INTERLOCAL AGREEMENT

Wastewater Service and Industrial Pretreatment

THIS INTERLOCAL AGREEMENT ("Agreement") is entered into by and between _____, a _____ ("Treating Jurisdiction") and _____, a _____ ("Host Jurisdiction"), (individually, a "Party" and collectively, the "Parties").

RECITALS

A. NRS 277.180 provides that one or more public agencies may enter into agreements with other public agencies for the performance of any governmental service, activity, or undertaking that the agency is authorized by law to perform; and

B. The Treating Jurisdiction and Host Jurisdiction each own, operate, and maintain a publicly owned "treatment works" (as the term is defined by 33 USC § 1292(2), as amended) ("POTW") for the collection and treatment of wastewater discharged by customers within their respective jurisdictions; and

C. The Host Jurisdiction's POTW is not as accessible as the Treating Jurisdiction's POTW to provide up to a maximum of ___ (___) equivalent residential units (ERU) of wastewater service to the parcel(s) currently known as Clark County Assessor's Parcel Number(s) ("APN(s)") _____, as shown on the attached Exhibit 1, ("Service Area"), which Service Area is within the service territory of the Host Jurisdiction and outside the service territory of the Treating Jurisdiction; and

D. The Treating Jurisdiction provides wastewater service to its customers pursuant to policies, procedures, resolutions, ordinances, service rules, design and construction standards, Treating Jurisdiction Pretreatment Rules (defined below), and/or wastewater service charges, surcharges, rates, fees and non-refundable connection fees, as any of the foregoing are amended (the "Treating Jurisdiction Service Rules"); and

E. The Host Jurisdiction provides wastewater service to its customers pursuant to policies, procedures, resolutions, ordinances, service rules, design and construction standards, Host Jurisdiction Pretreatment Rules (defined below), and wastewater service

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charges, surcharges, rates, fees and non-refundable connection fees, as any of the foregoing are amended (the "Host Jurisdiction Service Rules") and, collectively with the Treating Jurisdiction Service Rules, the ("Service Rules"); and

F. The Federal Clean Water Act (33 U.S.C. §1251 et seq.) and the regulations promulgated thereunder (40 CFR Part 403), as either is amended, ("Federal Pretreatment Regulations") and/or the National Pollutant Discharge Elimination System ("NPDES") permit(s) issued by the Nevada Division of Environmental Protection, Bureau of Water Pollution Control to the Treating Jurisdiction and to the Host Jurisdiction, as such permits are amended, require the Parties to each implement and enforce a pretreatment program to regulate and control wastewater discharges from industrial sources, users, and facilities that discharge to their respective POTW ("Pretreatment Program"); and

G. The Treating Jurisdiction has implemented its Pretreatment Program by enacting and/or implementing resolutions, ordinances, an enforcement response plan, and/or service rules, as any of the foregoing are amended ("Treating Jurisdiction Pretreatment Rules"); and

H. The Host Jurisdiction has implemented its Pretreatment Program by enacting and/or implementing resolutions, ordinances, an enforcement response plan, and/or service rules, as any of the foregoing are amended ("Host Jurisdiction Pretreatment Rules") and, collectively with the Treating Jurisdiction Pretreatment Rules, the ("Pretreatment Rules"); and

I. The wastewater of "industrial users" and "significant industrial users," as those terms are defined under the Treating Jurisdiction Pretreatment Rules and interpreted by the Treating Jurisdiction (collectively, "Industrial Users"), is potentially among the wastewater to be discharged into the Treating Jurisdiction's POTW and then treated by the Treating Jurisdiction; and

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J. The Parties desire to enter into an agreement for the discharge of wastewater into the Treating Jurisdiction's POTW from dischargers and Industrial Users, if any, within the Service Area.

NOW THEREFORE, in consideration of the above recitals and the mutual covenants and conditions hereinafter set forth, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties agree as follows:

TERMS

1. **Incorporation of Recitals**. The recitals set forth above are hereby incorporated herein by this reference as terms to this Agreement.

2. **Term**. This Agreement is effective on the date last approved by a Party through its Council/Board's action (the "Effective Date") and shall terminate in its entirety in accordance with one of the subsections below. Upon the termination of this Agreement, the Treating Jurisdiction preserves and does not waive its right to pursue collection of any outstanding amounts, or enforce any outstanding obligations, owed by the customer or the Host Jurisdiction under the terms of this Agreement as of the date of the termination of this Agreement.

(a) This Agreement will terminate fifty (50) years after the Effective Date.

(b) This Agreement will terminate (1) after Host Jurisdiction wastewater service becomes available to the Service Area, (2) the Host Jurisdiction requires all customers in the Service Area to connect to the Host Jurisdiction's POTW, (3) either Party has provided at least 30 days' prior written notice to the other of such termination, (4) all facilities have been constructed to enable all customers in the Service Area to receive wastewater service from the Host Jurisdiction's POTW (such as service connections and any pumping/lifting facilities), and (5) the Treating Jurisdiction (within 10 business days of Host Jurisdiction's request) disconnects its wastewater facilities from and ceases to provide wastewater service to all customers in the Service Area. "Available" is defined to mean a Host Jurisdiction wastewater main that has capacity to handle all customer

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discharge(s) from the Service Area, and that main is located within 400 feet of the Service Area.

(c) Either Party may unilaterally terminate this Agreement in good faith, as to any customer within the Service Area, by providing 36 months' prior written notice to the other Party, the record owner(s) of the real property in the Service Area for which service is being terminated, and the customer(s) of record in the Service Area for which service is being terminated, and identifying in such notice the date that termination is effective and the real property that will no longer be part of the Service Area ("Individual Termination Notice"). If a Party unilaterally terminates this Agreement as to such a customer(s) and real property under this subsection, the Parties' rights and obligations under this Agreement as to that customer(s) and real property shall terminate upon the effective date of the termination, at which time, the Treating Jurisdiction shall have no obligation to provide wastewater service to that customer(s) and real property after the termination is effective, the Host Jurisdiction shall have no obligation to provide wastewater service to that customer(s) and real property except as required by then-applicable law, and the Parties agree to amend Exhibit 1 to remove the real property from the Service Area. If the record owner(s) of the subject real property request wastewater service from the Host Jurisdiction, such record owner(s) shall apply for that service with the Host Jurisdiction in accordance with the Host Jurisdiction Service Rules in effect at the time of the application(s). Should this Agreement be terminated as to all customers of record and real property within the Service Area, this Agreement shall automatically be deemed terminated in its entirety, and such Agreement termination shall be deemed effective as of the termination date identified in the last Individual Termination Notice provided in accordance with the first sentence of this subsection (c), and the Parties are not required to take any action to effect Agreement termination.

(d) If all of the real property in the Service Area becomes part of the service territory of the Treating Jurisdiction through annexation, this Agreement will automatically

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terminate on the date such annexation becomes effective. The Parties are not required to take any action to effect that termination. If a portion, but not all of, the real property in the Service Area is annexed into the Treating Jurisdiction's service area, the Parties agree the annexed property shall no longer be part of the Service Area on the date such annexation becomes effective and that the Parties will amend Exhibit 1 accordingly.

3. **Confidentiality**. The Parties acknowledge that each shall have the responsibility of complying with the requirements that are set forth in the Treating Jurisdiction Pretreatment Rules, the Parties' Pretreatment Programs, and 40 CFR 403.14, as amended, with respect to the confidentiality of the information and data that each obtains from a customer within the Service Area, subject to any limitations required by applicable law, including but not limited to NRS 239.010, as amended.

4. **Notices**.

(a) Any notice required by this Agreement shall be (1) in writing, (2) delivered by hand-delivery, by email (provided the sending Party does not receive an out-of-office or undeliverable response and delivers an original of the same personally or by a recognized national courier within twenty-four (24) hours after the email transmission), by a recognized national courier, by facsimile (provided the sending Party receives confirmation of successful delivery), or by certified mail (postage prepaid, return receipt requested), and (3) addressed to the other Party at the address set forth below:

FOR HOST JURISDICTION:
(One (1) copy to each, sent simultaneously)

Attention: _____

_____

_____

_____

FOR TREATING JURISDICTION:

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(One (1) copy to each, sent simultaneously)

Attention:_____

_____

_____

_____

(b) Such required notice shall be deemed to have been received by the Party to whom it was addressed, if properly delivered in accordance with subsection (a): (1) when delivered, if hand-delivered; (2) on the date the Party sends the email; (3) on the date officially recorded as delivered according to the record of delivery, if delivered by a recognized national courier; (4) on the first business day after the sending Party receives confirmation of successful delivery of the facsimile; or (5) on the third business day, if mailed by certified mail.

(c) A Party may change its contact information for purposes of this Agreement by giving written notice to the other Party in the manner set forth above.

5. **Provision of Wastewater Service**. The Treating Jurisdiction, at its established charges and rates, as amended, and in accordance with and subject to the Treating Jurisdiction Service Rules, shall allow customers within the Service Area to connect directly to the Treating Jurisdiction's POTW to receive a total of up to ___ (___) ERU of wastewater service from the Treating Jurisdiction, provided each such customer follows the requirements in the Treating Jurisdiction Service Rules and complies with all other applicable laws, statutes, ordinances, and regulations for the provision of wastewater service to the customer, as any of the foregoing are amended. Each customer within the Service Area shall be deemed a customer of the Treating Jurisdiction as to the wastewater service being provided by the Treating Jurisdiction and is thereby bound by and subject to all Treating Jurisdiction Service Rules, including the Treating Jurisdiction Pretreatment Rules.

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6. **POTW Capacity**. Should the capacity of the Treating Jurisdiction's POTW (or just the wastewater facilities used to provide wastewater service to the Service Area) be reached during the term of this Agreement or if more than ___ (___) ERU of wastewater service is requested for the Service Area at the designated point of connection, the Treating Jurisdiction may refuse to allow any new connections within the Service Area to the Treating Jurisdiction's POTW. The Treating Jurisdiction may terminate service to one or more properties or customers in the Service Area if the Treating Jurisdiction exceeds its capacity because such property or customer within the Service Area fails, after 30 days' written notice, to maintain discharges at or below the capacity that was allocated to that property and/or customer(s) in the Service Area upon the initial application for wastewater service to that property and/or customer(s), as such capacity allocation was amended with the Treating Jurisdiction's written approval.

7. **Provision of Wastewater Service to Industrial Users**. Subject to an Industrial User's compliance with the Treating Jurisdiction Service Rules, including the Treating Jurisdiction Pretreatment Rules, and all rights-of-way and easements being granted and conveyed to the Treating Jurisdiction for all Treating Jurisdiction's wastewater facilities, the Treating Jurisdiction agrees to receive and treat wastewater discharged by Industrial Users from within the Service Area to the Treating Jurisdiction's POTW. The Treating Jurisdiction is not obligated to receive and treat non-domestic wastewater and may require an Industrial User to only discharge domestic wastewater to the Treating Jurisdiction's POTW. Nothing contained herein, by itself, shall be in any way construed or relied upon to be an agreement by either the Host Jurisdiction or the Treating Jurisdiction to accept non-domestic wastewater from such an Industrial User, and both the Host Jurisdiction and Treating Jurisdiction reserve their right to accept or refuse to accept non-domestic wastewater from such an Industrial User. The Treating Jurisdiction shall regulate the discharge of non-domestic wastewater by each Industrial User in the Service Area through the Treating Jurisdiction Service Rules.

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8. **Clean Water Act and NPDES Permit Compliance**. The Parties agree to amend this Agreement as necessary to comply with the Federal Pretreatment Regulations and with the Treating Jurisdictions NPDES permit(s).

9. **Compliance with Applicable Pretreatment Laws, Rules, and Regulations**. The wastewater customers within the Service Area being served by the Treating Jurisdiction are required to comply with the Treating Jurisdiction Pretreatment Rules and all applicable Federal Pretreatment Regulations, whichever are more stringent. If the Treating Jurisdiction Pretreatment Rules fail to meet a minimum requirement contained in or is less stringent than the comparable provision in the Federal Pretreatment Regulations, then the provision in the Federal Pretreatment Regulations shall apply to such wastewater customers, control, and prevail.

10. **Determination and Permitting of Industrial Users**. The Treating Jurisdiction, in its sole and absolute discretion, may make the final determination as to whether a particular wastewater customer within the Service Area is a "significant industrial user" or an "industrial user" and whether a wastewater discharge permit will be required in connection with wastewater service to such a customer. If such a permit is required, the Treating Jurisdiction will make a reasonable effort to notify the Host Jurisdiction. The Host jurisdiction shall withhold, or cause the applicable approval authority to withhold, approval of any applicable building permit, business license, zoning change, or other requested approval or waiver for such a wastewater customer pending the issuance of any required wastewater discharge permit or a resolution of any outstanding pretreatment/wastewater discharge issue, condition, or other pending approval of/from Treating Jurisdiction.

11. **Inspection, Testing, and Monitoring.** The Treating Jurisdiction shall have the right to enter into the jurisdiction of the Host Jurisdiction to inspect any part of the Treating Jurisdiction's POTW, and (with reasonable prior notice to the Host Jurisdiction) to inspect any part of the Host Jurisdiction's POTW that serves the Service Area, and to

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monitor and/or sample the wastewater flowing therein, which rights shall include, but not be limited to, access to, across, on, and under the public streets, easements, and any public property within the Service Area. At the Treating Jurisdiction's written request, the Host Jurisdiction shall make all legal and administrative arrangements that may be necessary in order for the Treating Jurisdiction to enter upon private properties to perform the inspections, monitor and/or sample the wastewater, and access, review, and copy all pertinent compliance records located on the premises of the applicable wastewater customer in the Service Area.

12. **Records**. In connection with this Agreement, the Parties agree to provide each other access to, and upon request, copies of applicable industrial monitoring reports, including without limitation the compliance reports that are required by 40 CFR 403.12, self-monitoring reports, baseline reports, records of violations (and the actions taken with respect thereto), and all responses to any other monitoring or reporting requirement that is imposed by the regulations of the federal, state, and local governments. The Parties shall maintain such reports, records, and responses and any other relevant information for a period of at least three (3) years after the respective dates on which they were prepared and for such longer period as may be determined to be necessary during any unresolved litigation which involves the user and to which such reports, records, responses and information relate. Where possible, Host Jurisdiction will make a reasonable effort to share with Treating Jurisdiction information regarding any matter affecting the discharge of wastewater within the Service Area, including but not limited to, the use of real property and/or changes to business operations.

13. **Threatening Discharges**. Whenever, in the sole and exclusive judgment of the Treating Jurisdiction, a discharge to its POTW from the Service Area appears to constitute an immediate threat to the health and welfare of persons, a danger to the environment, or threatens to interfere with the operation or regulatory compliance of the Treating Jurisdiction's POTW, the Treating Jurisdiction may immediately initiate steps to

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identify the source of such discharge and to halt or prevent it. The Treating Jurisdiction may pursue any legal, administrative, or self-help remedy that may be legally available to it, including without limitation, injunctive relief against the Host Jurisdiction or any discharger and/or wastewater customer in the Service Area.

14. **Slug/Upset**. If a slug discharge or an upset (as such terms are defined in the Treating Jurisdiction Service Rules) occurs anywhere within the Service Area and that slug discharge or upset discharges, or is likely to discharge, into the Treating Jurisdiction's POTW, the wastewater treatment department/division of the Host Jurisdiction will make a reasonable effort to notify the Treating Jurisdiction immediately by telephone upon the Host Jurisdiction acquiring knowledge of such slug discharge or upset. That notice shall be provided to:

_____

_____

_____

Telephone: (702) _____ (____ am - _____ pm, Monday-_____)
(702) _____ (all other hours)

Within a reasonable time thereafter, the Host Jurisdiction shall transmit written notice of the slug discharge or upset to the Treating Jurisdiction in accordance with the "Notices" section above.

15. **Liability**. Except to the extent limited in accordance with NRS 41.035 to 41.039 and any applicable laws, as amended, each Party will be responsible as required by law for any loss, damage, liability, cost or expense (except those exempted by law) arising under this Agreement and caused by the actions or inactions of its employees, consultants, contractors, or agents.

16. **Joint Venture Disclaimer**. No joint venture is contemplated or established hereby, and neither of the Parties shall be deemed to be the agent of the other for any purpose by virtue of this Agreement.

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17. **No Third Party Beneficiaries; Assignment**. This Agreement shall not be deemed to be for the benefit of any entity or person who is not a Party to the Agreement and does not create any rights, benefits or causes of action for any other person, entity or member of the general public (including but not limited to, the record owner(s) of the property within the Service Area), and neither this Agreement, nor any interest therein, may be assigned without the prior written consent of the non-assigning Party. Any attempted assignment without the prior written consent of the non-assigning Party shall be void.

18. **Warranty of Authority**. Each Party warrants to the other that they have the authority and capacity to perform the provisions hereof.

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

20. **Headings**. The section headings herein are inserted only for convenience and reference and shall in no way define, limit, or prescribe the scope or intent of any provision of this Agreement.

21. **Integration and Agreement Amendment**. This Agreement represents the entire understanding of the Parties regarding the subject matter of this Agreement and can only be amended in writing, duly executed by both Parties, and approved with the same formality as this Agreement.

22. **No Waiver**. The failure of either Party to enforce any of the provisions of this Agreement at any time, or to require performance by the other Party of any of the provisions of this Agreement at any time, will not be a waiver of any provisions, will not in

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any way affect the validity of this Agreement, and will not affect the right of any Party to enforce each and every provision.

23. **Severability**. In the event that any provision hereof is held in any respect to be illegal, prohibited, invalid or unenforceable by any court of competent jurisdiction, such holding shall be effective only to the extent of such illegality, prohibition, invalidity or unenforceability without affecting the remaining provisions hereof, and the Parties hereby agree to replace such illegal, prohibited, invalid or unenforceable provision with a valid provision which has, as nearly as possible, the same effect.

24. **Effective Only Upon Full Execution.** This Agreement is not effective until fully executed by the Parties and until after every record owner of all real property in the Service Area, or each such record owner's duly authorized representative, has delivered to the Treating Jurisdiction a duly signed and notarized original "Acknowledgment of Wastewater Service" for recordation in the Official Records of Clark County, Nevada.

[*the remainder of the page intentionally left blank – signatures on following pages*]

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TREATING JURISDICTION:

[FULL LEGAL NAME OF TREATING JURISDICTION]

By: _____

Printed: _____

Title: _____

ATTEST:

Date of Council/Board Action: _____

By: _____

Printed: _____

Title: _____

Approved as to Form:

By: _____

Printed: _____

Title: _____

Approved as to Funding:

By: _____

Printed: _____

Title: _____

Approved as to Content:

By: _____

Printed: _____

Title: _____

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HOST JURISDICTION:

[FULL LEGAL NAME OF HOST JURISDICTION]

By: _____

Printed: _____

Title: _____

ATTEST:

Date of Council/Board Action: _____

By: _____

Printed: _____

Title: _____

Approved as to Form:

By: _____

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Title: _____

Approved as to Funding:

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Exhibit 1
Service Area

[Attached]

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