

RULE NO. 20

WATER SERVICE RULES, FEES, CHARGES AND RATES

I. METERED WATER RATES, FEES AND CHARGES

In addition to any fees, charges or rates established in the preceding Rules, the following shall apply as to water service:

A. Availability Of Water Service:

Water service is available from the District to Customers for real property within the service area and legal boundaries of the Sun Valley General Improvement District, per the District Rules and/or Regulations.

B. Applicability Of Water Rules, Rates, Fees And Charges:

The rules, fees and rates established in this Rule are applicable to all Customers of property connected to the water system owned, operated or controlled by the District, and to all Applicants desiring or being mandated by law to become so connected.

In addition, this Rule is applicable to Truckee Meadows Water Authority or any successor entity as follows: Truckee Meadows Water Authority is required to furnish to the District in written form on a monthly basis the results of all water meter readings on all multiple family residential dwellings located within the area south of the District which is served by that sewer capacity leased by the District to the County of Washoe.

C. Water Revenue System:

The District's Water Revenue System shall generate revenue sufficient to meet Operation, Maintenance and Repair costs to provide safe drinking water thereby assuring the facilities fiscal operational through charges to customers which are proportionate to their service connection and type.

1. Water Rules, Rates, Fees, And Charges For Residential Service Classification:

Delivery of water to any single-family residential dwelling unit individually metered as defined under Rule No. 1 located within the District's Service Area and connected to the water system owned

and operated by the District.

Base Service Rate –The minimum charge shall be set by the Customer's meter size:

Service Connection/Meter Size	Per Meter-Per Month
3/4"	\$28.04
1"	\$30.41
1 1/2"	\$46.47
2"	\$49.09
3"	\$66.53
4"	\$101.74
6"	\$136.05
8" or greater	\$172.02

Consumption Charge - per 1,000 gallons of water consumed per month, as shown by the Customer's water meter:

Tier 1 0 to 6,000 gallons	\$2.94
Tier 2 Greater than 6,000 gallons	\$4.21

Multi-Unit Charge – For each additional unit in excess of one (1) unit served from a single residential meter, the unit charge shall be **\$28.04** per unit. Customer shall be required to provide the District a Washoe County Administrative and/or Building Permit for additional unit(s), including but not limited to, Attached Accessory Dwelling, Detached Accessory Dwelling, and Infirm Care Unit. Customer is required to request for inspections for setup and disconnect of additional unit.

2. Water Rules, Rates, Fees, And Charges For Residential Multiple-Unit Complexes Service Classification:

Delivery of water to any Residential Multiple-Unit Complexes (including apartment complex, and mobile home parks) serviced by a master meter(s), as defined under Rule No. 1 located within the District's Service Area and connected to the water system owned and operated by the District.

Base Service Rate – A minimum base service rate shall be set at the same as a single-family 3/4 inch meter, per apartment/mobile home

unit and will be billed whether or not unit is occupied:

Service Connection/Meter Size	Per Meter-Per Month
$\frac{3}{4}$ "	\$28.04

Consumption Charge - per 1,000 gallons of water consumed per month, as shown by the Customer's water meter:

Tier 1 0 to 6,000 gallons per unit	\$2.94
Tier 2 Greater than 6,000 gallons, per unit	\$4.21

3. Water Rules, Rates, Fees, And Charges For Commercial And Industrial Service Classification:

Delivery of water to any Commercial and Industrial service classifications as defined in Rule No. 1 located within the District's Service Area and connected to the water system owned and operated by the District.

Base Service Rate – The minimum charge shall be set by the Customer's meter size:

Service Connection/Meter Size	Per Meter-Per Month
$\frac{3}{4}$ "	\$28.04
1"	\$30.41
1 $\frac{1}{2}$ "	\$46.47
2"	\$49.09
3"	\$66.53
4"	\$101.74
6"	\$136.05
8"	\$172.02

Consumption Charge per 1,000 gallons of water consumed per month, as shown by the Customer's water meter:

Tier 1 0 to 10,000 gallons	\$2.94
Tier 2 Greater than 10,000 gallons	\$4.21

Additional Unit Charge – For each additional unit in excess of one (1) unit served from a single meter, a per unit charge shall be set by the

Customer's meter size.

4. Water Rules, Rates, Fees, And Charges For Irrigation Service Classification:

Delivery of water to any separately metered Irrigation service as defined in Rule No. 1 located within the District's Service Area and connected to the water system owned and operated by the District.

Base Service Rate – The minimum charge shall be set by the Customer's meter size:

Service Connection/Meter Size	Per Meter-Per Month
3/4"	\$28.04
1"	\$30.41
1 1/2"	\$46.47
2"	\$49.09
3"	\$66.53
4"	\$101.74
6"	\$136.05
8"	\$172.02

Consumption Charge - per 1,000 gallons of water consumed per month, as shown by the Customer's water meter:

Irrigation Per 1,000 gallons	\$4.21
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5. Water Rules, Rates, Fees, And Charges For Bulk Service Classification:

Delivery of water to be served as a one-time bulk usage basis such as, but not limited to, filling of water tanker truck to spray roads during construction and/or used for other construction purposes.

Base Service Rate – A monthly base service charge for having District's equipment and manpower available for bulk single use services shall be set at **\$34.03** per month.

Consumption Charge - per 1,000 gallons of water consumed per month, as shown by the Customer's water meter:

Bulk Use Per 1,000 gallons **\$4.21**

6. Regional Water Management Fee:

Nevada law creates a Western Regional Water Commission to plan for and manage the supply and quality of water, the collection and treatment of sewage, and the drainage and alleviation of excessive surface water among other things. Pursuant to such statutes an additional fee at a rate of 1.5% percent of the amount billed only on the base rate, applicable unit charge and gallons consumed (water only) is to be billed by each supplier of water to its customers within the region. As a supplier of water, the District hereby imposes this charge as well. This charge will be stated separately on the water bill and dispersed for use by such Western Regional Water Commission.

7. Sparks Right-Of-Way Fee:

City of Sparks Right-of-Way Fee shall be charged to each Customer within City of Sparks limits and receiving services by the District at a rate of 5% percent of the amount billed on the base rate and applicable unit charge and gallons consumed (right-of-way fee is assessed on water only). This charge will be stated separately on the water bill and dispersed to the City of Sparks per Agreement between City of Sparks and the District adopted June 22, 2020.

8. Minimum Charge:

The minimum monthly charge for service shall be the sum in accordance with the appropriate service classification as identified above.

D. Accessory Dwellings:

A Customer applying for service to an Attached Accessory Dwelling or a Detached Accessory Dwelling, as defined in Rule No. 1 shall comply with the following conditions before service is supplied:

1. The Customer must first apply for and receive an Administrative and/or Building Permit from Washoe County for the occupancy of such Attached Accessory or a Detached Accessory Dwelling.

2. The Customer shall, if required by the District, pay the current Water Facilities fee.
3. The Customer must apply for and receive a "Will Serve" letter from the District.
4. The water service line to service an Attached Accessory Dwelling shall be an extension of the service line servicing the main residence.

The water service line to service a Detached Accessory Dwelling shall be a separate service line, with a separate and independent tap into the water main, with its own water meter, with its own dedicated water rights to serve additional dwelling and all inspections thereof shall be made and fees therefore shall be paid, as with new construction.

5. The Customer shall then apply, on a District-provided form, for Multi-Unit in the District office.
6. Attached Accessory Dwelling or a Detached Accessory Dwelling will be billed as a Multi-Unit in accordance set forth above in this Rule.

E. Infirm Care Units:

A Customer applying for service to an Infirm Care Unit, as defined in Rule No. 1, must comply with the following conditions before service is supplied:

1. The Customer must first apply for and receive an Administrative Permit from Washoe County for the occupancy of such Infirm Care Unit.
 - a. All provisions of the District Rules and/or Regulations for water service to a residential unit must be met, except for the provision of a water meter to such unit, except as discussed below. These provisions include the application of all District inspection and approval of water service lines to the unit prior to occupancy.
 - b. The Infirm Care Unit may not be transferred to another individual and/or property.

- c. Any approval of such unit is automatically cancelled upon any transfer of ownership of the real property, upon which the unit is located, unless the District's approval is first obtained.

All Infirm Care units are strictly temporary in nature, and continued occupancy thereof is not permanent or guaranteed by the District.

1. The Customer shall then apply, on a District-provided form, for Multi-Unit in the District office.
2. Infirm Care Unit will be billed as a Multi-Unit in accordance set forth in this Rule.
3. The District reserves the right, at its own cost and expense, and at any time, to place a water meter of its choice at any suitable location of its choice, to read and measure the amount of water being utilized in such Infirm Care unit. By application for such infirm care unit, Customer gives the District the right to come onto the property of Customer to install, read, maintain and remove such meter.
4. It is a violation of the District Rules and/or Regulations for any customer to utilize an unapproved Infirm Care unit or to use an infirm care unit as a rental or otherwise to produce income there from. In the event of a disapproval of the continuation of the unit by the Board, the unit must be vacated by any occupant thereof within ten (10) days of disapproval. In the event any such occupant does not vacate the unit within that time, or in the event of a use of the unit in violation of the District Rules and/or Regulations, the District may immediately thereafter, on five (5) days written notice, take such steps as are necessary to stop the occupancy of such unit, including but not limited to, discontinuance of water service to the entire subject property of customer.

F. Unpermitted Service:

It is a violation for a customer to hook-up water line(s) to any building or structure without a Washoe County Permit and District Service Application.

It is a violation to hook-up water line(s) to a travel trailer or recreation vehicle except as may be allowed pursuant to Washoe County Code.

All violations will be reported to Washoe County Code Enforcement.

1. First offense, Customer will be given a notice to disconnect within 48 hours or, if not disconnected, service will be disconnected. Failure to disconnect will result in a shut off of water to the property.
2. Upon reconnection, Customer will be charged a **\$100.00** penalty in addition to the District's **\$50.00** reconnection charge.
3. Each additional violation associated with the same property will result in immediate disconnect and will result in an incremental increase of the penalty by \$100.00. [Example: Upon a third violation, Customer will be charged a penalty fee of \$300.00 in addition to the reconnection fee.]

G. Non-Taxpaying Customers:

Customers that do not pay ad valorem property taxes to the District either because:

1. Customer is exempt as a matter of law from payment of ad valorem taxes; or
2. Customer receives service within an incorporated city and ad valorem taxes as authorized to be levied by the District by NRS 318.225 is not available because reserved by the incorporated city, whether by agreement or action, shall have a Capitalization Service Charge of **\$2.64** per dwelling unit charged per month to help fund capital improvement projects and ensure consistency in burden for that purpose with unincorporated District customers.

For Customer under two (2) above, total District revenues from ad valorem property taxes shall be calculated by averaging; the total amount of ad valorem received by tax-paying customers and divided by the number of services received by the District. The Capitalization Service Charge shall be applied equally to all sizes of service connection to such properties. The Capitalization Service Charge shall be reviewed and adjusted from time to time by the Board of Trustees of the District to assure consistency with tax-paying Customers.

In the event that the District determines that a non-taxpaying customer has or will provide other consideration or services to the District or its customers which consideration or service is substantially equal to or greater than the money to be derived from the foregoing Capitalization Service Charge, the Board of Trustees of the District may, in its sole discretion, waive the foregoing charge set out in this paragraph.

H. Special Conditions:

Service hereunder shall be subject to the District Rules and/or Regulations applying to water service, which are incorporated herein by reference, except insofar as such rules and regulations are in conflict with this Rule, in which event the provisions of this Rule shall control.

II. WATER SERVICE CONSTRUCTION CONNECTION RULES, RATES, FEES AND CHARGES

A. Availability Of Water And Service Connection:

Water connections are available from the District to Customers for real property within the service area and legal boundaries of the Sun Valley General Improvement District, per the District Rules and/or Regulations.

The District will furnish and install a service connection of suitable capacity, from its water main to a point to be determined by the District. The point shall be between the existing or proposed curb line and the property line of the premises abutting upon a street or other thoroughfare. The service connection shall be supplied only to serve a justified need of a permanent water Customer.

Provided, however, in the event the service connection is a reinstallation or a relocation of an existing connection, Applicant shall pay the cost for requested reinstallation or relocation of service connection, which cost includes, but is not limited to, cost of materials and labor supplied by the District at its then-existing rates, and all other costs incidental hereto.

No taps shall be allowed into any high-pressure water transmission main.

The Customer's yard line or piping shall extend to that point behind the curb line or property line easiest of access to the District from its existing distribution system or requiring the least extension of the existing distribution main. The District shall be consulted before the installation thereof and its approval of location secured.

Only duly authorized employees or agents of District will be permitted to install a service connection from the District's main to the Customer's premises.

B. Applicability Of Water Service Connection Rules, Rates, Fees, And Charges:

The rules, rates, fees and charges for water service connections established in this Rule are applicable to all persons applying for water connections to service any property falling under any service classification defined in Rule No. 1 herein.

C. Fees And Charges:

1. Tap Fee:

a. Base Fees:

Customer will be required to provide the District an advance 100% deposit for estimated costs for water tap prior to commencement of scheduling tap to cover District staff time, equipment and material for tap. Due to the differences in water main depths and soil conditions, a firm estimate of cost cannot be given. The District will invoice the Customer any amount over the original job cost deposit estimate. When pavement removal and replacement are required, an additional deposit based on the size of the street cut will be required.

When the County Building Department requires larger than a 1" inch service line between the meter and the building served, and a single meter box is to be installed, then a service line of a size equal to that required by the County Building Department between the meter and the building served shall be installed between the main and the single meter box. When the County Building Department requires larger than a ¾" inch service line, and a double meter box is to be installed, then a 1-1/2" inch size line shall be installed between the main and the double meter box.

The base fee for connection by the District of water service pipes in excess of 1" inch in diameter shall be in an amount equal to the actual cost of installation thereof, which cost includes, but is not limited to, cost of meter, meter box, yoke, service lateral, sand, labor and all other costs incident to such installation.

Taps must be completed within six (6) months after water project approval. All taps must be completed by the District or licensed Contractor approved by the District.

b. Additional Charges:

In addition to the base fee for the tap as set out above, the applicant shall also pay the actual cost to the District of any street cut permit and of pavement cutting, removing and replacement. All street cut permits will be obtained by the

District unless construction is being done by a contractor approved by the District, in which case the contractor or property owner will obtain the permit.

In the event a tap is requested by the Applicant to be performed outside of the District's regular working hours as set by the District, the Applicant shall also pay the overtime wages paid by the District to its employees and agents performing said tap.

c. Refund Procedure:

In the event an applicant cannot develop parcel(s) and taps have not been completed, any request for a refund must be approved by the Board of Trustees. Consideration of District bonded indebtedness obligations and the District's financial condition shall be of primary importance in decisions on such refunds. Refunds shall be considered only on a case-by-case basis. Refund will be subject to an administrative fee, per occurrence set forth in the Utility Fee Schedule in Rule No. 22 as Exhibit A.

2. General Water Facilities Charge:

For the availability of water service, the District shall charge and the Customer shall pay a fee based upon factors including, but not limited to, the District's current investment in the water system, system development costs and the cost of capital. This fee shall be

separate and apart from costs of construction of private yard lines and house piping upon the Customer's property, which costs of construction are the sole responsibilities of the Customer.

The General Water Facilities Charge shall be **\$7,381.00** per unit for any size new water service connection: new residential, commercial, irrigation.

All water fees set forth in this Section shall be paid in full to the District prior to water plan submittal for review and/or approval by Nevada Department of Environmental Protection or Northern Nevada Public Health, issuance of Will Serve Letter, and commencement of construction of improvements on the subject property.

Provided, however, that for any improvement to real property, proposing single-family residential use, whether by parcel map or subdivision map, the Customer/Developer may request, in writing, the applicable below deferred payment option to pay the General Water Facilities Charge for each parcel under the following agreed terms. Charges may not be deferred for any project which includes commercial, or other multi-family/multi-unit dwelling complexes uses such as apartment complex and mobile home parks.

3. Payment Option:

- a. One-third of the Water Facilities Charge paid at the time to the District prior to the water plan submittal for review and/or approval by Nevada Department of Environmental Protection or Northern Nevada Public Health, and issuance of Will Serve Letter.
- b. One-third of the Water Facilities Charge paid at the time of commencement of construction of improvements upon the parcel, including grading and utility trenching.
- c. One-third of the Water Facilities Charge paid at the completion of improvements upon the parcel or at time of customer's request for water service to the parcel.

Project shall not be eligible for water service, and the District shall have no obligation to set water meters or provide water service to any portion of the project until General Water Facilities Charges have been paid in accordance with this Rule. No customer or developer may have in excess of one parcel map/subdivision project with payments being made under the above schedule pending completion of the payments to the District at any one time. For these purposes,

“Customer” includes family members of the Customer and what would be in the District’s sole discretion, the Customer’s closely related business entities.

The District shall have a perpetual lien on the subject property for any payment due under this Rule.

Rights to make the partial payments allowed herein shall not be transferable to a new owner without the District’s prior written approval. In the event that any one or more of the up to four (4) parcels subject to this partial payment schedule shall be sold or transferred to another owner in any manner whatsoever, the balance of the partial payments unpaid at the time of transfer of such parcel(s) shall be due in full.

4. Refund Procedure:

In the event an applicant cannot develop parcel(s), any request for a refund must be approved by the Board of Trustees. Consideration of District bonded indebtedness obligations and the District’s financial condition shall be of primary importance in decisions on such refunds. Refunds shall be considered only on a case-by-case basis. All requests for refund of a facility charge must be submitted in writing no later than six (6) months from the date of payment of first payment of the facility charge. Refund will be subject to an Administrative Fee, per occurrence set forth in the Utility Fee Schedule in Rule No. 22 as Exhibit A. No refunds will be considered if map has been recorded or if taps have been installed.

D. Special Conditions:

1. Service hereunder shall be subject to the District Rules and/or Regulations applying to water service, which are incorporated herein by reference, except insofar as such rules and regulations are in conflict with this Rule, in which event the provisions of this Rule shall control.
2. Only duly authorized employees or agents of the District will be authorized to install service connections.
3. All street cut permits will be obtained by District personnel, unless construction is being done by the contractor in which case the contractor or property owner will obtain the permit.

4. Some property in the District may be serviced by the property's own private well water supply. On those properties a water meter has been installed per the provisions of Rule No. 21 I C. In the event the owner of such property makes application to replace the private well water supply to the property with water to be supplied by the District,

the hookup charge set out in Paragraph C above shall apply. However, the Applicant shall be credited toward that charge the cost to the District, at the time of purchase, of the water meter being then utilized to meter water flow from the well (if that water meter is also to be relocated to the District's water service connection point).

5. Any existing Customer who makes modification to his existing water line size, character or extent of the equipment or operations for which the service is utilized shall immediately file with the District office a modification form.

Upon receipt of such form, the District will determine the following:

- a. If the modifications are to such an extent that the water used on the subject property exceeds that water allocated to the property, the Customer will be required to purchase and dedicate the needed additional water rights per Rule No. 2.
- b. If the modification is to a commercial or industrial property and results in an additional new and separate commercial or industrial business, all appropriate charges set out in the Rule shall apply to the Customer, as a new customer. It shall be presumed that if a customer receives a new business license for such additional business, these charges apply.

E. Maintenance:

The District will not be responsible for the installation and maintenance of the water pipe lines beyond the end of the District's service connection or meter.

It shall be the owner's and/or Customer's responsibility to determine that on-premises fixtures and piping shall conform to the requirements of all State, County or Municipal ordinances, laws and regulations and the District

Rules and/or Regulations and be properly maintained.

F. Right Of Access To Premises Of Customer:

The District, or its duly authorized agents, shall have right to access the Customer's premises for any purposes to access water facilities. Customer is responsible for maintaining a 3' foot clearance around District facilities for access by the District or duly authorized agents. Removal of any restrictive object such as, but not limited to, fence, vehicle, trailer, structure, landscaping, and etc. will be removed and Customer will be responsible for all associated costs with accessing District facilities.

G. Responsibility For Loss Or Damage:

The District will not be responsible for any loss or damage caused by negligence or wrongful act of a Customer or their authorized representative in installing, maintaining, operating or using any or all appliances, facilities or equipment for which water service is supplied.

The Customer will be held responsible for damages to District's facilities and other property resulting from the use or operation of appliances, facilities, or other property on Customer's premises. Customer will be charged for damages to District Facilities as set forth in the Utility Fee Schedule in Rule No. 22 as Exhibit A.

H. Special Conditions:

Services hereunder shall be subject to the District Rules and Regulations applying to water services which are incorporated herein by references, except insofar as such rules and regulations are in conflict with this Tariff, in which event the provisions of this Tariff shall control.

III. IRRIGATION SERVICE

- A. Where a Customer utilizes Irrigation Service as defined in Rule No. 1, which irrigation water is to irrigate common areas owned or administered by Homeowner's Associations and apartment complex, or to irrigate public property grounds such as schools, parks and recreation fields, or for irrigation service to properties utilizing commercial or industrial service etc., a water meter shall be installed to measure such use. District's Rule No. 2 Exhibit B Water Rights Contribution determines the amount of water rights to be dedicated to the District for such Irrigation Service.