet annually of Muddy River water rights historically leased by the Authority.

Approval of this item will also authorize the Authority to purchase and lease shares from willing shareholders on terms the Authority will accept. The Requests for Offers to Lease allows for the Authority to solicit and accept appropriate offers and execute leases in substantially the same form. For offers accepted for five-year terms, the Authority will pay 1,362.18 per year for preferred shares and \$125.26 per year for common shares, subject to a three percent yearly increase. For offers accepted for 30-year terms, the Authority will pay \$1,589.21 per year for preferred shares and \$146.13 for common shares, subject to a three percent yearly increase. The Authority's rights obtained through these transactions will be held by Muddy River Water Holdings, Inc., a non-profit corporation authorized by the Board on December 15, 1999, to facilitate the holding of water rights stock.

The Agreement is authorized by Sections 6(a), 6(b), and 6(j) of the SNWA 1995 Amended Cooperative Agreement. The Office of the General Counsel has reviewed and approved the Agreement.

JJE:CNP:ZLM:STC:eb

Attachments: Agreement, Request for Offers to Lease

**SECOND AMENDED AND RESTATED WATER OPERATION AND
MANAGEMENT AGREEMENT**

THIS SECOND AMENDED AND RESTATED WATER OPERATION AND MANAGEMENT AGREEMENT (“Agreement”) is entered into this ____ day of _____, 2026, by and between the Southern Nevada Water Authority (“SNWA”), a political subdivision of the state of Nevada and a joint powers authority established pursuant to Chapter 277 of the Nevada Revised Statutes; and the Muddy Valley Irrigation Company (“MVIC”). SNWA and MVIC are at times herein referred to individually as “Party” and collectively as “Parties.”

RECITALS

A. MVIC holds legal title to surface water rights in the Muddy River under the laws of the state of Nevada, awarded in a Judgment and Decree dated March 12, 1920, in *Muddy Valley Irrigation Co., et al. v. Moapa and Salt Lake Produce Co., et al.*, in what is currently Nevada’s Eighth Judicial District Court, and including Winter Water Permits 23600 and 50734, representing the right to 3,000 acre-feet annually (“afa”) of water on the Upper Muddy River (“Winter Water”).

B. SNWA owns 1,009.0847 Preferred Shares and 2,863.1267 Common Shares in MVIC and controls other Muddy River water rights not represented by MVIC shares through Muddy River Water Holdings, Inc., a Nevada non-profit corporation. These water rights, including the Winter Water that SNWA will lease from MVIC, and other such rights that in the future are leased, owned, acquired or otherwise controlled by SNWA as agreed upon between the Parties, are hereinafter referred to as the “SNWA Water Rights.”

C. SNWA and MVIC entered into an agreement dated February 20, 1997, pursuant to MVIC shareholder approval at MVIC’s 1997 annual meeting, subsequently amended by the

Parties on April 26, 2000, regarding the acquisition of MVIC shares and use of Muddy River water by SNWA (“1997 Agreement”).

D. Pursuant to the *Colorado River Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead* issued by the Secretary of the Interior on December 13, 2007 (“Guidelines”), SNWA may create Intentionally Created Surplus (“ICS”) by conveying SNWA Water Rights to Lake Mead. SNWA is then able to divert ICS created by such conveyances for municipal use in the Las Vegas Valley. The ICS program requires accurate accounting methods to measure the SNWA Water Rights conveyed to Lake Mead, which may involve quantifying consumptive uses on the Muddy River.

E. Nevada State Engineer Order 1194, entered on July 15, 2008, established the procedure by which SNWA submits annual reports to the State Engineer’s Office to account for SNWA Water Rights that have been conveyed through the Muddy River system to the Colorado River mainstream for the creation of ICS, and provided that pursuant to NRS 538.171 and Nevada Attorney General Opinion 88-16, no permit from the State Engineer is required for creation or use of ICS as authorized by the Guidelines.

F. On May 12, 2008, the Parties entered into a Water Operation and Management Agreement (“2008 Agreement”) to continue the relationship established under the 1997 Agreement, as amended, to facilitate SNWA’s continued desire to purchase and lease additional MVIC shares from willing MVIC shareholders and MVIC’s continued desire to work with SNWA to effectuate such arrangements.

G. As contemplated by the 2008 Agreement, SNWA acquired additional SNWA Water Rights and worked cooperatively with MVIC to discharge the Parties’ respective obligations under that agreement. The 2008 Agreement expired on September 30, 2018.

H. In 2016, SNWA and MVIC executed an Amended and Restated Water Operation and Management Agreement that outlined certain fees paid to MVIC and included a *Request for*

Offers to Lease Shares through which all MVIC shareholders owning a certain number of shares could offer to lease those shares to SNWA (“2016 Agreement”). From October 1, 2016, through September 30, 2026, SNWA leased these shares from willing shareholders and MVIC continued to convey SNWA’s Water Rights to Lake Mead as contemplated by this Agreement.

I. The Parties desire to amend and restate the 2008 Agreement and 2016 Agreement such that all of the Parties’ rights and obligations regarding the subject matter of the prior agreements are contained in this Agreement.

J. Throughout the term of this Agreement, SNWA desires to purchase, lease, or otherwise acquire water controlled through MVIC shares from willing shareholders; and MVIC desires to work with SNWA to effectuate these arrangements pursuant to the terms set forth below.

K. Under the 2008 and 2016 Agreements, the Parties agreed that SNWA would acquire leases of water rights from MVIC shareholders through a form *Request for Offers to Lease* that established the lease rate and term, and which was issued to all MVIC shareholders. Under this Agreement, SNWA will independently establish the terms included in any *Request for Offers to Lease* proposed to MVIC shareholders.

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

TERMS AND CONDITIONS

1. MVIC to Convey SNWA Water Rights. Under the terms and conditions of this Agreement, MVIC agrees to convey all SNWA Water Rights from Wells Siding to the Mainstream of the Colorado River as defined in the Guidelines and specifically agrees to forbear from delivering any SNWA Water Rights to any other MVIC shareholder, person, or entity.

2. Sharing Data. SNWA agrees to share data, as requested by MVIC, concerning the diversion of water, consumptive use of water, irrigated lands, and other applicable data with respect to use of water from the Muddy River by the Moapa Band of Paiute Indians (“Tribe”)

pursuant to that certain Water Supply Agreement and other upstream water users. The majority of this information is documented in SNWA's annual Muddy River Tributary Conservation ICS Certification Reports.

3. Purchase of MVIC Shares. If SNWA affirmatively seeks to purchase MVIC shares, SNWA will issue a *Request for Offers to Sell* to all MVIC shareholders. Prior to issuing a *Request for Offers to Sell*, SNWA will consult with MVIC. Notwithstanding the foregoing, SNWA may purchase MVIC shares, without issuing a *Request for Offers to Sell* to all shareholders, if a shareholder willingly makes an unsolicited offer to sell stock to SNWA.

3.1 Provisions Regarding the Request for Offers to Sell.

3.1.1 MVIC agrees to cooperate in facilitating such stock sales by reviewing MVIC's records and certifying the status of the shares offered for sale pertaining to ownership, liens, and encumbrances filed in MVIC's records, and that the stock certificates for the shares being offered for sale are on deposit with MVIC and are endorsed for transfer. If SNWA does not accept an Offer to Sell, MVIC shall return such stock certificates to the shareholder(s). MVIC's signature on an Offer to Sell shall certify that all owners of such stock certificate(s) as appear on the records of MVIC have signed the Offer to Sell and that no liens or encumbrances apply to the stock certificate(s) that would prevent the shareholder(s) from completing the sale and/or prevent SNWA from utilizing the water represented by the shares to its full extent.

3.1.2 Upon notification of SNWA's acceptance of the shareholder-signed Offer to Sell, MVIC will record the name of Muddy River Water Holdings, Inc., as the record owner of the shares in MVIC's records and shall deliver stock certificates evidencing the transfer to SNWA.

4. MVIC Services and Administration of SNWA Water. MVIC's responsibility and material service under this Agreement is to administer the delivery of the SNWA Water

Rights.

4.1 MVIC agrees to allow SNWA to issue Requests for Offers to Lease to MVIC shareholders, consistent with MVIC's policy of permitting private leasing of MVIC shares.

MVIC agrees to cooperate in facilitating such leases by reviewing MVIC's records and certifying the status of the shares offered for lease pertaining to ownership, liens, and encumbrances within MVIC's books and records.

4.2 MVIC agrees to sign any offers to lease to certify that all owners of such stock certificate(s) as appear on the records of MVIC have signed the offer to lease, and that, based on MVIC's books and records, no liens or encumbrances apply to the stock certificate(s) that would prevent the shareholder from executing the lease and/or prevent SNWA from utilizing the water represented by the shares to their full extent.

4.3 Upon notification of SNWA's acceptance of the signed Offer to Lease, MVIC will record the name of Muddy River Water Holdings, Inc., as the Lessee of record of the shares in MVIC's records.

5. **Obligations of the Parties.**

5.1 The Parties are obligated to perform all of the duties set forth in this Agreement, including the Request for Offers to Lease. Notwithstanding Nevada State Engineer Order 1194, if authorization from the Nevada State Engineer is required for the conveyance to Lake Mead of SNWA's Water Rights acquired through shares sold or leased by MVIC shareholders, SNWA will secure such authorization. Upon presentation from SNWA, MVIC shall sign, as certificate holder, any change applications or other documents reasonably necessary for SNWA to obtain such authorization for use of the SNWA Water Rights, provided however, SNWA shall first provide written notice of such change application to MVIC for comment. MVIC expressly agrees to refrain from taking any actions to protest or otherwise prevent the conveyance of the water leased pursuant to this Agreement to Lake Mead and shall cooperate with SNWA in securing any necessary

authorizations from the Nevada State Engineer.

5.2 The Parties agree that MVIC has no responsibility to ascertain ownership of shares or encumbrances affecting shares covered by any offer beyond matters revealed by its own records.

6. Operations. MVIC agrees to manage and convey the SNWA Water Rights through its system and on turn in the ditches to Lake Mead. The Parties expressly agree to respect and protect the rights of all MVIC shareholders, including but not limited to those who continue to use their MVIC shares for irrigation purposes as decreed to MVIC.

6.1 MVIC agrees to provide the information necessary for SNWA to obtain timely approval of its annual ICS Certification Reports. This includes seasonal water schedules, monthly Bowman Reservoir water elevation data, written and signed confirmation of shares owned and leased by SNWA through an annual Letter of Concurrence. This information is required to be delivered to SNWA no later than January 31st of each year of this Agreement and shall pertain to the previous calendar year. MVIC also agrees to assist in answering any technical questions received from the Nevada Division of Water Resources or the Bureau of Reclamation during the ICS Certification Report review process that are directly related to the MVIC rights that SNWA controls.

6.2 The Parties understand and agree that a portion of the flow measured at the Glendale gage is comprised of non-MVIC Muddy River water rights owned or controlled by the SNWA and these rights will not be used by MVIC and/or delivered to MVIC shareholders other than SNWA. The flows measured at the Glendale gage, less SNWA's non-MVIC Muddy River water rights, represent the divertible flows available to MVIC at the Glendale gage.

6.3 Based on the calculated divertible flows available to MVIC at Wells Siding, the acre-feet of water represented by Preferred and Common shares of MVIC will be calculated as follows:

Preferred Shares: 100% of the divertible flows available to MVIC from May 1 to September

30 (the summer season) plus 75% of the flows from October 1 to April 30 (the winter season).

Common Shares: 25% of the divertible flows from October 1 to April 30 (the winter season).

7. **Winter Water Lease**. The October 12, 2009, Agreement to Lease Winter Water is hereby terminated. Through this Agreement MVIC agrees to lease to SNWA, for a 15-year Term, 3,000 afa of the Winter Water ("Winter Water Lease"). Consideration for the Winter Water Lease is included as part of the "Annual O&M Payment," as defined below in Section 8, below.

8. **Consideration to MVIC**. In consideration of MVIC's management of MVIC's system, including but not limited to, the payment for employment of certain necessary personnel; the conveyance of SNWA Water Rights through MVIC's system; the conveyance of 3,000 afa of MVIC's "Winter Water" through the system, which are deemed SNWA Water Rights under this Agreement; the operation and maintenance of metering devices in a manner that accommodates the conveyance of the SNWA Water Rights to Lake Mead; and operations that ensure other MVIC shareholders are not adversely impacted by such management; SNWA will provide MVIC with \$1,750,000.00 for the first Water Year, defined herein as the twelve-month period beginning October 1 and ending September 30 of the following calendar year), subject to a three percent (3%) increase each Water Year thereafter. ("Annual O&M Payment"), and which obligation shall not be subject to future appropriation, budgetary allocation, or other contingency by SNWA's Board of Directors. The first Annual O&M Payment shall be due on October 1, 2026. In addition to the Annual O&M Payment, SNWA will pay the MVIC fees and assessments due for each leased share during the lease term at the amount paid in Water Year 2026, which is \$76.49 for Preferred Shares and \$21.85 for Common Shares. Lessor(s) shall be responsible for the payment of any increases to MVIC's fees and assessments that are above and in excess \$76.49 for Preferred Shares and \$21.85 for Common Shares. Payment of the Annual O&M Payment and all assessments shall be due on or before the commencement of each Water Year or as billed with respect to assessments.

9. Miscellaneous Terms.

9.1 Modification. This Agreement may be amended only in writing signed by the Parties.

9.2 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and does not create any right or benefit, substantive or procedural, enforceable by any third parties against the Parties.

9.3 Term. Unless otherwise agreed to in writing by the Parties, this Agreement will be valid for a term of fifteen (15) Water Years beginning on October 1, 2026, and ending on September 30, 2041 (“Term”).

9.4 Integration. This Agreement contains the entire understanding between the parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements and understandings, oral or written, except as herein contained.

9.5 Controlling Law. This Agreement and all questions relating to its validity, interpretation, performance and enforcement shall be governed by the laws of the State of Nevada, as determined by a court(s) of competent jurisdiction in Nevada.

9.6 Indemnification. Each Party agrees to indemnify and hold harmless the other Party, and all the other Party’s successors or assigns (collectively referred to as “Indemnified Party”), from and against the aggregate of all expenses, losses, costs, deficiencies, liabilities, and damages incurred or suffered by the Indemnified Party resulting from or arising out of any claim, damages, loss or liability on account of the performance or nonperformance of any provisions under to this Agreement.

9.7 Notices. All notices, requests or other communications required under this Agreement shall be in writing and shall be deemed to have been received when delivered or on the third business day following mailing, addressed as set forth below:

To SNWA:

Southern Nevada Water Authority
Attn: General Manager
1001 S. Valley View Blvd.
Las Vegas, NV 89153

With a copy to:
Southern Nevada Water Authority
Attn: General Counsel's Office
1001 S. Valley View Blvd.
Las Vegas, NV 89153

To MVIC:
Muddy Valley Irrigation Company
Attn: General Manager
PO Box 665
Overton, NV 89040

The Parties may modify and update this Notice provision upon mutual agreement.

9.8 Waiver. Neither failure nor delay on the part of any Party to exercise any right, remedy, power or privilege under this Agreement shall operate as a waiver thereof.

9.9 Assignment. Neither party may assign, delegate, or transfer its rights or obligations under this Agreement without the prior written consent of the other Party. Any assignment, delegation or transfer made without prior written consent shall be void.

9.10 Counterparts. This Agreement may be executed and approved in multiple counterparts, each of which shall be deemed an original.

10. Default and Remedies.

10.1 The rights and remedies under this Agreement are cumulative and in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

10.2 The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to equitable relief, including injunctive relief or specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

10.3 Either Party may terminate this Agreement, effective upon written notice to

the other Party (the "Defaulting Party"), if the Defaulting Party materially breaches this Agreement, and such breach is incapable of cure, or with respect to a material breach capable of cure, the Defaulting Party does not cure such breach within sixty (60) days after receipt of written notice of such breach. The written notice of default shall specify the basis for the default. The Parties shall remain liable for any obligations that the Parties had pursuant to this Agreement prior to the date of termination, in addition to any other surviving obligations specified herein.

10.4 The rights and obligations of the Parties that, by their nature, should survive termination or expiration of this Agreement. will survive any such termination or expiration.

[Remainder of Page Intentionally Blank / Signatures on Following Page]

IN WITNESS WHEREOF, each of the Parties has executed this Agreement as of the date and year first written above.

SOUTHERN NEVADA
WATER AUTHORITY

MUDDY VALLEY IRRIGATION
COMPANY

By: _____
John Entsminger
General Manager

By: _____
Todd Robison
President

Approved as to form:

By:  _____
Gregory J. Walch, Esq.
General Counsel

REQUEST FOR OFFERS TO LEASE
PREFERRED AND/OR COMMON SHARES OF STOCK
IN THE
MUDDY VALLEY IRRIGATION COMPANY

The Southern Nevada Water Authority (“SNWA”) requests that owners of shares of stock in the Muddy Valley Irrigation Company (“MVIC”) who desire to lease some or all of their shares, submit a completed and signed copy of the attached Offer to Lease Shares of Stock (“OFFER”) to SNWA, 100 City Parkway, Suite 700, Las Vegas, Nevada 89106, ATTENTION: Colby Pellegrino, and ensure that such documentation is in SNWA’s actual possession on or before 5:00 p.m. on September 22, 2026. OFFERS may be mailed to P.O. Box 99956, Las Vegas, NV 89193-9956. SNWA must receive the signed OFFER at the above offices on or before 5:00 p.m. on September 21, 2026. Please call Sean Collier at 702-691-5375 with questions. SNWA intends to lease shares in MVIC on a first-come, first-served basis, subject to appropriation of funds by its Board of Directors.

The terms of this Request for Offers to Lease are as follows:

1. SNWA is requesting OFFERS from all MVIC shareholders. No OFFER will be accepted for lease of less than one (1) preferred share or one (1) common share. SNWA will only lease common shares from shareholders who lease to SNWA at least 75% of the preferred shares they own, or from shareholders who do not own any preferred shares.

2. SNWA will only consider accepting an OFFER if it is made on the attached form with no alterations to the terms contained in it.

3. Leases with shareholders with shares free from liens or encumbrances that would prevent the shareholder from executing the lease and/or prevent SNWA from using the water represented by the shares as of October 1, 2026, will begin on October 1, 2026. Offers to lease may be for a five-year term, expiring September 30, 2031, or for a 30-year term, expiring September 30, 2056.

4. By mutual agreement of Lessor and SNWA, any lease may be extended on a year-to-year basis, so long as the lease term does not extend after September 30, 2056. The Lessor shall give written notice of the Lessor's desire to extend the lease to SNWA no later than July 1 of the year the initial lease term expires. SNWA will notify the Lessor within 60 days whether SNWA agrees to extend the lease.

5. The annual rent for the lease (“Rent”) and the latest date by which the lease payment will be mailed by SNWA to the Lessor is described in the table below. The initial lease payment amount will be escalated by 3% each year, as shown in the table below.

Table 1 - MVIC 5 Year Lease Payment Table			
Water Year	Date of Annual Lease Payment	Annual Lease Payment per Preferred Share	Annual Lease Payment per Common Share
2027 October 1, 2026 - September 30, 2027	9/30/2026	\$1,362.18	\$125.26
2028 October 1, 2027 - September 30, 2028	9/1/2027	\$1,403.05	\$129.02
2029 October 1, 2028 - September 30, 2029	9/1/2028	\$1,445.14	\$132.89
2030 October 1, 2029 - September 30, 2030	9/1/2029	\$1,488.49	\$136.88
2031 October 1, 2030 - September 30, 2031	9/1/2030	\$1,533.14	\$140.99

Table 2 - MVIC 30 Year Lease Payment Table			
Water Year	Date of Annual Lease Payment	Annual Lease Payment per Preferred Share	Lease Payment per Common Share
2027 October 1, 2026 - September 30, 2027	9/30/2026	\$1,589.21	\$146.13
2028 October 1, 2027 - September 30, 2028	9/1/2027	\$1,636.89	\$150.51
2029 October 1, 2028 - September 30, 2029	9/1/2028	\$1,686.00	\$155.03
2030 October 1, 2029 - September 30, 2030	9/1/2029	\$1,736.58	\$159.68
2031 October 1, 2030 - September 30, 2031	9/1/2030	\$1,788.68	\$164.47
2032 October 1, 2031 - September 30, 2032	9/1/2031	\$1,842.34	\$169.40
2033 October 1, 2032 - September 30, 2033	9/1/2032	\$1,897.61	\$174.48
2034 October 1, 2033 - September 30, 2034	9/1/2033	\$1,954.54	\$179.71
2035 October 1, 2034 - September 30, 2035	9/1/2034	\$2,013.18	\$185.10
2036 October 1, 2035 - September 30, 2036	9/1/2035	\$2,073.58	\$190.65

Table 2 (continued) - MVIC 30 Year Lease Payment Table			
Water Year	Date of Annual Lease Payment	Annual Lease Payment per Preferred Share	Lease Payment per Common Share
2037 October 1, 2036 - September 30, 2037	9/1/2036	\$2,135.79	\$196.37
2038 October 1, 2037 - September 30, 2038	9/1/2037	\$2,199.86	\$202.26
2039 October 1, 2038 - September 30, 2039	9/1/2038	\$2,265.86	\$208.33
2040 October 1, 2039 - September 30, 2040	9/1/2039	\$2,333.84	\$214.58
2041 October 1, 2040 - September 30, 2041	9/1/2040	\$2,403.86	\$221.02
2042 October 1, 2041 - September 30, 2042	9/1/2041	\$2,475.98	\$227.65
2043 October 1, 2042 - September 30, 2043	9/1/2042	\$2,550.26	\$234.48
2044 October 1, 2043 - September 30, 2044	9/1/2043	\$2,626.77	\$241.51
2045 October 1, 2044 - September 30, 2045	9/1/2044	\$2,705.57	\$248.76
2046 October 1, 2045 - September 30, 2046	9/1/2045	\$2,786.74	\$256.22

Table 2 (continued) - MVIC 30 Year Lease Payment Table (continued)			
Water Year	Date of Annual Lease Payment	Annual Lease Payment per Preferred Share	Lease Payment per Common Share
2047 October 1, 2046 - September 30, 2047	9/1/2046	\$2,870.34	\$263.91
2048 October 1, 2047 - September 30, 2048	9/1/2047	\$2,956.45	\$271.83
2049 October 1, 2048 - September 30, 2049	9/1/2048	\$3,045.14	\$279.98
2050 October 1, 2049 - September 30, 2050	9/1/2049	\$3,136.49	\$288.38
2051 October 1, 2050 - September 30, 2051	9/1/2050	\$3,230.58	\$297.03
2052 October 1, 2051 - September 30, 2052	9/1/2051	\$3,327.50	\$305.94
2053 October 1, 2052 - September 30, 2053	9/1/2052	\$3,427.33	\$315.12
2054 October 1, 2053 - September 30, 2054	9/1/2053	\$3,530.15	\$324.57
2055 October 1, 2054 - September 30, 2055	9/1/2054	\$3,636.05	\$334.31
2056 October 1, 2055 - September 30, 2056	9/1/2055	\$3,745.13	\$344.34

6. The Lessor agrees not to use, order, or divert any portion of the water leased to SNWA during the lease term.

7. EACH SIGNED OFFER RETURNED TO SNWA MUST ALSO BE SIGNED BY AN MVIC OFFICER TO CERTIFY THAT ALL RECORD OWNERS OF THE STOCK CERTIFICATE(S) HAVE SIGNED THE OFFER, AND THAT THE STOCK CERTIFICATES ARE NOT LEASED OR OTHERWISE ENCUMBERED IN ANY WAY THAT WOULD PREVENT THE SHAREHOLDER FROM EXECUTING THE LEASE AND/OR PREVENT SNWA FROM USING THE WATER REPRESENTED BY THE OFFERED SHARES TO ITS FULL EXTENT.

8. In addition, all OFFERS must also be accompanied with a copy of the relevant stock certificate and completed Form 1099s.

9. If the shares to be leased are owned by a trust, the OFFER must be accompanied by a copy of the certificate of trust. If the shares to be leased are owned by a limited liability company or other corporate entity, the Offer must be accompanied by a certification that the individual signing on behalf of the entity has authority to bind the company as a legally authorized agent.

10. All OFFERS made to SNWA must be signed by all persons whose name(s) appear as owners on the stock certificates for the shares offered for lease.

11. The name of the ditch through which the water represented by the shares offered for lease is conveyed shall be listed in the OFFER.

12. Conveyance to Lake Mead of the water represented by the leased shares may require authorization from the Nevada State Engineer. The Lessor expressly agrees not to take any action to protest or otherwise prevent the conveyance of this water to Lake Mead.

13. The Lessor agrees to identify all real property, if any, within the Moapa Valley that is either currently, or has been historically, irrigated with water represented by the leased shares, together with any documentation, including leases, regarding the use of the Lessor's shares during the last five (5) years. Such obligation will be satisfied by completing the "Description of Land and Share Usage" form attached to this Request for Offers to Lease.

14. MVIC will not deliver the water rights associated with the leased shares for irrigation but may either leave the water in the Muddy River or divert such water into its diversion ditches and allow such water to pass through its ditches into the Muddy River for discharge into Lake Mead.

15. By returning a signed OFFER to SNWA, each Lessor warrants and represents that the shares of stock in MVIC offered for lease are free and clear of all encumbrances and obligations that would prevent the shareholder from executing the lease and/or prevent SNWA from utilizing the water represented by the shares to its full extent during the lease term.

16. By September 30, 2026, SNWA will notify all persons who submitted an OFFER whether their OFFER has been accepted. SNWA will also promptly notify MVIC of the name(s) of the Lessor(s) and of the shares for which the OFFER has been accepted. OFFERS complying in all respects with the requirements herein will, subject to available appropriations and paragraph 19 below, be accepted in the order received by SNWA.

17. SNWA will pay the MVIC fees and assessments due for each leased share during the lease term at the amount paid for WY 2026, which is \$76.49 for Preferred Shares and \$21.85 for Common Shares. Lessor shall be responsible for any increases to fees and assessments above, and in excess of, the amount SNWA paid in WY 2026. and Any amounts for which Lessor is responsible will be paid to MVIC by SNWA and such amount will be deducted from the annual lease payment SNWA pays to Lessor in the year the increased assessment is imposed.

18. Upon a shareholder's receipt of notice of acceptance of OFFER from SNWA, MVIC will record in its corporate records the name *Muddy River Water Holdings, Inc.*, as the record lessee of the shares and shall deliver stock certificates or other documentation evidencing the lease to SNWA.

19. SNWA reserves the right to reject an OFFER if in SNWA's sole judgment the aggregate amount of water represented by shares from a particular ditch is not sufficient to enable convenient monitoring of the conveyance of such water through the ditches of the MVIC to Lake Mead.

20. No OFFER is a binding lease unless and until accepted by SNWA.

DATED this _____ day of _____, 2026.

SOUTHERN NEVADA WATER AUTHORITY
100 City Parkway, Suite 700
Las Vegas, Nevada 89106

By: _____
Authorized Representative

OFFER TO LEASE SHARES

I own stock certificates for _____ preferred shares and _____ common shares in the Muddy Valley Irrigation Company ("MVIC") and of these shares, hereby offer to lease _____ preferred shares and _____ common shares to Southern Nevada Water Authority ("SNWA") on the terms, price, and conditions set forth in the Offer and in SNWA's Request for Offers to Lease, which is incorporated herein by reference. This Offer remains open through September 30, 2026. If this Offer is accepted, the terms of the lease are contained herein and in the Request for Offers to Lease. The water delivered to the undersigned by MVIC for said shares is conveyed through the ditch(es) listed below. I also certify that the attached Description of Land and Share Usage is complete to the best of my knowledge and ability.

If SNWA accepts this OFFER, the lease will begin on October 1, 2026.

TERM OF LEASE (Please identify whether you are offering a 5-year term or 30-year term)

_____ This offer is for a 5-year term that will terminate on September 30, 2031.

_____ This offer is for a 30-year term that will terminate on September 30, 2056.

(To be signed and dated by all persons whose names appear on the stock certificate)

LESSOR 1

LESSOR 2

Date

Date

Lessor 1

Printed: _____

Lessor 2

Printed: _____

Date: _____

Date: _____

Address: _____

Address: _____

Phone Number: _____

Phone Number: _____

If leasing common share, you must check ONE of the options below.

_____ I am leasing at least 75% of my preferred shares to SNWA OR

_____ I only own common shares.

Preferred Shares Offered for Sale			Common Shares Offered for Sale			
Stock Certificate		Ditch Name	Stock Certificates		Ditch Name	
Cert #	# of Shares		Cert #	# of Shares		

☐ I have enclosed a completed and signed copy of the W-9 Request for Taxpayer Identification Number and Certification required by the Internal Revenue Service (IRS).

Lessor Name (print) _____

: MVIC Op Agmt

MUDDY VALLEY IRRIGATION COMPANY CERTIFICATION ·REQUIRED

The Muddy Valley Irrigation Company (MVIC) hereby certifies that all of the record owner(s) of the stock certificate(s) being offered for lease in the foregoing Offer to Lease have signed the Offer and the stock certificate(s) does not reflect any liens or encumbrances on such shares that would prevent the shareholder from executing this lease and/or prevent SNWA from utilizing the leased water to its full extent during the lease term. MVIC shall notify SNWA in the event of a change in certificate number listed above.

DATED this _____ day of _____, 2026.

MUDDY VALLEY IRRIGATION COMPANY

By: _____
General Manager

For SNWA Use Only

The above Offer is: ☐ Accepted ☐ Rejected

DATED this _____ day of _____, 20____

SOUTHERN NEVADA WATER AUTHORITY
100 City Parkway, Suite 700
Las Vegas, Nevada, 89106

By: _____
Authorized Representative

Lessor Name (print) _____

Description of Land and Share Usage

The following is a description of the Real Property (Land) within the Virgin River Valley that is either currently, or has been historically, irrigated with the shares proposed to be sold together with any documentation, including leases, regarding the use of the shares during the last five years.

Parcel Numbers, Map, or other description of the Property (including approximate acreage or measurements):

--

To the best of your knowledge, please identify the irrigation practice on the land described above for the past five years for the summer and winter seasons by circling the appropriate choice below:

Water Year	Winter Season (Oct. 1 - April 30)	Summer Season (May 1 – Sept. 30)
2026	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown
2025	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown
2024	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown
2023	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown
2022	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown	Fully Irrigated/Partially Irrigated/Fallowed/ Unknown

If the shares proposed to be sold were purchased or leased in the last five years, please describe these transactions to the best of your ability:

Please submit Offer to:

**Colby Pellegrino, Deputy General
Manager, Resources**

If by First Class Mail

P.O. Box 99956, Las Vegas, NV 89196-9956

If by Federal Express or in Person:

100 City Parkway, Ste. 700, Las Vegas, NV 89106

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

August 20, 2026

Subject:

Authorization to Negotiate and Execute Agreements

Petitioner:

Colby N. Pellegrino, Deputy General Manager, Resources

Recommendations:

That the Board of Directors approve and authorize the General Manager to negotiate and execute extensions or amendments for operation and management agreements with water-rights holders on the Virgin and Muddy rivers (excluding the Muddy Valley Irrigation Company); authorize the General Manager, or his designee, to approve the lease of shares (excluding Muddy Valley Irrigation Company shareholders); execute ministerial documents to effectuate the transactions; and pay the associated administrative costs of the irrigation companies for an amount not to exceed \$5,210,000, representing a maximum increase of 50 percent of non-lease costs currently paid, 20 percent for leases of 10 years or less, and 40 percent for leases of at least 30 years, all subject to three percent annual increases.

Fiscal Impact:

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

Background:

In 2007, the Secretary of the Interior issued a Record of Decision for the Colorado Interim Guidelines for Lower Basin Shortages and Coordinated Operations for Lake Powell and Lake Mead (Guidelines). The Guidelines allow the Authority to create and divert Intentionally Created Surplus (ICS) by conveying pre-1929 Muddy and Virgin River water rights to Lake Mead.

Since 2008, the Board of Directors has approved and authorized various agreements with water-rights holders on the Muddy and Virgin rivers, including irrigation companies and the Moapa Band of Paiutes. These agreements, which include operations and management agreements and agreements to lease shares in irrigation companies or other water rights, have allowed the Authority to develop ICS by purchasing and leasing such water rights and conveying them to Lake Mead. Most recently, in 2016 and 2017, the Board approved operations and maintenance agreements and leases of water rights on the Virgin and Muddy rivers. Those leases will expire on September 30, 2026, while the operating agreements will terminate on December 31, 2026.

Anticipating these expiration dates, the Authority intends to negotiate amendments or extensions to further the cooperative efforts to create ICS. This agenda item is similar to those approved in 2016 and 2017, along with the Muddy Valley Irrigation Company agreement that is also being considered by the Board today. If approved, the Authority will execute water operations and management agreements for 30-year terms and at a cost no more than 50 percent more than the Authority currently pays for non-lease costs related to maintenance and management of ditch systems, accounting, and conveying the leased water rights to Lake Mead.

In addition, the Authority will issue requests for offers to lease to irrigation company shareholders and negotiate other leases for water rights on the Virgin and Muddy rivers. Lease prices shall not

Authorization to Negotiate and Execute Agreements

August 20, 2026

Page Two

exceed 25 percent more than current lease prices if the term is 10 years or less and shall not exceed 40 percent more for leases of at least 30 years.

The Authority's rights obtained through these acquisitions will be held by Muddy River Water Holdings, Inc., a non-profit corporation authorized by the Board on December 15, 1999, to facilitate the holding of water rights stock.

The Second Amended Agreement is authorized by Sections 6(a), 6(b), and 6(j) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the agenda item.

JJE:CNP:ZLM:STC:eb

Attachments: None

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

August 20, 2026

Subject:
Ratification

Petitioner:
Colby N. Pellegrino, Deputy General Manager, Resources

Recommendations:

That the Board of Directors ratify the System Conservation Implementation Agreement between the Bureau of Reclamation and the Authority, which was executed on August 11, 2026, and through which the Authority will create up to 50,000 acre-feet of System Conservation Water in exchange for \$16,250,000 in federal funding and authorize the General Manager to approve future modifications if such modifications do not fiscally impact the Authority.

Fiscal Impact:

If the above recommendation is approved, the Authority will receive funds from the Bureau of Reclamation in the amount of up to \$16,250,000. No non-federal cost share is required.

Background:

In September 2022, the U.S. Secretary of the Interior announced the Lower Colorado River Basin Conservation and Efficiency Program (LC Conservation Program) to address the drought crisis with prompt and responsive actions, and provide investments in projects that lead to durable, long-term solutions for the Colorado River system. In November 2024, the Board of Directors approved a System Conservation Implementation Agreement (SCIA) under which the Bureau of Reclamation provided the Authority with \$60 million to conserve 189,635 acre-feet through the Water Smart Landscapes Rebate Program over a 50-year period.

If approved, the Authority intends to create 50,000 acre-feet of System Conservation Water, in calendar year 2026, to help bolster water elevations in Lake Mead. The Authority will receive \$325 per acre foot, up to \$16,250,000. System Conservation Water will be created through the Municipal Conservation and Offstream Storage activities described in the approved Southern Nevada Water Authority Extraordinary Conservation Intentionally Created Surplus Plan of Creation Calendar Year 2026.

At this time, the Board is being asked to ratify the SCIA, which was executed on August 11, 2026, and includes the provisions necessary for the Authority to receive funding.

This approval is authorized pursuant to NRS 277.180 and Sections 6(j) and (o) of the SNWA 1995 Amended Cooperative Agreement. The office of the General Counsel has reviewed and approved the agreement.

JJE:CNP:ZLM:AGB:CAC:eb

Attachments: Agreement, Exhibit A, Exhibit B, Exhibit W (Attachments A-F), Exhibit C

AGENDA
ITEM #

7

SYSTEM CONSERVATION IMPLEMENTATION AGREEMENT (SCIA) FOR CALENDAR
YEAR 2026 BETWEEN THE UNITED STATES BUREAU OF RECLAMATION AND THE
SOUTHERN NEVADA WATER AUTHORITY TO IMPLEMENT THE LOWER
COLORADO CONSERVATION AND EFFICIENCY PROGRAM
(LC CONSERVATION PROGRAM)

1. PREAMBLE This SCIA to implement the LC Conservation Program is entered into this 11th day of August, 2026, by and between the United States, Department of the Interior, Bureau of Reclamation (“Reclamation”), acting through the Acting Regional Director of the Lower Colorado Basin Region of the Bureau of Reclamation, and the Southern Nevada Water Authority (“SNWA”), hereinafter referred to singularly as “Party” or collectively as “Parties” and pursuant to the Act of Congress approved June 17, 1902 (32 Stat. 388), designated the Reclamation Act, and acts amendatory thereof or supplementary thereto, including the Act of December 21, 1928 (45 Stat. 1057), designated the Boulder Canyon Project Act, the Act of September 30, 1968 (82 Stat. 885), designated the Colorado River Basin Project Act, the Colorado River Drought Contingency Plan Authorization Act, Public Law 116-14 dated April 16, 2019, and the Inflation Reduction Act of 2022, Public Law 117-169 dated August 16, 2022;

2. EXPLANATORY RECITALS

2.1 WHEREAS, the Colorado River Basin is experiencing a historic drought;

2.2 WHEREAS, prior to the Secretary of the Interior (“Secretary”) declaring shortage conditions for Lake Mead in calendar years 2022 through 2026, Public Law 116-14, the Colorado River Drought Contingency Plan Authorization Act (“Act”) was signed into law on April 16, 2019. This Act directed the Secretary to execute the agreements hereinafter referred to collectively as “DCP Agreements”, and the DCP Agreements were subsequently executed on May 20, 2019;

2.3 WHEREAS, one of the DCP Agreements that was executed on May 20, 2019, was an agreement between the United States and the Colorado River Basin States entitled, *Agreement Concerning the Colorado River Drought Contingency Management and Operations* (Companion Agreement), that provided implementation of several interstate agreements including the *Lower Basin Drought Contingency Plan Agreement* (LB DCP Agreement) which is Attachment B to the Companion Agreement, that included Exhibit 1 entitled, *Lower Basin Drought Contingency Operations* (LBOPs), that was designated to create new flexibilities to incentivize voluntary conservation of water to be stored in Lake Mead;

2.4 WHEREAS, Section 3.b of the May 2019 LB DCP Agreement, among other things, provides that, subject to applicable law, including the availability of appropriations, (1) the Secretary will take affirmative actions to implement the Lower Basin programs designed to create or conserve 100,000 acre-feet per annum or more of Colorado River System water to contribute to conservation of water supplies in Lake Mead and other Colorado River reservoirs in the Lower Basin and (2) the other Parties to the LB DCP Agreement shall not request delivery of, and the Secretary shall not deliver to, any Party or SNWA the volumes of Colorado River System water conserved through such programs;

2.5 WHEREAS, on September 22, 2022, the Department of the Interior (“Department”) announced that it is taking additional steps to address drought in the Colorado River Basin;

2.6 WHEREAS, the Department, through Reclamation, created a new LC Conservation Program, similar to the previous program entitled *Pilot System Conservation Program*, and undertook Colorado River System water conservation activities under the DCP Agreements and Act;

2.7 WHEREAS, the purpose of the LC Conservation Program is to increase system conservation and efficiency opportunities to address the unprecedented drought in the Lower Colorado River Basin and it is a part of the commitment made by the Department on August 16, 2022, to address the drought crisis with prompt and responsive actions and investment to ensure the entire Colorado River Basin can function and support all who rely on it;

2.8 WHEREAS, the LC Conservation Program is funded in part by the Inflation Reduction Act of 2022 that provides \$4 billion in funding specifically for water management and conservation efforts in the Colorado River Basin and other basins experiencing comparable levels of long-term drought;

2.9 WHEREAS, on October 20, 2023, the Department announced the federal action and purpose and need for the development of Post-2026 Operational Guidelines and Strategies for Lake Powell and Lake Mead (Post-2026 Guidelines) which are intended to adopt specific guidelines and coordinated reservoir management strategies when the *2007 Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead* (“2007 Interim Guidelines”) expire;

2.10 WHEREAS, the process for a Supplemental Environmental Impact Statement to the 2007 Record of Decision was completed and on May 6, 2024, the Secretary of the Interior signed the Record of Decision for the *Supplement to the 2007 Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead*;

2.11 WHEREAS, on December 9, 2024, the Parties entered into *System Conservation Implementation Agreement No. 24-XX-30-W0387 Between the United States Bureau of Reclamation and Southern Nevada Water Authority to Administer Rebates for Turfgrass Removal to Implement Phase Two of the Lower Colorado River Basin Conservation and Efficiency Program* (“Bucket 2 SCIA”) in which SNWA agreed to reduce its scheduled delivery volume of its entitlement consistent with an annual water conservation schedule;

2.12 WHEREAS, to further support Lake Mead’s elevation over the near term, on May 8, 2026, Reclamation invited LC Conservation Program participants to express interest in amending their current “Bucket 1” SCIA to create additional System Conservation Water in calendar year 2026 or to extend the creation of System Conservation Water through calendar year 2028, under certain conditions;

2.13 WHEREAS, SNWA was invited to discuss entering into a Bucket 1 SCIA, and SNWA notified Reclamation by email dated June 23, 2026, attached hereto as Exhibit A, that it desires to create System Conservation Water in calendar year 2026;

2.14 WHEREAS, SNWA holds entitlements to Colorado River water under Contract No. 7-07-30-W0004, as amended, Contract No. 2-07-30-W0266, as amended, and Contract No. 09-07-30-W0011;

2.15 WHEREAS, SNWA has a history of implementing extraordinary conservation activities under the LB DCP Agreement and LBOps through its approved ICS Exhibit W, entitled *Extraordinary Conservation Intentionally Created Surplus (EC ICS) Using Municipal Conservation and Offstream Storage for implementation under the Lower Basin Drought Contingency Plan*, which documents the conservation activities, calculations, and verification procedures used to generate EC ICS;

2.16 WHEREAS, SNWA proposes to create up to 50,000 acre-feet of System Conservation Water in calendar year 2026 through Municipal Conservation and Offstream Storage (MCOS) activities approved and documented in ICS Exhibit W; and

2.17 WHEREAS, the Parties desire to enter into this SCIA whereby SNWA agrees to create up to 50,000 acre-feet of System Conservation Water in calendar year 2026 under the conditions of and as provided within this SCIA and allow such volumes to remain in Lake Mead in exchange for financial compensation.

NOW, THEREFORE, in consideration of the terms and conditions set forth herein, Reclamation and SNWA agree as follows:

3. DEFINITIONS

3.1 Colorado River Compact means the document signed on November 24, 1922, at Santa Fe, New Mexico, pursuant to an act of Congress approved August 19, 1921 (42 Stat. 171). The Colorado River Compact was approved in Section 13(a) of the Boulder Canyon Project Act.

3.2 Colorado River System shall have the meaning ascribed to such term in the Colorado River Compact.

3.3 Exhibit A is a copy of the email dated June 23, 2026, in which SNWA notified Reclamation it desires to create System Conservation Water in calendar year 2026. Exhibit A is attached hereto and made part of this SCIA.

3.4 Exhibit B is a copy of SNWA's approved Calendar Year 2026 *Extraordinary Conservation Intentionally Created Surplus Plan of Creation* (ICS Plan) and the referenced ICS Exhibit W describing the conservation activities SNWA intends to implement in calendar year 2026 to create System Conservation Water.

3.5 Exhibit C is reserved for a copy of SNWA's EC Certification Report that describes the actual amount of conservation achieved and applied to this SCIA. Exhibit C will be attached hereto and made part of this SCIA once reviewed and verified by Reclamation.

3.6 System Conservation Water means Colorado River water that is conserved by SNWA and left in Lake Mead to benefit the Colorado River System pursuant to this SCIA.

4. PURPOSE

4.1 The purpose of this SCIA is for Reclamation to compensate SNWA for the System Conservation Water that is created by SNWA in calendar year 2026, not to exceed 50,000 acre-feet, allowing such water to remain in Lake Mead. In the absence of this SCIA, SNWA attests that it used such water in previous years, and it would have used the water in calendar year 2026.

5. SYSTEM CONSERVATION IMPLEMENTATION

5.1 The term of this SCIA begins upon execution of this SCIA and continues until all of the terms and conditions are satisfied.

5.2 SNWA proposes to create up to 50,000 acre-feet of System Conservation Water in calendar year 2026 by implementing the MCOS activities described in SNWA's approved ICS Plan, which shall be attached to this SCIA as Exhibit B, solely for the purpose of documenting the conservation activities that can be used to create System Conservation Water under this SCIA.

5.3 The Parties agree that the creation of System Conservation Water under this SCIA shall be quantified using the approved EC ICS methodologies documented in SNWA's ICS Plan. The EC ICS methodologies shall apply for the purpose of measuring and verifying the conservation activities used to create System Conservation Water under this SCIA. However, System Conservation Water created in accordance with this SCIA shall not accrue as ICS credits and may not be simultaneously used to create ICS.

5.4 When the final conservation volumes created under this SCIA have been determined, SNWA will submit an EC Certification Report to Reclamation which shall be attached to this SCIA as Exhibit C.

5.5 The Parties agree that System Conservation Water created under this SCIA shall not be ordered or delivered for use by any party and shall remain in Lake Mead in accordance with the terms of this SCIA.

5.6 The Parties agree that SNWA shall not take delivery of ICS during calendar year 2026.

6. MONITORING

6.1 The Parties agree that SNWA shall (1) quantify, certify, document, and report reductions in consumptive use of Colorado River water under this SCIA and (2) report the certified volume of System Conservation Water created in calendar year 2026.

6.2 The Parties agree that Reclamation shall (1) verify and document reductions in consumptive use of Colorado River water under this SCIA and (2) report the verified volume of System Conservation Water created under this SCIA in the annual *Colorado River Accounting and Water Use Report: Arizona California, and Nevada* ("Water Accounting Report").

6.3 Reclamation will use its existing water order approval process and other authorities to ensure that the Colorado River water under this SCIA is not ordered or used by other Colorado River water entitlement holders during calendar year 2026.

6.4 The Parties agree that the terms of this SCIA shall not establish precedent for potential future water conservation activities.

7. IDENTIFICATION AND TRACKING OF COLORADO RIVER SYSTEM WATER

7.1 Reclamation will document the quantity of System Conservation Water created by SNWA under this SCIA through the reductions in consumptive use described in this SCIA in the annual Water Accounting Report. The quantity of System Conservation Water to remain in Lake Mead, as determined by Reclamation, will be reported in the section of the annual Water Accounting Report titled, "Conservation, Transfers and Exchanges."

7.2 The Parties agree that the water left in Lake Mead pursuant to this SCIA shall accrue to the benefit of the Colorado River System and shall not accrue to the individual benefit of SNWA or any third party.

7.3 The Parties also agree that SNWA's annual water conservation commitment under the Bucket 2 SCIA must be fulfilled for the calendar year before any System Conservation Water can be created under this SCIA.

8. PAYMENTS

8.1 For calendar year 2026, Reclamation will pay SNWA \$325.00 per acre-foot of System Conservation Water created in accordance with this SCIA, up to 50,000 acre-feet, a total payment not to exceed \$16,250,000.00.

8.2 The payment for calendar year 2026 will be made by Reclamation to SNWA no later than 60 days after publication of the annual Water Accounting Report verifying the amount of System Conservation Water created by SNWA in calendar year 2026. Such publication normally occurs in May of the year following the reporting period.

8.3 If Reclamation finds that SNWA did not create the System Conservation Water in accordance with this SCIA or that SNWA did not forbear such System Conservation Water, the payment in Section 8.1 herein shall be reduced accordingly and SNWA will be required to reimburse Reclamation as provided in Section 10 herein.

8.4 SNWA agrees that the payment it receives under Section 8.1 above fully satisfies the United States' obligation to SNWA under this SCIA and that no further payment from the United States will be required.

9. SNWA COSTS

9.1 SNWA agrees to bear the costs for implementation of this SCIA in return for the payments to be made by Reclamation, as specified in this SCIA.

10. REIMBURSEMENT FOR OVERPAYMENT

10.1 Unless otherwise provided in this SCIA, in the unanticipated and unforeseen event the total amount of water under this SCIA is not added to Lake Mead as System Conservation Water as was paid for by Reclamation, due to SNWA taking an action that interferes with the foregoing objective, SNWA agrees to reimburse for the overpayment for the water that was not added to Lake Mead within 30 days of receipt of a bill for collection from Reclamation.

11. DISPUTE RESOLUTION

11.1 If any Party disputes any compliance with or performance under this SCIA by the other Party, the Party claiming such dispute shall notify the other Party in writing, specifically identifying the claimed deficiency in compliance or performance. Upon such notice, the Parties shall timely meet and confer regarding the claim and use good faith efforts to resolve the claim informally.

11.2 To the extent any claim of non-compliance or non-performance affects any payment from Reclamation to SNWA hereunder, amounts of such payment that are not associated with such non-compliance or non-performance shall be paid in a timely manner, and any remaining balance shall be held pending resolution of the claim of non-compliance or non-performance.

12. SYSTEM CONSERVATION WATER IS NOT A DCP CONTRIBUTION

12.1 The Parties to this SCIA agree that the System Conservation Water created under this SCIA shall be additive to the total conserved water volume associated with the LC Conservation Program and shall not be used to satisfy any Lower Division States' DCP contribution required under LBOPs.

13. ENVIRONMENTAL COMPLIANCE

13.1 Because implementation of this SCIA may result in reduced flows in the Colorado River, SNWA agrees to consult with Reclamation on measures to fulfill any of its environmental obligations resulting from reduction in river flows including, any conservation measures required by the Endangered Species Act; provided, any funding obligations between the Parties for the Endangered Species Act compliance shall be pursuant to the Lower Colorado River Multi-Species Conservation Program Funding Agreements. The Parties agree that this SCIA is contingent upon sufficient flow reduction coverage for Endangered Species Act compliance and will consult on reductions to System Conservation Water creation if such flow reductions exceed existing compliance.

14. THIRD PARTY BENEFICIARIES

14.1 This SCIA is not intended nor shall it be construed to create any third-party beneficiary rights to enforce the terms of this SCIA.

15. GENERAL TERMS

15.1 The Parties agree that creation of System Conservation Water under this SCIA in calendar year 2026 is contingent upon forbearance by other Colorado River water entitlement holders through written agreement or other process. In the event that forbearance is not achieved, the annual payments in Section 8 may be reduced accordingly and SNWA may be required to reimburse Reclamation as provided in Section 10.

15.2 SNWA agrees to remain in compliance with applicable Federal, State, and local environmental, cultural, and paleontological resource protection laws and regulations throughout the term of this SCIA.

15.3 The Parties agree that consistent with the provisions of Section 3.b of the LB DCP Agreement, and Section IV F. of LBOps, water intentionally conserved pursuant to this SCIA will remain in Lake Mead and shall not be subject to release pursuant to Article II of the Consolidated Decree of the United States Supreme Court in *Arizona v. California et al.*, 547 U.S. 150 (2006) ("Consolidated Decree") in the year in which the conservation occurs.

15.4 The water left in Lake Mead under this SCIA will not be reported as SNWA's diversion or consumptive use.

15.5 None of the provisions of this SCIA shall be considered waived, except when such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions, or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or that Party's relinquishment of any such rights for the future, but such provisions and rights shall continue and remain in full force and effect.

15.6 The Parties do not intend that any right or remedy given to a Party on the breach of any provision under this SCIA to be exclusive; each such right or remedy is cumulative and in addition to any other remedy provided in this SCIA or otherwise available at law or in equity. If the non-breaching Party fails to exercise or delays in exercising any such right or remedy, the non-breaching party does not thereby waive that right or remedy. In addition, no single or partial exercise of any right, power or privilege precludes any other or further exercise of a right, power or privilege granted by this SCIA or otherwise.

15.7 Each Party to this SCIA represents that the person executing on behalf of such Party has full power and authority to do so, and that his/her signature is legally sufficient to bind the Party on whose behalf he/she is signing.

15.8 This SCIA constitutes a valid and binding agreement of each Party, enforceable against each Party in accordance with its terms. This SCIA is and will be binding upon and will inure to the benefit of the Parties and, upon dissolution, the legal successors and assigns of their assets and liabilities.

15.9 This SCIA may be supplemented, amended, or modified only by the written agreement of the Parties. No supplement, amendment, or modification will be binding unless it is in writing and signed by the Parties.

15.10 Any notice, demand, or request shall be deemed properly served, given, or made if delivered in person; sent by registered or certified mail, postage prepaid; or overnight delivery to

the addresses below, charges prepaid or charged to the sender's account to the persons in the positions executing this SCIA. Email may be used in addition to, but not in lieu of, the required methods described above.

If to Reclamation:

Bureau of Reclamation
Interior Region 8: Lower Colorado Basin
Attn: Acting Regional Director
500 Date Street, Building 900
Boulder City, NV 89005
Email: gjohnson@usbr.gov

With a copy to:

Bureau of Reclamation
Interior Region 8: Lower Colorado Basin
Attn: Area Manager, Boulder Canyon Operations Office
500 Date Street, Building 900
Boulder City, NV 89005
Email: dbunk@usbr.gov

If to SNWA:

Southern Nevada Water Authority
Attn: John J. Entsminger
1001 South Valley View Boulevard
Las Vegas, NV 89107
Email: john.entsminger@snwa.com

15.11 All information and data obtained or developed with the performance of duties mentioned in this SCIA shall be available upon request to a Party, subject to the provisions of the Freedom of Information Act, if applicable, or other applicable law. However, use of said reports, data, and information shall appropriately reference the source for the respective documents.

15.12 The expenditure or advance of any money or the performance of any obligation by the United States under this SCIA shall be contingent upon the appropriation or allotment of funds. No monetary liability shall accrue to the United States in case funds are not appropriated or allocated. Nothing in this SCIA shall bind the United States to expenditures in excess of funds appropriated and allotted for the purposes outlined in this SCIA.

15.13 No member of or Delegate to Congress, Resident Commissioner, or official of SNWA shall benefit from this SCIA other than as a water user or landowner in the same manner as other water users or landowners.

15.14 Nothing in this SCIA diminishes or abrogates the authority of the Secretary under applicable Federal law, regulations, or the Consolidated Decree.

15.15 The Parties agree to comply with all applicable Federal, State, and local laws, executive orders, rules and regulations applicable to its performance under this SCIA.

15.16 This SCIA shall be interpreted, governed by, and construed under applicable Federal law and any relevant provisions of Nevada state law. To the extent permissible under the Federal Rules of Civil Procedure and other applicable Federal authority, venue for adjudication of any disputes under this SCIA shall be in appropriate Federal Court.

15.17 In the event that any one or more of the provisions contained herein is, for any reason, held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provisions of this SCIA, but this SCIA is to be construed as if such invalid, illegal or unenforceable provisions had never been contained herein, unless the deletion of such provision or provisions would result in such a material change so as to cause the fundamental benefits afforded the Parties by this SCIA to become unavailable or materially altered.

16. COUNTERPARTS

16.1 This SCIA may be executed in counterparts, each of which shall be an original and all of which, together, shall constitute only one agreement.

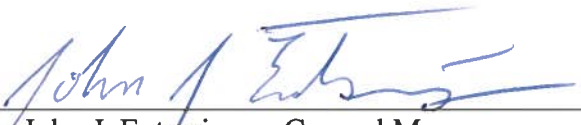
17. EFFECTIVE DATE

17.1 This SCIA shall become effective upon the date of its execution by both Parties. Once effective, this SCIA will remain in effect until all of the terms and conditions are satisfied.

17.2 The Parties hereto have executed this SCIA on the day and year first written above.

Signatures next page.

SOUTHERN NEVADA WATER AUTHORITY

By: 
John J. Entsminger, General Manager

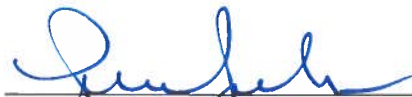
Approved as to form:

By: 
Gregory J. Walch, General Counsel

Signatures continued next page.

THE UNITED STATES OF AMERICA

By:



Genevieve R. Johnson
Acting Regional Director
Interior Region 8: Lower Colorado Basin
Bureau of Reclamation

Exhibit A

1. A copy of the email dated June 23, 2026, is attached.

From: [Colby Pellegrino](#)
To: [Bunk, Daniel A](#)
Cc: [Casey Collins](#); [Steven Anderson](#); [Hannah Mendez](#); [Dodds, Jeremy R.](#); [Kirsch-Burke, Lesli Y](#); [Watkins, Kyle B](#); [Dickson, Kerim E](#); [DiDonato, Nancy](#); [Everett, Nicole A](#); [Greg Walch](#)
Subject: [EXTERNAL] Re: {External} For review - SNWA Draft 2026 SCIA
Date: Tuesday, June 23, 2026 10:59:08 AM
Attachments: [image001.png](#)
[image001.png](#)
[SNWA 2026 SCIA No. 26-XX-30-W0854.docx](#)

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Thank you for your email regarding the SNWA Draft 2026 SCIA. Subject to our ongoing review of the initial draft terms as noted in your email, SNWA desires to move forward to completion of the SCIA as soon as practicable. SNWA's July meeting is set for the 16th, meaning we need to resolve any outstanding drafting issues by the end of next week if we're going to make our public notice deadlines for the meeting. We will provide comments not later than June 29, but are working to provide them sooner (today or tomorrow) if possible.

Sent from my iPad

On Jun 22, 2026, at 2:38 PM, Bunk, Daniel A <DBunk@usbr.gov> wrote:

Hi Colby,

Through this email, Reclamation is inviting the Southern Nevada Water Authority (SNWA) to participate and enter into a System Conservation Implementation Agreement (SCIA) for system conservation water in 2026.

As such, a draft 2026 SCIA is attached for SNWA's review and consideration. The draft 2026 SCIA is still under review by BOR/DOI but we wanted to share with you sooner given the short timeline to complete the SCIA – the SCIA must be completed and fully executed by about the end of July so that Reclamation has enough time to complete the contract process before the end of the fiscal year.

Lastly, please express SNWA's desire to enter into a 2026 SCIA to create system conservation water in 2026 by responding to this email. This response will be

documented in Exhibit A as noted in Section 3.3 of the draft SCIA. We recognize that the initial draft terms as described in the attached draft SCIA are still under review and consideration by SNWA and Reclamation.

Let us know if have questions or you would like to set up time to discuss.

Thanks,
Dan

--

Daniel Bunk
Area Manager | Boulder Canyon Operations Office
Interior Region 8: Lower Colorado Basin | Reclamation
(O) 702-293-8013 | (C) 702-241-9582
dbunk@usbr.gov

Exhibit B

1. A copy of SNWA's approved Calendar Year 2026 Plan for the Creation of Extraordinary Conservation Intentionally Created Surplus (ICS Plan) and the referenced ICS Exhibits describing the conservation activities SNWA intends to implement in calendar year 2026 to create EC ICS and System Conservation Water are attached.

Southern Nevada Water Authority Extraordinary Conservation Intentionally Created Surplus Plan of Creation Calendar Year 2026

Introduction

Intentionally Created Surplus

The Secretary of Interior (Secretary) issued a Record of Decision for *Colorado River Interim Guidelines for Lower Basin Shortages and the Coordinated Operations for Lake Powell and Lake Mead* (Guidelines) on December 13, 2007, which established criteria for the development and delivery of Intentionally Created Surplus (ICS).

On April 16, 2019, the Colorado River Drought Contingency Plan Authorization Act (Act) became law (Public Law No: 116-14). Among other matters, the Act, notwithstanding any other provision of law, directs the Secretary of the Interior to execute and carry out certain agreements concerning Colorado River Drought Contingency Management and Operations after execution by the other parties thereto, including the Lower Basin Drought Contingency Plan Agreement (LB DCP Agreement). Exhibit 1 to the LB DCP Agreement contains the Lower Basin Drought Contingency Operations (LB Ops) provisions for implementing drought actions in the Lower Basin. Section IV.E.2 of the LB Ops provides that the parties from each State to the Lower Basin Drought Contingency Agreement “shall identify, for their respective States, such new or modified ICS Exhibits from that State that are necessary to implement the provisions of the LB DCP Agreement and these LB Ops, and the Secretary shall approve and implement such new or modified ICS Exhibits.”

Pursuant to the Act, the Southern Nevada Water Authority (SNWA) and the Colorado River Commission of Nevada submitted to the Secretary, and the Secretary approved, SNWA’s “Extraordinary Conservation Intentionally Created Surplus (EC ICS) Using Municipal Conservation and Offstream Storage for implementation under the Lower Basin Drought Contingency Plan” (hereafter Exhibit W).

Extraordinary Conservation ICS

Beginning in 2017, Exhibit W, also known as SNWA’s Municipal Conservation and Offstream Storage Project (MCOS Project), authorizes SNWA to create EC ICS from the many municipal conservation programs it has implemented since 2002. Additionally, SNWA has developed many options to store unused Colorado River resources in California, Arizona, and in the Las Vegas Valley.

Investments in conservation have reduced SNWA’s water use below its annual allocation of Colorado River Water. Investments in creating and obtaining offstream storage capability have provided opportunities for SNWA to store this water offstream. Creating ICS in lieu of storing

the water offstream will improve Lake Mead conditions by proactively managing the reservoir elevation and increasing storage contents.

ICS Plan

Section XI.G.3.B.1 of the Guidelines requires that a plan for the creation of ICS (ICS Plan) be submitted to the Secretary consisting of, at a minimum, the following information:

- 1) Project description including what extraordinary measures will be taken to conserve or import the water;
- 2) Term of activity;
- 3) Estimate of the amount of water that will be conserved;
- 4) Proposed methodology for verifying the amount of water conserved; and
- 5) Documentation regarding any state or federal permits or other regulatory approvals that have already been obtained by the Contractor or that need to be obtained prior to the creation of ICS.

The following sections document each of these requirements for ICS proposed to be created in Calendar Year 2026 pursuant to Exhibit W.

Project Description

Municipal Conservation

Nevada's consumptive use of Colorado River water peaked at over 325,000 acre-feet (af) in 2002. Since that time, SNWA has reduced annual use by as much as 113,000 af through the implementation of aggressive municipal conservation programs. SNWA's investment in municipal conservation totaled \$390 million between 2002 and 2024. This investment in municipal conservation included a record \$54.5 million in direct expenditures in 2024¹. In addition to the funds expended by SNWA, SNWA's purveyor members have taken many actions to ensure the coordinated success of these conservation programs. The major municipal conservation programs are described in Attachment E to Exhibit W.

Offstream Storage

SNWA has developed many options to store unused Colorado River resources in offstream storage accounts within Arizona, California, and the Principal Aquifer underlying the Las Vegas Valley. SNWA has invested over \$129 million pursuant to interstate banking agreements with parties in Arizona and California and corresponding Storage and Interstate Release Agreements, resulting in storage of approximately 614,000 af in Arizona and 330,000 af in California as of the end of Calendar Year 2024. In addition, SNWA and its member agencies invest annually to maintain their aquifer storage and recovery capacity to accommodate offstream storage within the Las

¹ Direct expenditures are total customer rebates exclusive of labor costs, resources for administration, education, and outreach expenditures.

Vegas Valley, with approximately 355,000 af of Colorado River water stored as of the end of Calendar Year 2024.

Term of Activity

The term of activity for this ICS Plan is Calendar Year 2026. SNWA anticipates creating EC ICS credits through the MCOS Project throughout the period authorized in the LBOps.

Estimate of Water Conserved

The amount of EC ICS created by SNWA and stored in Lake Mead as a direct result of SNWA's implementation of this ICS project will be determined annually. The amount of EC ICS created each year will be based on the method presented in Exhibit W and as further explained in Attachment F to Exhibit W. This amount will be limited to the difference between Nevada's consumptive use of Colorado River Water and Nevada's allocation of Colorado River Water in a given year and shall not exceed 100,000 af per year.

During Calendar Year 2026, SNWA anticipates creating up to 100,000 af of EC ICS.

Methodology

Total Amount of EC ICS Credited Annually

As described in Exhibit W, the amount of EC ICS that can be created in 2026 is the difference between SNWA's net per capita consumptive water use (NPCCU) in 2002 multiplied by the SNWA service area population (SNWA Population) in 2026 and SNWA's NPCCU for 2026 multiplied by the 2026 SNWA Population as shown in the following equation found in Exhibit W:

$$(NPCCU_{2002} \times SNWA\ Population_{2026}) - (NPCCU_{2026} \times SNWA\ Population_{2026}) = EC\ ICS_{2026}$$

The NPCCU will be calculated by summing all sources and consumptive uses of water (including Colorado River water, municipal use of groundwater by SNWA and its member agencies, and other imported water supplies), divided by the SNWA Population. Each year's SNWA Population shall be calculated as described in Exhibit W. Diversions of Colorado River water for offstream storage will not be included in the NPCCU calculation.

Limitations of EC ICS Created by MCOS Project

- a) The amount of water conserved by SNWA to be devoted to the creation of EC ICS is limited by SNWA's sole discretion to participate in storage and interstate release of water and other annual water use adjustments.
- b) The amount of EC ICS that shall be credited by the Secretary to SNWA's EC ICS Account in each *Colorado River Accounting and Water Use Report: Arizona, California and Nevada* compiled by the Bureau of Reclamation's Lower Colorado Region shall not be greater than the difference between Nevada's annual consumptive use allocation and its annual consumptive use.
- c) The quantity of EC ICS credited to SNWA through MCOS shall not exceed 100,000 af per year.

Certification Report

In compliance with Section XI.G.3.D.1 of the Guidelines, a Certification Report will be submitted for the Secretary's review and verification, demonstrating the amount of ICS created and that the method of creation was consistent with this ICS Plan and Exhibit W.

The Certification Report will be submitted to the Secretary in the year following the creation of the ICS and will document the following two items to verify EC ICS activity.

- 1) SNWA's ability to store water offstream in Nevada, California, or Arizona; and
- 2) Continuation of all or a portion of the actions described in Attachment E to Exhibit W and any additional municipal water conservation activity that results in a decrease in SNWA's consumptive use of water resources. As part of SNWA's annual EC ICS Certification Report for its MCOS Project, SNWA will submit information summarizing municipal conservation programs and actions taken during the year, including approximate direct expenditures for all programs and actions (exclusive of labor costs, resources for administration, education, and outreach expenditures).

The Certification Report will also include the calculation of SNWA EC ICS for the year.

Regulatory Approval

The activities and actions described in this ICS Plan are authorized by the Act and its effects are within the range of effects analyzed in environmental documentation prepared in connection with issuance of the Guidelines (Final Environmental Impact Statement, 72 Fed. Reg. 62272), and in connection with adoption of the Lower Colorado River Multi Species Habitat Conservation Plan (LCR MSCP) (Final Environmental Impact Statement, 69 Fed. Reg. 75556). The LCR MSCP provides Endangered Species Act coverage for the activities and actions described in this ICS Plan, and SNWA is a covered permittee of the incidental take permit issued thereunder (TE086834-1).

LB Ops ICS Exhibit W
Southern Nevada Water Authority
Extraordinary Conservation Intentionally Created Surplus (EC ICS)
Using Municipal Conservation and Offstream Storage
for implementation under the Lower Basin Drought Contingency Plan

Summary: The Southern Nevada Water Authority (SNWA) initiated an aggressive municipal conservation program in 2002. Nevada's consumptive use of Colorado River water peaked at over 325,000 acre-feet in 2002 when the area's population was approximately 1.5 million. Since that time, SNWA reduced Nevada's consumptive use of Colorado River water by as much as 100,000 acre-feet annually while the population in Southern Nevada grew by over 650,000 persons. SNWA's investment in municipal conservation totaled over \$250,000,000 between 2000 and 2018. In addition to the funds expended by SNWA, SNWA's purveyor members have taken many actions to ensure the coordinated success of these conservation programs.

Similarly, SNWA has developed many options to store unused Colorado River resources in offstream storage accounts within California, Arizona, and the Las Vegas aquifer. In order to store approximately 600,000 acre-feet of water in Arizona, SNWA has invested over \$120 million. In addition, SNWA and its member agencies invest annually to maintain their well pumping capacity within the Las Vegas Valley.

Together, the investments in conservation and offstream storage capability have reduced SNWA's water use below its annual apportionment of Colorado River Water and created the ability to store this water offstream. By selectively creating Extraordinary Conservation (EC) ICS with Municipal Conservation and Offstream Storage (MCOS) water in Lake Mead in lieu of storing the water offstream, it will help proactively manage reservoir elevations by increasing storage in Lake Mead.

Purpose: Provide the Southern Nevada Water Authority (SNWA) with an interim water supply for the duration of time in which EC ICS water can be recovered from Lake Mead beginning in 2017.

Verification: The following two items will be used to verify EC ICS created through MCOS:

- a) Maintaining the ability to store water offstream in either Nevada, California, or Arizona as evidenced by any one of the following:
 - a. Existing storage and interstate release agreement between the Secretary, SNWA, and another state
 - b. Order 1176 (or a materially equivalent action) by the Nevada State Engineer allowing in-lieu Recharge for SNWA and/or its member agencies
 - c. Permit(s) from the Nevada State Engineer allowing SNWA and/or its member agencies to conduct artificial recharge

These documents are attached hereto as Attachment A-D and will not be required for resubmission in SNWA's annual EC ICS Certification Report unless modified or amended; and

- b) Continuation of all or a portion of the actions described in Attachment E and any additional municipal water conservation activity that results in a decrease in SNWA's consumptive use of water resources. As part of SNWA's annual EC ICS Certification Report, SNWA will submit information summarizing municipal conservation programs and actions taken during the year,

including approximate direct expenditures for all programs and actions (exclusive of staff time) in similar detail to Attachment E.

Total Amount of EC ICS Credited through MCOS Annually: The amount of EC ICS that will be created through MCOS for each Year is the difference between SNWA's net per capita consumptive water use (NPCCU) in 2002 and SNWA's NPCCU for such Year multiplied by the calculated population in SNWA's service area (Population) as shown in the following equation:

$$(NPCCU_{2002} \times Population_{Current\ Year}) - (NPCCU_{Current\ Year} \times Population_{Current\ Year}) = EC\ ICS\ Creation\ in\ current\ year\ through\ MCOS$$

The NPCCU will be calculated by summing all sources and consumptive uses of water (including Colorado River water, local ground water use by SNWA and its member agencies, and other imported water supplies), divided by the Population. Each Year's Population shall be calculated as described in Attachment F. Diversions of Colorado River water for offstream storage will not be included in the NPCCU calculation.

An example of this calculation for 2017 is included as Attachment F along with additional details on calculations and sources of information.

Limitations of Creation of EC ICS through MCOS:

- a) The amount of water conserved by SNWA to be devoted to the creation of EC ICS through MCOS is limited by SNWA's sole discretion to participate in storage and interstate release of water and other annual water use adjustments.
- b) The amount of EC ICS through MCOS that shall be credited by the Secretary to SNWA's Extraordinary Conservation ICS Account in each Annual Decree Accounting Report prepared by the Secretary shall not be greater than the difference between Nevada's consumptive use of Colorado River Water and Nevada's annual allocation of Colorado River Water.
- c) The quantity of EC ICS through MCOS credited to SNWA shall not exceed 100,000 acre-feet per year.

Exhibit W Attachments – SNWA

Attachment A – Storage and Interstate Release Agreement among the Secretary of Interior; the Arizona Water Banking Authority; the Southern Nevada Water Authority; and the Colorado River Commission of Nevada

Attachment B – Storage and Interstate Release Agreement among the Secretary of Interior; the Metropolitan Water District of Southern California; the Southern Nevada Water Authority; and the Colorado River Commission of Nevada

Attachment C – Nevada State Engineer Order 1176: In-lieu Recharge Order

Attachment D – Nevada State Engineer Permits R-001, R-003, and R-012: To Establish and Operate a Project to Recharge, Store and Recover Underground Water

Attachment E – Southern Nevada Water Authority Summary of Conservation Programs, Progress and Achievements

Attachment F – Southern Nevada Water Authority Inputs to Municipal Conservation and Offstream Storage Intentionally Created Surplus Creation Calculations

STORAGE AND INTERSTATE RELEASE AGREEMENT

among

The United States of America, acting through the Secretary of the Interior; the Arizona Water Banking Authority; the Southern Nevada Water Authority; and the Colorado River Commission of Nevada

WITNESSETH, THAT:

Recitals

- A. The Secretary of the United States Department of the Interior (Secretary) in 43 CFR 414.3(c) authorized the United States Bureau of Reclamation, Lower Colorado Region, to execute and administer this Storage and Interstate Release Agreement (Agreement) on behalf of the United States. References to the Secretary in this Agreement include the United States Bureau of Reclamation, Lower Colorado Region.
- B. The Arizona Water Banking Authority (AWBA) is expressly authorized by A.R.S. § 45-2401 *et seq.* to enter into Storage and Interstate Release Agreements and develop Intentionally Created Unused Apportionment (ICUA). 43 CFR 414.2(1).
- C. The Southern Nevada Water Authority (SNWA) is a Nevada joint powers agency and political subdivision of the State of Nevada, created by agreement dated July 25, 1991, as amended November 17, 1994, and January 1, 1996, pursuant to N.R.S. §§ 277.074 and 277.120. SNWA is authorized by N.R.S. § 538.186 to enter into this Agreement and, pursuant to its contract issued under section 5 of the Boulder Canyon Project Act of 1928, SNWA has the right to divert ICUA released by the Secretary for use within the State of Nevada pursuant to Article II(B)(6) of the Decree in *Arizona v. California*, 376 U.S. 340, 343 (1964).
- D. The Colorado River Commission of the State of Nevada (CRCN) is an agency of the State of Nevada, authorized generally by N.R.S. §§ 538.041 through 538.251. CRCN is authorized by N.R.S. § 538.186 to enter into this Agreement. CRCN, in furtherance of the State of Nevada's responsibility to promote the health and welfare of its people in Colorado River matters, enters into this Agreement to facilitate the banking of Colorado River water, the creation of Long-term Storage Credits and the establishment and maintenance of a Long-term Storage Account for SNWA.
- E. On July 3, 2001, AWBA, SNWA, and CRCN entered into an Agreement for Interstate Water Banking for the purpose of creating a program of interstate banking of Colorado River water in Arizona for the benefit of SNWA. Under this program, AWBA will

1 acquire and store mainstream Colorado River water in Arizona, creating Long-term
2 Storage Credits to be held for SNWA in an account established with ADWR, and at
3 a later date recover the Long-term Storage Credits and exchange the recovered water
4 with Colorado River water users in Arizona to develop ICUA.
5

6 F. The Boulder Canyon Project Act and Article II(B)(6) of the Decree, taken together,
7 authorize the Secretary to release unused Arizona apportionment for use in Nevada.
8 Pursuant to such authority and for the purpose of increasing the efficiency, flexibility,
9 and certainty of Colorado River management and thereby helping satisfy the regional
10 water demands that exist in the area served by SNWA, the Secretary promulgated
11 regulations (43 CFR Part 414) to establish a procedural framework for facilitating
12 interstate off-stream banking transactions, including a commitment by the Secretary
13 to release ICUA as a part of such transactions, consistent with those regulations.
14

15 G. ICUA released under this Agreement will provide SNWA with a supplemental water
16 supply that is critical to the economy, health and safety of the area served by SNWA
17 pending the development of other long-term sources of water supply.
18

19 NOW THEREFORE, in consideration of the mutual covenants herein contained, the
20 Secretary, AWBA, SNWA, and CRCN hereby agree as follows:
21

22 **Article 1**

23 **Definitions and Term**

24

25 1.1 Definitions. The following terms shall have the meaning defined here. All defined terms
26 shall be identified by initial letter capitalization.
27

28 1.1.1 "ADWR" shall mean the Arizona Department of Water Resources.
29

30 1.1.2 "Agreement" shall mean this Storage and Interstate Release Agreement.
31

32 1.1.3 "Agreement for Development of Intentionally Created Unused Apportionment"
33 shall mean that agreement between AWBA and the Central Arizona Water
34 Conservation District dated December 18, 2002.
35

36 1.1.4 "Agreement for Interstate Water Banking" shall mean that agreement among
37 AWBA, SNWA and CRCN dated July 3, 2001.
38

39 1.1.5 "AWBA" shall mean the Arizona Water Banking Authority.
40

41 1.1.6 "AWBA Plan of Operation" shall mean the plan by which AWBA shall operate
42 during the Year as defined in A.R.S. § 45-2456.
43

- 1 1.1.7 "Basin States" shall mean the Colorado River Basin States of Arizona,
2 California, Colorado, Nevada, New Mexico, Wyoming, and Utah.
3
4 1.1.8 "CAP" shall mean the Central Arizona Project, as authorized by the Colorado
5 River Basin Project Act, 43 U.S.C. § 1501 *et seq.*
6
7 1.1.9 "CAWCD" shall mean the Central Arizona Water Conservation District.
8
9 1.1.10 "CRCN" shall mean the Colorado River Commission of Nevada.
10
11 1.1.11 "Decree" shall mean the Decree entered by the United States Supreme Court
12 in *Arizona v. California*, 376 U.S. 340 (1964), as supplemented or amended.
13
14 1.1.12 "Entitlement Holder" shall mean a holder of an authorization to beneficially use
15 Colorado River water pursuant to (i) the Decree; (ii) a water delivery contract
16 with the United States through the Secretary; or (iii) a reservation of water
17 from the Secretary.
18
19 1.1.13 "ICUA" shall mean Intentionally Created Unused Apportionment as that term
20 is defined in 43 CFR 414.
21
22 1.1.14 "Long-term Storage Credit" shall mean Long-term Storage Credit as defined
23 in A.R.S. § 45-802.01.
24
25 1.1.15 "SNWA" shall mean the Southern Nevada Water Authority.
26
27 1.1.16 "SNWA Interstate Account" shall mean the Long-term Storage Credit Sub-
28 account established by AWBA with ADWR under the terms of this Agreement
29 and the Agreement for Interstate Water Banking.
30
31 1.1.17 "Storage Facility" or "Storage Facilities" shall mean an Underground Storage
32 Facility or a Groundwater Savings Facility as those terms are defined in
33 A.R.S. § 45-802.01. "Storage facilities" do not presently include facilities
34 constructed or financed by the United States.
35
36 1.1.18 "Water Stored " means the amount of Long-term Storage Credits properly
37 credited to the SNWA Interstate Account under applicable Arizona law and
38 the Agreement for Interstate Water Banking. The amount of "Water Stored"
39 under this agreement will always be less than the amount of water diverted for
40 storage.
41
42 1.1.19 "Year" shall mean calendar year.
43

1 1.2 Term of the Agreement
2

3 This Agreement shall commence on the date of execution by all parties and shall
4 continue until June 1, 2050, or until termination of the Agreement for Interstate Water
5 Banking, whichever is sooner.
6

7 **Article 2**
8 **Water Available for Storage**
9

10 2.1 Colorado River water available for storage for purposes of this Agreement shall be
11 within either (i) the State of Arizona's basic or surplus apportionment, apportioned to
12 the State of Arizona under Articles II(B)(1) or II(B)(2) of the Decree; or (ii) the State of
13 Nevada's unused basic or surplus apportionment, apportioned to the State of Nevada
14 under Articles II(B)(1) and II(B)(2) of the Decree and released to the State of Arizona
15 under Article II(B)(6) of the Decree.
16

17 2.2 Colorado River water apportioned to the State of Nevada under Articles II(B)(1) and
18 II(B)(2) of the Decree may be used for storage in the State of Arizona under this
19 Agreement in accordance with 43 CFR 414.3(a)(3) only if the following conditions are
20 met:
21

22 2.2.1 The Secretary has decided that such unused Nevada apportionment shall be
23 released for Consumptive Use within Arizona under Article II(B)(6) of the
24 Decree.
25

26 2.2.2 The AWBA has agreed that it will accept delivery of such water and store it
27 for the benefit of SNWA in accordance with the terms of the Agreement for
28 Interstate Water Banking.
29

30 2.3 Before any water is diverted from the Colorado River for storage under this
31 Agreement, it shall first be offered to all Entitlement Holders within Arizona for diversion
32 within their entitlements for purposes other than interstate transactions as provided in
33 43 CFR 414.3(a)(2).
34

35 2.4 The water available for storage shall be diverted from the Colorado River and
36 delivered to Storage Facilities by CAWCD, utilizing CAP facilities constructed by the
37 United States.
38

39 **Article 3**
40 **Storage Facilities and Accrual of Long-term Storage Credits**

41 3.1 AWBA shall store water for the benefit of SNWA pursuant to the Agreement for
42 Interstate Water Banking. All water shall be stored within the State of Arizona in the
43 Storage Facilities for which AWBA has or then has storage agreements. 43

CFR 414.3(a)(1). A listing of the potential Storage Facilities to be utilized is provided in the AWBA storage facilities inventory dated March 1, 1997. Additional storage facilities may be needed for Arizona use. If such facilities are permitted by ADWR and developed by Arizona entities, and if AWBA chooses to use those Storage Facilities for interstate banking, AWBA shall update the 1997 Facility Inventory to include those additional facilities. If the 1997 Facility Inventory is updated, unused storage capacity at those additional facilities may be used for interstate water banking.

3.2 The Storage Facilities utilized in each Year shall be identified in the AWBA Plan of Operation.

3.2.1 The AWBA Plan of Operation may be modified in accordance with A.R.S. § 45-2456 subject to the provisions of the Agreement for Interstate Water Banking.

3.2.2 AWBA shall notify the Secretary in writing of any change in the AWBA Plan of Operation that may affect the amount or location of water to be stored under the Agreement for Interstate Water Banking.

3.3 AWBA shall establish a Long-term Storage Sub-Account with ADWR entitled the "SNWA Interstate Account." AWBA shall manage the SNWA Interstate Account so as to accommodate the storage and recovery of water for the benefit of SNWA in the manner provided in this Agreement and the Agreement for Interstate Water Banking. AWBA shall ensure that ADWR timely and properly credits or debits the SNWA Interstate Account with the correct number of Long-term Storage Credits under applicable Arizona law for each Year. AWBA shall ensure that the Year-end balance of Long-term Storage Credits in the SNWA Interstate Account is correct.

3.3.1 Except as provided in sub-articles 3.3.2 and 3.3.3, SNWA shall not be entitled to the storage of water under this Agreement or the assignment of existing Long-term Storage Credits pursuant to sub-article 3.3.4 to the extent such storage or assignment would result in Long-term Storage Credits credited to the SNWA Interstate Account in excess of 200,000 acre-feet in any Year, or in excess of 1,200,000 acre-feet over the entire period of this Agreement.

3.3.2 SNWA shall be entitled to all Long-term Storage Credits held by CAWCD for SNWA on the effective date of this Agreement that were developed pursuant to a demonstration project developed by CAWCD in 1992 and modified in 1994 to test the feasibility of underground storage of Colorado River water supplies and subsequently transferred to AWBA for credit to the SNWA Interstate Account. The 50,000 acre-feet of Long-term Storage Credits transferred to AWBA under this sub-article shall not be counted for purposes

1 of determining whether either of the limitations specified in sub-article 3.3.1
2 has been exceeded.

3
4 3.3.3 During the term of this Agreement, AWBA may cause the assignment of
5 Long-term Storage Credits into and out of the SNWA Interstate Account by
6 notifying ADWR of such assignment. If an equal number of Long-term
7 Storage Credits are transferred into and out of the SNWA Interstate Account
8 in a single transaction with ADWR, then the transaction shall not be counted
9 for purposes of determining whether either of the limitations specified in sub-
10 article 3.3.1 has been exceeded.

11
12 3.3.4 During the term of this Agreement, Long-term Storage Credits may be
13 assigned to AWBA for credit to the SNWA Interstate Account for purposes of
14 increasing the number of Long-term Storage Credits available to SNWA. Any
15 such assignment must have the consent of AWBA. If Long-term Storage
16 Credits are assigned to AWBA for credit to the SNWA Interstate Account
17 under this sub-article, those credits shall be counted for purposes of
18 determining compliance with both of the limitations specified in sub-
19 article 3.3.1.

20
21 3.4 The provisions of this sub-article 3.4 shall govern reports by AWBA to the Secretary
22 and incorporation of the AWBA reports into the Secretary's accounting under Article
23 V of the Decree.

24
25 3.4.1 By December 31 of each Year, AWBA shall provide the Secretary with an
26 estimate of the Long-term Storage Credits to be developed for and credited
27 to the SNWA Interstate Account in the following Year. AWBA shall update that
28 estimate monthly during the course of the Year and provide a final estimate
29 at the end of that Year. The estimate and updates are to be considered
30 provisional until AWBA makes its final annual accounting to the Secretary by
31 September 1 of the Year following the Year of the development of the Long-
32 term Storage Credits.

33
34 3.4.2 AWBA shall prepare and submit to the Secretary and the States of Arizona,
35 California, and Nevada by September 1 of each Year a final verified
36 accounting for the prior Year of: (i) the beginning balance of Long-term
37 Storage Credits in the SNWA Interstate Account; (ii) the amount of Colorado
38 River water diverted from the mainstream for the purpose of interstate water
39 banking in that year, and the amount of Water Stored resulting from that
40 diversion; (iii) any Long-term Storage Credits properly assigned and
41 transferred to or from the SNWA Interstate Account under sub-articles 3.3.2,
42 3.3.3, or 3.3.4; (iv) any Long-term Storage Credits assigned from the SNWA
43 Interstate Account during that Year under sub-article 5.8; (v) the net Long-term

- 1 Storage Credits in the SNWA Interstate Account at the end of the Year; and
2 (vi) the cumulative amount of Long-term Storage Credits properly credited to
3 the SNWA Interstate Account for purposes of determining compliance with the
4 1,200,000 maximum credit accrual specified in sub-article 3.3.1.
- 5
- 6 3.4.3 Submission by AWBA of a report in compliance with sub-article 3.4.2 shall
7 constitute compliance with the requirements of 43 CFR § 414.4(a) as it is in
8 effect on the date of execution of this Agreement.
9
- 10 3.4.4 The Secretary shall include a supplement in the Secretary's annual Article V
11 Decree accounting report titled "Water Diverted and Stored in Arizona for the
12 Benefit of SNWA."
13
- 14 3.4.4.1 The Secretary will account for the water that is diverted by CAWCD
15 for storage by AWBA as a consumptive use in the State of Arizona
16 for the year in which it is diverted and stored.
17
- 18 3.4.4.2 The Secretary will account for the diversion and consumptive use of
19 ICUA by SNWA as a consumptive use in the State of Nevada of
20 unused apportionment of the State of Arizona made available by the
21 Secretary under Article II(B)(6) of the Decree for use by SNWA in
22 accordance with the terms of this Agreement.
23
- 24 3.4.4.3 The supplement shall reflect as Water Stored, expressed in terms of
25 acre-feet, the provisional Long-term Storage Credits identified in the
26 AWBA reports submitted pursuant to sub-article 3.4.1 and shall
27 identify these as provisional estimates for informational purposes
28 only. The supplement shall also reflect as Water Stored the verified
29 Long-term Storage Credits identified in the AWBA final verified
30 accounting submitted pursuant to sub-article 3.4.2 subject to such
31 review of the underlying books and records as the Secretary deems
32 appropriate.
33
- 34 3.4.5 All records of AWBA concerning the amount of Water Stored in that Year,
35 including all records used by AWBA to prepare the final verified accounting,
36 shall be available for inspection by the Secretary.
37
- 38 3.5 Accrual of Long-term Storage Credits in the SNWA Interstate Account at certain
39 Storage Facilities does not mean that those Long-term Storage Credits will be
40 recovered at those same Storage Facilities. Recovery of Long-term Storage Credits
41 shall be in accordance with the Agreement for Interstate Water Banking, the
42 Agreement for Development of Intentionally Created Unused Apportionment, and
43 applicable Arizona law.

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Article 4

Development of Intentionally Created Unused Apportionment

- 4.1 AWBA shall develop ICUA for the benefit of SNWA in accordance with the provisions of this Agreement, the Agreement for Interstate Water Banking, and the Agreement for Development of Intentionally Created Unused Apportionment. All actions that AWBA takes to develop ICUA shall be consistent with the laws of the State of Arizona.
- 4.2 AWBA shall only use means to develop ICUA under this Agreement that have been approved by the Secretary. Two such approved means are the recovery and exchange method and the credit exchange method. AWBA may also use any other means of developing ICUA during the term of this Agreement provided such means comply with CFR Part 414 and are first approved by the Secretary.
- 4.2.1 The recovery and exchange method requires that Long-term Storage Credits in the SNWA Interstate Account be recovered and the recovered water exchanged for Colorado River water that would otherwise have been delivered through the CAP in that Year. The Long-term Storage credits may be recovered by CAWCD or by another entity scheduled to receive water from CAWCD in the Year of recovery.
- 4.2.2 The credit exchange method requires that Long-term Storage Credits in the SNWA Interstate Account be exchanged for Colorado River water that would otherwise have been delivered through the CAP for underground storage in that Year. The recipient of the credits shall be an entity scheduled to receive water from CAWCD for purposes of underground storage in the Year of recovery.
- 4.3. AWBA shall prepare an Interstate Recovery Schedule in accordance with the terms of the Agreement for the Development of Intentionally Created Unused Apportionment and the Agreement for Interstate Water Banking. AWBA shall meet and confer with the Bureau of Reclamation in the preparation of the Interstate Recovery Schedule. ICUA shall not exceed 100,000 acre-feet in any Year under this Agreement.
- 4.4 The Interstate Recovery Schedule shall set forth the means by which AWBA intends to create ICUA.
- 4.4.1 If AWBA intends to create ICUA using the recovery and exchange method, then the Interstate Recovery Schedule shall demonstrate that there is sufficient recovery capacity to recover the necessary Long-term Storage Credits from the SNWA Interstate Account and shall describe how the credits will be recovered and delivered through the CAP or how the credits will be recovered by individual CAP customers in lieu of their scheduled CAP deliveries.

- 1 4.4.2 If AWBA intends to create ICUA using the credit exchange method, then the
2 Interstate Recovery Schedule shall demonstrate that CAWCD has received
3 sufficient orders for the delivery of Colorado River water for underground
4 storage and shall identify the entity or entities accepting the transfer of Long-
5 term Storage Credits in lieu of the delivery of Colorado River water.
6
- 7 4.4.3 If AWBA intends to create ICUA using another method approved by the
8 Secretary, after consultation with the Governors' representatives of the Basin
9 States, then the Interstate Recovery Schedule shall include such information
10 as required by the Secretary for that method.
11
- 12 4.5 AWBA shall require that any Agreement for Development of Intentionally Created
13 Unused Apportionment contain a provision requiring CAWCD to accept Long-term
14 Storage Credits from the SNWA Interstate Account in exchange for Colorado River
15 water that would have otherwise been diverted into the CAP by CAWCD and to reduce
16 its consumptive use of Colorado River water in accordance with that exchange. The
17 Agreement for Development of Intentionally Created Unused Apportionment shall allow
18 CAWCD to meet all scheduled deliveries to Indian contractors, CAWCD
19 subcontractors and other CAP water users, through a combination of Colorado River
20 water and recovered Long-term Storage Credits.
21
- 22 4.6 AWBA shall require that any Agreement for Development of Intentionally Created
23 Unused Apportionment also provide that any Long-term Storage Credits accepted by
24 CAWCD pursuant to this Article 4 shall be accounted for by CAWCD as water diverted
25 from the Colorado River for purposes of determining the amount of water that CAWCD
26 may lawfully divert from the Colorado River in the Year of development of ICUA.
27
- 28 4.7 In any Year that SNWA anticipates requesting the release of ICUA under sub-
29 article 5.1, SNWA shall, by June 1, make a preliminary request to the AWBA for the
30 development of ICUA in accordance with the terms of the Agreement for Interstate
31 Water Banking. Such preliminary request shall be in writing and shall specify the
32 quantity of the requested ICUA. A copy of such preliminary request shall be provided
33 to the Secretary at the same time that it is made to AWBA.
34
- 35 4.8 By December 1 of any year in which SNWA has made a request for development of
36 ICUA in the following Year under the Agreement for Interstate Water Banking, AWBA
37 shall prepare and deliver to Secretary three certifications: (i) a Development of ICUA
38 Certification; (ii) an Interstate Recovery Schedule Certification; and (iii) an Upcoming
39 Year Delivery Certification. These three certifications may be combined in a single
40 document.
41
- 42 4.8.1 The Development of ICUA Certification shall certify: (i) that sufficient Long-
43 term Storage Credits exist in the SNWA Interstate Account to support the

development of the requested ICUA; (ii) that ICUA will be developed in the upcoming Year in an amount equal to the request using an approved means; (iii) that such ICUA otherwise would not exist; and (iv) that the notice under sub-Article 4.11 has been given. The Development of ICUA Certification shall request that the Secretary release the ICUA for use in Nevada pursuant to Article II(B)(6) of the Decree and this Agreement.

4.8.2 The Interstate Recovery Schedule Certification shall state that the Interstate Recovery Schedule has been prepared after consultation with the Bureau of Reclamation and that the Interstate Recovery Schedule sets forth the means by which AWBA intends to develop ICUA utilizing Long-term Storage Credits in the SNWA Interstate Account and the quantity of ICUA the AWBA intends to develop. The Interstate Recovery Schedule Certification shall certify that the contractual commitments by CAWCD necessary to develop ICUA remain in full force and effect and that CAWCD will reduce its consumptive use of Colorado River water in the amount of the requested ICUA. A copy of the Interstate Recovery Schedule shall be included with the Interstate Recovery Schedule Certification. The Secretary shall provide a copy of the Interstate Recovery Schedule and the Interstate Recovery Certification to the Governors' representatives of the Basin States.

4.8.3 The Delivery Certification shall indicate the amount of water ordered by CAWCD for the following Year and quantify how that order will be satisfied with diversions from the Colorado River and Long-term Storage Credits from the SNWA Interstate Account. The Delivery Certification shall state that Arizona's consumptive use of Colorado River water will be decreased in the following Year by a quantity sufficient to develop the requested ICUA.

4.9 Once AWBA certifies to the Secretary that ICUA will be developed during the Year of release, AWBA shall take all actions necessary in the following Year to ensure that ICUA is developed in accordance with such certifications.

4.10 In years in which the Secretary has determined a shortage under Article II(B)(3) of the Decree, AWBA's obligation to develop ICUA shall be limited as provided in the Agreement for Interstate Water Banking.

4.11 AWBA shall give notice to Entitlement Holders in Arizona, including Indian Tribes, that SNWA has requested the development of ICUA. The notice shall state which means permitted under this Article will be used to develop ICUA. Whether and what opportunities exist for Entitlement Holders in Arizona, including Indian Tribes, to develop ICUA will depend upon the means selected. The notice shall identify any opportunities for Entitlement Holders in Arizona, including Indian Tribes, to participate in the development of ICUA associated with the particular means selected. AWBA

shall provide this notice by first class mail to Entitlement Holders in Arizona, or by such other means as are acceptable to the Secretary.

- 4.12 By April 1 of the Year after ICUA is developed, AWBA shall submit to the Secretary a report documenting how ICUA was created and confirming that the amount of ICUA set forth in the Interstate Recovery Schedule was developed.
- 4.13 The Secretary shall, as he or she deems appropriate, review books and records in accordance with sub-article 6.6 to ensure that ICUA was developed and, in the event of a discrepancy shall require AWBA to repay to Lake Mead storage as set forth in sub-article 4.14.
- 4.14 If AWBA does not create ICUA as required under this Article, AWBA shall create ICUA in another Year to repay to Lake Mead storage the amount of ICUA consumptively used by SNWA but not created by AWBA. The Secretary, in addition to any other remedy available, may seek a court order requiring AWBA to do so. The Year of repayment shall be at the discretion of the Secretary, but shall not be more than three years after the year in which the shortfall occurred.

Article 5

Release of Intentionally Created Unused Apportionment

- 5.1 SNWA shall make a written request of the Secretary for the release of ICUA for consumptive use in the State of Nevada. A request for a release of ICUA shall be made by September 15 of the current Year, or an earlier date as reasonably required in writing by the Secretary, for a release of ICUA in the following Year. The request shall specify the quantity of ICUA to be released by the Secretary and shall certify that SNWA has mailed, first class postage paid, a copy of the request to the States of Nevada, Arizona, and California by providing copies to CRCN, the Arizona Department of Water Resources and the Colorado River Board of California. A copy of the request shall be provided to AWBA. To make a proper and timely request, SNWA must be in compliance with the terms of the Agreement for Interstate Water Banking and must have made a preliminary request to the AWBA to develop ICUA under sub-article 4.7.
- 5.2 The request for the development of ICUA by SNWA shall be incorporated into the Secretary's Annual Operating Plan for the Colorado River. The Annual Operating Plan shall state that, upon proper certification, the Secretary intends to release that quantity of ICUA to SNWA under Article II(B)(6) of the Decree in accordance with the terms of this Agreement.
- 5.3 Release of ICUA under this Agreement for diversion by SNWA shall operate under 43 CFR Part 414.3(f), Anticipatory Release of ICUA, as provided in this article. The

Secretary shall not release ICUA in excess of 100,000 acre-feet in any Year or in excess of the 1,250,000 acre-feet over the entire period of this Agreement. The amount of 1,250,000 acre-feet consists of the 1,200,000 acre-feet maximum credit accrual developed under the Agreement for Interstate Water Banking and the 50,000 acre-feet credit accrual developed pursuant to the demonstration underground storage project referenced in sub-article 3.3.2.

5.4 By December 20 of the current Year, following receipt of a proper and timely request for release of ICUA under sub-Article 5.1, the Secretary shall determine whether AWBA has elected a means for developing ICUA approved under Article 4 and whether all necessary actions required by 43 CFR Part 414 have been taken. For purposes of this Agreement, all necessary actions are those actions expressly enumerated in 43 CFR Part 414, as amplified by this Agreement.

5.4.1 The Secretary shall determine whether the certifications made by AWBA meet the requirements under sub-article 4.8. Upon so determining, the Secretary shall issue a notice of determination that shall release for diversion that quantity of ICUA so certified for consumptive use in the State of Nevada. The release of ICUA under this sub-article shall be effective as of January 1 of the following Year.

5.4.2 If the Secretary determines that the proper certifications have not been made under sub-article 4.8, or that all necessary actions under 43 CFR Part 414 have not been taken, the notice of determination shall (i) specify which certifications or necessary actions are deficient and the nature of the deficiency; (ii) specify the extent to which such deficiencies preclude the release of ICUA requested by SNWA for consumptive use in Nevada effective as of January 1 of the following Year; and (iii) determine whether any quantity of ICUA is available for release in the following year. If a quantity of ICUA is available for release under (iii), the notice shall release that quantity of ICUA to SNWA for consumptive use in the State of Nevada, effective on January 1 of the following year.

5.4.3 Any portion of ICUA not released in the notice of determination made by the Secretary under this sub-article shall be released for diversion by the Secretary on such date as the Secretary determines that the stated deficiencies have been cured.

5.5 The Secretary shall provide notice of the determination under sub-article 5.4 on or before December 20 of the current Year. If the Secretary fails to provide written notice of a determination required by sub-Article 5.4 by December 20, SNWA may seek judicial relief and shall be deemed to have exhausted any applicable administrative remedy and shall be free to seek any remedies available to it under applicable law.

- 1 5.6 ICUA shall be released to SNWA only in the Year and to the extent that ICUA is
2 developed by AWBA, or for an anticipatory release, will be developed by AWBA as
3 certified to the Secretary in accordance with Article 4.7, by reducing Colorado River
4 water use within the State of Arizona.
5
- 6 5.7 Once the Secretary has determined that ICUA will be released to SNWA under sub-
7 article 5.4, such ICUA shall not be available for release to any Entitlement Holder in the
8 States of Arizona or California in that Year.
9
- 10 5.8 In any Year in which the Secretary has released ICUA to SNWA under this Article 5,
11 AWBA shall cause the assignment of Long-term Storage Credits from the SNWA
12 Interstate Account in accordance with the Interstate Recovery Schedule. By
13 December 31 of that Year, AWBA shall ensure that all assignments from the SNWA
14 Interstate Account have been made and properly debited by ADWR.
15
- 16 5.9 The amount of ICUA released for consumptive use in Nevada effective January 1 of
17 any Year shall not be subject to reduction unless:
18
- 19 5.9.1 SNWA requests that AWBA cease development of ICUA under the terms of
20 the Agreement for Interstate Water Banking; and
21
- 22 5.9.2 AWBA certifies to the Secretary that, pursuant to a SNWA request, a specific
23 quantity of Long-term Storage Credits will not be recovered or exchanged for
24 Colorado River water pursuant to an SNWA request.
25
- 26 5.10 ICUA that has been developed by the AWBA and released by the Secretary for
27 diversion by SNWA in a particular Year but not diverted by SNWA for consumptive use
28 in that Year may not be carried forward and diverted by SNWA in any succeeding Year.
29
- 30 5.11 The Secretary shall release ICUA developed by AWBA in accordance with the request
31 of the SNWA, the terms of this Agreement, the determination of the Secretary under
32 sub-article 5.4 of this Agreement, the Boulder Canyon Project Act, Article II(B)(6) of the
33 Decree and all other applicable Federal laws and executive orders.
34

35 **Article 6**
36 **General Provisions**
37

- 38 6.1 Upon execution of this Agreement and annually thereafter, SNWA shall pay an annual
39 administration fee of two thousand dollars (\$2,000.00) to cover the United States'
40 costs to perform the routine tasks necessary to administer this Agreement. The initial
41 annual administration fee shall be pro-rated on the basis of one hundred sixty six
42 dollars and sixty seven cents (\$166.67) per month for the first year, payable upon

1 execution of this Agreement. Thereafter, the fee for each subsequent year shall be due
2 on January 1.

3
4 6.2 The Secretary reserves the right at intervals of five (5) years, beginning five (5) years
5 after the date of execution of this Agreement, to reexamine the annual administration
6 fee and to revise the fee after three (3) months' advance written notice and after
7 consultation with SNWA if the Secretary determines that a different charge is
8 necessary to cover the United States' costs to perform the tasks described in this
9 Agreement. Upon SNWA's written request, the Secretary shall provide SNWA with a
10 detailed cost analysis supporting the adjustment to the annual administration fee.

11
12 6.3 The annual administration fee shall cover, but is not limited to, the costs for the
13 following tasks routinely performed by the Secretary:

14
15 6.3.1 Determining when unused Nevada apportionment is available for release for
16 consumptive use within Arizona pursuant to Article II(B)(6) of the Decree for
17 purposes of storage pursuant to this Agreement and releasing that unused
18 apportionment;

19
20 6.3.2 Reviewing records prepared by AWBA and SNWA pursuant to sub-article 3.4
21 and preparing and maintaining records to supplement the Article V Decree
22 accounting report;

23
24 6.3.3 Reviewing AWBA's notices of opportunities for Colorado River water users
25 in Arizona to participate in the development of ICUA;

26
27 6.3.4 Reviewing certifications from AWBA that ICUA has been or will be
28 developed;

29
30 6.3.5 Determining that all necessary actions have been taken to implement 43 CFR
31 414; and

32
33 6.3.6 Reviewing SNWA's requests for release of ICUA and scheduling delivery of
34 ICUA to SNWA.

35
36 6.4 The Secretary recognizes that the Decree must be enforced fairly with respect to all
37 Entitlement Holders. Excess diversion by an Entitlement Holder that is not
38 participating in a Storage and Interstate Release Agreement other than through the
39 CAP facilities cannot be offset by reducing diversions to another Entitlement Holder
40 for the sole reason that the latter Entitlement Holder is participating in a Storage and
41 Interstate Release Agreement.

- 1 6.5 In the event any inconsistency is found between this Agreement and the Agreement for
2 Interstate Water Banking, as initially executed and as it may be amended, regarding
3 the rights and obligations as between AWBA and SNWA, the provisions of this
4 Agreement shall control. No agreement to which the Secretary is not a party shall be
5 construed as altering the rights and obligations as between the Secretary and the other
6 parties to this Agreement.
7
- 8 6.6 The records of any party to this Agreement that relate to the storage and recovery of
9 water, including the development and verification of Long-term Storage Credits, and
10 the creation, release and use of ICUA shall be open to inspection by any other party.
11 AWBA shall require that any Agreement for Development of Intentionally Created
12 Unused Apportionment with CAWCD provide that the records of CAWCD relating to
13 the development of ICUA shall be open to reasonable inspection by any party to this
14 Agreement.
15
- 16 6.7 The provisions of this sub-article shall govern enforcement of this Agreement.
17
- 18 6.7.1 Time is of the essence in the performance of this Agreement.
19
- 20 6.7.2 The parties recognize and acknowledge that the availability of ICUA as
21 provided in this Agreement is a critical alternative municipal water supply for
22 SNWA while other longer-term sources of supply are being developed; that
23 in planning to meet the needs of the area it serves, SNWA will rely on ICUA
24 being available to it as provided in this Agreement; that accordingly the
25 release of ICUA as provided in Article 5 is critical to the economy, health and
26 safety of the area served by SNWA; that the release of ICUA as provided in
27 this Agreement presents a unique opportunity for SNWA to obtain additional
28 Colorado River water under the Decree; and that, for these reasons, among
29 others, the water resources to be released as ICUA for use in Nevada are
30 unique and not susceptible to replacement by SNWA.
31
- 32 6.8 The expenditure or advance of any money or the performance of any obligation of the
33 United States under this Agreement shall be contingent on appropriation or allotment
34 of funds. No liability shall accrue to the United States in case funds are not
35 appropriated or allotted. Absence of appropriation or allotment of funds shall not
36 relieve AWBA, SNWA, or CRCN from any obligation under this Agreement.
37
- 38 6.9 No member or for Delegate to Congress, Resident Commissioner, or official of AWBA,
39 SNWA, or CRCN shall benefit from this Agreement other than as a water user or
40 landowner in the same manner as other water users or landowners.
41
- 42 6.10 The parties to this Agreement shall indemnify the United States, its employees, agents,
43 subcontractors, successors, or assignees from loss or claims for damages and from

1 liability to persons or property, direct or indirect, and loss or claim of any nature
2 whatsoever arising by reason of actions taken by non-Federal parties to this
3 Agreement.
4

5 6.11 The parties to this Agreement are hereby notified of Arizona Revised Statutes section
6 38-511.
7

8 6.12 The parties to this Agreement recognize and acknowledge that this Agreement is a
9 contract executed pursuant to Federal Reclamation law, including the provisions of 43
10 U.S.C. § 390uu.
11

12 6.13 This Agreement shall not constitute approval by the Secretary of any other agreement
13 or water delivery program.
14

15 6.14 Nothing in this Agreement affects the rights of any Colorado River Entitlement Holder.
16

17 6.15 No party to this Agreement shall be considered to be in default in the performance of
18 any obligations under this Agreement when a failure of performance shall be due to
19 uncontrollable forces. The term "uncontrollable force" shall mean any cause beyond the
20 control of the party unable to perform such obligation, including but not limited to failure
21 or threat of failure of facilities, flood, earthquake, storm, fire, lightning, and other natural
22 catastrophes, epidemic, war, civil disturbance or disobedience, strike, labor dispute,
23 labor or material shortage, sabotage, restraint by order of a court or regulatory agency
24 of competent jurisdiction, and action or non-action by, or failure to obtain the necessary
25 authorizations or approvals from, a Federal governmental agency or authority, which
26 by exercise of due diligence and foresight such party could not reasonably have been
27 expected to overcome. Nothing contained herein shall be construed to require any
28 party to settle any strike or labor dispute in which it is involved.
29

30 6.16 Non-Federal parties to this Agreement may assign their interest in this Agreement, in
31 whole or in part, to other authorized entities, subject to the approval of all other parties
32 to this Agreement.
33

34 6.17 The Secretary does not warrant the quality of water released or delivered under
35 this Agreement. The United States is not liable for damages of any kind resulting from
36 water quality problems and the United States has no obligation to construct or furnish
37 water treatment facilities to maintain or improve water quality except as may otherwise
38 be provided in relevant Federal law.
39

Article 7
Notices

7.1 Notices and Requests

7.1.1 All notices and requests required or allowed under the terms of this Agreement shall be in writing and shall be mailed first class postage paid to the following entities at the following addresses:

AWBA:

Arizona Water Banking Authority
500 North Third Street
Phoenix, Arizona 85004
Attn: Manager

SNWA:

Southern Nevada Water Authority
1001 S. Valley View Boulevard
Las Vegas, Nevada 89153
Attn: General Manager

CRCN:

Colorado River Commission of Nevada
555 E. Washington Avenue, Suite 3100
Las Vegas, Nevada 89101
Attn: Director

Secretary:

U.S. Department of the Interior
Bureau of Reclamation
Lower Colorado Regional Office
P.O. Box 61470
Boulder City, Nevada 89006
Attn: Regional Director

The State of Arizona:

Arizona Department of Water Resources
500 North 3rd Street
Phoenix, Arizona 85004
Attn: Director

1 The State of California:
2 Colorado River Board of California
3 770 Fairmont Avenue, Suite 100
4 Glendale, California 91203-1035
5 Attn: Executive Director
6

7 The State of Nevada:
8 Colorado River Commission of Nevada
9 555 E. Washington Avenue, Suite 3100
10 Las Vegas, Nevada 89101
11 Attn: Director
12

13 7.1.2 Any party may, at any time, change its mailing address by notice to the other
14 parties.
15

16 7.2 Notices and Requests by Facsimile
17

18 7.2.1 Notices and requests may be given by facsimile among AWBA, SNWA,
19 CRCN and the Secretary in lieu of first class mail as provided in sub-
20 article 7.1. Such facsimiles shall be deemed complete upon a receipt from
21 sender's facsimile machine indicating that the transmission was satisfactorily
22 completed and after phone communication with administrative offices of the
23 recipient notifying the recipient that a facsimile has been sent.
24

25 AWBA Facsimile Number 602-417-2401

26 SNWA Facsimile Number 702-258-3951

27 CRCN Facsimile Number 702-486-2695

28 Secretary Facsimile Number 702-293-8042
29
30

31 7.2.2 Any party may, at any time, change its facsimile number by notice to the other
32 parties.
33
34
35
36

1 In Witness of this Agreement, the Parties affix their official signatures below,
2 acknowledging execution of this document on the 18th day of DECEMBER, 2002.

3
4 Legal Review and Approval:

THE UNITED STATES OF AMERICA

5
6
7
8 By: Katherine Ott Verburg
9 Field Solicitor
10 Phoenix, Arizona

By: Robert D. Johnson
Regional Director
Lower Colorado Region
Bureau of Reclamation

11
12
13 STATE OF NEVADA, acting through its
14 COLORADO RIVER COMMISSION

15 Attest:

16
17 By: H. M. Can
18 Executive Director

By: R. Bunker
Chair

19
20 Approved as to form:

21
22 By: Naal

Title: Sr Deputy AG.

23
24
25 THE SOUTHERN NEVADA WATER AUTHORITY

26 Attest:
27
28 By: Chukory
29 General Manager

By: Amanda Cyphers
Chair

30
31 Approved as to form:

32
33 By: John F. Esten

Title: Deputy Counsel

34
35 ARIZONA WATER BANKING AUTHORITY

36
37 Attest:

38
39 By: William L. Chap

By: Joseph L. Smith
Chair

40
41 Title: Secretary

STORAGE AND INTERSTATE RELEASE AGREEMENT

among

The United States of America, acting through the Secretary of the Interior; The Metropolitan Water District of Southern California; the Southern Nevada Water Authority; and the Colorado River Commission of Nevada (collectively referred to herein as the "Parties" or individually as "Party").

Recitals

- A. The Secretary of the Interior (Secretary) is authorized by the Boulder Canyon Project Act (43 U.S.C. § 617d) to contract for the storage and delivery of Colorado River water. The Secretary's authority over the storage and delivery of Colorado River water to the Lower Division States is further articulated in the Decree issued by the United States Supreme Court in *Arizona v. California*, 376 U.S. 340 (1964) (Decree).
- B. In accordance with the authority granted in 5 U.S.C. § 553, 43 U.S.C. §§ 391, 485, and 617, the Supreme Court's opinion in *Arizona v. California*, 373 U.S. 546 (1963), and Article II (B) (6) of the Decree, the Secretary adopted regulations providing for offstream storage of Colorado River water and development and release of Intentionally Created Unused Apportionment in the Lower Division States. (43 CFR Part 414). These regulations authorize the United States Bureau of Reclamation (Reclamation), Lower Colorado Region, acting through the Regional Director, to execute and administer this Storage and Interstate Release Agreement (Agreement) on behalf of the United States. (43 CFR § 414.3(c)) References to the Secretary in this Agreement include the United States Bureau of Reclamation, Lower Colorado Region.
- C. The Metropolitan Water District of Southern California (MWD) was incorporated on December 6, 1928 pursuant to the Metropolitan Water District Act of the State of California. In accordance with the provisions of that act, MWD is expressly authorized to exercise such powers as are necessary and proper to carry out the objects and purposes of the district, including the acquisition of water rights within and without the state, and the storage and transport of water. (West's California Water Code Appendix §§ 109-120 and 109-130) California law authorizes MWD to contract with any public or private corporation for the purpose of carrying out any of its powers. (California Public Contract Code § 21562)
- D. In accordance with the authority granted by California law, MWD can enter into Storage and Interstate Release Agreements and develop Intentionally Created

1 Unused Apportionment (ICUA) pursuant to the federal regulations. MWD has a
2 contract with the Secretary issued under Section 5 of the Boulder Canyon Project
3 Act for the storage and delivery of Colorado River water.

4 E. By virtue of the authorities specified in Recitals C and D, MWD is an "Authorized
5 Entity" within the meaning of 43 CFR § 414.2(1).

6 F. The Southern Nevada Water Authority (SNWA) is a Nevada joint powers agency
7 and political subdivision of the State of Nevada, created by agreement dated
8 July 25, 1991, as amended November 17, 1994, and January 1, 1996, pursuant
9 to N.R.S. §§ 277.074 and 277.120. SNWA is authorized by N.R.S. § 538.186 to
10 enter into this Agreement and, pursuant to its contract issued under Section 5 of
11 the Boulder Canyon Project Act, SNWA has the right to divert ICUA released by
12 the Secretary for use within the State of Nevada pursuant to Article II(B)(6) of the
13 Decree.

14 G. By virtue of the authorities specified in Recital F, SNWA is an "Authorized Entity"
15 within the meaning of 43 CFR § 414.2(2).

16 H. The Colorado River Commission of the State of Nevada (CRCN) is an agency of
17 the State of Nevada, authorized generally by N.R.S. §§ 538.041 through
18 538.251. CRCN is authorized by N.R.S. § 538.186 to enter into this Agreement.
19 CRCN, in furtherance of the State of Nevada's responsibility to promote the
20 health and welfare of its people in Colorado River matters, enters into this
21 Agreement to facilitate the storage of Colorado River water, establishment and
22 maintenance of a SNWA Interstate Account for SNWA, and development and
23 release of ICUA for SNWA.

24 I. This Agreement is entered into to establish an enduring cooperative relationship
25 between MWD and SNWA under the Secretary's Offstream Storage Regulations
26 that will benefit both MWD and SNWA in the management of their respective
27 water supplies and in the management of the Colorado River apportionments of
28 their respective states during an era of limited water supplies. To this end, this
29 Agreement provides a specific program for the storage by MWD of unused
30 Nevada apportionment of Colorado River water in California and the subsequent
31 recovery of such water by MWD and the development of ICUA for SNWA. This
32 Agreement also provides a structure whereby such cooperation and storage
33 program might continue beyond 2010.

34 J. Concurrently with execution of this Agreement, CRCN, SNWA and MWD have
35 entered into a separate agreement (Operational Agreement), consistent with this
36 Agreement, governing operational and financial matters as between MWD,
37 SNWA, and CRCN relating to the storage of Colorado River water and the
38 development of ICUA.

39 NOW THEREFORE, in consideration of the mutual covenants herein contained,
40 the United States, MWD, SNWA, and CRCN hereby agree as follows:

1 **Article 3**
2 **Storage**

3 3.1 As early as practicable in each Year in which there will be unused Nevada
4 basic or surplus apportionment available for storage pursuant to this Agreement, SNWA
5 shall notify the Secretary and MWD of the total quantity of such water and the quantity
6 within each of Nevada's basic apportionment and Nevada's surplus apportionment.

7 3.2 Within 60 days of receipt of SNWA's notice under Section 3.1, MWD shall
8 notify the Secretary and SNWA of (i) the total quantity of unused Nevada
9 apportionment, which MWD can store, and (ii) confirm that MWD will store such water.

10 3.3 As soon as practicable after receipt of MWD's notice under Section 3.2,
11 the Secretary will confirm the existence of such unused Nevada apportionment, decide
12 whether such unused Nevada apportionment shall be released for consumptive use in
13 California under Article II(B)(6) of the Decree, and release the specified quantity of
14 Colorado River water to MWD pursuant to Article II(B)(6) of the Decree in accordance
15 with the Secretary's decision. MWD shall divert and store the released water.

16 **Article 4**
17 **Development of Intentionally Created Unused Apportionment**

18 4.1 ICUA shall be developed under this Agreement only after 2006.

19 4.2 MWD shall develop ICUA for the benefit of SNWA in accordance with the
20 provisions of this Agreement and the Operational Agreement and consistent with the
21 laws of the State of California and the United States and MWD's Colorado River water
22 storage and delivery contract with the Secretary. MWD shall develop ICUA by
23 withdrawing water that has been previously stored for SNWA and delivering such water
24 for consumptive use within California in lieu of Colorado River water that MWD
25 otherwise would divert. Any other potential means of developing ICUA must first be
26 approved by the Secretary. MWD will withdraw stored water from the facilities identified
27 in Section 2.2 above which are under MWD's control such that the development of
28 ICUA is enforceable by MWD. Because MWD will recover stored water from facilities
29 under the control of MWD, notice will not be given to other entitlement holders of
30 Colorado River water to participate in development of this ICUA. In the event MWD
31 elects, subject to the approval of the Secretary, to use a means other than the recovery
32 and use of stored water, MWD shall give such notice to other entitlement holders to
33 participate in development of the ICUA as the Secretary deems appropriate in light of
34 the means.

35 4.3 The amount of ICUA to be developed and released to SNWA in any Year
36 shall not exceed the lesser of (i) 30,000 acre-feet, unless MWD agrees to a larger
37 amount in such Year, or (ii) the previous end-of-Year balance in the SNWA Interstate
38 Account.

39 4.4 For any Year in which ICUA is to be developed for SNWA by MWD and
40 released by the Secretary, SNWA shall, by June 1 of the previous Year, make a written

request to MWD for the development of ICUA in accordance with the terms of this Agreement, specifying the quantity of ICUA to be developed.

4.5 By December 1 of each Year in which SNWA has made a request for development of ICUA in the following Year, MWD shall prepare and deliver to the Secretary an ICUA Certification. The ICUA Certification shall:

4.5.1 certify: (i) whether the SNWA Interstate Account balance is sufficient to support the development of the requested ICUA; (ii) that ICUA will be developed in the upcoming Year in an amount equal to the amount requested by SNWA; and (iii) that such ICUA otherwise would not exist.

4.5.2 request that the Secretary release the ICUA in the requested amount for use in Nevada pursuant to Article II (B) (6) of the Decree and this Agreement.

4.5.3 set forth the means by which MWD intends to develop ICUA utilizing stored water in the SNWA Interstate Account and the quantity of ICUA which MWD intends to develop.

4.6 In each Year as to which MWD has certified under Section 4.5 that it will develop ICUA, MWD shall take all actions necessary to ensure that ICUA is developed in accordance with such certification. If MWD does not develop ICUA as required under this Article, MWD shall develop ICUA in another Year to repay to Lake Mead storage the amount of ICUA consumptively used by SNWA but not developed by MWD. The Secretary, in addition to any other remedy available, may seek a court order requiring MWD to do so. The Year of repayment shall be at the discretion of the Secretary, but shall not be more than three years after the year in which the shortfall occurred.

Article 5

Release of Intentionally Created Unused Apportionment

5.1 For any Year as to which SNWA has made a request under Section 4.4 for the development of ICUA, SNWA shall also make a written request of the Secretary for the release of ICUA for consumptive use in the State of Nevada. Such request shall be made by September 15 of the previous Year, or such earlier date as reasonably required in writing by the Secretary, for a release of ICUA in the following Year, and shall be consistent with SNWA's request for the development of ICUA. The request shall specify the quantity of ICUA to be released by the Secretary and shall certify that SNWA has mailed, first class postage paid, a copy of the request to the States of Nevada, Arizona, and California by providing copies to CRCN, the Arizona Department of Water Resources and the Colorado River Board of California and MWD.

5.2 The request for the development of ICUA by SNWA shall be incorporated into the Secretary's Annual Operating Plan for the Colorado River System Reservoirs. The Annual Operating Plan shall state that, upon proper certification, the Secretary intends to release that quantity of ICUA to SNWA under Article II (B) (6) of the Decree in accordance with the terms of this Agreement.

1 5.3 Release of ICUA under this Agreement for diversion by SNWA shall
2 operate under 43 CFR § 414.3(f), Anticipatory Release of ICUA, as provided in this
3 article.

4 5.4 By December 20 of each Year in which the Secretary has received a
5 proper and timely request for release of ICUA, the Secretary shall determine whether
6 there is water stored under this Agreement in quantities sufficient to support the
7 development of the requested ICUA, whether MWD's certification under Section 4.5
8 meets the requirements of 43 CFR Part 414, and whether all necessary actions required
9 by 43 CFR Part 414 have been taken. Such request may be modified with the consent
10 of SNWA, MWD, and the Secretary. For purposes of this Agreement, all necessary
11 actions are those actions expressly enumerated in 43 CFR Part 414, as amplified by
12 this Agreement.

13 5.5 The Secretary shall, as he or she deems appropriate, review books and
14 records in accordance with Section 6.3 and take such other measures as appropriate to
15 verify the quantity of water stored and the quantity of ICUA developed under this
16 Agreement. In the event of a discrepancy in which there is a shortfall of ICUA
17 developed, the Secretary shall require MWD to repay to Lake Mead storage as set forth
18 in Section 4.6.

19 5.6 Pursuant to the provisions of 43 CFR §413.3(f) and only after determining
20 that MWD's certification under section 4 meets the requirements of 43 CFR Part 414,
21 the Secretary shall release ICUA to SNWA in the Year as to which, and to the extent
22 that, MWD has certified, pursuant to Section 4.5 of this Agreement, that ICUA will be
23 developed.

24 5.7 Once the Secretary has determined that ICUA will be released to SNWA,
25 such ICUA shall not be available for release to any entitlement holder in the States of
26 Arizona or California or any other entitlement holder in Nevada in that Year.

27 5.8 In any Year in which the Secretary has released ICUA to SNWA, MWD
28 shall debit the SNWA Interstate Account beginning-of-Year balance in an amount equal
29 to the amount of ICUA released by the Secretary to SNWA under this Agreement.

30 5.9 The amount of ICUA released for consumptive use in Nevada effective
31 January 1 of any Year shall not be subject to reduction unless:

32 5.9.1 SNWA requests that MWD cease development of ICUA, and

33 5.9.2 MWD certifies to the Secretary that a specific quantity of ICUA will
34 not be developed pursuant to the SNWA request.

35 5.10 The Secretary shall release ICUA in accordance with the request of
36 SNWA, the terms of this Agreement, in particular the determination of the Secretary, the
37 Boulder Canyon Project Act, Article II (B) (6) of the Decree and all other applicable
38 Federal laws and executive orders.

1 5.11 With respect to ICUA released for diversion by SNWA pursuant to this
2 Agreement, the only facilities that will be used to divert, store, convey, or distribute such
3 water that were constructed by the United States are certain facilities of the Southern
4 Nevada Water System that were constructed and financed by the United States, the
5 ownership of which was subsequently transferred to SNWA.

6 **Article 6** 7 **Accounting**

8 6.1 MWD shall establish and maintain a storage account entitled the "SNWA
9 Interstate Account" for accounting purposes, which account shall accurately reflect the
10 quantities of all water stored and all water debited from the account for purposes of
11 developing ICUA pursuant to this Agreement.

12 6.2 MWD shall report on the SNWA Interstate Account as follows:

13 6.2.1 MWD shall provide its final annual accounting to the Secretary by
14 March 1 of the Year following the Year in which MWD stored water or developed ICUA
15 for SNWA.

16 6.2.2 MWD shall prepare and submit to the Secretary and the States of
17 Arizona, California, and Nevada by March 1 of each Year a final verified accounting for
18 the prior Year of: (i) the beginning balance of the SNWA Interstate Account; (ii) the
19 amount of Colorado River water diverted and stored for the benefit of SNWA in that
20 Year; (iii) any debits from the SNWA Interstate Account during that Year on account of
21 water withdrawn for purposes of developing ICUA; (iv) the net balance in the SNWA
22 Interstate Account at the end of the Year; and (v) the cumulative amount properly
23 credited to the SNWA Interstate Account.

24 6.3 All records of MWD concerning this Agreement, including all records used
25 by MWD to prepare the final verified accounting, shall be available for inspection by the
26 Secretary and SNWA, such inspection to be during normal business hours and on
27 reasonable advance notice.

28 **Article 7** 29 **Environmental Compliance Limitation**

30 7.1 SNWA agrees with, and for the benefit of, the United States only that
31 SNWA will not request the storage of Colorado River water or the development of ICUA
32 in any Year in excess of the limitations specified in Sections 7.1.1 and 7.1.2 unless the
33 Secretary has first taken such actions as may be necessary to comply with the
34 requirements of the National Environmental Policy Act, the Endangered Species Act,
35 and any other applicable environmental law with respect to such excess storage or
36 development of excess ICUA.

37 7.1.1 With respect to storage of Colorado River water, SNWA will request
38 storage under this Agreement only to the extent that Colorado River water stored by the
39 Arizona Water Banking Authority for SNWA under the Agreement for Interstate Water

Banking among the Arizona Water Banking Authority, SNWA, and CRCN during such Year is less than 200,000 acre-feet.

7.1.2 With respect to the development of ICUA, SNWA will not request that more than an aggregate of 100,000 acre-feet of ICUA be developed pursuant to this Agreement and the Storage and Interstate Release Agreement among the United States, the Arizona Water Banking Authority, SNWA, and CRCN dated December 18, 2002.

Article 8

General Provisions

8.1 Upon execution of this Agreement and annually thereafter, SNWA shall pay an annual administration fee of two thousand dollars (\$2,000.00) to cover the United States' costs to perform the routine tasks necessary to administer this Agreement. The initial annual administration fee shall be pro-rated on the basis of one hundred sixty six dollars and sixty-seven cents (\$166.67) per month for the first Year, payable upon execution of this Agreement. Thereafter, the fee for each subsequent year shall be due on January 1.

8.2 The Secretary reserves the right at intervals of five (5) years, beginning five (5) years after the date of execution of this Agreement, to reexamine the annual administration fee and to revise the fee after three (3) months' advance written notice and after consultation with SNWA if the Secretary determines that a different charge is necessary to cover the United States' costs to perform the tasks described in this Agreement. Upon SNWA's written request, the Secretary shall provide SNWA with a detailed cost analysis supporting the adjustment to the annual administration fee.

8.3 No agreement to which the Secretary is not a Party shall be construed as altering the rights and obligations as between the Secretary and the other Parties to this Agreement.

8.4 The records of any Party to this Agreement that relate to the SNWA Interstate Account, including the development and verification of the account balance, and the development, release and use of ICUA shall be open to inspection by any other Party.

8.5 The provisions of this section shall govern enforcement of this Agreement.

8.5.1 Time is of the essence in the performance of this Agreement.

8.5.2 The Parties recognize and acknowledge that the availability of ICUA as provided in this Agreement is a critical alternative municipal water supply for SNWA while other longer-term sources of supply are being developed; that in planning to meet the needs of the area it serves, SNWA will rely on ICUA being available to it as provided in this Agreement; that accordingly the release of ICUA as provided in Section 5.6 is critical to the economy, health and safety of the area served by SNWA; that the release of ICUA as provided in this Agreement presents a unique opportunity for SNWA

1 to obtain additional Colorado River water under the Decree; and that, for these reasons,
2 among others, the water resources to be released as ICUA for use in Nevada are
3 unique and not susceptible of replacement by SNWA.

4 8.6 The Parties to this Agreement shall indemnify the United States, its
5 employees, agents, subcontractors, successors, or assignees from loss or claims for
6 damages and from liability to persons or property, direct or indirect, and loss or claim of
7 any nature whatsoever arising by reason of actions taken by non-Federal Parties to this
8 Agreement.

9 8.7 The Parties to this Agreement recognize and acknowledge that this
10 Agreement is a contract executed pursuant to Federal Reclamation law, including the
11 provisions of 43 U.S.C. § 390uu.

12 8.8 This Agreement shall not constitute approval by the Secretary of any other
13 agreement or water delivery program.

14 8.9 Nothing in this Agreement is intended or shall be construed to affect the
15 rights of any other Colorado River entitlement holder.

16 8.10 No Party to this Agreement shall be considered to be in default in the
17 performance of any obligations under this Agreement when a failure of performance
18 shall be due to uncontrollable forces. The term "uncontrollable force" shall mean any
19 cause beyond the control of the Party unable to perform such obligation, including but
20 not limited to failure or threat of failure of facilities, flood, earthquake, storm, fire,
21 lightning, and other natural catastrophes, epidemic, war, civil disturbance or
22 disobedience, strike, labor dispute, labor or material shortage, sabotage, restraint by
23 order of a court or regulatory agency of competent jurisdiction, and action or non-action
24 by, or failure to obtain the necessary authorizations or approvals from, a Federal
25 governmental agency or authority, which by exercise of due diligence and foresight
26 such Party could not reasonably have been expected to overcome. Nothing contained
27 herein shall be construed to require any Party to settle any strike or labor dispute in
28 which it is involved.

29 8.11 Non-Federal Parties to this Agreement may assign their interest in this
30 Agreement, in whole or in part, to other authorized entities, as defined in 43 CFR
31 Part 414, subject to the approval of all other Parties to this Agreement.

32 8.12 The Secretary does not warrant the quality of water released or delivered
33 under this Agreement. The United States is not liable for damages of any kind resulting
34 from water quality problems and the United States has no obligation to construct or
35 furnish water treatment facilities to maintain or improve water quality except as may
36 otherwise be provided in relevant Federal law.

37 8.13 The expenditure or advance of any money or the performance of any
38 obligation of the United States under this Agreement shall be contingent on
39 appropriation or allotment of funds. No liability shall accrue to the United States in case

funds are not appropriated or allotted. Absence of appropriation or allotment of funds shall not relieve MWD, SNWA, or CRCN from any obligation under this Agreement

8.14 No member of or Delegate to Congress, Resident Commissioner, or official of MWD, SNWA, or CRCN shall benefit from this Agreement other than as a water user or landowner in the same manner as other water users or landowners.

Article 9

Notices

9.1 Notices and Requests.

9.1.1 All notices, requests, and other communications required or provided by this Agreement shall be in writing and addressed to the affected Party, with a copy sent to all other Parties to this Agreement and, unless sent by facsimile pursuant to Section 9.2, shall be mailed first class postage paid addressed as follows:

MWD:

The Metropolitan Water District of Southern California
P.O. Box 54153
Los Angeles, California 90054-0153
Attn: Chief Executive Officer

SNWA:

Southern Nevada Water Authority
1001 S. Valley View Boulevard
Las Vegas, Nevada 89153
Attn: General Manager

CRCN:

Colorado River Commission of Nevada
555 E. Washington Avenue, Suite 3100
Las Vegas, Nevada 89101
Attn: Director

Secretary:

U.S. Department of the Interior
Bureau of Reclamation
Lower Colorado Regional Office
P.O. Box 61470
Boulder City, Nevada 89006
Attn: Regional Director

The State of Arizona:

Arizona Department of Water Resources
500 North 3rd Street
Phoenix, Arizona 85004
Attn: Director

1 The State of California:

2 Colorado River Board of California
3 770 Fairmont Avenue, Suite 100
4 Glendale, California 91203-1035
5 Attn: Executive Director

6 The State of Nevada:

7 Colorado River Commission of Nevada
8 555 E. Washington Avenue, Suite 3100
9 Las Vegas, Nevada 89101
10 Attn: Director

11 9.1.2 Any Party may, at any time, change its mailing address by notice to
12 the other Parties.

13 9.2 Notices and Requests by Facsimile.

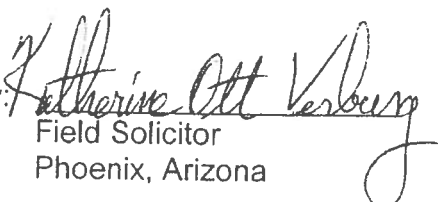
14 9.2.1 Notices and requests may be given by facsimile among MWD,
15 SNWA, CRCN and the Secretary in lieu of first class mail as provided in sub-article 9.1.
16 Such facsimiles shall be deemed complete upon a receipt from sender's facsimile
17 machine indicating that the transmission was satisfactorily completed and after phone
18 communication with administrative offices of the recipient notifying the recipient that a
19 facsimile has been sent.

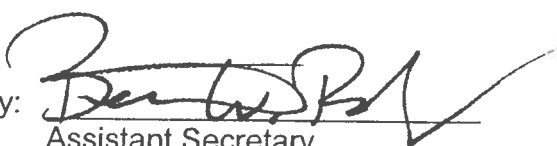
20 MWD Facsimile Number	213-217-5704
21 SNWA Facsimile Number	702-258-3951
22 CRCN Facsimile Number	702-486-2695
23 Secretary Facsimile Number	702-293-8042

24 9.2.2 Any Party may, at any time, change its facsimile number by notice
25 to the other Parties.

26 In Witness of this Agreement, the Parties affix their official signatures below,
27 acknowledging execution of this document on the 27 day of October, 2004.

28 Legal Review and Approval: **THE UNITED STATES OF AMERICA**

29 By: 
30 Field Solicitor
31 Phoenix, Arizona
32

By: 
Assistant Secretary
for Water and Science
Department of the Interior

STATE OF NEVADA, acting through its
COLORADO RIVER COMMISSION

Attest:

By: [Signature]
Executive Director

By: [Signature]
Chair

Approved as to form:

By: [Signature]

Title: Sp Dep Atty Gen

SOUTHERN NEVADA WATER AUTHORITY

Attest:

By: [Signature]
General Manager

By: [Signature]
Chair

Approved as to form:

By: [Signature]

Title: Deputy Counsel

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Attest:

By: [Signature]
Executive Secretary

By: [Signature]
Chief Executive Officer

Approved as to form:

By: [Signature]

Title: GENERAL COUNSEL

**IN THE OFFICE OF THE STATE ENGINEER
OF THE STATE OF NEVADA**

1176

IN-LIEU RECHARGE ORDER

WHEREAS, under the provisions of Chapter 534 of Nevada Revised Statutes, the State Engineer has issued a series of orders designating various portions of the Las Vegas Valley Artesian Basin, Clark County, Nevada;

WHEREAS, the State Engineer, pursuant to NRS 534.030 and by Order No. 833 dated December 27, 1983, designated the entire drainage basin of the Las Vegas Valley Groundwater Basin, Clark County, Nevada;

WHEREAS, the Las Vegas Valley Water District currently holds non-revocable groundwater rights and may acquire additional non-revocable groundwater rights within the Las Vegas Valley Groundwater Basin;

WHEREAS, the City of North Las Vegas, currently holds non-revocable water rights and may acquire additional non-revocable water rights within the Las Vegas Valley Groundwater Basin;

WHEREAS, the Las Vegas Valley Water District develops and places to a beneficial use on an annual basis a substantial majority of its permitted and certificated groundwater rights;

WHEREAS, the City of North Las Vegas develops and places to a beneficial use on an annual basis a substantial majority of its permitted and certificated groundwater rights;

WHEREAS, the Southern Nevada Water Authority has constructed additional works of diversion, and said improvements will allow the Las Vegas Valley Water District and the City of North Las Vegas to deliver additional volumes of surface water from the Colorado River;

WHEREAS, the delivery of additional volumes and rates of diversion from the Colorado River could enable the Las Vegas Valley Water District and the City of North Las Vegas to rely more upon Colorado River water and less upon ground water from the Las Vegas Valley Artesian Basin.

WHEREAS, since 1987, the Las Vegas Valley Water District, and since 1990, the City of North Las Vegas, pursuant to NRS 534.250 et seq., have actively engaged in a

groundwater recharge program injecting treated Colorado River water into the Las Vegas Valley Artesian Basin;

WHEREAS, in-lieu recharge is the practice of utilizing an alternative water source, other than the native ground water allocated pursuant to Chapters 533 and 534 of Nevada Revised Statutes thereby allowing the ground water to remain in aquifer storage for future use;

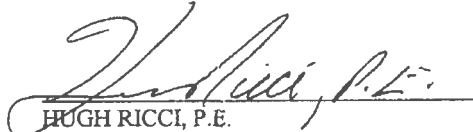
WHEREAS, an in-lieu recharge program in the Las Vegas Valley would reduce the stresses presently on the aquifer.

NOW THEREFORE, pursuant to authority granted to the Nevada State Engineer by NRS 534.120, it is hereby ordered:

1. Beginning in the calendar year 2004 an in-lieu recharge program based solely upon the procedure and conditions set forth herein for the Las Vegas Valley Groundwater Basin, assigned Basin No. 212 by the Nevada State Engineer, is hereby created.
2. The in-lieu recharge program created by this Order shall apply only to municipal water companies or water purveyors created by the Nevada Legislature, hereinafter collectively referred to as municipal purveyors.
3. The in-lieu recharge program shall apply only to municipal purveyors which develop water pursuant to non-revocable groundwater rights within the Las Vegas Valley Groundwater Basin, and are actively engaged in a groundwater recharge program pursuant to NRS 534.250, et seq.
4. The municipal purveyors must have access to and use of alternate sources of water, which are not hydrologically connected to the Las Vegas Valley Groundwater Basin.
5. The Las Vegas Valley Water District may, in consideration for utilizing the provisions of this in-lieu recharge program, be able to recover up to 85% of such in-lieu credits derived from non-revocable groundwater rights not withdrawn allowing 15% of the unpumped non-revocable groundwater rights to remain in the aquifer in perpetuity.
6. The City of North Las Vegas may, in consideration for utilizing the provisions of this in-lieu recharge program, be able to recover up to 85% of such in-lieu credits derived from non-revocable groundwater rights not withdrawn allowing 15% of

the unpumped non-revocable groundwater rights not withdrawn to remain in the aquifer in perpetuity.

7. The municipal purveyors are not authorized to remove more recharge water and in-lieu recharge water combined than authorized under the terms and conditions of the current recharge permits issued pursuant to NRS Chapter 534.
8. The municipal purveyors who utilize the provision of this order shall maintain separate records, which shall be provided to the Nevada State Engineer in the annual recharge report required under the terms and conditions of the current recharge permits issued pursuant to NRS Chapter 534.
9. Certificates issued under non-revocable groundwater right permits held by the Las Vegas Valley Water District and the City of North Las Vegas, as provided for in this order will not be subject to the statutory provisions of forfeiture or abandonment (NRS 534.090) during the time in which this order is in effect and for a period of five years following the date of any repeal or amendment of this order.
10. The State Engineer will review this order on a periodic basis to determine if any amendments are needed.


HUGH RICCI, P.E.
State Engineer

Dated at Carson City, Nevada,

this 10th day of December, 2004.

FIFTH AMENDED

MAY 11, 2004

OFFICE OF THE STATE ENGINEER

STATE OF NEVADA

PERMIT NO. R-001

PERMIT

TO ESTABLISH AND OPERATE A PROJECT

TO RECHARGE, STORE AND RECOVER

UNDERGROUND WATER

PERMITTEE: Las Vegas Valley Water District
3700 W. Charleston Boulevard
Las Vegas, Nevada 89153

SOURCE OF WATER: Colorado River

ANNUAL QUANTITY: 10,000 acre-feet

LOCATION OF PROPOSED PROJECT/RECHARGE WELLS:

The recharge wells will consist of the following Las Vegas Valley Water District wells:

Well Name	Well Location					
WELL-16	T20S	R61E	SEC 30	SW¼	SE¼	
WELL-17	T20S	R61E	SEC 30	SW¼	SE¼	
WELL-26	T20S	R61E	SEC 30	SE¼	SW¼	
WELL-27	T20S	R61E	SEC 30	SE¼	SW¼	

The exact locations of these wells are on file in the office of the State Engineer.

RECOVERY WELLS:

The wells listed under the **LOCATION OF PROPOSED PROJECT/RECHARGE WELLS** will serve as the recovery wells for the project. In addition, the following wells will also serve as recovery wells for the project.

Well name	Well Location					
WELL-7A	T20S	R61E	SEC 31	SE¼	NE¼	
WELL-8	T20S	R61E	SEC 31	NE¼	SE¼	
WELL-11A	T20S	R61E	SEC 31	SE¼	SE¼	
WELL-12	T20S	R61E	SEC 31	NE¼	SE¼	
WELL-13	T20S	R61E	SEC 30	SE¼	SE¼	
WELL-14	T20S	R61E	SEC 31	NE¼	NE¼	
WELL-15A	T20S	R61E	SEC 30	SE¼	SE¼	
WELL-34	T20S	R61E	SEC 29	SW¼	SW¼	
WELL-AZ 0	T18S	R59E	SEC 34	NW¼	NW¼	
WELL-AZ 1	T18S	R59E	SEC 25	NE¼	SW¼	
WELL-AZ 2	T18S	R59E	SEC 25	NW¼	SW¼	
WELL-AZ 3	T18S	R59E	SEC 26	SW¼	NE¼	
WELL-AZ 4	T18S	R59E	SEC 25	SW¼	SE¼	

WELL-AZ 5 T18S R59E SEC 36 NE¼ NW¼
WELL-AZ 6 T18S R59E SEC 26 SE¼ SE¼

AREA OF ACTIVE MANAGEMENT:

The Las Vegas Artesian Ground Water Basin as described in State Engineer's Order No. 833, dated December 27, 1983.

DURATION OF PERMIT:

This permit is issued for an indefinite period, subject to a periodic review by the State Engineer.

TERMS AND CONDITIONS OF PERMIT R-001

1. The following data during recharge shall be collected and recorded:
 - A. The amount of water recharged at each well location on a daily basis. If electronic equipment is used for the collection of data on a daily basis, said equipment shall be physically checked and calibrated for proper operation on a weekly basis.
 - B. Water level measurements for each recharge well shall be taken prior to the start of any recharge cycle, followed by a water level measurement 24 hours after the start of any recharge cycle and then on a monthly basis thereafter.
 - C. The following water quality constituents shall be reported on a monthly basis: chloride, total dissolved solids (TDS), and electrical conductivity. In the event that more than one recharge well is served from the same reservoir only one sample from the reservoir is necessary.
2. The following data during recovery shall be collected and recorded:
 - A. The amount of water pumped from each recovery well on a daily basis. If electronic equipment is used for the collection of data on a daily basis, said equipment shall be physically checked and calibrated for proper operation on a weekly basis.
 - B. Water level measurements for each recharge well shall be taken prior to the start of any recovery/production cycle, followed by a water level measurement 24 hours after the start of any recovery/production cycle and then on a monthly basis thereafter.
 - C. The following water quality constituents shall be reported twice a month for the first month of recovery, then on a monthly basis thereafter: chloride, total dissolved solids (TDS), and electrical conductivity.
3. Monitor Wells:
 - A. All the wells listed above as recharge or recovery wells are authorized to be used as monitor wells. In addition, the following well is also authorized to be used as a monitor well.

Well Name	Well Location
WELL 24	T20S R60E SEC 26 SW¼ SE¼

- B. The use of any other well as a monitor well, except as stated above, must be authorized by the State Engineer and the construction of any new monitor well must be of such a design acceptable to the State Engineer.
 - C. Each accessible monitor well shall be sampled during any recharge or recovery period for electrical conductivity, TDS, and chloride on a monthly basis.
 - D. Water level measurements for each monitor well shall be taken on a weekly basis during the first thirty (30) days of any recharge or recovery period and on a monthly basis thereafter.
- 4. Groundwater Pumping Record:

A groundwater pumping record shall be kept prior to, during and after recharge or recovery of the Las Vegas Valley Water District wells in the immediate vicinity of the recharge project and included in any reports, as specified in item 8, to the State Engineer.
- 5. Collection of data:
 - A. For each water quality sample or water level measurement taken pursuant to this permit, the permittee shall record the following information:
 - 1. The date, time and place of sample or measurement.
 - 2. The date or dates the analyses were performed.
 - 3. The person or persons who performed the analyses or measurements.
 - 4. The analytical techniques or methods used.
 - 5. The results of all the required analyses and measurements.
- 6. Recharge and Recovery Amount:

This permit for recharge shall be limited to no more than 10,000 acre-feet of recharged water in any calendar year. The amount of water recovered during any calendar year shall not exceed the amount established for this permit pursuant to an annual recovery plan as specified in item 8 and approved by the State Engineer.
- 7. Additional Monitoring by Permittee:

If the permittee collects any data other than required by the terms of this permit, using approved analytical standard and methods; the results of these analyses or measurements shall be included in any reports, as specified in item 8, to the State Engineer.

8. Annual Report:

A. The permittee must file with the State Engineer an annual report as required by NRS 534.280. The first annual report for calendar year 2004 shall be due no later than January 31, 2005. Each subsequent annual report will be no later than January 31 of each year. The annual report shall contain the following information:

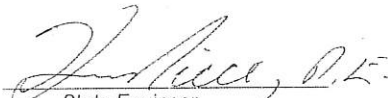
1. Total recharge and recovery for each individual well for the calendar year;
2. Total recharge and recovery for the entire project for the calendar year;
3. Monitoring results analyzed and summarized for the calendar year;
4. Hydrographs, which consists of data for the recharge/recovery period since inception of the recharge/recovery project, provided on graphs of adequate size, 8.5" X 11.0" minimum; and copies of all laboratory reports for the required analyses, arranged in chronological order, for each individual well or a statement that the laboratory reports are available to the Division of Water Resources upon request.
5. A recovery plan for the anticipated amount of water to be recovered during the next calendar year.
6. Projected impacts in areas where recovery is anticipated to occur during the next calendar year

9. The State Engineer shall levy and collect an annual fee from the permittee as prescribed in NRS 534.310.

10. The State Engineer reserves the right to change, modify or amend the terms and conditions of this permit based on just cause.

IN TESTIMONY WHEREOF, I HUGH RICCI, P.E., State Engineer of Nevada, have hereto set my hand and the seal of my office for approval of this permit.

This 11th day of MAY, A.D., 2004


State Engineer

SIXTH AMENDED

JUNE 29, 2005

OFFICE OF THE STATE ENGINEER

STATE OF NEVADA

PERMIT NO. R-003

PERMIT

TO ESTABLISH AND OPERATE A PROJECT

TO RECHARGE, STORE AND RECOVER

UNDERGROUND WATER

PERMITTEE: Las Vegas Valley Water District
3700 W. Charleston Boulevard
Las Vegas, Nevada 89153

SOURCE OF WATER: Colorado River

ANNUAL QUANTITY: 40,000 acre-feet

LOCATION OF PROPOSED PROJECT/RECHARGE WELLS:

The recharge wells will consist of the following Las Vegas Valley Water District wells:

Well Name		Well Location			
AR-1	T20S	R60E	SEC 23	NW¼	SE¼
AR-122	T19S	R60E	SEC 05	SW¼	SE¼
AR-123	T19S	R60E	SEC 05	SW¼	SE¼
WELL-1A	T20S	R60E	SEC 35	SE¼	SE¼
WELL-2A	T20S	R60E	SEC 23	SE¼	SW¼
WELL-3A	T20S	R61E	SEC 20	SE¼	SW¼
WELL-5A	T20S	R60E	SEC 23	SW¼	SW¼
WELL-7A	T20S	R61E	SEC 31	SE¼	NE¼
WELL-8	T20S	R61E	SEC 31	NE¼	SE¼
WELL-11A	T20S	R61E	SEC 31	SE¼	SE¼
WELL-12	T20S	R61E	SEC 31	NE¼	SE¼
WELL-13	T20S	R61E	SEC 30	SE¼	SE¼
WELL-14	T20S	R61E	SEC 31	NE¼	NE¼
WELL-15A	T20S	R61E	SEC 30	SE¼	SE¼
WELL-16	T20S	R61E	SEC 30	SW¼	SE¼
WELL-17	T20S	R61E	SEC 30	SW¼	SE¼
WELL-18A	T20S	R60E	SEC 27	NE¼	NE¼
WELL-21	T20S	R60E	SEC 34	SW¼	SW¼
WELL-22A	T20S	R60E	SEC 21	NE¼	NE¼
WELL-23A	T20S	R60E	SEC 21	NE¼	NE¼
WELL-24	T20S	R60E	SEC 26	SW¼	SE¼
WELL-26	T20S	R61E	SEC 30	SE¼	SW¼
WELL-27	T20S	R61E	SEC 30	SE¼	SW¼
WELL-28	T20S	R60E	SEC 11	NE¼	SW¼
WELL-29	T20S	R60E	SEC 11	NW¼	SW¼

Well Name		Well Location			
WELL-33	T20S	R60E	SEC 11	NW¼	SW¼
WELL-34	T20S	R61E	SEC 29	SW¼	SW¼
WELL-38	T20S	R60E	SEC 35	NW¼	SW¼
WELL-45	T20S	R61E	SEC 19	SW¼	NW¼
WELL-51	T20S	R60E	SEC 23	NE¼	NE¼
WELL-52	T20S	R60E	SEC 24	NW¼	NW¼
WELL-68	T20S	R61E	SEC 31	NE¼	NE¼
WELL-69	T20S	R60E	SEC 09	SE¼	SE¼
WELL-70	T20S	R60E	SEC 34	SW¼	SW¼
WELL-71	T20S	R60E	SEC 34	SW¼	SW¼
WELL-72	T20S	R60E	SEC 09	NE¼	SE¼
WELL-73	T20S	R60E	SEC 23	NW¼	NW¼
WELL-74	T20S	R60E	SEC 07	SW¼	SE¼
WELL-75	T19S	R60E	SEC 28	NE¼	SW¼
WELL-76	T20S	R60E	SEC 28	SE¼	SE¼
WELL-77	T20S	R60E	SEC 23	NW¼	SE¼
WELL-78	T20S	R60E	SEC 07	SW¼	SE¼
WELL-85	T20S	R60E	SEC 23	NE¼	SW¼
WELL-90	T20S	R60E	SEC 08	SE¼	SW¼
WELL-91	T20S	R60E	SEC 06	SW¼	SE¼
WELL-97	T20S	R60E	SEC 27	SW¼	SE¼
WELL-98	T20S	R60E	SEC 05	NW¼	SE¼
WELL-105	T20S	R60E	SEC 27	SE¼	NW¼
WELL-110	T20S	R60E	SEC 08	NE¼	NE¼
WELL-112	T20S	R60E	SEC 05	NW¼	SE¼
WELL-113	T20S	R60E	SEC 08	NE¼	NE¼
WELL-114	T20S	R60E	SEC 08	NW¼	SE¼
WELL-115	T20S	R60E	SEC 08	NE¼	SE¼

The exact locations of these wells are on file in the office of the State Engineer.

RECOVERY WELLS:

The wells listed under the **LOCATION OF PROPOSED PROJECT/RECHARGE WELLS** will serve as the recovery wells for the project. In addition, the following wells will also serve as recovery wells for the project.

Well name		Well Location			
WELL-AZ 0	T18S	R59E	SEC 34	NW¼	NW¼
WELL AZ 1	T18S	R59E	SEC 25	NE¼	SW¼
WELL-AZ 2	T18S	R59E	SEC 25	NW¼	SW¼
WELL-AZ 3	T18S	R59E	SEC 26	SW¼	NE¼
WELL-AZ 4	T18S	R59E	SEC 25	SW¼	SE¼
WELL-AZ 5	T18S	R59E	SEC 36	NE¼	NW¼
WELL-AZ 6	T18S	R59E	SEC 26	SE¼	SE¼

AREA OF ACTIVE MANAGEMENT:

The Las Vegas Artesian Ground Water Basin as described in State Engineer's Order No. 833, dated December 27, 1983.

DURATION OF PERMIT:

This permit is issued for an indefinite period, subject to a periodic review by the State Engineer.

TERMS AND CONDITIONS OF PERMIT R-003

1. The following data during recharge shall be collected and recorded:
 - A. The amount of water recharged at each well location on a daily basis. If electronic equipment is used for the collection of data on a daily basis, said equipment shall be physically checked and calibrated for proper operation on a weekly basis.
 - B. Water level measurements for each recharge well shall be taken prior to the start of any recharge cycle, followed by a water level measurement 24 hours after the start of any recharge cycle and then on a monthly basis thereafter.
 - C. The following water quality constituents shall be reported on a monthly basis: chloride, total dissolved solids (TDS), and electrical conductivity. In the event that more than one recharge well is served from the same reservoir only one sample from the reservoir is necessary.
2. The following data during recovery shall be collected and recorded:
 - A. The amount of water pumped from each recovery well on a daily basis. If electronic equipment is used for the collection of data on a daily basis, said equipment shall be physically checked and calibrated for proper operation on a weekly basis.
 - B. Water level measurements for each recharge well shall be taken prior to the start of any recovery/production cycle, followed by a water level measurement 24 hours after the start of any recovery/production cycle and then on a monthly basis thereafter.
 - C. The following water quality constituents shall be reported twice a month for the first thirty (30) days of recovery, then on a monthly basis thereafter: chloride, total dissolved solids (TDS), and electrical conductivity.
3. Monitor Wells:
 - A. All the wells listed above as recharge or recovery wells are authorized for use as monitor wells.
 - B. The use of any other well as a monitor well, except as stated above, must be authorized by the State Engineer and the construction of any new monitor well must be of such a design acceptable to the State Engineer.
 - C. Each accessible monitor well shall be sampled during any recharge or recovery period for electrical conductivity, TDS, and chloride on a monthly basis.
 - D. Water level measurements for each monitor well shall be taken on a weekly basis during the first thirty (30) days of any recharge or recovery period, then on a monthly basis thereafter.
4. Groundwater Pumping Record:

A groundwater pumping record shall be kept prior to, during and after recharge or recovery of the Las Vegas Valley Water District wells in the immediate vicinity of the recharge project and included in any reports, as specified in item 8, to the State Engineer.

5. Collection of data:

- A. For each water quality sample or water level measurement taken pursuant to this permit, the permittee shall record the following information:
1. The date, time and place of sample or measurement.
 2. The date or dates the analyses were performed.
 3. The person or persons who performed the analyses or measurements.
 4. The analytical techniques or methods used.
 5. The results of all the required analyses and measurements.

6. Recharge and Recovery Amount:

This permit for recharge shall be limited to no more than 40,000 acre-feet of recharged water in any calendar year. The amount of water recovered during any calendar year shall not exceed the amount established for this permit pursuant to an annual recover plan as specified in item 8 and approved by the State Engineer.

7. Additional Monitoring by Permittee:

If the permittee collects any data other than required by the terms of this permit, using approved analytical standard and methods; the results of these analyses or measurements shall be included in any reports, as specified in item 8, to the State Engineer.

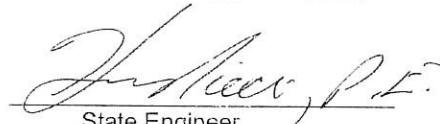
8. Annual Report:

- A. The permittee must file with the State Engineer an annual report as required by NRS 534.280. The annual report for each calendar year shall be due no later than January 31st of each year. The annual report shall contain the following information:
1. Total recharge and recovery for each individual well for the calendar year;
 2. Total recharge and recovery for the entire project for the calendar year;
 3. Monitoring results analyzed and summarized for the calendar year;
 4. Hydrographs, which consists of data for the recharge/recovery period since inception of the recharge/recovery project, provided on graphs of adequate size, 8.5" X 11.0" minimum; and copies of all laboratory reports for the required analyses, arranged in chronological order, for each individual well or a statement that the laboratory reports are available to the Division of Water Resources upon request.
 5. A recovery plan for the anticipated amount of water to be recovered during the next calendar year.
 6. Water level projections in areas where recovery is anticipated to occur during the next calendar year.

9. The State Engineer shall levy and collect an annual fee from the permittee as prescribed in NRS 534.310.
10. The State Engineer reserves the right to change, modify or amend the terms and conditions of this permit based on just cause.

IN TESTIMONY WHEREOF, I HUGH RICCI, P.E., State Engineer of Nevada, have hereto set my hand and the seal of my office for approval of this permit.

This 29th day of June, A.D., 2005


State Engineer

SIXTH AMENDED

May 11, 2004

OFFICE OF THE STATE ENGINEER

STATE OF NEVADA

PERMIT NO. R-012

PERMIT

TO ESTABLISH AND OPERATE A PROJECT

TO RECHARGE, STORE AND RECOVER

UNDERGROUND WATER

PERMITTEE: Las Vegas Valley Water District
3700 W. Charleston Boulevard
Las Vegas, Nevada 89153

SOURCE OF WATER: Colorado River

ANNUAL QUANTITY: 15,000 acre-feet

LOCATION OF PROPOSED PROJECT/RECHARGE WELLS:

The recharge wells will consist of the following Las Vegas Valley Water District wells:

Well Name	Well Location				
AR-1	T20S	R60E	SEC 23	NW¼	SE¼
AR-2	T21S	R60E	SEC 14	NW¼	NE¼
AR-3	T21S	R60E	SEC 14	NW¼	NE¼
AR-4	T21S	R60E	SEC 17	SW¼	NE¼
AR-6	T20S	R60E	SEC 33	SE¼	SE¼
AR-7	T20S	R60E	SEC 33	SE¼	SE¼
AR-8	T20S	R60E	SEC 34	SW¼	SW¼
AR-9	T20S	R60E	SEC 34	SW¼	SW¼
AR-10	T20S	R60E	SEC 15	NE¼	SW¼
AR-18	T22S	R60E	SEC 01	SE¼	SE¼
AR-74A	T19S	R60E	SEC 28	NE¼	SW¼
AR-74B	T19S	R60E	SEC 28	NE¼	SW¼
AR-93	T20S	R60E	SEC 28	NW¼	NE¼
AR-94	T20S	R60E	SEC 10	NW¼	NW¼
AR-95	T20S	R60E	SEC 08	SW¼	SW¼
AR-98	T20S	R60E	SEC 05	NW¼	SE¼
AR-100	T20S	R60E	SEC 09	SW¼	SW¼
AR-108	T20S	R60E	SEC 05	NE¼	NW¼
AR-109	T20S	R60E	SEC 05	NE¼	NW¼
AR-111	T21S	R60E	SEC 04	SE¼	NE¼
AR-113	T20S	R60E	SEC 07	NE¼	NE¼
WELL-118	T20S	R60E	SEC 08	SW¼	SE¼
WELL-119	T20S	R60E	SEC 08	SW¼	SE¼
WELL-120	T20S	R60E	SEC 08	NE¼	SE¼
WELL-121	T20S	R60E	SEC 08	SE¼	SE¼

The exact locations of these wells are on file in the office of the State Engineer.

RECOVERY WELLS:

The wells listed under the **LOCATION OF PROPOSED PROJECT/RECHARGE WELLS** will serve as the recovery wells for the project. In addition, the following wells will also serve as recovery wells for the project:

Well Name	Well Location					
WELL-AZ0	T18S	R59E	SEC 34	NW¼	NW¼	
WELL-AZ1	T18S	R59E	SEC 25	NE¼	SW¼	
WELL-AZ2	T18S	R59E	SEC 25	NW¼	SW¼	
WELL-AZ3	T18S	R59E	SEC 26	SW¼	NE¼	
WELL-AZ4	T18S	R59E	SEC 25	SW¼	SE¼	
WELL-AZ5	T18S	R59E	SEC 36	NE¼	NW¼	
WELL-AZ6	T18S	R59E	SEC 26	SE¼	SE¼	

AREA OF ACTIVE MANAGEMENT:

The Las Vegas Artesian Ground Water Basin as described in State Engineer's Order No. 833, dated December 27, 1983.

DURATION OF PERMIT:

This permit is issued for an indefinite period, subject to a periodic review by the State Engineer.

TERMS AND CONDITIONS OF PERMIT R-012

1. The following data during recharge shall be collected and recorded:
 - A. The amount of water recharged at each well location on a daily basis. If electronic equipment is used for the collection of data on a daily basis, said equipment shall be physically checked and calibrated for proper operation on a weekly basis.
 - B. Water level measurements for each recharge well shall be taken prior to the start of any recharge cycle, followed by a water level measurement 24 hours after the start of any recharge cycle and then on a monthly basis thereafter.
 - C. The following water quality constituents shall be reported on a monthly basis: chloride, total dissolved solids (TDS), and electrical conductivity. In the event that more than one recharge well is served from the same reservoir only one sample from the reservoir is necessary.
2. The following data during recovery shall be collected and recorded:
 - A. The amount of water pumped from each recovery well on a daily basis. If electronic equipment is used for the collection of data on a daily basis, said equipment shall be physically checked and calibrated for proper operation on a weekly basis.
 - B. Water level measurements for each recharge well shall be taken prior to the start of any recovery/production cycle, followed by a water level measurement 24 hours after the start of any recovery/production cycle and then on a monthly basis thereafter.

- C. The following water quality constituents shall be reported twice a month for the first month of recovery, then on a monthly basis thereafter: chloride, total dissolved solids (TDS), and electrical conductivity.

3. Monitor Wells:

- A. All the wells listed above as recharge or recovery wells are authorized to be used as monitor wells.
- B. The use of any other well, except as stated above as a monitor well must be authorized by the State Engineer. The construction of any new monitor well must be of such a design acceptable to the State Engineer.
- C. Each accessible monitor well shall be sampled during any recharge or recovery period for electrical conductivity, TDS, and chloride on a monthly basis.
- D. Water level measurements for each monitor well shall be taken on a weekly basis during the first thirty (30) days of any recharge or recovery period, then on a monthly basis thereafter.

4. Groundwater Pumping Record:

A groundwater pumping record shall be kept prior to, during and after recharge or recovery of the Las Vegas Valley Water District wells in the immediate vicinity of the recharge project and included in any reports, as specified in item 8, to the State Engineer.

5. Collection of data:

- A. For each water quality sample or water level measurement taken pursuant to this permit, the permittee shall record the following information:
 - 1. The date, time and place of sample or measurement.
 - 2. The date or dates the analyses were performed.
 - 3. The person or persons who performed the analyses or measurements.
 - 4. The analytical techniques or methods used.
 - 5. The results of all the required analyses and measurements.

6. Recharge and Recovery Amount:

This permit for recharge shall be limited to no more than 15,000 acre-feet of recharged water in any calendar year. The amount of water recovered during any calendar year shall not exceed the amount established for this permit pursuant to an annual recovery plan as specified in item 8 and approved by the State Engineer.

7. Additional Monitoring by Permittee:

If the permittee collects any data other than required by the terms of this permit, using approved analytical standard and methods; the results of these analyses or measurements shall be included in any reports, as specified in item 8, to the State Engineer.

8. Annual Report:

- A. The permittee must file with the State Engineer an annual report as required by NRS 534.280. The first annual report for calendar year 2004 shall be due no later than January 31, 2005. Each subsequent annual report will be no later than January 31 of each year. The annual report shall contain the following information:
1. Total recharge and recovery for each individual well for the calendar year;
 2. Total recharge and recovery for the entire project for the calendar year;
 3. Monitoring results analyzed and summarized for the calendar year;
 4. Hydrographs, which consists of data for the recharge/recovery period since inception of the recharge/recovery project, provided on graphs of adequate size, 8.5" X 11.0" minimum; and copies of all laboratory reports for the required analyses, arranged in chronological order, for each individual well or a statement that the laboratory reports are available to the Division of Water Resources upon request.
 5. A recovery plan for the anticipated amount of water to be recovered during the next calendar year.
 6. Water level projections in areas where recovery is anticipated to occur during the next calendar year.
9. The State Engineer shall levy and collect an annual fee from the permittee as prescribed in NRS 534.310.
10. The State Engineer reserves the right to change, modify or amend the terms and conditions of this permit based on just cause.

IN TESTIMONY WHEREOF, I HUGH RICCI, P.E., State Engineer of Nevada, have hereto set my hand and the seal of my office for approval of this permit.

This 11th day of May, A.D., 2004.


State Engineer

Attachment E

SOUTHERN NEVADA WATER AUTHORITY **Summary of Conservation Programs, Progress & Achievements**

INTRODUCTION

Nevada's 300,000 acre-foot per year (AFY) Colorado River allocation supports more than 73 percent of Nevada's total population and 76 percent of the state's economic output, serving more than 2.2 million Southern Nevada residents and more than 40 million annual visitors.

The Southern Nevada Water Authority (SNWA) is Nevada's largest Colorado River contract holder. Since its formation in 1991, SNWA and its member agencies have worked diligently to maximize the availability of Colorado River water supplies and reduce overall water demands through aggressive water conservation programs and policies. When drought took hold in 2000, SNWA took quick and coordinated actions to implement policies and programs designed to improve water efficiency and reduce water use within the Southern Nevada region. Since then, SNWA has consistently invested in education, outreach and conservation incentive programs, and remains committed to continued conservation.

As described in the pages that follow, SNWA has invested more than:

- \$230 million in incentive programs to help the Southern Nevada community save water—from landscape conversion programs to rebates for implementation of new and reliable water saving technologies.
- \$34 million in labor for a dedicated water conservation team to support development, implementation and maintenance of SNWA conservation initiatives.
- \$50 million in education and outreach programs to inform, engage and activate the community's local conservation response, including compliance with mandatory landscape watering restrictions and promotion of customer incentive programs.

Nevada's Colorado River water consumption has decreased by more than 80,000 acre-feet or 26 percent since 2002, when water consumption peaked at more than 325,000 acre-feet. Estimated 2018 consumptive use of the state's allocation is 244,000 AFY, well below the lowest allocations contemplated under the 2007 Interim Guidelines and the proposed 2019 Lower Basin Drought Contingency Plan (DCP). SNWA's proactive and sustained conservation efforts have helped to avoid crisis in the Southern Nevada community. Likewise, these efforts have allowed SNWA to meet its commitments with interstate and federal partners to store water in Lake Mead and voluntarily leave water in Lake Mead to preserve critical operations and delay a federal declaration of shortage. Together, partners have bolstered Lake Mead storage by approximately 1.9 million acre-feet of water through Intentionally Created Surplus (ICS), as well as System Conservation and other initiatives that benefit the Colorado River system as a whole. These efforts have helped to reduce Lake Mead's water level decline by approximately 25 feet.

CURRENT PRIORITIES

Water conservation has far-reaching benefits to the community and the Colorado River system as a whole. Locally, water conservation has reduced the potential for near-term supply impacts associated with a federal shortage declaration. Conservation also allows SNWA to store or "bank" water for future use. This, in turn, provides SNWA with added flexibility in responding to drought conditions and in meeting future demands. As part of its adaptive management strategy, SNWA has stored more than 1.8 million acre-feet of water as of 2018, nearly eight times the community's 2017 Colorado River consumptive use.

SNWA maintains agreements with agencies the states of Arizona and California and the U.S. Bureau of Reclamation for off stream water banking, and also can bank water locally through the Southern Nevada Water Bank. Under

existing agreements, SNWA has the capacity to bank more than 200,000 acre-feet of water annually. With continued emphasis on water conservation, SNWA anticipates banking its conserved Colorado River resources, either under existing agreements or through new ICS accounting as proposed under the DCP. The latter is preferred to help proactively manage reservoir elevations by increasing water storage in Lake Mead.

The following provides a summary of water management, incentive and education/outreach programs being implemented by SNWA to sustain and grow water conservation savings in Southern Nevada.

SNWA WATER MANAGEMENT PRACTICES

SNWA and its member agencies recognized that an immediate and actionable community response was necessary as Colorado River drought conditions became increasingly severe in 2002. This set the stage for development of the SNWA Drought Plan, which was approved by the SNWA Board of Directors in February 2003 and implemented thereafter by SNWA's member agencies. In 2009, SNWA and its member agencies permanently adopted major demand reduction measures identified in SNWA's Drought Plan and detailed in Figure 1.1.

Figure 1.1 Southern Nevada Development Codes and Policies

Landscape Watering Restrictions	All jurisdictions implement assigned watering groups that limit watering to one day/week in winter, three days/week in spring and fall, and six days/week in summer. Spray irrigation is prohibited from 11 a.m. to 7 p.m. from May 1 – August 30. Sunday spray irrigation is prohibited year-round.
Vehicle Washing Restrictions	A positive shutoff nozzle is required for residential vehicle washing. Commercial vehicle washing is prohibited unless water is captured to the sanitary sewer, where it can be treated and reused.
Turf Provisions	Turf installation is prohibited in new residential front yards and is limited to a maximum of 50 percent of the landscape area in backyards. The use of turf is prohibited in new non-residential development excepting schools and parks.
Mist Systems	Commercial use of mist systems prohibited except from May – August from 12 p.m. to 12 a.m.
Golf Course Water Budgets	Golf Courses are subject to mandatory water budgets that allow 6.3 acre-feet of water per annually per irrigated acre. New courses are limited to 45 acres per 18-hole course, plus five acres for a driving range.
Fountains and Ornamental Water Features	The development and use of water features is restricted in all jurisdictions.
Prohibitions on Water Waste	– Allowing water to spray or flow off a property. – Watering outside of assigned day(s). – Failure to comply with landscape codes and service restrictions. – Using sprinklers from 11 a.m. to 7 p.m. between May 1 and August 31. – Failure to repair a malfunctioning irrigation system or supply line within 48 hours. – Failure to discharge swimming-pool/spa drainage water into a public sanitary sewer, if available.

Today, the development codes and policies implemented in Southern Nevada are among the most stringent in the U.S. Other water management practices designed to conserve Southern Nevada's limited Colorado River water supply are described below.

Universal Metering. SNWA member agencies meter all customer connections for all classes of water and participate in ongoing meter repair and replacement activities. Small meters are subject to a planned replacement program based upon life expectancy. Meters are read monthly and customer meters are monitored for consumption

anomalies – such as spikes in consumption due to leaks. This information is used to notify customers of unusual account activity. SNWA's larger purveyors (Las Vegas Valley Water District, Henderson, North Las Vegas) have implemented automated meter reading systems (AMR) that provides higher resolution data for research and analysis.

Incentive Pricing and Billing. SNWA water purveyors use an increasing block rate model. Since 2002, these agencies have increased water rates, including compressing tier thresholds and significantly increasing upper tier customer water rates. These changes relate to both variable and fixed charges to incentivize water conservation and fund necessary system improvements. These pricing signals contribute to the organization's sustainability and conservation.

Water Budgets. All golf courses in SNWA's service area are on an approved water budget and surcharges are applied to courses that uses more than their budgeted amount.

Water Waste Enforcement. SNWA water purveyors implement water waste compliance. Upon observation of water waste, customers are provided with notice and allowed time to correct problems; citations and fees may be issued if water waste violations are not resolved within the prescribed timeframe, or for recurring violations.

Water Efficiency Standards. Each new remodel or replacement of plumbing fixtures in residential or commercial buildings must comply with local, state and federal standards for plumbing fixtures, including water-use standards for toilets, faucets, showerheads and urinals.

Water Loss Management and Prevention. SNWA and/or its member agencies minimize water loss within the regional and municipal water distributions systems through implementation of Uniform Design and Construction Standards; proactive replacement of older infrastructure; soil testing and mitigation to prevent pipeline corrosion; regular inspection of reservoirs; and leak detection infrastructure. SNWA has deployed several emerging technologies through collaborations with WaterStart to test the effectiveness of water loss management and prevention technology advancements.

Water Reuse. Nearly all water used indoors within the SNWA service area is recycled, either as direct or indirect reuse. Approximately 40 percent of water used in the SNWA service area results in highly-treated wastewater. Of that 99 percent is treated and recycled for water reuse. In 2017, SNWA adopted a policy to address water use outside the Las Vegas Valley. Among other things, the policy prioritizes the return of treated wastewater to Lake Mead for return-flow credits, and implementation of reuse to achieve full beneficial use of SNWA water resources if returning treated wastewater to Lake Mead is not feasible. There are few communities in the nation that implement water reuse as aggressively or effectively as the Southern Nevada community.

Program Enhancements. SNWA and its member agencies are working to implement several enhancements to existing water management measures. These include increased compliance of time-of-day and day-of-week watering restrictions, compliance outreach, increased water waste enforcement and use of new technology to report observed water waste; expanded water loss programs through the deployment of emerging technologies; new reuse development policies (Out-of-Valley Reuse Policy, adopted in 2017) and proposed implementation of increased water efficiency standards for new development. For the latter, SNWA is working with its member agencies and local authorities to review codes and/or regulations for improving water efficiency plumbing requirements by 2020.

SNWA INCENTIVE PROGRAMS

As described below, SNWA has made significant financial investments in its customer incentive programs, with more than \$230 million in rebates paid since 2000. Incentive programs are administered by the SNWA Conservation

Division within SNWA's Water Resources Department. The division is led by a conservation manager and supported by a team of knowledgeable conservation and program experts. The division has grown over the years and currently consists of 18 full-time employees as of 2018. SNWA has invested more than \$34 million in labor for its dedicated water conservation team to support development, implementation and maintenance of SNWA conservation initiatives since 1999.

Water Smart Landscape Rebate Program. This program provides a financial incentive for residential and commercial customers in SNWA's service area to replace grass with water-efficient landscaping. Increased in 2018, the current rebate amount is \$3.00 per square foot of grass removed and replaced with desert landscaping, up to 10,000 square feet, and \$1.50 per square foot thereafter. The maximum annual award for any property is \$500,000. To sustain results, participants must grant a conservation easement that ensures the project will be sustained in perpetuity. Since program inception, more than 62,000 conversions have been completed, resulting in the compensated removal of nearly 190 million square feet of turf. Additional uncompensated turf removal has occurred throughout the valley as well, attributable in part to increased enforcement, pricing, and awareness of water conservation.

Water Efficient Technologies. This program offers a financial incentive for commercial and multi-family property owners to install water-efficient devices. Consumptive-use technologies earn a one-time payment of \$45 per 1,000 gallons conserved annually or up to 50 percent of the product purchase price, whichever is less. Non-consumptive use technologies earn a one-time payment of \$15 per 1,000 gallons conserved annually or up to 50 percent of the product purchase price, whichever is less. Businesses can work directly with SNWA to implement custom technology that meets their needs or select pre-approved water saving technologies with predictable savings and a defined monetary incentive for technology improvements. More than 300 WET projects have been completed since program inception.

Coupon Programs. SNWA offers a variety of instant coupons and rebates for single-family, residential property owners. The programs contribute to water use reductions within the community and offer customers easy access to water efficiency tools while minimizing SNWA's program time and management costs. These include:

- Water Smart Car Wash Coupons. As of 2018, coupons are available from 17 partners for use at 39 valley-wide locations. SNWA's Water Smart Car Wash partners recycle water used on-site or send it to a water treatment facility, where water is treated and returned to Lake Mead for reuse.
- Smart Irrigation Controller Rebates. As of 2018, rebates are available for the purchase of 25 qualifying products. Smart controllers can improve water efficiency by helping homeowners automatically adjust their watering schedule according to weather and plant demands. Customers can save up to \$100 or 50 percent off the price of a smart controller, whichever is less. For commercial properties and HOAs, SNWA's rebate pays up to \$40 per valve or 50 percent off the product costs for smart controllers.
- Pool Cover Rebates. This rebate pays up to \$50 for the purchase of a temporary pool cover or 50 percent off the purchase price, whichever is less. For permanent, mechanical pool covers, SNWA pays up to \$200 or 50 percent off the purchase price, whichever is less. Pool covers conserve nearly 10,000 gallons per household annually.

Program Enhancements. SNWA and its member agencies are working to implement several enhancements to existing incentive programs that target consumptive water uses. Program changes include increased incentive amounts under SNWA's Water Smart Landscapes and Water Efficient Technologies programs, with focus on athletic field/park conversions, replacement of cool season grasses and targeted median/streetscape turf removal. Other changes include new rebates for leak detection technology and water audits/site appraisals to high water users.

SNWA PUBLIC EDUCATION AND OUTREACH

In addition to its water management and incentive programs, SNWA continues to maintain a robust education and public outreach program. Between 1999 and 2018, SNWA invested more than \$50 million to inform, engage and activate the community's water conservation response.

Education and outreach activities include advertising, publications and media distributed through a comprehensive campaign of television, print and radio ads. SNWA also has a bicultural outreach campaign specifically for Southern Nevada's Spanish-speaking audience. Key messages are designed to educate the community on the value of water, need for conservation, and specific incentive programs. Other outreach efforts include the development and maintenance of an interactive website (snwa.com); publications, including the landscape watering schedule and other publications; instructional and multimedia videos; and WaterWays, a monthly television program that airs daily on local government cable channels. The latter includes information on current water supply conditions and water conservation topics. SNWA also has an active online presence, engaging customers through Facebook, Twitter and other social media platforms. Other education and outreach efforts include:

WaterSmart Innovations. SNWA hosts this international peer-to-peer conference that allows attendees to obtain the most current information in water efficiency concepts in urban environments, as well as water conservation education. Since its inception in 2008, the program has featured more than 1,000 professional sessions, panel discussions, and pre-conference workshops and has hosted approximately 8,300 attendees and 550 exhibitors.

School Grants. The Water Conservation Education Grant Program is a partnership with educational organizations in the SNW A service area that encourages resource stewardship.

Youth Education. The SNWA youth education program provides training and materials to teachers, so they can help students learn about our region's unique water resource issues.

Single-Family Indoor Retrofits. Indoor water audit & retrofit kits include WaterSense labeled items that exceed local, state and national water efficiency standards. Customers can request a kit that includes: a flow test bag, toilet leak dye tablets, one shower head, two bathroom sink aerators, and one kitchen faucet aerator.

Conservation Helpline. The Conservation Helpline (258-SAVE) serves as a point-of-contact for residents interested in available incentive programs and provides various literature items upon request.

Other. Public educational and outreach activities focus on SNWA's incentive programs and may include: technical classes, speaking engagements, and community events.

Demonstration Gardens. The SNWA promotes the Springs Preserve's demonstrative gardens, its water-efficient landscaping, and its classes by master gardeners and horticulturists. The SNWA also supports the development of smaller demonstration projects throughout the Las Vegas valley. Regular programming (that is free to the public) includes irrigation system maintenance and drip irrigation basics.

Program Enhancements. SNWA and its member agencies are working to implement several enhancements to its education and outreach programs. This includes targeted outreach to reengage customers that enrolled in WSL but did not complete a conversion; promoting WSL to customers with landscapes suitable for conversion; meeting with Home Owner Associations to promote WSL and benefits; community wide notifications for changes in watering schedules; issuing watering schedule reminders to customers based on meter usage data; sending watering schedule reminders to all customers seasonally; promoting SNWA's pool cover rebate to existing pool owners and offering water audits to high water users to promote conservation and program enrollments.

SNWA COMMUNITY PARTNERSHIPS

Water Smart Home. Developed by SNWA and the Southern Nevada Home Builders Association, the Water Smart Home (WSH) program promotes water efficiency, requiring homes built through the program to include water-smart landscaping and water-efficient appliances.

Homes built in the WSH program adhere to stringent water use efficiency requirements. WSH builders must utilize high-efficiency toilets, dishwashers and washing machines, efficient faucets and showerheads, and install water-efficient landscaping, low volume irrigation and efficient hot water delivery systems. Water Smart Homes use approximately 49 percent less water than homes built between 1990 and 2003.

Water Smart Contractor. SNWA offers a Water Smart Contractor program. Companies participating in the program ensure their staff members are trained in water-efficiency practices through free, SNWA-sponsored workshops. In turn, SNWA features these companies in its Find a Landscaper application.

Contractors must complete at least eight hours of SNWA water-efficiency training, comply with business standards, maintain good standing with the Nevada State Contractors Board, and be licensed and insured. Training provided includes a detailed overview of SNWA programs, xeric principles, efficient irrigation design and scheduling. Annual refresher training is required.

Water Conservation Coalition. This public-private partnership was formed by community leaders to help increase water-efficient practices within the Southern Nevada business community and to promote community-wide water conservation. Through initiatives such as its speakers bureau, Business-to-Business Challenge and various public projects, the Coalition works closely with the SNWA to identify areas of conservation that are most beneficial to local businesses and the community's overall water conservation goal.

Water Upon Request. SNWA, Water Conservation Coalition and Nevada Restaurant Association have partnered to create the Water Upon Request program for restaurants, which agree to serve water only when patrons request it. Every glass of water not served saves 1.5 to 3 gallons of water.

WaterStart. SNWA is a WaterStart partner. Formerly known as the Nevada Center for Excellence, WaterStart formed in 2013 as a partnership between public and private sectors to foster economic growth in the water industry. As part of this collaboration, SNWA has participated in several pilot projects designed to improve leak monitoring and notification, pressure surge monitoring and flow meter/pump flow efficiency. After successful testing, new technologies have been adopted/deployed within SNWA service area and/or within member agency distribution systems.

WATER SAVINGS

Figure 1.2 summarizes SNWA's water conservation program achievements and associated estimated water savings resulting from the water management, incentive and education/outreach programs described in this narrative and implemented since the Colorado River first began experiencing drought conditions.

Figure 1.2: SNWA Conservation Program Summary 1999 - Present

Year	Year Implemented	Projects Completed	Annual Savings (Gallons)	Cumulative Savings (Gallons)	Annual Savings (AF)	Cumulative Savings (AF)	Dollars Rebated
Water Smart Landscapes	1999 – Present	60,643 (186,448,804 square-feet)	10,403,843,291	118,961,421,709	31,928	365,079	\$218,331,099
Water Efficient Technologies	2001 – Present	307	1,546,625,771	14,033,162,855	4,746	43,066	\$ 4,181,981
Pool Cover Rebate	2005 – Present	43,890	523,623,250	4,596,781,000	1,607	14,107	\$2,365,481
Smart Controller Program	2006 - Present	2,870	26,236,420	70,047,940	80	214	\$1,084,889
Pricing, Education, Regulatory Measures and Compliance	2003 - Present	N/A	Unquantifiable	N/A	Unquantifiable	N/A	N/A

Further description of the calculation methods for this table are summarized below:

Projects Completed. SNWA tracks the number of projects completed for all incentive programs by program type. The “Projects Completed” figure reflects actual projects completed by participants by program type since that program’s implementation date. For the Water Smart Landscapes Program, SNWA also tracks the total amount of turf converted under the program.

Dollars Rebated. SNWA tracks incentive dollars expended for all incentive programs by program type. The “Dollars Rebated” reflects actual dollars rebated to participants by program type since that program’s implementation date. Dollars rebated do not include other SNWA costs, including the cost of program labor, materials, promotion costs, etc.

Water Smart Landscapes Annual/Cumulative Water Savings. The average water savings derived from converting turf to water efficient landscaping is 55.8 gallons per square foot of turf converted. This figure is based on SNWA’s 2005 Xeriscape Conversion Study, as well as subsequent post-conversion analysis.

As of this compilation, 186,448,804 square feet of turf has been converted under SNWA’s Water Smart Landscapes Program. This figure is multiplied by 55.8 gallons for an annual water savings of 10,403,843,263 gallons. The slight difference between this amount and the amount presented in Figure 1.2 is primarily due to rounding. Cumulative savings in gallons are calculated by adding the annual savings for each year since program inception.

Annual and cumulative water savings in gallons are divided by 325,851, respectively, to determine the annual and cumulative water savings in acre feet.

Water Efficient Technologies Annual/Cumulative Water Savings. Water savings under the SNWA’s Water Efficient Technologies (WET) program are calculated on a per project basis. Water savings calculations for Performance Track (custom or complex solutions) are based on metered savings; a comparative analysis of post water use; and/or comparative analyses relative to a scientific control.

Water savings calculations for the Menu Track projects (Figure 1.3 below) is based on the known water savings value of the menu items installed multiplied by a scaling factor such as units installed, tonnage of cooling capacity, etc.

Figure 1.3: WET Menu Track

Performance Track Item	Water Savings	Rebate Amount
Artificial Turf	73 gallons per square foot for retrofit from grass to this surface.	Rebated at \$3.30 per square foot.
Conveyor or Flight-Line Dishwasher	725,000 gallons per upgrade to a conveyor type from a stationary rack machine.	Rebated at \$10,875 per appliance.
Advanced Cooling Tower Controller	7,400 gallons per ton capacity.	Rebated at \$150 per ton.
Cooling Tower Drift Reduction Retrofit	500 gallons per ton capacity.	Rebated at \$22.50 per ton.
Upgrade Existing Conveyor or Flight-line Dishwasher to Energy Star Model	102,000 gallons per upgrade.	Rebated at \$1525 per appliance.
High-Efficiency Toilets	1727 gallons per toilet.	\$50 per toilet.
High Efficiency Urinals	22,500 gallons per urinal.	\$325 per retrofit urinal.
Energy Star Ice Makers	450 gallons per pound per day capacity.	\$6.75 per retrofit pound per day capacity.
High Efficiency Laundromat Washing Machine	37,000 gallons per machine.	\$550 per retrofit machine.
Multi-family Washing Machine (shared machines)	21,000 gallons per machine.	\$325 per retrofit machine.
Lower than Code Showerheads	7280 gallons per gpm reduction per overnight stay room.	\$5.00 per gpm per room for retrofit or \$2.50 per gpm per room on new installation.
Steamers	84,000 gallons per compartment or per pan.	\$425 per compartment/pan.
Tunnel Washer	0.5 gallons per lbs. processed per year.	\$0.007 per annual lb. processed.
Converting Evaporative Building Air-conditioning to Conventional A/C	21,000 gallons per ton capacity.	\$950 per ton replaced.
Waterless Urinal	45,000 gallons per urinal.	\$325 per retrofit urinal.

Cumulative savings in gallons for the Water Efficient Technologies program are calculated by adding the annual savings for each year since program inception.

Annual and cumulative water savings in gallons are divided by 325,851, respectively, to determine the annual and cumulative water savings in acre feet.

Pool Cover Rebate Annual/Cumulative Water Savings. SNWA estimates an average size swimming pool cover saves 9,500 gallons per year with typical use patterns. This figure is based on SNWA's Pool Evaporation Assessment Study, completed in 2015, which quantified pool water evaporation. The study also provided observational information on how often a pool cover is utilized.

Annual program savings in gallons is calculated at the time of the incentive award based on the number of participants during that program year times estimated per pool water savings. Cumulative savings in gallons is calculated by adding the annual savings for each year since program inception.

Annual and cumulative water savings in gallons are divided by 325,851, respectively, to determine the annual and cumulative water savings in acre feet.

Smart Controller Program Annual/Cumulative Water Savings. SNWA estimates an average Smart Controller saves 9,710 gallons of water annually. This figure is based on an analysis of single-family residential participant water savings. As of 2019, there has not been sufficient non-SFR throughput and post installation time to develop a savings number for other sectors. However, “Projects Completed” and “Dollars Rebated” refer to totals for both the residential coupons and the non-SFR smart controller program for the other sectors since those figures are known and tracked.

Annual program savings in gallons is calculated at the time of the incentive award based on the number of participants during that program year times estimated water savings. Cumulative savings in gallons is calculated by adding the annual savings for each year since program inception.

Annual and cumulative water savings in gallons are divided by 325,851, respectively, to determine the annual and cumulative water savings in acre feet.

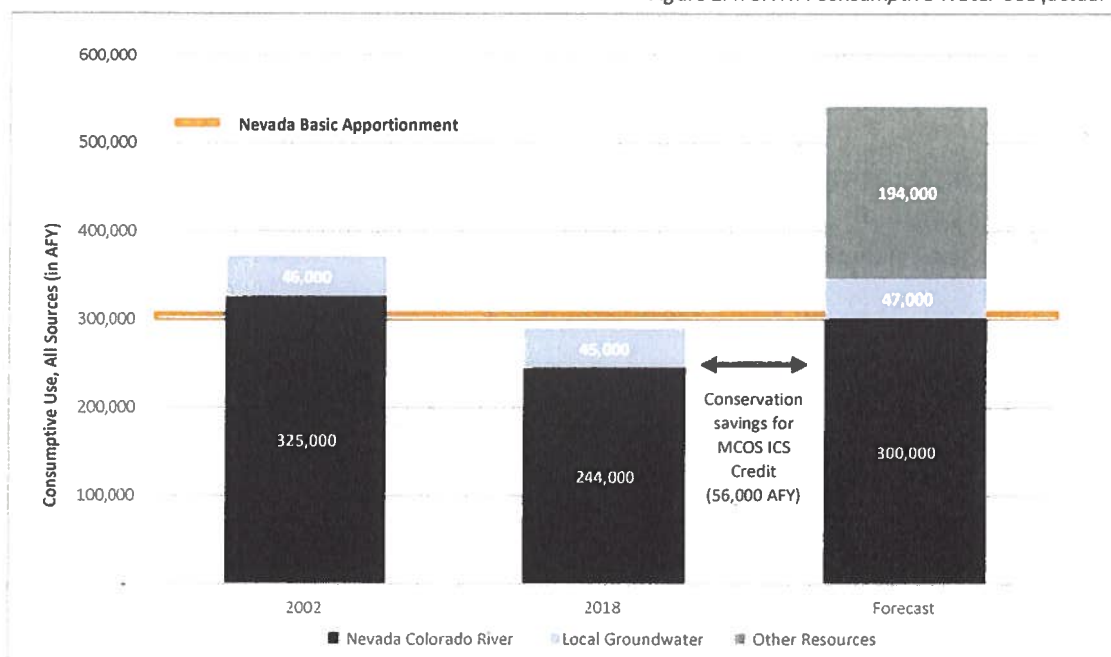
Pricing, Education, Regulatory and Compliance Measures. Water savings for conservation policy, pricing, education, and regulatory measures cannot be quantified in the same manner as SNWA incentive programs. This is due to the interrelated nature of these measures and their relationship with other established programs (For example, increased water rates also promote WSL enrollment and compliance with mandatory restrictions).

While these savings cannot be quantified, they are material to SNWA’s water conservation program and program achievements.

As shown in Figure 1.4, SNWA consumptive Colorado River water use was 325,000 AFY in 2002. With the increasing severity of Colorado River drought conditions, SNWA worked with its member agencies to develop and implemented an aggressive campaign of policy, pricing, incentive and education programs designed to reduce consumptive use of Colorado River supplies. Since then, SNWA has continued set, achieve and make progress towards increasingly aggressive water conservation goals – adjusting water rates, policies, incentive programs and outreach strategies to maintain and enhance community water savings.

Had SNWA maintained 2002 per capita consumptive water use levels, consumptive Colorado River water use in 2018 would have been approximately 300,000 AFY with 541,000 AFY consumptive use overall. SNWA water demands were on an increasing trajectory and Colorado River water savings are the result of extensive and sustained conservation response efforts.

Figure 1.4: SNWA Consumptive Water Use (actual and forecast)



Attachment F

SOUTHERN NEVADA WATER AUTHORITY INPUTS TO EXTRAORDINARY CONSERVATION INTENTIONALLY CREATED SURPLUS (EC ICS) USING MUNICIPAL CONSERVATION AND OFFSTREAM STORAGE CALCULATIONS

NET PER CAPITA CONSUMPTIVE USE:

SNWA net per capita consumptive use (NPCCU) is calculated by totaling all current year SNWA sources and consumptive uses of water (including Colorado River water, Las Vegas Valley well production, and other imported water). That sum is divided by SNWA's current year service area population.

$$\text{NPCUU} = (\text{SNWA Colorado River consumptive use} + \text{Las Vegas Valley well production} + \text{imported water}) / \text{SNWA service area population.}$$

SNWA COLORADO RIVER CONSUMPTIVE USE:

SNWA Colorado River consumptive use was estimated by subtracting SNWA return-flow credits from SNWA Colorado River diversions. SNWA Colorado River consumptive use excludes water delivered for offstream storage.

Diversion and return-flow credit volumes for this calculation are based upon information reported in the Colorado River Accounting and Water Use Report: Arizona, California and Nevada compiled by the Bureau of Reclamation's Lower Colorado Region (Colorado River Water Use Report). SNWA diversions include the following: Robert B. Griffith Water Project, City of Henderson, City of Boulder City, Big Bend Water District, Southern Nevada Water Authority and Big Bend Conservation Area. SNWA Colorado River return-flow credits in this calculation include reported measured returns for Big Bend Water District and Las Vegas Wash return flow. Las Vegas Wash return flow was included, since the SNWA member agencies are the principal dischargers to the Las Vegas Wash.

LAS VEGAS VALLEY WELL PRODUCTION:

Las Vegas Valley well production figures are based on reports prepared by the Las Vegas Valley Water District and City of North Las Vegas. These reports reflect Las Vegas Valley well production, including pumping of groundwater rights and artificial recharge recovery (offstream storage). The reports are submitted annually to the Nevada Division of Water Resources and Nevada Division of Environmental Protection in compliance with their Underground Injection Control Permits.

IMPORTED WATER:

SNWA does not currently have imported water supplies. Calculations of imported water will be based on applicable reports.

SNWA SERVICE AREA POPULATION:

SNWA's service area population is estimated annually. Clark County's Comprehensive Planning Department prepares the estimate of Clark County's population each year through a collaborative process involving the local municipalities. Estimates are approved annually by the Southern Nevada Regional Planning Coalition. The Clark County population estimate includes a GIS layer with population by location. SNWA determines the population residing within its service area as defined by the geographic boundary of its member agency service areas by subtracting Clark County population located outside those service areas, as well as populations served by private wells.

SNWA Population = Clark County Population Estimate - Population Outside SNWA Member Agency Geographic Boundary - Population Served by Private Wells

2017 Example: 2,248,390 – 51,808 – 18,975 = 2,177,607

Figure 1.1: SNWA NPCUU 2002 and 2017 (in acre-feet)

Source	2002	2017
SNWA Colorado River Consumptive Use	312,484	234,411
Well Production	46,804	43,105
Imported Water	N/A	N/A
SNWA Net Consumptive Use	359,288	277,516
SNWA Population	1,517,885	2,177,607
NPCCU	0.2367030	0.1274408

Municipal Conservation and Offstream Storage (MCOS) PROJECT SAMPLE CALCULATION FOR 2017:

Using the information described above, a sample calculation for 2017 can be calculated by first multiplying the NPCCU numbers shown for 2002 and 2017 in Figure 1.1 by the 2017 population (2,177,607) to compute the net consumptive use for each year. Next, an initial MCOS volume for 2017 can be computed as the difference between the 2017 and 2002 net consumptive use. As described in ICS Exhibit W, the MCOS volume created in any year cannot exceed the difference in Nevada's consumptive use and their allocation, which in 2017 was 56,575 af. For this 2017 sample calculation, the initial MCOS volume is 237,930 af, which would have exceeded the maximum allowable EC ICS through MCOS limitation in 2017. Therefore, the EC ICS through MCOS created in 2017 would have been 56,575 af.

Figure 1.2 provides an example of the MCOS calculation based on the formula provided in Exhibit A for the year 2017.

Figure 1.2: SNWA Net Consumptive Use (All Sources)

Source	2002	2017	Conservation
NPCCU	0.2367030	0.1274408	
SNWA Population (2017)	2,177,607	2,177,607	
Net Consumptive Use	515,446	277,516	
Total Conservation from MCOS	--	--	237,930
Nevada Consumptive Use	--	243,425	
Nevada Allocation	--	300,000	
Maximum Allowable EC ICS for 2017	--	--	56,575
Creation of EC ICS in 2017	--	--	56,575

Exhibit C

1. The Extraordinary Conservation (EC) Certification Report that describes the actual amount of conservation achieved through EC activities, including any conservation created through activities documented in SNWA's approved EC ICS Exhibits, and the quantity of conservation applied to this SCIA, will be attached once reviewed and verified by Reclamation.

SOUTHERN NEVADA WATER AUTHORITY
BOARD OF DIRECTORS
AGENDA ITEM

August 20, 2026

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 acquisitions 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.