

**INTERLOCAL AGREEMENT BETWEEN
THE CITY OF FERNLEY AND LYON COUNTY, NEVADA**

This interlocal agreement is made and entered into by and between the City of Fernley, a political subdivision of the State of Nevada (“City”) and Lyon County, a political subdivision of the State of Nevada (“County”).

WHEREAS, the City is a political subdivision of the State of Nevada organized and governed pursuant to the provisions of NRS 266; and

WHEREAS, County is a political subdivision of the State of Nevada governed by NRS 244; and

WHEREAS, County desires to construct the Fernley Senior Center and office space for Lyon County Human Services in the City in order to improve the services and facilities for County and City residents, and to replace the existing Fernley Senior Center which is inadequate to meet the needs of the community; and

WHEREAS, County owns property at 1170 W Newlands Drive in Fernley that has an existing Senior Center which is inadequate to meet the future needs of the community; and

WHEREAS, City owns property on Lois Lane, commonly known as the Depot Property, that is in a desirable location for a County Senior Center and Human Services Facility (“County Facilities”), and City desires to locate a community center at the same location to provide efficient and valuable services to residents of City in a central and desirable location; and

WHEREAS, the City and County desire to work in a cooperative effort to provide services for seniors and other residents which maximize the use of City and County resources; and

WHEREAS, to facilitate such cooperative efforts, the City and County desire to enter an Agreement for the City of Fernley to do a boundary line adjustment on the Depot property to segregate the location for the proposed new Senior Center into a single parcel and transfer ownership of that parcel to Lyon County; and

WHEREAS, to facilitate such cooperative efforts, the City and County desire to enter an Agreement for County to transfer ownership of the property of the existing Senior Center at 1170 W. Newlands Drive to the City after the County demolishes the existing Fernley Senior Center after senior center operations cease at that location; and

WHEREAS, this Agreement benefits the health, safety and welfare of the citizens of the City and the County, by, *inter alia*, providing for the current and future needs of the citizens of the City and the County by making the best use of limited resources and advancing the development of a new senior center and community center.

NOW, in consideration of the foregoing premises, the City and the County hereby enter into this Agreement on the following terms and conditions:

1. **PARTIES.** This Agreement is made and entered into by and between the City of Fernley (“City”) and Lyon County (“County”), both political subdivisions of the State of Nevada.

2. **PURPOSE.** The purpose of this Agreement is for: (1) The City to create a parcel through a boundary line adjustment that would encompass a Senior Center and related parking at the Depot property in the City. The new parcel will be transferred by the City to the ownership of the County at no cost for the construction of a new Senior Center and Human Services Building. (2) The County will demolish the existing building located at 1170 W. Newlands Drive, Fernley and then transfer the property to the City at no cost to the City.

3. **PLANNING, DESIGN AND LOCATION OF FERNLEY SENIOR CENTER.** City and County agree to work cooperatively in their planning efforts to facilitate the location, design, and construction of the County Facilities in conjunction with the City's future plans to construct a Community Center and multi-use facility on property of the City commonly referred to as the Depot Property which is owned by the City. County has final and ultimate authority on the planning, design and location of the Fernley Senior Center on the parcel agreed to by the parties and transferred from City to County.

4. **JOINT USE OF FERNLEY SENIOR CENTER AND DEPOT PROPERTY.** The City and County agree to develop a separate joint use and maintenance agreement for the Fernley Senior Center and Depot property. Such joint use and maintenance agreement will be completed and approved within ninety (90) days of the issuance of the certificate of occupancy or the completion by the City of a park, community center or other public facility at the location. The joint use agreement shall include sharing of parking and shared use of facilities and maintenance of common or shared areas, including the parking lot.

5. **INSURANCE.** The County shall be responsible for maintaining liability and property insurance on the Senior Center at 1170 W Newlands Drive until such time as the Senior Center is demolished and transferred to City, at which time the City shall be responsible for liability and property insurance on the parcel.

6. **DEMOLITION OF EXISTING SENIOR CENTER AND TRANSFER OF PARCEL TO CITY.** County shall demolish the existing Senior Center located at 1170 W. Newlands Drive within one hundred and eighty (180) days from the time the City issues the certificate of occupancy for the new senior center. County shall be responsible for all costs associated with the demolition, including any required bidding and planning. County shall demolish the building and County shall occupy the new Senior Center prior to transferring the parcel to City. County agrees to transfer the parcel to City at no cost to City within 60 days of the completion of the demolition.

7. **BOUNDARY LINE ADJUSTMENT/PARCEL CREATION.** City agrees to work with County on the design of a suitable parcel for the Fernley Senior Center. City agrees to prepare the appropriate application and County agrees to pay for any required engineering or surveying necessary to complete the application. City will present to the application with the Planning Commission and City Council, if required, and there will be no application fees and costs. City and County agree to complete this process on or before December 31, 2018. City represents that the existing zoning will allow County to proceed with construction and use of the parcel for the Fernley Senior Center.

8. **SIZE AND LOCATION OF THE PARCEL.** City and County agree that the parcel will be located in the southeast corner of the Depot Property and will be approximately three acres in size.

9. **WATER, SEWER, AND OTHER UTILITIES.** County agrees to pay the expenses of bringing the utilities to the parcel, to include water, sewer, gas and electric. County will pay the costs associated with the water and sewer services. A separate meter will be installed for the senior center and County property and county will be responsible for all water and sewer fees, including connection and water rights fees. County agrees to stub the utilities so the City of Fernley can tie in on separate meter(s) for water and sewer service. County agrees not to seek any reimbursement from City for the costs of bringing the water and sewer to the property line, unless the City requests that County upsize the lines, in which event, City will reimburse County for any upsizing. The reimbursement can be made through a like credit on the connection fees if City so chooses to reimburse with a credit on connection fees. County agrees to pay for monthly water service based on the City's adopted rate schedule as amended from time to time. In addition, County shall pay the Water Ancillary Fee assessed to all properties in the City of Fernley.

With respect to gas and electricity, the parties agree that connections and infrastructure requirements will be at the direction of the respective provider. Both parties agree to cooperate with the other to facilitate connection to the property and all facilities on the property in an efficient manner. Each party shall be responsible for the costs associated with connection and service for their respective facilities.

10. **EASEMENTS.** County and City agree to execute a reciprocal easement for all parking areas which allows for the shared use of the parking areas. The parties will grant drainage easements as required to allow maximum use of each parcel and to direct the drainage as designed by the engineers and approved by the City. Each party agrees to execute necessary easements for utilities and ingress and egress so that the entire Depot Property may be used for its intended purposes of a community center and senior center along with government offices and recreation area.

11. **MAINTENANCE.** County and City will enter into the Joint Use Agreement as described above. In the interim, County will be responsible for the maintenance of its property, including the parking areas. County also agrees to maintain any retention basin on City property until such time as City begins construction of improvements of any kind on the property. The parties agree to coordinate maintenance in an effort to reduce costs and consistency between the parcels. Either party may contract with the other or third parties to perform maintenance on its parcel. Neither party shall perform maintenance on the other's property without the express written consent. Any maintenance performed on the other's parcel without the written consent will be at that party's sole expense, unless it is an emergency situation.

12. **CONSTRUCTION OF COMMUNITY CENTER.** The parties agree that City intends to build a community center, recreational area and Depot area on its property. County

agrees to cooperate with City in the design and construction of the project and understands that some temporary changes to parking and other uses of County's property may be impacted during construction.

13. GENERAL PROVISIONS.

A. Amendments. Either party may request changes to this Agreement. Any changes, modifications, revisions or amendments to this Agreement which are mutually agreed upon by and between the parties to this Agreement shall be incorporated by written instrument, and effective when executed and signed by all parties to this Agreement.

B. Applicable Law. The construction, interpretation and enforcement of this Agreement shall be governed by the laws of the State of Nevada. The courts of the State of Nevada shall have jurisdiction over any action arising out of this Agreement and over the parties.

C. Severability. Should any portion of this Agreement be judicially determined to be illegal or unenforceable, the remainder of the Agreement shall continue in full force and effect, and either party may renegotiate the terms affected by the severance.

D. Limited Liability. The parties do not waive and intend to assert available NRS chapter 41 and all other statutory or common law liability limitations in all cases. Contract liability of a party shall not be subject to punitive damages. To the extent applicable, actual damages for any breach shall be limited by NRS 353.260 and NRS 354.626.

E. Indemnification. Neither party waives any right or defense to indemnification that may exist in law or equity. All parties agree to defend, indemnify, and hold all other parties harmless from and against any claims, suits, actions or causes of action brought by or for any non-party due to the act or omission of any other party or that party's employees, contractors or agents.

F. Independent Public Agencies. Unless otherwise provided by law, the parties are associated with each other only for the purposes and to the extent set forth in this Agreement, and in respect to performance of services pursuant to this Agreement, each party is and shall be a public agency separate and distinct from the other party and subject only to the terms of this Agreement shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Agreement. Nothing contained in this Agreement shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any liability for one agency whatsoever with respect to the indebtedness, liabilities, and obligations of the other agency or any other party.

G. Waiver of Breach. Failure to declare a breach or the actual waiver of any particular breach of the Agreement or any of its terms by any party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

H. Execution of Additional Documents. Each Party hereto shall make, execute, acknowledge, and deliver such other instruments and documents, and take all such other actions as may be reasonably required in order to effectuate the purposes of this Agreement and to consummate the transactions contemplated hereby.

I. Third Party Beneficiary Rights. The parties do not intend to create in any other individual or entity the status of a third-party beneficiary, and this Agreement shall not be construed so as to create such status. The parties to this Agreement intend and expressly agree that only parties' signatory to this Agreement shall have any legal or equitable right to seek to enforce this Agreement, to seek any remedy arising out of a party's performance or failure to perform any term or condition of this Agreement, or to bring an action for the breach of this Agreement.

J. Notices. Notices and demands shall be served or forwarded by postage prepaid to:

CITY OF FERNLEY: DAPHNE HOOPER, City Manager

City of Fernley
595 Silver Lace Blvd.
Fernley, NV 89408

LYON COUNTY: Jeff Page, County Manager

27 S. Main Street
Yerington, NV 89447

Subject to the right of either party to designate by notice in writing to any new address to which notices, demands and installments of rental may be sent. Notice shall be deemed received three days after posting.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

CITY OF FERNLEY:

Roy Edgington, Mayor

Date

ATTEST:

Kimberly Swanson, City Clerk

Date

APPROVED AS TO FORM:

Brent Kolvet, Deputy City Attorney

Date

LYON COUNTY:

Robert Hastings, Chairman

Date

ATTEST:

Nikki Bryan, County Clerk

Date

APPROVED AS TO FORM:

Stephen B. Rye, District Attorney

Date