

Western Regional Water Commission

STAFF REPORT

DATE: June 10, 2021

TO: Chair and Members, Western Regional Water Commission ("WRWC")

FROM: Ben Hutchins, CPA, WRWC Finance Director,
Chris Wessel, WRWC Water Resources Program Manager

SUBJECT: Discussion, action, and possible approval of a Seventh Amendment to the Cooperative Agreement for Contractual Professional and Administrative Staff Services with Washoe County to provide staff services for the WRWC and the NNWPC and authorization of the WRWC Chair to execute the Amendment.

SUMMARY

Since July 1, 2008, following enactment of the Western Regional Water Commission Act (the "Act"), Chapter 531, Statutes of Nevada 2007, Washoe County has, through an Interlocal Cooperative Agreement with the WRWC, had the responsibility for providing staff support for all activities of the WRWC and the NNWPC established under the Act. The existing Agreement, as amended, dedicates certain staff members to support the WRWC and the NNWPC through a "contract service provider" model. This model was chosen based on it being the simplest, most cost-effective method for providing the required services. The existing Agreement, as amended by the Sixth Amendment, expires on June 30, 2021.

The existing Agreement provides for Washoe County to be reimbursed for actual direct and indirect costs for services provided. Categories for allocated overhead, which is among the reimbursable costs, are reflected in attached Exhibit G. The Agreement term has varied over the years between 1 to 4 years, requiring frequent renewals. The Seventh Amendment proposes modifying the term to an "evergreen term", cancellable by either party by 60 days' notice. All other provisions, terms and conditions of the Agreement will remain the same.

PREVIOUS ACTION

At its May 23, 2019 meeting the WRWC approved the sixth amendment to the Cooperative Agreement extending the effective date through June 30, 2021.

At its June 21, 2017 meeting the WRWC approved the fifth amendment to the Cooperative Agreement extending the effective date through June 30, 2019.

At its May 17, 2016 meeting the WRWC approved the fourth amendment to the Cooperative Agreement extending the effective date through June 30, 2017.

At its June 17, 2015 meeting the WRWC approved the third amendment to the Cooperative Agreement extending the effective date through June 30, 2016.

At its December 11, 2013 meeting the WRWC approved the second amendment to the Cooperative Agreement extending the effective date through June 30, 2015.

At its May 19, 2011 meeting the WRWC approved the first amendment to the Cooperative Agreement extending the effective date through June 30, 2014.

At its September 12, 2008 meeting, the WRWC approved the initial Interlocal Cooperative Agreement, and authorized the Chair to execute the same.

FISCAL IMPACT

Funding to reimburse Washoe County for the cost of salaries, benefits and indirect costs of the staff is established through the WRWC budget process on an annual basis in May as part of the yearly routine operating budget.

RECOMMENDATION

Staff recommends that the board approve the proposed Seventh Amendment to the Cooperative Agreement and authorize the Chair to execute the Amendment.

POSSIBLE MOTION

“Move to approve the Seventh Amendment to the Cooperative Agreement with Washoe County to provide staff services for the WRWC and the NNWPC and authorize the WRWC Chair to execute the Amendment.”

CW:jp

Attachment: Seventh Amendment to CA for Services Washoe Co

WRWC 13-11-7

**SEVENTH AMENDMENT
TO
COOPERATIVE AGREEMENT FOR CONTRACTUAL
PROFESSIONAL AND ADMINISTRATIVE STAFF SERVICES**

The following Sections of the COOPERATIVE AGREEMENT (the “Agreement”), dated November 7, 2008, entered into between Washoe County (the “County”), a political subdivision of the State of Nevada, and the Western Regional Water Commission (the "WRWC"), a Joint Powers Authority created pursuant Chapter 531, Statutes of Nevada 2007, the “Western Regional Water Commission Act” and cooperative agreement under Chapter 277, Nevada Revised Statutes, are hereby amended to provide as follows:

2. TERM. Section 2 of the Agreement is hereby amended and replaced in its entirety to read as follows:

“The term of this Agreement shall commence on November 7, 2008, and shall continue in effect until terminated pursuant to Section 5 of the Agreement.”

4. REIMBURSEMENT. Section 4 of the Agreement is hereby amended and replaced in its entirety to read as follows:

“For each year of this Agreement the WRWC will allocate sufficient resources in its annual budget to fully and promptly reimburse the County for the wages, benefits, and allocated overhead of the Assigned Employees attributable to providing the Services defined in Section 3.5, above. For budgeting purposes, compensation for the Services provided shall be set at a level sufficient and equivalent to cover fully the County’s actual direct and indirect costs for the Services provided, including, but not limited to, wages, hours, mileage reimbursement, compensatory time, sick leave, special sick leave, annual leave, insurance premiums, worker’s compensation coverage and claims, pension and other post-employment benefits, and all other benefits the County now provides, or may provide in the future. Reimbursable allocated overhead shall include, but not be limited to, the categories and items listed in Exhibit G, subject to approval of the WRWC Water Resources Program Manager, or

its successor, or any person in a functionally equivalent successor position, to carry out the specific intention of the Parties to fully reimburse the County for all of its direct and indirect costs related to providing the Services. The County shall be responsible for the payment of any insurance and Worker’s compensation claims that were made by the Assigned Employees prior to the Effective Date of this Agreement. Reimbursement will be in the form of a Journal Entry transferring funds from the Regional Water Management Fund to an applicable fund designated by the County, and shall exclude documented wages, benefits, and allocated overhead attributable to tasks and duties performed by the Assigned Employees for the benefit of the County pursuant to Section 3.7, above. Such fund transfer shall occur at the end of each County two-week pay period except for reimbursement of allocated overhead which shall occur at least annually.”

The Agreement as amended to include the revisions set forth above is incorporated herein by reference, and all other terms and conditions of the Agreement shall remain in full force and effect.

This Seventh Amendment is effective July 1, 2021, regardless of the dates of execution by the Parties ("Effective Date").

WESTERN REGIONAL WATER COMMISSION

WASHOE COUNTY

Dated this ___ day of _____, 2021

Dated this ___ day of _____, 2021

By _____
Vaughn Hartung
Chair, WRWC

By _____
Bob Lucey
Chair, Washoe County Commission

APPROVED AS TO FORM:
McDonald Carano LLP

APPROVED AS TO FORM:
Washoe County District Attorney

By _____
Michael Pagni, WRWC Legal Counsel

By _____
David Watt-Vial
Assistant District Attorney

EXHIBIT G**OVERHEAD CATEGORIES****1. Washoe County Community Services Department (“CSD”)**

Categories identified as benefiting the Western Regional Water Commission (“WRWC”) may include the following; however, additional categories may also be applicable. The basis of allocation and final categories will be evaluated and finalized by the WRWC Water Resources Program Manager, or his successor, or any person in a functionally equivalent successor position, and County Management.

- a. Finance and Administrative Staff who provide service to the WRWC, including all employee-related costs outlined in Section 4 of the Sixth Amendment to the Agreement.

- b. Services and Supplies
 - Building Janitorial
 - Repairs and Maintenance
 - Copy Machine Expense
 - Office Supplies
 - Telephone / Land Lines
 - Office Space
 - Electric and Gas
 - Water and Sewer
 - Software (not provided by Information Technology Dept.)

2. Washoe County General Fund – Utilities Indirect Cost Allocation Plan

- a. Building Charge
- b. County Manager – Admin
- c. County Manager – Communications & Media
- d. County Manager – Management & Budget
- e. Comptroller
- f. Facilities Management
- g. Tech Services – Admin
- h. Tech Services – Other
- i. Tech Services – Enterprise Infrastructure
- j. Tech Services – Customer & Enterprise Solutions
- k. Human Resources
- l. Purchasing
- m. Treasurer