

A G R E E M E N T

THIS AGREEMENT, made and entered into this 30th day of October, 1981, by and between INDIAN HILLS GENERAL IMPROVEMENT DISTRICT, hereinafter referred to as "DISTRICT", and UNITED STATES BUREAU OF INDIAN AFFAIRS, hereinafter referred to as "OWNER."

W I T N E S S E T H:

WHEREAS, the DISTRICT is a general improvement district duly formed and organized pursuant to the provisions of Chapter 318, Nevada Revised Statutes, and

WHEREAS, the DISTRICT has for several years last past and does presently own and operate a treatment and disposal system for sewage in the area of Douglas County, Nevada, lying within the DISTRICT boundaries.

WHEREAS, OWNER is the owner of certain real property located in Douglas County, Nevada, which is more particularly described in Exhibit "A", which is attached hereto and incorporated herein by reference, said real property hereinafter referred to as "real property of OWNER", and

WHEREAS, DISTRICT has heretofore constructed and is presently operating and maintaining treatment facilities on Hobo Hot Springs Road, north of Stewart Indian School Cattle Ranch, which produces secondary sewage effluent and

WHEREAS, OWNER proposes to receive all of the treated sewage effluent water at the point of diversion as is hereinafter provided, and is to provide lands upon which the effluent may be discharged and confined for irrigation purposes at times agreed upon herein, and

WHEREAS, the parties are desirous of entering into a mutually

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District Engineer

✓ Ind. Hill G.I.D.

agreeable contract to provide for the export of the treated sewage effluent water from the DISTRICT'S works and treatment facilities and to provide for the acceptance and use of said sewage effluent water for irrigation purposes on OWNER'S real property, as hereinafter provided, assuring the protection of the health and welfare of the residents of Douglas County and the State of Nevada and elsewhere and to promote the beneficial utilization and conservation of water.

NOW, THEREFORE, in consideration of the terms, conditions and covenants of this Agreement, it is agreed as follows:

1. Construction of Export Facilities

DISTRICT agrees to construct the pipeline and related export and discharge facilities necessary to export treated sewage effluent water from the DISTRICT'S sewage treatment plant located at Hot Springs Road, Douglas County, Nevada, to the point of discharge, so designated on said Exhibit "A". There will be constructed by the DISTRICT such facilities as shall be reasonably required by OWNER in order to cause said effluent to be conveniently diverted into the head of the irrigation system of OWNER and for irrigation purposes as hereinafter provided.

2. Operation and Maintenance of Export Facilities.

The export facilities, including the pipeline, and discharge facilities, are to be constructed, owned, operated and maintained by the DISTRICT.

3. OWNER'S Real Property

OWNER represents that it owns in fee approximately two thousand (2,000) acres of real property in Douglas County, Nevada, bounded in red on said Exhibit "A" and that it will for the term of this agreement set aside and make available a minimum of six hundred forty (640) acres of said land suitable for irrigation purposes.

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4. Delivery and Use of Effluent Water

It is estimated by the DISTRICT that commencing forthwith, there will be exported from the District Treatment Plant an average daily flow of fifty thousand gallons (50,000) per day of sewage effluent water only which will ultimately reach the capacity of two hundred thousand (200,000) gallons per day. The foregoing is an estimate only, which is not to be relied upon by the OWNER, as it is dependent upon the growth and development within the service area of DISTRICT.

DISTRICT and OWNER agree:

a) During the term of this agreement DISTRICT has the right to deliver, and OWNER shall receive during the period from January 1 through December 31 of each year all of said treated sewage effluent water the DISTRICT deems necessary to export.

b) DISTRICT shall cooperate with OWNER in regulating discharge flows so as to assist OWNER in an orderly application of the effluent water as shall be indicated or required in good and workmanlike irrigation practices.

c) That no duty is imposed upon the DISTRICT to export any or all of its effluent, nor does OWNER acquire any right to demand any quantity of sewage effluent to be exported. Provided, however, OWNER is entitled during the periods of time heretofore stated to all of said effluent water which shall be exported by the DISTRICT.

d) While irrigating, OWNER shall manage said effluent in such a manner as to insure that it shall not be later discharged into the Carson River. In other respects, OWNER agrees to cooperate with DISTRICT in meeting all other requirements of the State of Nevada or the United States Environmental Protection Agency as

may from time to time become effective.

e) That the treated effluent waters shall meet the standards set forth in Paragraph 6 below at the point of discharge.

5. Warranties of OWNER

With regard to the use of effluent hereunder, in this regard, OWNER or any other party or parties using the sewage effluent water shall indemnify and save DISTRICT harmless from and against any and all claims or lawsuits arising from anything done by OWNER or his agents or employees, arising out of the use of said effluent water.

6. Quality of Effluent

The treated sewage effluent exported by DISTRICT and discharged onto OWNER'S land shall conform to all present and future specifications and requirements of the regulatory agencies of the State of Nevada relating to the application of treated sewage effluent water for use on irrigated farm lands.

7. Assignment by Owner

Nothing herein contained shall be construed so as to deny OWNER the right to enter into an agreement with any adjoining or adjacent property owner or owners, the purpose of which may be to share on such basis as may be agreed upon between the parties the right to use the effluent which is the subject of this agreement; provided, however, that the terms and conditions of any such agreement or agreements incorporate all the terms and conditions of this agreement and bind such party or parties to comply with all the terms and conditions of this agreement and further require such party or parties to become a party to this contract so as to require their compliance with the terms and conditions of this contract.

It is the further understanding of the parties that such an agreement must first be submitted to DISTRICT for its written

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approval, it being the understanding of the parties that such approval shall not be unreasonably withheld.

8. Term of Agreement

This agreement shall be effective for a period of twenty-five (25) years from the date hereof, unless sooner terminated as herein provided.

9. Termination by District

This agreement may be terminated by DISTRICT:

a) In the event the DISTRICT subsequent hereto shall develop processes approved by the appropriate Governmental agencies to allow the DISTRICT to retain the sewage effluent within the DISTRICT boundaries, or,

b) In the event that DISTRICT shall, by Governmental action, be required to relocate its point of discharge or otherwise modify its method of effluent disposal; Then, and in these events, the DISTRICT does hereby reserve the right to terminate this agreement and discontinue the discharge of its treated effluent upon OWNER'S real property.

10. Binding Clause

The terms and conditions as set forth in this agreement shall constitute covenants running with the land and be appurtenant to the real property owned by the OWNER, as is more particularly described in said Exhibit "A", and shall be binding upon the successors and assigns of the OWNER.

11. Legal Fees

Should any party to this agreement be required to retain an attorney to enforce any of the terms, conditions or covenants of this agreement, then the party prevailing shall be entitled to legal fees and court costs.

12. Memorandum of Agreement

It is expressly understood and agreed that at the time of the execution of this agreement all of the real properties

described in the attached Exhibit "A" and owned by OWNER are subject to the terms and conditions of this contract and are encumbered by the covenant running with the land.

a) The parties hereto covenant and agree to execute a memorandum of this agreement in recordable form which may, at the option of either party, be recorded in the Office of the Douglas County, Nevada Recorder.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

INDIAN HILLS GENERAL IMPROVEMENT DISTRICT

By Frank Bertucci
Frank Bertucci, Chairman

Attest:

Patricia A. Martin
Pat Martin, Secretary

UNITED STATES BUREAU OF INDIAN AFFAIRS

By Robert Hunt

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REQUESTED BY
Indian Hills, G.I.D.
JEFFREY K. RAHBECK, IN OFFICIAL RECORDS OF
DOUGLAS CO. NEVADA
A PROFESSIONAL CORPORATION *No fee*
STATELINE, NEVADA
1982 FEB - 8 AM 11:56

SUZANNE BEAUDREAU
RECORDER

Betty Herndon
Dep.

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